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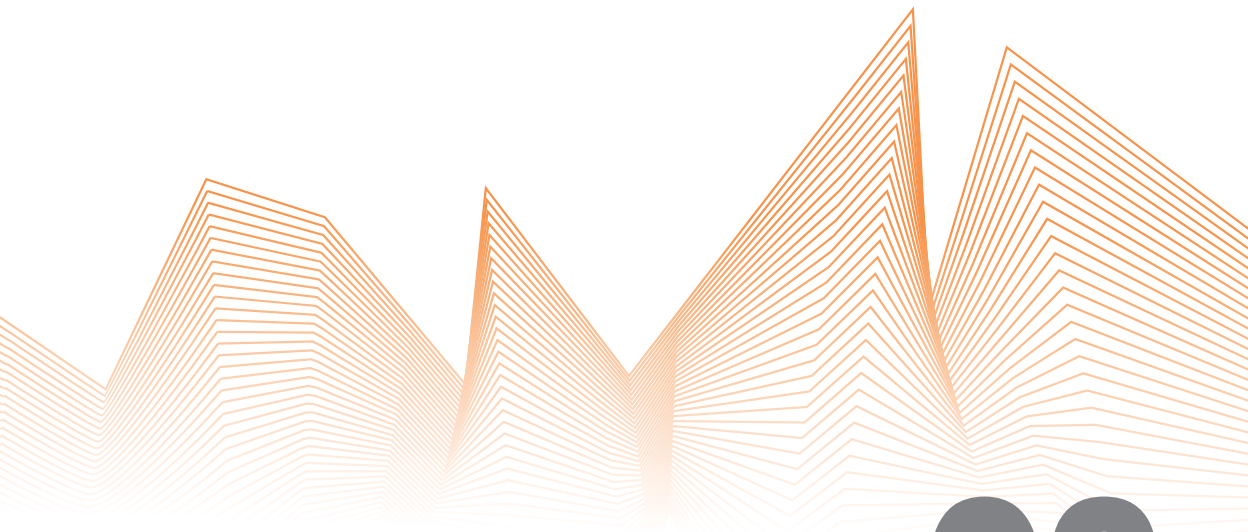

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2022

SWEDISH DEVELOPMENT COOPERATION WITH ETHIOPIA: SIXTY YEARS OF LESSONS LEARNED

Bereket Kebede, Leif Danielsson, Hailu Elias, Gunnar Köhlin

Swedish Development Cooperation with Ethiopia: Sixty Years of Lessons Learned

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Foreword by the EBA

Ethio-Swedish relations began in 1866 when the first Swedish missionaries landed in Massawa. Already in 1954, Ethiopia became the first bilateral partner in Sweden's official development cooperation. Initially Sweden was one of the countries that engaged itself most in the recovery from war and the formation and development of the Ethiopian state. In the following decades many other countries and international organizations provided support to Ethiopia. Swedish funding has remained significant over many years but is no longer among the largest. It remains important to ask what these aid volumes have achieved.

In this evaluation, Professor Bereket Kebede and colleagues tackle the question of results and relevance of Swedish development cooperation with Ethiopia. The purpose is to generate lessons to inform future development cooperation. The evaluation spans almost the entire history of cooperation, from 1960 to today.

The authors find that one of the most significant long-term impacts of Sweden's support has been in rural development and education. Chilalo Agricultural Development Unit (CADU) was a comprehensive, innovative rural development initiative that improved agricultural productivity in the project area. Many of CADU's activities were subsequently rolled out as national agricultural programmes. In terms of support to the educational sector, an early program increased the number of schools and meant that enrolment could be boosted also in remote areas. This has been a significant achievement.

Sweden support has also been more stable compared to other main donors. The authors claim that this stability has built a strong reputation for Sweden among Ethiopian stakeholders as a reliable, long-term ally. While Sweden is argued to have played a formal coordinating role as well as an informal leadership role among donors to Ethiopia, Sweden's aid has also been one of the most

fragmented in comparison with other top donors. On the negative side, fragmentation could increase transaction costs. However, on the positive side, fragmentation allows small-scale, low-cost experimentation, facilitating learning by doing.

I hope that this report will find its audience at the Ministry for Foreign Affairs, Swedish Embassies, Sida as well as among the general public.

The study has been conducted with support from a reference group chaired by Kim Forss, member of the Expert Group.

The authors are solely responsible for the content of the report.

Gothenburg, November 2022

Helena Lindholm

Sammanfattning

Denna rapport analyserar 60 år av svenskt stöd till Etiopien med start 1960. Utvärderingen studerar främst tre områden: 1) landsbygdsutveckling, 2) utbildning samt 3) demokrati och mänskliga rättigheter inklusive jämställdhet.

Sveriges roll i Etiopien – en bakgrund

Sverige är en mellanstor bilateral givare till Etiopien. Det svenska biståndet har dock varit mer stabilt över tid än andra givares. Detta har gjort att Sverige i Etiopien ses som en pålitlig och långsiktig partner. Denna bild förstärks ytterligare då Sverige, i jämförelse med andra givarländer, anses vara något av en ”middle power”, med en begränsad roll för geopolitiska intressen i svensk utrikespolitik och Sidas förhållandevis stora oberoende som genomförare. Den svenska biståndsvolymen till Etiopien har heller inte förändrats nämnvärt i samband med svenska regeringsskiften.

Under de senaste decennierna har det svenska biståndet till Etiopien inriktats på demokrati, mänskliga rättigheter och jämställhet snarare än på traditionella sektorer som landsbygdsutveckling, jordbruk och utbildning. Denna omsvängning har drivits av faktorer på både utbuds- och efterfrågesidan. På utbudssidan har Sverige och andra givare i allt högre grad betonat de mänskliga rättigheterna, särskilt sedan 1990-talet. Etiopiens landsbygdsutvecklings- och utbildnings-institutionerna är idag starkare än under tidigare decennier. Därför är behovet av, och därmed efterfrågan på investeringar i de sektorerna mindre. När premiärminister Abiy Ahmed kom till makten 2018, vidgades det demokratiska utrymmet, vilket i sin tur ökade efterfrågan på stöd inom demokrati och mänskliga rättigheter. Med tanke på den nuvarande konflikten i landet återstår det att se i vilken utsträckning denna utveckling kommer att fortsätta i framtiden.

Slutsatser

Utvärderingen visar, förutom på ett långsiktigt och stabilt engagemang, att Sverige haft en mer aktiv ledarroll bland givarländerna än vad den svenska biståndsvolymen först ger vid handen. Dels har Sida engagerat sig i givarkoordineringen i Etiopien, dels tyder studien på att vissa andra givare följer vad Sida gör i landet. Detta innebär att Sverige vid sidan av sin formella samordnande roll har haft något av en informell ledarroll.

Med valet att integrera mänskliga rättighetsfrågor i biståndet bör Sverige dock beakta potentiella målkonflikter gentemot andra mål som fattigdomsbekämpning. Till exempel drog Sverige tillbaka sitt stöd till den etiopiska regeringen efter det eritreansk–etiopiska kriget och det kontroversiella valet 2005, men fortsatte att ge stöd genom multilaterala institutioner och civilsamhället. Under denna period skedde samtidigt en betydande fattigdomsminskning. Man skulle kunna hävda att Sverige hade haft större möjligheter att bidra till ett av de viktigaste målen för det svenska biståndet, fattigdoms-bekämpning, om man bibehållit det tidigare stödet.

Parallella eller överlappande målsättningar tenderar att leda till målkonflikter som den mellan fattigdomsminskning och närvaro och skapar därmed behov av prioriteringar. Därför behöver Sverige tydligare kriterier för att avgöra när en prioritering är viktig och inte. Sådana kriterier bör dock utgöras av principer som tillåter pragmatism och flexibel tillämpning beroende på sammanhang.

Sida har som tradition att konsultera intressenter i Etiopien i utformning och genomförande av utvecklingssamarbetet. Detta uppskattades av alla intervjupersoner, från en man som var planeringskommissarie på 1960-talet till personalen i dagens Sidafinansierade projekt. Utformningen av projekt och insatser föregås av gemensam behovsidentifiering och genomförandet präglas av samråd med intressenter och flexibilitet i planeringen. Sida bör behålla och stärka denna tradition i sitt framtida engagemang.

Trots upprepade internationella uppmaningar att minska fragmenteringen i biståndet så har den sektoriella fragmenteringen ökat för alla större givare inklusive Sverige. Jämfört med de andra tio stora givarländerna var Sveriges sektoriella allokering dessutom den mest fragmenterade. En negativ konsekvens av detta är att transaktionskostnaderna i biståndet till landet ökar. En potentiell fördel är samtidigt att det kan möjliggöra småskalig försöksverksamhet till låg kostnad som gynnar lärande. Sida bör hålla ett vakande öga på avvägningen mellan dessa sidor av svensk biståndsfragmentering.

Några av de mest betydande långsiktiga effekterna av Sveriges bistånd till Etiopien återfinns inom landsbygdsutveckling. Chilalo Agricultural Development Unit (CADU) var en stor innovativ satsning som tydligt förbättrade jordbrukets produktivitet lokalt. Många av CADU:s aktiviteter skalades senare upp till nationella jordbruksprogram. Inom jordbruket påskyndade CADU sjuttiotalets kapitalistiska omvandling av landsbygden, som sedan stoppades av försök till socialistiska reformer.

Ett annat av Sidas landsbygdsutvecklingsprogram, Sida Amhara Rural Development Programme, decentraliserade på ett innovativt sätt budgetering av valfria projekt till de lägre förvaltningsnivåerna och införde registrering med certifikat för brukande av mark till låg kostnad. Sida har nyligen även utökat stödet inom klimatsmart jordbruk. Dessa insatser har troligen positiva effekter och med dagens fokus på miljöfrågor väntas stödet till klimatsmart jordbruk fortsätta.

Den andra sektorn där Sveriges bistånd haft betydande genomslag är Etiopiens utbildningssystem. Ett tidigt skolbyggnadsprogram, Ethiopian School Building Unit, ökade både antalet skolor i landet och antalet barn som gick i skolan, i synnerhet i mer avlägsna områden. Sida har länge stöttat högskoleutbildning, särskilt genom Byggnadstekniska institutet och Wondo Genet College of Forestry. Högskolornas specialisering gör i dessa fall värdet av det svenska bidraget tydligare. Stödet för högre utbildning fortsätter också, exempelvis genom partnerskapet med landets största universitet, Addis Abeba University.

På senare tid har det svenska engagemanget inom demokrati, rättsstatens principer och mänskliga rättigheter inklusive jämställdhet ökat, särskilt efter att nuvarande premiärminister Abiy Ahmed kom till makten och efter upphävandet av det påbud som begränsat civilsamhällets organisationer sedan 2009. En närmare granskning av några utvalda projekt på detta område visar att det handlar om stöd både genom multilaterala organisationer och direkt stöd till civilsamhällesorganisationer.

Inriktningen i detta stöd är pluralistisk: generella stöd till civilsamhället, stöd till försörjning bland sårbara samhällsgrupper, motverkande av etniska konflikter bland universitetsstudenter, reformering av det straffrättsliga systemet samt indirekt förstärkning av val- och människorättskommissioner. En fullständig utvärdering av dessa insatser har inte varit möjlig eftersom det handlar om pågående projekt. Utvärderingens preliminära bedömning baserat på intervjuer med intressenter är dock uppmuntrande. Insatserna har inte bara stärkt många organisationer i det civila samhället, de har även förbättrat hur de multilaterala organisationerna interagerar med statliga myndigheter i Etiopien. Insatserna har sannolikt bidragit till att bygga ett starkare civilsamhälle. Värdet av detta kan inte överskattas i ett land i konflikt.

Rekommendationer

Rapportförfattarna efterlyser en global biståndsarkitektur inriktad på globala kollektiva nyttigheter såsom att mildra effekter av klimatförändringar, stödja humanitära kriser och bekämpa fattigdom. Sveriges erfarenheter i Etiopien ger insikter som är relevanta för vilken typ av biståndsarkitektur som bör eftersträvas i framtiden. Ett bistånd som utgår från pragmatism och partnerskap snarare än villkor, med förståelse för betydelsen av historiska sammanhang, strukturella förutsättningar och utvecklingsprocesser.

Summary

This evaluation report covers around 60 years of Swedish support to Ethiopia, starting from 1960. Alongside strategic issues affecting all sectors, it focuses on the three clusters: 1) rural development, 2) education and 3) democratisation and human rights (including gender equality). Given that so much time is covered, the evaluation is based on a strong understanding of the historical context.

Sweden is a mid-level, bilateral donor to Ethiopia and its aid is more stable compared to other main donors. This stability has built a strong reputation for Sweden among Ethiopian stakeholders as a reliable, long-term ally. Helping reinforce this perception of Sweden is its 'middle power' status, the relatively minor role of geopolitical interests in Swedish foreign policy (compared to larger Western powers like the US) and the comparative independence of Sida compared to other aid agencies. Econometric analysis also shows that the volume of aid to Ethiopia does not change significantly when there is a change of government in Sweden.

In addition to long-term, more stable engagement, the evidence also suggests that Sweden has played a more active leadership role among donors to Ethiopia than would be suggested by the volume of its aid. Firstly, Sida has been actively involved in leading donor coordinating mechanisms in Ethiopia, such as Development Assistant Groups (DAG). Secondly, econometric analysis suggests that (in some sectors at least) other donors to Ethiopia follow what Sida is doing. This implies that, alongside its formal coordinating role, Sweden may also have played an informal leadership role.

In the last couple of decades, Swedish aid to Ethiopia has increasingly focused on democracy and human rights (including gender equality) rather than traditional sectors like rural development and education. This strategic reallocation was driven by supply-side and demand-side factors.

On the demand side, rural development and educational institutions in present-day Ethiopia are in much better shape than in earlier decades. Hence, the need to invest in these sectors (in terms of coverage if not quality) is less urgent. Moreover, with Abiy coming to power in 2018, the democratic space expanded, increasing the demand for democracy and human-rights-related support. Given the current conflict in Ethiopia, whether this is sustained in future remains to be seen.

On the supply side, Sweden and other donors have increasingly emphasised human rights concerns, especially since the 1990s. With the focus on mainstreaming human rights concerns, Sweden should seriously consider possible trade-offs with other objectives, such as poverty alleviation. For example, after the Ethio-Eritrean war and the controversial election of 2005, Sweden withdrew its support to the Ethiopian government but still provided support through multilateral and non-governmental institutions. During this period, Ethiopia experienced significant poverty reduction. One might argue that Sweden lost the opportunity to contribute to poverty reduction, one of the objectives of its support. When there are multiple objectives, trade-offs like these are to be expected. Thus, Sweden should have more consistent criteria to determine when trade-offs are important. Instead of an inflexible principle implemented in all contexts, a more pragmatic approach based on specific emerging contexts would probably be a better way of resolving such trade-offs.

One of Sida's strengths is its strong tradition of consulting stakeholders in Ethiopia. This was appreciated by everyone we interviewed, from a planning commissioner in the 1960s to staff in ongoing Sida-funded projects. The design of projects and interventions are preceded by a 'needs identification' with stakeholders. Likewise, implementation is characterised by consultation with stakeholders and flexible adjustment of work plans. Sida should maintain and strengthen this tradition in its future involvements.

Despite repeated international calls to decrease fragmentation of the aid sector, sectoral fragmentation of aid to Ethiopia has increased for all major donors including Sweden. Compared to the other top 10 donors to Ethiopia, Sweden's sectoral allocation was the most fragmented. On the negative side, fragmentation is expected to increase transaction costs. However, on the positive side, fragmentation allows small-scale, low-cost experimentation, facilitating learning by doing. Sida should keep an eye on the trade-off between these two aspects.

One of the most significant long-term impacts of Sweden's support to Ethiopia has been in the rural development cluster. CADU (Chilalo Agricultural Development Unit) was a comprehensive, innovative rural development initiative that significantly improved agricultural productivity in the project area. Many of CADU's activities were subsequently rolled out as national agricultural programmes. In terms of agricultural transformation, CADU accelerated the then-budding capitalist development of rural areas. However, this was completely reversed by later attempts at socialist transformation.

Another of Sida's rural development programmes, SARDP (Sida Amhara Rural Development Programme), innovatively decentralised budgeting to the lower rungs of state administration, introducing (among other things) low-cost land registration and certification. Sida has recently extended its support to climate-smart agriculture. These projects are having significant positive impacts and, given the current emphasis on environmental issues, support for climate-smart agriculture is expected to continue.

The other sector in which Sweden's support had significant impact was education. An earlier school-building programme, the Ethiopian School Building Unit (ESBU), significantly increased the number of schools in Ethiopia and boosted enrolment (by some 200,000 according to one estimate), particularly in the more remote areas. Sida has long supported tertiary education, particularly through the Building College and Wondo Genet College of Forestry.

The specialised nature of these colleges makes Sida's contribution even more valuable. Support for tertiary education continues, including a partnership with Addis Ababa University, Ethiopia's largest university.

In the recent past, Swedish involvement in democracy, the rule of law and human rights (including gender equality) has increased, particularly after Abiy came to power and the repeal of the proclamation of 2009 restricting civil society organisations. A closer examination of a sample of projects in this cluster reveals support through multilateral organisations, plus direct support to local civil society organisations. The themes of these interventions are varied: general support for civil society programmes; ethnic conflict avoidance and resolution among university students; supporting livelihood transformations among vulnerable, hard-to-reach groups such as sex workers; reforming the criminal justice system; and strengthening the electoral and human rights commissions. A proper evaluation is not possible as most are ongoing projects. However, preliminary assessments based on interviews with stakeholders are very encouraging. Not only have these interventions strengthened many civil society organisations, they have also improved the way the multilateral organisations interact with government agencies. These interventions have likely contributed to building a stronger civil society sector. The importance of this should not be underestimated, particularly in a country in conflict.

The report concludes by examining the prospect of Swedish support, given the current conditions in Ethiopia. The report calls for a global aid architecture focusing on international public goods, such as mitigating the impact of climate change, supporting humanitarian crises and poverty reduction. Sweden's experience in Ethiopia provides insights into some features of the prescribed international aid architecture. These include emphasising partnership rather than conditionality; appreciating historical and long-term structural conditions; and pragmatism.

1 Introduction

This chapter briefly covers the main evaluation questions, conceptual framework, method and sampling.

Coverage and evaluation questions

This evaluation report assesses the impact of Swedish support to Ethiopia since 1960; a period of around 60 years. Due to the length of time and number of activities, it is impossible to give a detailed evaluation of all (or even most) of the projects. The report assesses strategic issues and then selects a few important projects in three clusters to provide a rounded account of Swedish support over the evaluation period. The three clusters are: 1) rural development; 2) education and 3) democratisation and human rights (including gender equality).

The evaluation addresses the questions posed in the terms of reference. The four main evaluation questions and corresponding sub-questions (in *italics*) appear below. These four evaluation questions are addressed using the revised OECD/DAC evaluation criteria, which include **relevance, coherence, effectiveness, efficiency, impact** and **sustainability** (OECD/DAC, 2019).[1]

[1] Relevance focuses on the extent to which objectives of a development intervention are consistent with the requirements of its beneficiaries. Coherence relates to the consistency between different components of the intervention (internal coherence) and the compatibility of the intervention to other interventions, sectors and institutions (external coherence). Effectiveness looks at the extent to which interventions achieve their objectives. Efficiency captures the way in which the resources put into an intervention convert into required results (benefit-cost ratios).

Box 1: Evaluation questions and sub-question

1. Has Sweden formulated appropriate strategies given the development constraints and opportunities in Ethiopia at specific periods in time?
   - *What have been the objectives of the Swedish development assistance in Ethiopia over time related to (multi-dimensional) poverty?*
   - *What has been the rationale behind the formulation of content and objectives in the different strategies?*
   - *Were the formulations based on in-depth thorough analyses of the specific conditions in the country?*
   - *To what extent have Swedish contributions been consistent with the target populations and the broader Ethiopian society's needs over time?*
2. Has Swedish development cooperation with Ethiopia contributed to sustainable results in terms of poverty reduction and better living conditions for people living in poverty? If so, in what way, and to what extent?
3. To what extent has a perspective of democracy, human rights and gender equality been considered in interventions financed by Sweden over time?
   - *-In which ways have political dialogue (with Ethiopian authorities) and development projects reinforced democracy, human rights and gender equality?*
4. What lessons can inform Swedish development cooperation with Ethiopia and other countries ahead?

The first evaluation question deals mainly with relevance and coherence. Effectiveness, efficiency, impact and sustainability relate to the second evaluation question. The third evaluation question focuses on the specific issues of democracy, human rights and gender equality. The fourth question assesses lessons learnt.

The next section outlines the conceptual framework, methodology and activities of this impact evaluation.

Conceptual framework, methods and sampling

This evaluation covers around 60 years in a country with a turbulent history. A long-term perspective is required; one that keeps an eye on both structural evolutionary changes and short-term transformations.

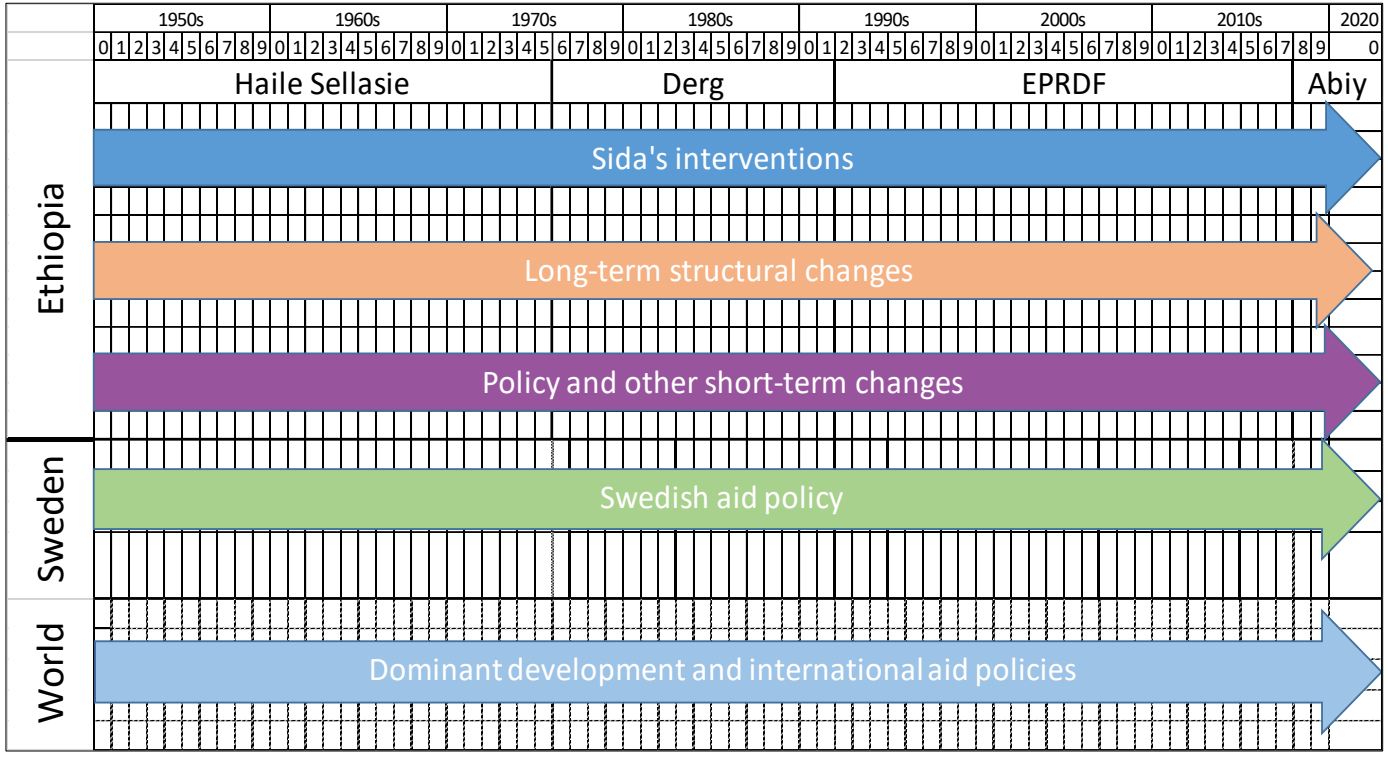
It is crucial to understand the specific nature of interventions and the unique contexts surrounding their implementation. The multi-layered, direct and indirect interactions of the many stakeholders involved in such interventions need to be understood. This impact evaluation takes a historical perspective, emphasising the dynamic nature of contexts and interventions and the complex interdependence of multiple stakeholders. Broadly, this evaluation follows an approach like that used in impact evaluation of complex adaptive systems, emphasising heterogeneity, emergence (interactions producing higher-order structures), adaptation, context, openness (interaction with other systems) and non-linearity (Kurtz and Snowden, 2003; Bustamante et al., 2021; Ling, 2012; Larson, 2018). Due to the unknowability and unpredictability of many factors in a complex system, the evaluation approach relies more on 'narrative for change' rather than a 'theory of change' (Hertz et al., 2021).

Our approach posits the evaluation problem as an exercise that should properly consider the contexts in Ethiopia, Sweden and internationally over an evaluation period of around 60 years. Figure 1.1 shows Sida's interventions across this period, with three significant political regime shifts in Ethiopia: the February 1974 Revolution, which ultimately overthrew Emperor Haile Selassie; the Derg's fall from power when the guerrilla army of the EPRDF (spearheaded by the TPLF) marched into Addis Ababa; and Abiy's ascent to power in 2018, which led to the TPLF's ousting from leadership. The policies of these four regimes differed significantly and the contexts for Sida's interventions changed accordingly. Long-term historical and structural changes also

evolved during this period. Policy changes may have affected some of these structural issues but many lingered, even under the radically different political regimes. In addition to the policies of different governments, the impact of Sida's interventions depends on long-term structural conditions. That is why, in our general conceptual framework, it is crucial to consider both short-term policy and long-term structural changes (represented by two of the arrows in the Ethiopia panel in Figure 1). On the other hand, the nature and volume of Sida's aid depend on political conditions in Sweden and especially its aid policy. This, in turn, is at least partially a function of which political parties hold power. Hence, the second dimension of our evaluation looks at the policy conditions on the supply side (the panel under Sweden in Figure 1 captures this). Finally, we should also assess the prevailing development and international aid thinking and policies. Global trends in policy and knowledge affect Swedish policy and Swedish policy, in turn, affects global trends.

Figure 1 highlights the fact that evaluating Swedish support would require a proper understanding of the contexts (some transitory, others structural) in the three parallel processes for Ethiopia, Sweden and the world. To avoid clutter, the figure does not include the numerous Sida interventions during the study period or their corresponding stakeholders. The evaluation takes both the specific nature of each intervention and the unique interaction between stakeholders in context. Thus, our approach resembles the one used in evaluating complex adaptive systems.

Figure 1: Conceptual framework of the evaluation



Aside from the complexity of the programmes and the evaluation, we do not have the quantitative data from any of the Sida projects which would allow a rigorous econometric (quasi-experimental) impact evaluation. This would require data before and after and with and without the projects. Our attempt to compile such data from different sources (for at least some of the projects) was unsuccessful. Originally, the plan was to gather disaggregated data for two Sida projects in rural development and education (CADU and ESBU) and conduct a more sophisticated econometric analysis to evaluate their short and long-term impact, both in the project areas and as spill-over to other parts of the country. Doing this requires crop yield and school enrolment data for the two projects from lower administrative sub-divisions (*woreda* or the old *awraja*) before, during and after the interventions. In other words, proper econometric evaluation of CADU's impact on agricultural productivity would need crop yield data from all *awarjas* of the country (including Chilalo, the project area) before, during and after CADU. Similarly, we need school enrolments disaggregated either at *awraja* or *woreda* level before, during and after ESBU. Robust impact evaluation is possible with this data, by conducting before/after and with/without comparisons. Such data enables robust quasi-experimental methods like regression discontinuity designs. Unfortunately, neither the disaggregated crop-yield data nor the enrolment data was available. The evaluation team devoted a significant amount of time and energy to accessing any readily available or archival data but with no success.

We use mixed-methods evaluation to analyse available quantitative data, complemented by qualitative information and analysis. Mixed-methods evaluation provides a more rounded assessment than monomethod approaches (which rely solely on quantitative or qualitative data). The information for the evaluation was gathered from the following sources:

- **Secondary statistical data**: we used quantitative data on Swedish and other donors to Ethiopia to address some of the evaluation questions, particularly at the strategic level. This data is mainly sourced from OECD-CRS (OECD-Creditor Reporting System), Openaid archives on Swedish aid and the World Bank's WDI (World Development Index).
- **Key informant interviews**: we interviewed key personnel in relevant government bodies and Sida, plus those engaged in current and previous projects (a complete list of interviewees is provided in Appendix 1). We have anonymised interviewees by assigning them random identification numbers; these do not follow the sequence on the list of interviewees.
- **Archival materials:** we canvassed and used archival materials from the Swedish Embassy in Addis Ababa and from the Swedish Ministry of Foreign Affairs and Sida central archives (both in Sweden).
- **Systematic literature review**: we compiled a systematic literature review on one of the most important rural development projects, CADU.
- **Literature review**: we reviewed the relevant evaluation and academic literature.

Using the above methods, we collected data from Ethiopia and Sweden. Led by Hailu Elias, our Ethiopia-based team member, we conducted continual fieldwork for over a year. The principal investigator joined the fieldwork for over a month at the beginning of 2020 but had to cut his trip short due to COVID-19.

We originally planned to conduct micro-ethnographic studies by visiting former project areas, observing conditions and collecting qualitative information to evaluate their long-term (sustainable) impacts. Unfortunately, this was not possible because of COVID-19 travel restrictions, which also affected other activities. For example, due to the restrictions, it was difficult to interview some key informants and organise focus group discussions.

Obviously, in the 60 years covered by this evaluation, a very large number of programmes and projects have been supported by Sida. The evaluation cannot cover all of them and projects were therefore sampled using two main principles. Firstly, since one of the main objectives of this evaluation is to assess the long-term effects of Sida's support, earlier and larger projects were included (such as CADU, ESBU and Building College). In the case of more recent projects, we (in consultation with Sida staff) deliberately selected programmes and projects which represented the portfolio of Sida's support well. All these projects are clustered around three broad sectors of rural development, education and democracy and human rights (including gender equality). The evaluations of programmes and projects in each cluster are presented in separate chapters following a discussion of strategic issues. The next chapter provides some background before we delve into the evaluation proper.

2 Background

This evaluation covers around 60 years of Swedish cooperation with Ethiopia, from around 1960 to roughly 2020. Understanding the political and socio-economic conditions of Ethiopia during this period is crucial to the evaluation.

This section focuses on the main relevant features of the evolution of political and socio-economic conditions in Ethiopia. We will firstly examine the main political changes during the evaluation period.

Political changes

While Ethiopia has a very long history, the southern conquests of Emperor Menelik at the end of the 19th Century largely shaped the current-day geographical boundary of the country, except Eritrea which first federated and then united with Ethiopia in the 1950s and 60s and then formally seceded from the country in 1993. Menelik significantly extended the reach of the traditional Abyssinian state (which was centred on the northern and central parts of Ethiopia) to the south, east and west, creating a much bigger multi-ethic country (Donham and James, 2002). Apart from expanding Ethiopia's territory, Emperor Menelik initiated modernisation by introducing such things as banking and postal systems, railways, telegraph and telephone systems and modern education; "… the years 1894 to 1907 can be summed up as the period when the country's transformation along Western lines was launched" (Shiferaw, 2019).

During Haile Selassie's long reign from 1916 to 1974 (first as Regent and then as Emperor), he effectively pushed and implemented modernisation, probably much further than envisaged by Menelik. The occupation of Italy between 1936 and 1941 interrupted his reign only for five years. Haile Selassie succeeded in progressively weakening regional lords, consolidating the central state and

ultimately his personal power. He managed this by building a central bureaucracy to collect taxes and administer the dominions and a standing army that was no longer directly controlled by regional lords. Traditionally, the regional lords had been indispensable for the mobilisation of all these functions. Haile Selassie also expanded modern education, making it accessible to a wider segment of the population and creating the trained workforce necessary for a modern economy.

Later in Haile Selassie's reign, particularly in the 1960s and 70s, opposition to his rule increased. Although he survived a 1960 coup attempt led by a general of his Imperial Bodyguard, a much wider popular movement in 1974 overthrew his regime and installed a military committee (the Derg). The Derg ruled Ethiopia from 1974 to 1991, with Mengistu Haile Mariam ultimately consolidating his power and becoming supreme leader.

With the Derg in power, after some initial hesitation about ideological orientation, government policy swung to the left with the aim of building a socialist economy. A proclamation in March 1975, just six months after the Derg took power, initiated a radical land reform programme nationalising all rural land, prohibiting the hiring of labour and establishing Peasant Associations (PAs) to distribute/redistribute land and serve as the lowest rung of local administration, transforming the governance of rural Ethiopia. The government further nationalised urban land, second homes and medium and large-scale manufacturing enterprises.

Furthermore, the Derg implemented large-scale, radical programmes. The regime attempted to transform small farmers' agriculture into collective farms, laying the foundation for a socialist transformation of rural areas. This was largely unsuccessful, with only a small proportion of rural areas collectivised. In 1985, the Derg started an ambitious villagisation programme, to move 33 million rural inhabitants into new villages by 1995 (Cohen and Isaksson, 1987). By 1988, 12 million people had been villagized (Lorgen, 2000). However, this programme was ultimately unsuccessful because, in

many instances, people moved back to their original places of residence. By 1994, 60–85% of villagised households had either returned or were in the process of returning to their original locations (Lorgen, 2000). In addition to villagisation, a large-scale resettlement programme moved around 600,000 people, mainly from highland, food-insecure areas to sparsely populated lowland regions of the country (Lorgen, 2000). There were reports of significant human-rights violations during both the villagisation and resettlement programmes.

Most of the Derg period was spent embroiled in civil war and conflicts with neighbouring countries, particularly Somalia. In the second half of the 1970s, an underground political party (EPRP – the Ethiopian People's Revolutionary Party) challenged the Derg using targeted assassinations and mobilising students in urban areas. The Derg's response was brutal, with widespread extrajudicial killings, imprisonment and torture. This developed into "one of the most brutal reigns of state terror in modern Africa" (Wiebel, 2014). However, in the latter part of the Derg period, guerrilla movements in the Eritrea and Tigray regions intensified, ultimately leading to the overthrow of the government by the Ethiopian People's Revolutionary Democratic Front (EPRDF). This was led by the Tigray People's Liberation Front (TPLF), which took central control, with Eritrea seceding from Ethiopia.

The EPRDF/TPLF rule dominated Ethiopian politics for 27 years, from 1991 to 2018. The EPRDF was a coalition of ethnically organised political parties. Following its ascent to power, it reorganised the administrative structure of the country along ethnically defined regions, with a constitutional right to secede from the federal government (no region has formally tested the authenticity of this right). Ethnic politics and regionalisation significantly altered the politics and state administration of Ethiopia. Most political parties during this period were organised along ethnic lines, corresponding to the organisation of state administration. Even though the federal government played a dominant role in many

instances, regionalisation increased autonomy including the delegation of land administration to the regions. The language of a given region's dominant ethnic group became the official regional language of the judicial, administrative and educational institutions.

After the overthrow of the Derg, relative peace returned. However, this was soon interrupted by a border war with Eritrea that claimed the lives of tens of thousands of people. The contested election result of 2005 and subsequent widespread repression further eroded the relative stability and peace enjoyed in the few years after the overthrow of the Derg. The EPRDF's grip on power weakened with the 2012 death of its leader, Meles Zenawi. The TPLF's control over the coalition was subsequently eroded, with public opposition increasing, particularly in the two largest regions, Oromo and Amhara. Public opposition and the internal power struggle within the EPRDF ultimately led to the election of Abiy Ahmed in 2018.

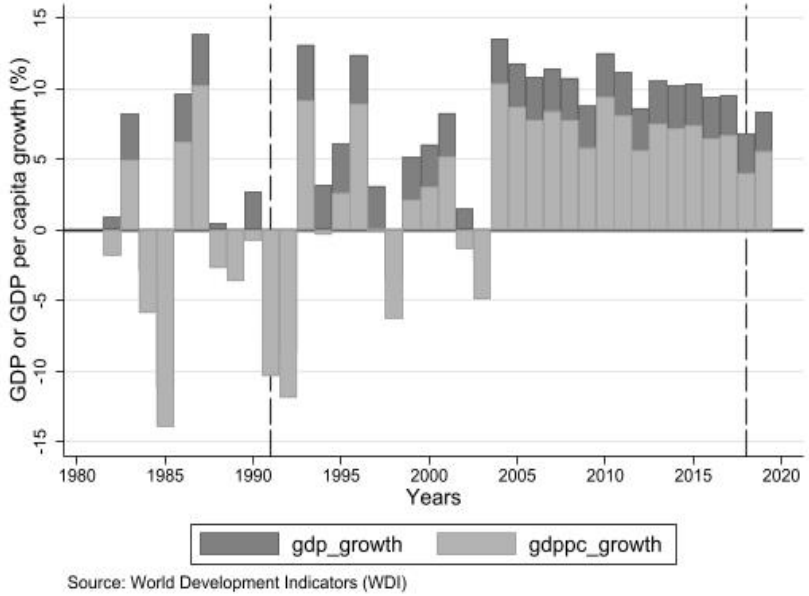
Within a short time, Abiy released political prisoners, invited the participation of opposition parties (including those engaged in armed struggle) and introduced many reforms. While this improved political and human rights, conflicts in different parts of the country continued. Tension within the EPRDF (between the TPLF and the others) erupted when the EPRDF became the Prosperity Party. The TPLF refused to join the new party, while other coalition members joined. This tension developed into open war between the federal government and the TPLF in November 2020 and, at the time of writing this report, the war was still ongoing and spilling over into the neighbouring regions of Amhara and Afar.

The next section will briefly review the evolution of Ethiopia's economy.

The economy

Broadly speaking, the performance of the Ethiopian economy during the Haile Selassie era was respectable. For example, the real growth rate of gross national product (GNP) between 1961 and 1965 was 4% (Bequele and Chole, 1969). The overall performance during the Derg period (1974 to 1991) was poor, mainly due to misguided policies, droughts and domestic and international conflicts. The EPRDF period after 1991 saw recovery followed by sustained high growth, especially after 2005. Figure 2 shows the GDP and GDP per capita growth rates for the period 1982–2019 (the World Development Index (WDI) has no data for earlier periods). Growth was volatile during the Derg period (1982–1991) and in many years growth rates were negative, particularly GDP per capita. The first half of the EPRDF period was a time of recovery, but growth rates remained unstable. However, this changed to sustained high growth after 2005. After 1996, the economy grew at an average annual rate of 6% (Shimeles, 2019) and for most of this period, Ethiopia was one of the fastest-growing economies in the world. The sustained growth during the EPRDF period resulted in declining poverty rates, with head-count ratios falling from 46% in 1996 to 24% in 2016 (World Bank, 2020). During this period poverty rates decreased in all regions, particularly after 2005. Overall, regional disparities in poverty rates are relatively low, with the rates converging until 2011 but diverging again in 2016 (World Bank, 2020). From 2011 to 2016, the reduction in urban poverty was much faster than in rural areas, increasing the urban-rural difference. This urban-rural divide is also reflected by higher growth in ownership of household durables, access to electricity and improved water in urban areas, particularly in Addis Ababa, Dire Dawa and Harari (World Bank, 2020).

Figure 2: Annual growth of GDP and GDP per capita (1982–2019)



Source: World Development Indicators (WDI)

While the performance of the economy in terms of growth and poverty reduction was impressive, particularly after 2005, many structural problems remain. For example, the change in relative importance of the manufacturing sector was only modest. The manufacturing sector still struggles to compete with imports and is focused on domestic rather than export markets. Even exports are still not targeting high-income countries, a fact which reflects the low level of sophistication (Manyazewal and Shiferaw, 2019). Wage employment in the formal sector grew slowly. For example, for every percentage increase in GDP, formal employment increased by only 0.25% (Shimeles, 2019). In agriculture, while output and productivity grew (driven by increased use of inputs such as chemical fertilisers and improved seeds), the sector has yet to see a structural transformation towards commercialised farming, with strong backward and forward production linkages (Taffesse, 2019).

This background section has so far outlined the main political and economic changes during the period in question. The following sections provide a brief outline of changes in rural areas and education. The importance of the rural development and education sectors in Swedish support to Ethiopia justifies this focus.

Land tenure and rural development

Ethiopia has a very long tradition of agriculture, both farming and animal husbandry, that goes at least as far back as the Third Millennium BC (Marcus, 1994). This tradition has shaped the agricultural ecology of the country. Particularly important structural determinants are the ox-plough (the dominant agricultural technology in the highlands of Ethiopia) and the evolution of annual and perennial crops that have been cultivated for millennia. Economic history relates many of the present-day problems of rural areas to changes in farming systems, climate cycles, demographic trends and the political economy of regimes over long periods (McCann, 1987; McCann, 1995; McCann, 1999).

The basic features of land tenure evolved over a long period of history and remained until the reform of 1975, as attested by written documents from as far as the 13th Century (Crummey, 2000) (see also Pankhurst, 1966). *Rist* rights, whereby individuals may access land if they are descendants of the 'original settlers', dominated the land tenure in the northern part of the country. *Rist* is based on ambilineal heritage (cognatic descent) and even though *rist* rights are theoretically inalienable, in practice the amount of land accessed by an individual depends on his/her social network. This network is influenced by residence in the area, litigational skill and capacity to push individual interests within the community (Hoben, 1973). Under Menelik's expansion, southern and western parts of the country fell under the control of the Ethiopian state. These areas had different types of land tenure before the conquest and some of that variation appears to have been preserved after incorporation into the

Ethiopian state. Moreover, a heterogeneous land tenure system developed, based on several factors: the degree of resistance to the conquest; whether a deal had been made between local elites and the Ethiopian state; how many new settlers moved into the newly conquered areas; and differences in farming systems (Zewde, 1991b; Adem, 2019).

Within the heterogeneous land tenure system, the kind of clearly defined private property known in Western societies did not exist. Under the *rist* system, anyone may contest land by proving descent from the 'original settler'. Aristocrats control larger tracts of land, mainly because the state gave them the right to collect tributes from farmers. However, in theory at least, they would lose their privilege if removed from their position. By the mid-20th Century, individualised and private forms of property had grown in all land tenures. This process was accelerated by Haile Selassie's reforms of land tenure, state administration and taxation. For example, large tracts of 'state land' were given out as land grants. Unlike previous cases in which soldiers had been given the right to collect tributes from farmers of newly conquered areas, these grants of land were given to government employees, the unemployed and landless people (Adem, 2019; Zewde, 1991b; Crummey, 2000). Hence, around the end of Haile Selassie's regime in the mid-1970s, there were signs that land markets in rural areas were becoming increasingly active, with more individual, privatised holdings. This stage in the evolution of the land tenure is directly relevant to Swedish aid in rural development and particularly to the Chilalo Agricultural Development Unit (CADU).

The Derg's land reform proclamation of 1975 abruptly halted the evolution towards more privatised land tenure. It nationalised all rural land, gave farmers usufruct only and abolished the employment of labour. As seen earlier, the proclamation gave PAs the right to distribute/redistribute land and to act as local administration. The new land tenure system abolished big, absentee landlordism. However, whether the new system was conducive to rapid rural

development is very doubtful. Tenure security was eroded by the continual redistribution of land, with subsequent impact on investment, particularly long-term investment. The impact of the land reform on the equitable distribution of land is also doubtful. Firstly, the land reform discouraged and effectively stopped domestic migration from high to low population density areas, due to loss of land in the original area and difficulty of obtaining land in the new one (increasing interregional inequality). Secondly, distribution is not as equitable as usually assumed, even within PAs (Kebede, 2008).

Right after the proclamation, some advantages farmers enjoyed were quickly eroded when the state increasingly used land and the PAs as a means of political control. As indicated above, the Derg embarked on many misguided rural development programmes including collectivisation, villagisation, resettlement and controlling food markets using a state-owned agricultural marketing corporation (for land tenure under the Derg, see Kebede, 2002; Kebede, 2008; Adem, 2019; Rahmato, 1984; Cohen and Isaksson, 1987; Rahmato, 1994; Dercon, 1995; Joireman, 2000). The war effort against the invading Somalian army, plus domestic armed opposition (particularly at the later years of the Derg) exacerbated the situation by increasing instability, destroying livelihoods and absorbing a significant proportion of the country's resources.

During the EPRDF era, the tenure system created by the land proclamation of 1975 essentially continued. In terms of land tenure, probably the most important change brought about by the EPRDF was land registration and title certification. This was mainly done to strengthen security of tenure. We will discuss land certification in Chapter 4, in our evaluation of rural development projects.

The above short description of changes in land tenure is relevant to the evaluation of Sida's support for rural development programmes. The next section provides a background to the education sector, in which Sida was actively involved for a very long time.

Modern education in Ethiopia

As in most African countries, Western missionaries introduced modern education to Ethiopia. Thus, missionaries trained a significant proportion of the earliest modern intellectuals in Ethiopia, while others were trained abroad. Swedish missionaries played their part in this; one of the earliest modern Ethiopian intellectuals, Alaqa Tayya Gabra-Maryam, was educated by a Swedish evangelical mission near Massawa. He later went to Berlin and taught Ge'ez (a liturgical language used by the Ethiopian Orthodox Tewahdo Church) (Zewde, 1991b).

Modern formal education by the Ethiopian government started with the opening of the Menelik II School in Addis Ababa in 1908, the last year of Menelik's regime. The second school in Addis Ababa, Teferi Mekonnen, opened in 1925 and many provincial towns followed suit: Dessie and Gore (1928), Dire Dawa, Nekemete, Sidamo and Jijiga (1929), Asbe Teferri (1931), Ambo, Gore and Jimma (1932), Gojjam and Gonder (1934), Adwa and Mekelle (1935) (Zewde, 2002). After the Italian occupation of 1935–41, Haile Selassie's government continued expanding formal modern education, ushering in what Tekeste Negash (Negash, 2006) called the 'golden age' of modern Ethiopian education. During this period, the Ministry of Education had proper funding; for some time, the emperor himself was Minister of Education. Most people, including the aristocracy, were reluctant to send their children to school. Thus, schools recruited students by providing incentives such as free education and food. This created an opportunity for children from humble backgrounds to get an education and, as well as improving their own lives, go on to play important roles in running government offices.

After the Italian occupation, the two dominant bilateral donors for education in Ethiopia were the US and Sweden through their respective aid agencies, USAID and Sida. Sida provided significant support through its school building project, the Elementary School

Building Unit (ESBU). Thus, by 1982 the construction of more than 85% of schools in Ethiopia had been at least partially financed by Sida (Negash, 1996). While USAID withdrew its support during the Derg period, Sida continued to be involved, although its support decreased over time.

The most dramatic expansion in education happened during the EPRDF period. Between 2000 and 2013, education as a proportion of total government expenditure increased from 15% to 27%; much higher than the average for Sub-Saharan Africa (17% in 2013). Between 1996 and 2014, the number of primary schools increased from 11,000 to 32,048 and the number of secondary schools rose from 410 to 3,157 with a jump in enrolment from 571,719 (1999/2000) to 1,982,185 (2015/2016). There was also an impressive expansion of higher education. In 1991, there were only two universities in the country. This increased to 38 accredited universities by 2016, with total undergraduate enrolment increasing from 56,072 (2003/2004 to 778,766 (2015/2016) (Rekiso, 2019). Such expansion of every level of education is impressive by any standard. However, on all levels, the quality of education seems to lag far behind. According to a World Bank study between 2013 and 2016, 90% of primary and 83% of secondary schools did not meet national standards (Rekiso, 2019).

Although there has been no rigorous evaluation, into earlier periods of modern Ethiopian education, the returns to education were likely high. Estimates for more recent times also indicate returns to education as being high. Girma and Kedir (2005) used panel data, quantile regressions and instrumental variable estimation to determine that, on average, one year of schooling increases earnings by around 14% in urban areas of Ethiopia. They also found heterogeneity in the returns to education, with returns higher at lower than higher levels of earnings. In other words, education is more valuable to lower-income groups. Girma and Kedir's (2005) results also show that the gender gap in returns to education occurs at higher levels of income. A more recent study linking wages with

returns to education (Alvi and Dendi, 2020) found comparable results by using birth-year, cohort-based pseudo-panel estimates. An additional year of education increases wages by 14–16%. The returns to higher education are also high. By exploiting the geographical and time variations in the recent rapid expansion of public universities in Ethiopia, Somani (2021) found that getting higher education almost doubles the probability of paid employment and almost doubles the hourly wage. Note that these returns to higher education are not directly comparable with the previous results because higher education requires more than a year.

The next section provides conclusions before discussing strategic issues in Swedish support to Ethiopia.

Conclusion

As this background chapter illustrates, during the evaluation period (1960–2020) Ethiopia experienced a turbulent, often violent political history. At the time of writing this report, the very existence of the country is challenged by internal and external forces. Its turbulent political history has been accompanied by significant socio-economic transformations. The Derg regime's land reform of 1975 radically transformed the distribution of rural land, abolished big land ownership and created a new state administrative structure based on PAs. By nationalising medium and large-scale manufacturing enterprises and second houses in urban areas, the Derg stopped the nascent capitalist development of the later Haile Selassie years and put the economy on a socialist footing. When the EPRDF (led by the TPLF) took power in 1991, it then reversed the move to a socialist economy. Abiy Ahmed came to power in 2018, pushing liberalisation of the economy much further than before and expanding the democratic space. However, the current conflict in northern Ethiopia and other areas has increased uncertainty and instability.

An appreciation of the historical, political and socio-economic context is vital when evaluating the impact of Sida's interventions. In this context, we will first discuss strategic issues in Swedish support to Ethiopia before tackling the specific sectors of rural development, education and democracy and human rights (including gender equality).

3 Strategic issues in Sida's support to Ethiopia

Introduction

This chapter begins with an overview of Swedish aid to Ethiopia and then discusses some strategic issues. The discussion will begin by touching upon the motives, priorities and principles of donors operating in Ethiopia, with an emphasis on Sida. The chapter then goes on to examine issues of coordination, fragmentation and leadership. Sida is compared to other main bilateral donors to the country. A literature review is accompanied by statistical data from various sources and qualitative data from key informant interviews.

Swedish aid to Ethiopia: an overview

Sweden's contact with Ethiopia goes as far back as the second half of the 19th Century, with missionaries based in Massawa. Later, at the beginning of the 20th Century, a Swedish missionary reached Addis Ababa. This was followed by Emperor Haile Selassie's visit to Sweden in 1924 and the Crown Prince of Sweden's visit to Ethiopia in 1935. In the 1930s and 1940s, the Ethiopian government recruited many Swedes to serve in the army, police and educational and judicial institutions. This led to the establishment of reciprocal diplomatic missions in the 1940s and the signing of an agreement to construct the Building College in Addis Ababa in October 1954 (Sida, 2004a). From then on, Sweden (mainly through Sida), continued to play an important role in bilateral aid to Ethiopia.

The establishment of the Swedish Agency for International Assistance (NIB) in 1962 began the institutionalisation of foreign aid provision. Though there was no official strategy paper, rural development was given priority. In 1965, NIB was reorganised as

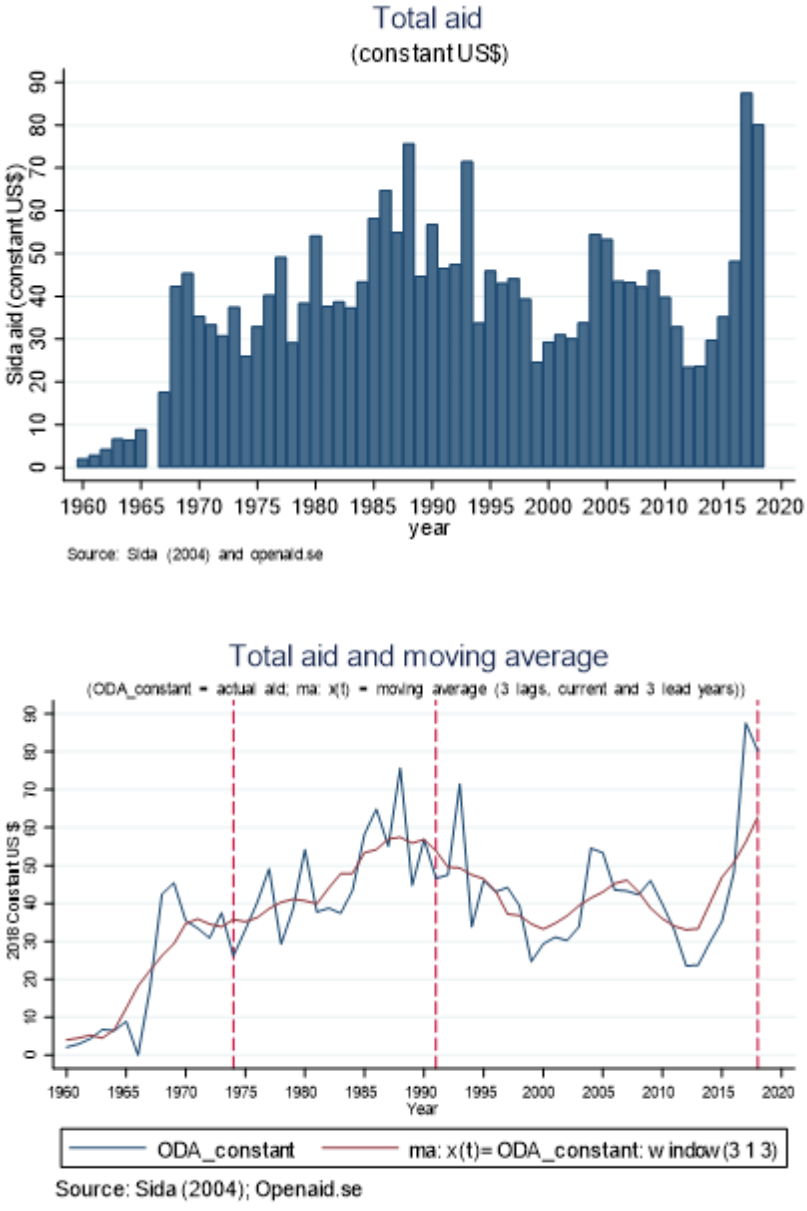
Sida and a general policy was drafted to provide aid to certain countries: Ethiopia, Kenya, Sudan, Tanzania, Tunisia, India and Pakistan (Bangladesh). Development assistance was further expanded to other countries in the 1970s and Sweden began allocating around 1% of its GDP to foreign aid (Sisaye, 1982).

Ethiopia was one of the first recipients of this aid and continues to receive Swedish assistance today. Figure 3 shows total Swedish bilateral aid from 1960 to 2018 in constant 2018 USD.[2]

Swedish aid to Ethiopia generally increased under Haile Selassie and the Derg, with some decline at the end of both regimes. There were more fluctuations during the EPRDF period, with the initial period seeing a fall, particularly around the time of the Ethio-Eritrean War of 1998. After a recovery, Sida aid began falling after the controversial election of 2005. Since around 2014, there has been an upward trajectory.

[2] The top panel shows a bar chart of total aid in each year and the lower panel superimposes a seven-year moving average (current, three lag years and three lead years), to smooth out annual fluctuations (the figures for Swedish aid between 1960 and 2018 are given in Table A1 in the Appendix). The three vertical lines divide the period into the four regimes of Haile Selassie, the Derg, the EPRDF and Abiy.

Figure 3: Swedish aid to Ethiopia (1960–2018)



Source: (Sida, 2004a) and Openaid.se

In comparing Sweden's experience with other important bilateral donors to Ethiopia, we use data from OECD's Creditor Reporting System (CRS).[3] We compare Sweden with the other nine top bilateral donors to Ethiopia in the two periods separately.[4]

Figures 4 and 5 present three-year moving averages of bilateral aid commitments (between 1973–2001) and disbursements (between 2002–2018) for the top 10 bilateral donors to Ethiopia (according to the average contributions over the whole period), at constant 2018 USD.[5]

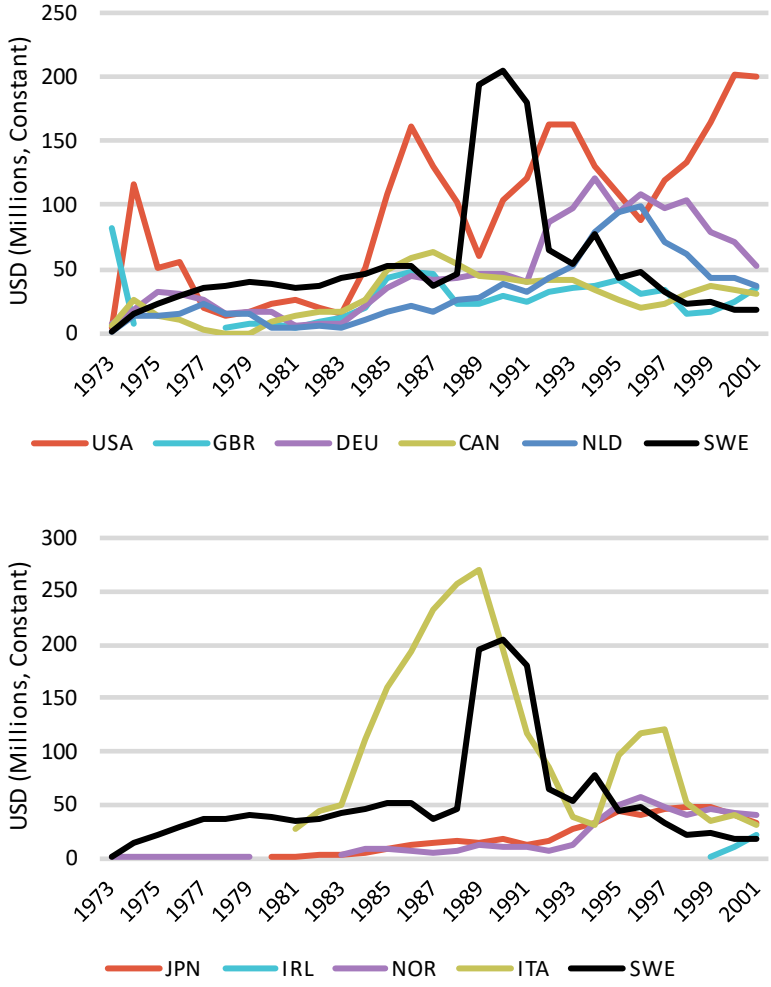
Sweden ranks higher in the top 10 donors during the Derg period (1975–1991), compared to the last two years of Haile Selassie's reign (1973–75) and the first 10 years of the ERPDF (1991–2001). This reflects the sustained Swedish aid during the Derg rule. This contrasts with major Western donors such as the US, UK and Germany reducing their aid due to the regime's close political alliance with the then Soviet Union.

[3] The CRS covers the period 1973–2018, with the data for 1973–2001 reporting bilateral commitments and the rest providing actual disbursements. This implies that the figures for the two periods are not strictly comparable.

[4] In this dataset, Sweden's aid figure for 1989 is clearly an outlier but no specific reason for that could be determined from CRS/OECD. However, it is noteworthy that this increase also appears in the disbursement data from Sida (see Figure 3.1), albeit at a different magnitude. This does not affect the general conclusions discussed below.

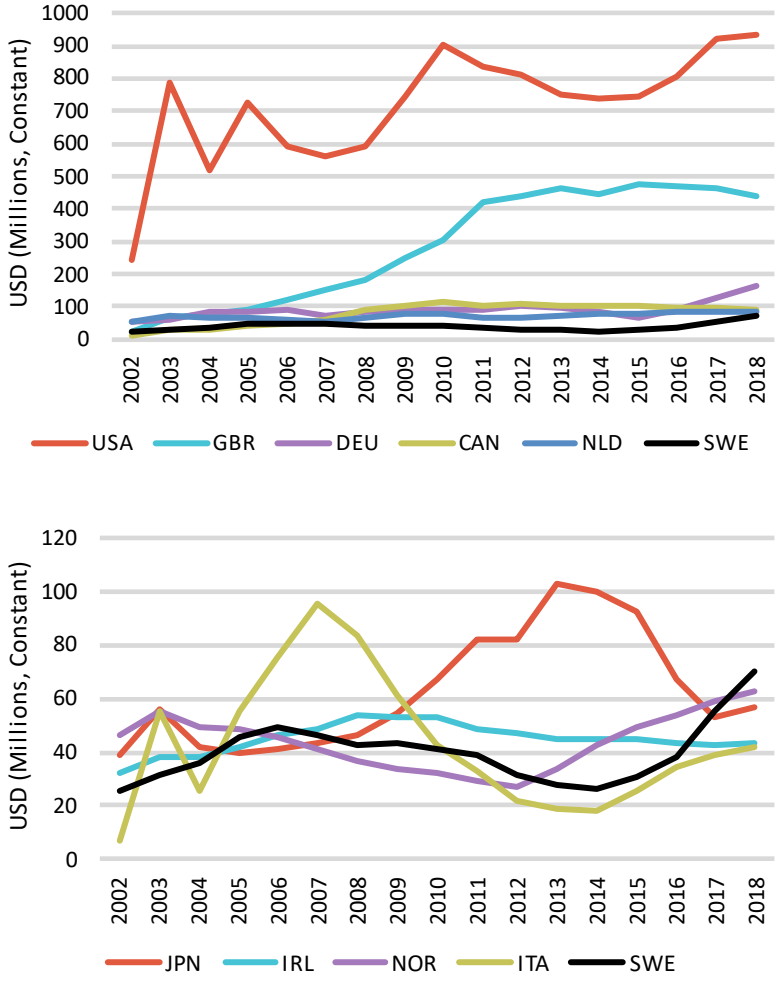
[5] The top 10 donors in bilateral aid to Ethiopia during this period were the US, UK, Germany, Canada, Netherlands, Japan, Ireland, Norway, Sweden and Italy. To improve visibility, we have reduced the number of curves in each graph; Sweden is presented with five and four donors in each panel respectively (the curve for Sweden is black in both graphs).

Figure 4: Top 10 donors' three-year moving average of bilateral commitments to Ethiopia (1973–2001)



Source: Creditor Reporting System (CRS)(OECD) 1973–2001 (Lemi, 2017).
Key: USA = United States of America; GBR = Great Britain; DEU = Germany; CAN = Canada; NLD = Netherlands; SWE = Sweden; JPN = Japan; IRL = Ireland; NOR = Norway; ITA = Italy.

Figure 5: Top 10 donors' three-year moving average of bilateral disbursements to Ethiopia (2002–2018)



Source: Creditor Reporting System (CRS)(OECD) 2002–2018 (OECD database).
Key: USA = United States of America; GBR = Great Britain; DEU = Germany; CAN = Canada; NLD = Netherlands; SWE = Sweden; JPN = Japan; IRL = Ireland; NOR = Norway; ITA = Italy.

Figure 5 provides the disbursement of bilateral aid for 2002–2018. This period saw a significant and sustained increase in bilateral aid by the US and UK. By 2018, US bilateral aid to Ethiopia was around USD 931 million and aid from the other nine top 10 countries as a percentage of US aid was: UK 47.0%, Germany 17.7%, Canada 10.0%, Netherlands 8.9%, Sweden 7.5%, Norway 6.8%, Japan 6.1%, Ireland 4.6% and Italy 4.5%. Hence, in terms of absolute amounts, the US is by far the biggest, followed by the UK (a little under half) and the remainder providing less than 20% of what the US did. Thus, for most periods after 1973, the US was the biggest donor. Even though Sweden ranks among the top 10 donors, its contribution is modest when compared to the biggest bilateral donors.

We can also examine the bilateral aid data to see how fast each of the top 10 donors increased aid, relative to a reference year. [6] As the graphs for Sweden in Figure A1 show, Sweden's aid during the first period compared to its aid in 1973 showed a greater increase compared to many of the other top 10 bilateral donors. However, this is no longer the case in the 2002–2018 period. Compared to 2002, many donors (such as the UK, Canada and Italy) showed much greater increases than Sweden. Hence, in terms of the growth of bilateral aid relative to the initial reference years, Sweden's performance is modest.

[6] In Figures A1 and A2 in the Appendix, we provide three-year moving averages of bilateral aid commitments and disbursements across two periods, 1973–2001 and 2002–2018. The respective starting years, 1973 and 2002, are the reference years.

In addition to volume, sectoral allocation changes over time. The CRS data disaggregates bilateral aid into the following eight sectors:[7]

1. Social Infrastructure and Services
2. Economic Infrastructure and Services
3. Production Sectors
4. Multisector/Cross-cutting
5. General Programme Assistance/Commodity Aid
6. Actions Relating to Debt
7. Humanitarian Aid
8. Others

Some interesting patterns emerge from Figure 6 (below).

Firstly, as expected, the share of emergency assistance correlates well with the incidence of emergencies. For example, emergency assistance accounted for a substantial part of Swedish aid in 1991–92 when the EPRDF came to power and in 2015–17, following the severe draught of 2015 and internal instability (particularly the protests in Oromo and Amhara, which resulted in widespread internal displacement). Similarly, the share of emergency assistance increased significantly in 1984–85, following widespread famine and in 1998, after the war with Eritrea. This pattern indicates that Sida responds to emergency scenarios well and illustrates (at least in the emergency assistance sector) that Sida's aid is **relevant**.

Secondly, the percentage share of Social Infrastructure and Services has varied over the years. In the mid-1970s, the share was well above 50% but then more or less fell until 2001. Its share started to grow

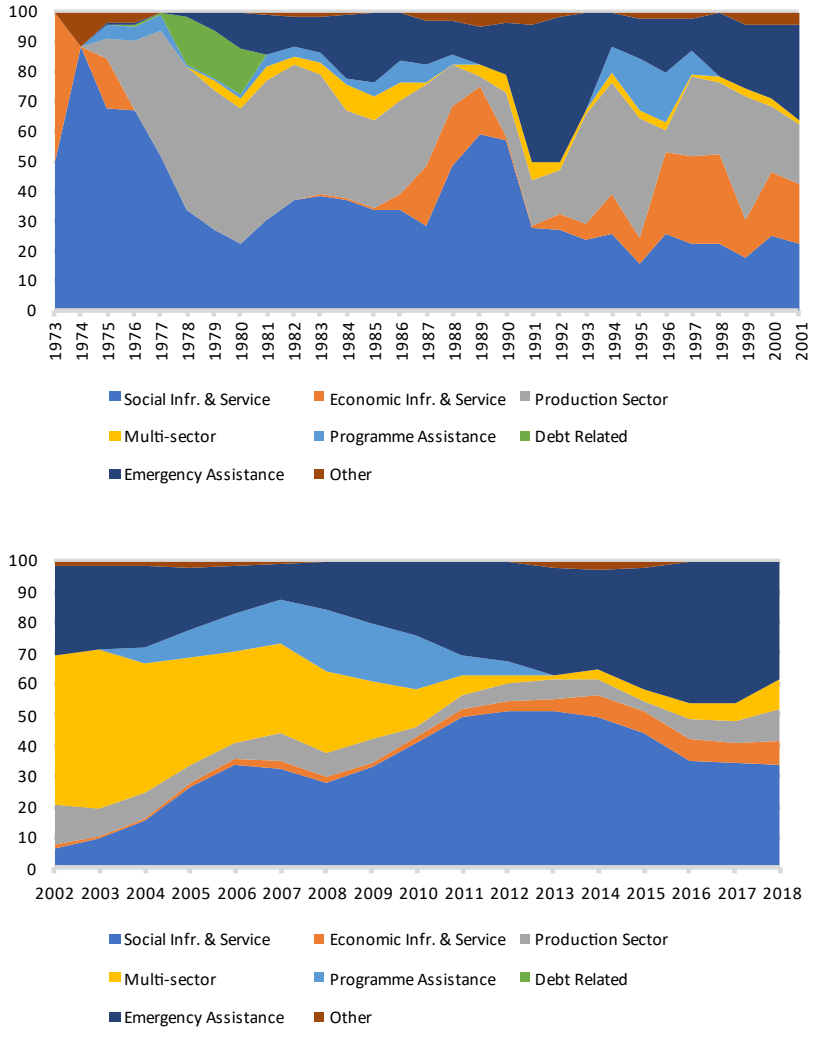
[7] Table A2 of the Appendix provides a detailed classification of each of these into further sub-sectors. Figure 5 show the percentages of Sida's bilateral aid allocation to the eight sectors for 1973–2001 and 2002–2018.

in the second period, accounting for some 50% of the total budget until the mid-2010s, after which it slightly decreased.

Thirdly, General Programme Assistance accounted for only a small proportion of Sida's aid in the pre-2001 period. However, in the couple of years after the turn of the century, its share increased and then fell sharply in 2013. Sida's allocation of resources to General Programme Assistance reflected the international trend towards budgetary support. This was followed by a rapid decline after the controversial election of 2005.

Fourthly, the Production Sectors accounted for much higher percentages in the pre-2001 period but remained relatively small after 2001. Over the years, Sida seems to have downgraded the priority of such production sectors as agriculture, forestry, fishing, industry, mining and construction.

Figure 6: Three-year moving average of Swedish sectoral commitments (1973–2001) and disbursements (2002–2018) to Ethiopia



Source: Creditor Reporting System (CRS)(OECD) 1973–2001 (Lemi, 2017). Creditor Reporting System (CRS)(OECD) 2002–2018 (OECD database).

We may also compare the sectoral allocation of Sweden with the other top 10 donors (graphs not shown here for reasons of space). The following paragraphs summarise the main patterns.

For almost the entire 1970s and 1980s, Sweden allocated the highest percentages to Social Infrastructure and Services compared to the other top 10 donors. Amongst others, this sector includes education, health, population policies and reproductive health, water supply and sanitation, government and civil society, conflict, peace and security. In the early 1990s, while Sweden's percentages fell, those for the other top 10 donors increased. Consequently, from around the mid-1990s, the percentages allocated to Social Infrastructure and Services by the top 10 donors were very similar. Donor coordination and a focus on poverty alleviation are likely the main reasons for these changes.

By contrast, the percentages for economic infrastructure and services were low for almost all years but with some sudden jumps in a few of them.[8]

In the 1970 and 80s, compared to the other top 10 donors, Sweden allocated the highest percentages to the Production Sectors (agriculture, forestry and fishing, industry, mining and construction and trade policies and regulation). As with Social Infrastructure and Services, from around the end of the 1990s, the top 10 donors started investing similarly low percentages of their bilateral aid in this sector. Multisector/Crosscutting covers such things as environmental protection. Generally, this sector accounts for a low percentage of bilateral aid for the top 10, except for a short period for Sweden between 2002 and 2010. General Programme Assistance/Commodity

[8] For example, Italy around 2008 and Japan around 2015. Economic Infrastructure and Services (transport and storage, communication, energy, banking and financial services and business and other services) is not a major focus, at least for the main bilateral donors. The few sudden, significant jumps are also an indication that this sector is characterised by lumpy and intermittent investment (building a major economic infrastructure requires huge investment over a short period and, after construction, the expenditure falls).

Aid includes general budgetary support, development food assistance and other commodity assistance. In the 1970s and 1990s, Sweden allocated a lower proportion to this sector compared to the other top 10 donors, with some donors allocating very high percentages. The percentage allocations of the top 10 donors to this sector were comparable after the mid-1990s to those of the Social Infrastructure and Services and Production sectors. For the entire period, the top 10 donors allocated only a very small proportion of bilateral aid to debt-related interventions. Unlike the other sectors, Humanitarian Aid by the top 10 donors was synchronised over the whole period, significantly increasing during periods of food shortage and conflict but falling in other periods. As shown above, Swedish emergency assistance is responsive. However, this is not unique as the same is true for the other top 10 donors.

To summarise, the sectoral allocation of aid shows that after the mid-1990s, the top 10 donors seemed to have synchronised their allocations, at least in some sectors other than Humanitarian Aid (Social Infrastructure and Services, Production and General Programme Assistance/Commodity Aid). This may have been through deliberate donor coordination facilitated by international aid effectiveness forums (such as Rome, 2003 and Paris, 2005) or through donors informally influencing and learning from each other. The Economic Infrastructure and Services, Multisector/Cross-cutting and Actions Relating to Debt sectors have low allocations from almost all the top 10 bilateral donors. Emergency assistance seems to be responsive to significantly increased demand in times of emergency (but does not necessarily mean that the volume and delivery are optimal).

The more recent allocation of Swedish aid has been significantly affected by the conflict and political conditions in Ethiopia. Due to the Ethio-Eritrean war of 1998–2000, Sida significantly reduced its aid. Then the suppression of opposition political parties after the controversial election of 2005 led to the suspension of direct bilateral aid to the Ethiopian government. In consequence, Sweden had no

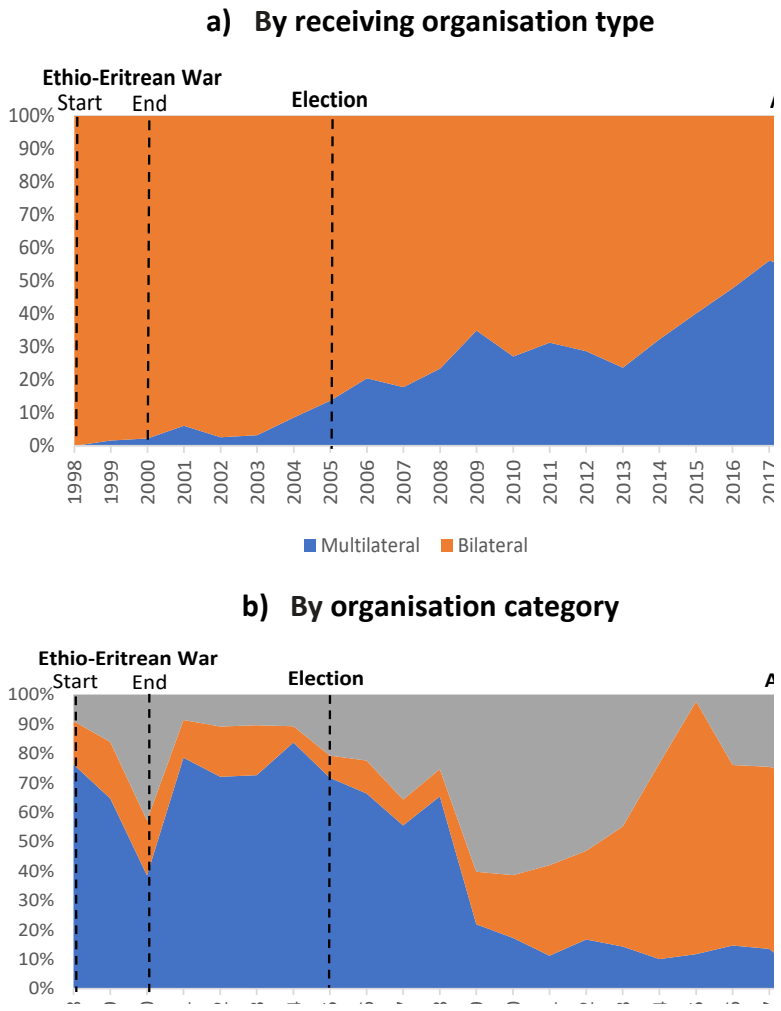
new strategy paper, merely extending the old one between 2007 and 2016. The termination of direct support to the Ethiopian government prompted Sweden to use different funding channels, relying more on global funds and increasingly channelling its support through either multilateral (such as the UN, World Bank and International Finance Corporation) or civil society organisations. Sida continued to interact with Ethiopian government ministries, such as the Ministry of Finance, to ensure that funds transferred through multilateral organisations were allocated to the intended government bodies. Sida also started to directly support civil society organisations without involving the Ethiopian government (interviewee no. 4).

The 2016–2020 strategy paper focused on three main areas: 1) environment and climate change (including energy); 2) democracy and human rights (including gender equality); and 3) ivelihoods (including development of the private sector). Even before Abiy came to power in 2018, work with the Ethiopian government on the environment area progressed well. However, the other two did not sit well with the government agenda. Hence, while the environment work enjoyed a 'tailwind', the other two endured a 'headwind' (Jayawardena, 2019). All Sida staff reiterated that when Abiy came to power, there was a marked improvement in democracy, human rights and private sector development (e.g., interviewee nos. 4, 5 and 37). The investment proclamation passed by the Ethiopian parliament and other reform measures improved conditions for the private sector. Even though Sweden started to work with the Ethiopian Chamber of Commerce in 2011 and later with IFC in 2013, with the change in government in 2018 these and similar private sector development support expanded (comments from Sida/MFA staff; interviewee no. 37).

The strained relationship between Sweden and the EPRDF government after the controversial election of 2005 increased the share of bilateral aid channelled through multilateral organisations. By around 2016, half of Sida's bilateral aid was through multilateral

organisations such as the UN (see Figure 7 Panel a). Moreover, if we examine the breakdown of aid not channelled through multilateral organisations, the share of bilateral aid to the Ethiopian government declined significantly after the 2005 election. The lion's share of bilateral aid not channelled through multilateral organisations goes to the civil society/NGO sector (see Figure 7 Panel b). Hence, Swedish bilateral aid was increasingly channelled through multilateral organisations and the remaining bilateral aid was also increasingly allocated to the NGO sector rather than the government.

Figure 7: Proportion of Sweden's budgeted aid to Ethiopia by receiving organisation type



Data source: International Aid Transparency Initiative (IATI).

The next section discusses strategic issues of Swedish support to Ethiopia.

Strategic issues in Sida's support to Ethiopia

The following two sub-sections examine strategic issues related to motives, priorities, principles and coordination.[9]

Motives, priorities and principles

Understanding donors' motives, priorities and principles is an important component in evaluating aid. They affect the total volume of aid, its sectoral allocation and how donors behave and interact with recipients; they also help us understand process-related issues. Of course, properly understanding motives, priorities and principles is not easy. They may not be clearly stated in official documents and, even if they are, it does not automatically mean they will be implemented. When circumstances are highly uncertain, immediate concerns may influence donors' actions, rather than long-term motives, priorities and principles. In examining this, we will attempt to cover a few issues using existing literature, plus qualitative and quantitative data.

Understanding the motives, priorities and principles of donors helps address some of our evaluation questions. For example, the motives of donors strongly affect the first evaluation question on appropriate strategy and design (related to the OECD/DAC criteria of **relevance** and **coherence**). A country that is driven mainly by geo-political interests will have no incentive to carefully analyse the appropriateness of aid for developing the recipient country. Rather, the focus will be on strengthening the geo-political interest of the donor (and the two will not always align). Similarly, motives, priorities and principles will influence the other OECD/DAC criteria.

[9] Both quantitative and qualitative data are used in addressing these issues.

Many studies of the motivations of donors argue that Sweden has a tradition of being more altruistic, humanitarian and emphasising basic needs and that this has earned the country the moniker of 'darling of the Third World' (Schraeder et al., 1998; see also Vejdeland, 2017; Kouassi, 2018). During the Cold War, Sweden seemed to follow a different route, compared to the dominant anticommunism strategy of many Western nations of containing the Soviet Union's influence. Sweden cultivated relationships with socialist-orientated countries including Ethiopia (Schraeder et al., 1998). The dominance of social democracy in its politics partly explains this. This tradition seems to have continued, particularly bolstered by the international shift towards poverty reduction in the 1990s. Apart from the dominance of the Social Democratic Party (SAP), Sweden has laid down a stronger constitutional structure and created a relatively autonomous aid agency, both of which uphold the human-needs focus of Sweden's international aid (Gulrajani, 2017; Baydag et al., 2018). Another possible reason is that Sweden does not have a strong global military, or geopolitical and strategic interests like bigger powers such as the US, the former Soviet Union or present-day China. Sweden was not a major colonial power like the UK and France, whose colonial ties influence modern foreign policy and international aid. The concept of a 'middle power' (Stokke, 1989; Karre and Svensson, 1989), of states that are neither big nor small, may also help explain Sweden's position.

In addition to the above, Sweden evidently has a unique relationship with Ethiopia based on history and many of our interviewees emphasised this aspect. The historical importance of Christianity and monarchy in both countries are likely reasons for the early origins of a relationship between them (interviewees no. 14 and 24). The role of religion has been reiterated by many interviewees. For example, many churches in Sweden effectively lobby for Ethiopia, particularly to stay in the country when it goes through difficult times. This is one reason why most Swedish parties support staying in Ethiopia in difficult times, despite objections from some political groups (interviewee no. 25). The Italian occupation of Ethiopia just before

the Second World War and the country's resistance is a further historical reason for the popularity of Ethiopia among Swedes (interviewee no. 14).

A discourse analysis of UK and Swedish international aid policy documents shows the contrast between the two countries. For example, UK policy documents emphasise 'win-win' situations with mutual benefits through markets, including business opportunities for UK firms. This narrative is not important in Swedish policy documents, which focus on partnership and benefits to the recipient (Kouassi, 2018). The UK narrative is likely the more dominant one among Western donors. While a bargaining framework between donors and recipients is emphasised among most Western donors, the Swedish model generally uses a narrative of partnership with, and ownership by, the recipient. For example, one of our Sida interviewees emphasised that donors should not forget they are guests of the country and that they are working with partners (interviewee no. 4). Ownership is also repeatedly mentioned in our interviews with Sida staff; a concept that includes ownership by the government as well as by local community and civil society organisations, NGOs and others (interviewee no. 25). The recent increase in Sida's activities with non-governmental actors illustrates this broader definition of ownership.

As indicated above, the needs-orientation of a donor is partly a function of how much its aid policy aligns with foreign policy. The more aligned the two are (organisationally and in terms of policy), the lower the expectation that aid will be 'altruistic', particularly if there are no legal and policy frameworks that restrain diplomatic interests. Sweden, with its "dualism" (of the constitutional separation of policy-setting and implementation) and the relatively greater autonomy of its international aid agency, seems to perform differently in this respect, compared to other Western donors such as the UK and Norway (Gulrajani, 2017).

The amount of aid by countries relative to their income is a good indication of donors' strategic or altruistic interest in the recipient country. We compared the amount of aid given by the top 10 donors to Ethiopia, given the donors' income.[10]

Sweden is giving more to Ethiopia as a percentage of its per capita GDP. The constant term of the regression captures the average contribution for all countries, 0.002 (significant at 1%). This means that, on average, donors give around 0.2% of their per capita GDP as aid to each Ethiopian. These ratios are 1.9% (0.2% + 1.7%) and 1% (0.2% + 0.8%) for Sweden in the respective two periods.[11]

When comparing the performance of Sweden to the other top 10 donors, some interesting results emerge. In the 1973–2001 period, the only other significant dummy variables (apart from Sweden's) are for the Netherlands and Norway (significant at 1% level) and Italy (significant only at 10%). All three coefficients are 0.004, much

[10] This entailed computing a quantitative measure (G_{ij}) that captures the amount of per capita aid to Ethiopia given a donor's per capita income. To compute G_{ij}, we divided the per capita aid of that donor to Ethiopia by the GDP per capita of the donor country. Formally, $G_{ij} = \frac{A_{ij}}{I_i}$, where A_{ij} is the per capita aid of donor i to country j (in other words, the total aid of country i to country j divided by the population of country j) and I_i is the GDP per capita of the donor country i. This ratio measures, on average, how much of the average income of an individual in a donor country is given to an individual in the recipient country as aid; in other words, it measures the percentage of GDP per capita of the donor country given as aid to an individual in a recipient country. Using the CRS (OECD) data, we regressed the G_{ij}'s of all donors to Ethiopia in the period 1973–2018 on dummy variables for the top 10 donors (including Sweden). The results from random effects regressions with AR1 (first-order autoregressive) disturbances are in Table 1. Remember, because the CRS data is as aid commitments from 1973 to 2001 but as disbursements in the remaining periods, we have separate regressions for the two periods. In both periods, the Swedish dummy variable is highly significant (at 1%) and positive; this means that compared to the average G_{ij} of all donors to Ethiopia, Sweden is giving more to Ethiopia as a percentage of its per capita GDP.

[11] In other words, Sweden's respective G_{ij}'s were around 18 and five times higher than the average for all donors.

smaller compared to Sweden's coefficient (0.017). These results indicate that Sweden gave far more aid as percentage of GDP per capita in the first period compared to other donors, followed by the Netherlands, Norway and Italy.

In the period 2002–2018, while the average G_{ij} for all donors to Ethiopia was still the same (0.002), the coefficient on the dummy for Sweden falls from 0.017 to 0.008. Moreover, three countries have higher coefficients than Sweden: Ireland (0.016), Norway (0.011) and the UK (0.009), with the Netherlands (at 0.007) following close behind. These regression results indicate that Sweden's clear lead in terms of per capita aid relative to per capita income is lost in the second period, even though Sweden is still contributing more than the average for all donors. By far the biggest donor to Ethiopia, the US, is an average performer and in both periods, the US's coefficient is not significant.

Table 1: Random effects regressions (with AR1) of ODA per capita, divided by GDP per capita

	1973–2001	2002–2018
	(1)	(2)
VARIABLES	ODApc/GDPpc	ODApc/GDPpc
Sweden	0.017***	0.008***
	(0.002)	(0.002)
Canada	0.001	0.003*
	(0.002)	(0.002)
Germany	-0.000	0.001
	(0.002)	(0.002)
Ireland	0.005	0.016***
	(0.004)	(0.002)
Italy	0.004*	0.000
	(0.002)	(0.002)
Japan	-0.002	-0.000
	(0.002)	(0.002)
Netherlands	0.004**	0.007***
	(0.002)	(0.002)

VARIABLES	1973–2001 (1) ODApc/GDPpc	2002–2018 (2) ODApc/GDPpc
Norway	0.004**	0.011***
	(0.002)	(0.002)
UK	-0.000	0.009***
	(0.002)	(0.002)
US	-0.001	0.002
	(0.002)	(0.002)
Constant	0.002***	0.002***
	(0.001)	(0.000)
Observations	439	469
No. of countries	21	40

Standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1; CRS data.

Hence, overall (as expected) Sweden has higher per capita aid per GDP per capita than the average donor to Ethiopia. However, both the magnitude and its rank declined significantly after 2002, with some donors like Ireland, Norway and the UK overtaking Sweden.[12]

Another aspect of Swedish aid that most interviews reveal (with both Sida staff and others) is its emphasis on longer-term institutional engagement with Ethiopia. Sweden's lack of strong strategic and geopolitical interest is also a likely reason for this. To examine this in our context, we explored whether Sida's aid volume changed significantly during the four political regimes in Ethiopia between 1960 and 2018.

As described in the background section of this report, Ethiopia saw three major, radical political changes during this period; the overthrow of Emperor Haile Selassie in 1974, the overthrow of the Derg in 1991 and the fall of the TPLF and rise of Abiy in 2018. To examine whether Sida's aid changed significantly between the

[12] Note, G_{ij} captures only the donors' aid to Ethiopia and aid to other countries is not included here.

four regimes, we regressed the (log) of total Sida aid in constant 2018 USD on the dummy variables of the four regimes, while controlling for linear and quadratic time effects.[13] The regression results appear in Table 2, with predicted marginal effects of the four regimes in Figure 8.

Of the three dummy variables, only that for the EPRDF is significant. The marginal effects in Figure 8 (with the 95% confidence interval) clearly indicate that the EPRDF's dummy is significantly lower than that of Haile Selassie and the Derg regimes. We should not read too much into the coefficient for Abiy, as we only have one observation (for 2018). This also explains the very wide confidence interval (as a robustness check, we also did the regressions and marginal effects by incorporating Abiy into the EPRDF regime, but this did not change the results). Hence, the regression results indicate that no significant statistical differences in Sida's aid to the Haile Selassie and Derg regimes, while the average volume of aid dropped during the EPRDF era.

Table 2: Regression of Swedish aid (in constant USD in log) on Ethiopian political regimes

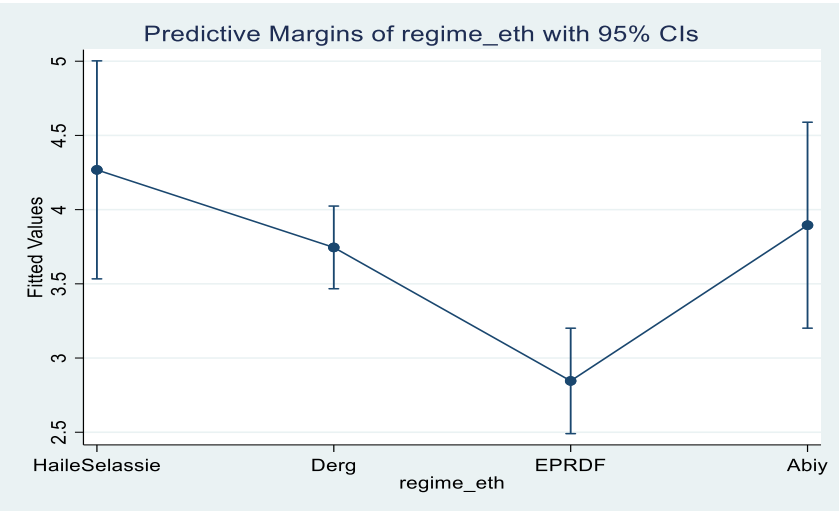
	(1)
VARIABLES	**log_ODA_constant**
Time	0.182***
	(0.0288)
Time squared	-0.00208***
	(0.000404)
Derg era	-0.523
	(0.398)
EPRDF era	-1.422***
	(0.518)

[13] To mitigate the effect of heteroscedasticity and first-order autoregressive disturbances, we used Newey-West standard errors.

VARIABLES	(1) log_ODA_constant
Abiy era	-0.373
	(0.615)
Constant	1.292***
	(0.285)
Observations	59

Newey-West standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1.
Data: Sida (2004) and Openaid.se

Figure 8: Marginal effects Ethiopian regime changes on Swedish aid (log constant USD)



Marginal effects derived from regression in Table 3.2.

The above statistical results partially support the idea of Swedish aid sticking with recipients, particularly due to the similar level of support during the Haile Selassie and Derg eras. However, the results do not match so well with the significant decline during the EPRDF period. This decline was mainly due to the Ethio-Eritrean war of 1998 and the controversial 2005 election and raises some interesting questions. In terms of human rights, democracy and conflict, it is difficult to argue that the Derg was

better than the EPRDF. Most of the Derg period was characterised by civil war, particularly in the northern part of the country. There were the Eritrean secessionist movements and the TPLF, brutal suppression of underground political parties with widespread extrajudicial killings and human rights violations and a war with neighbouring Somalia. It seems likely that the shift in Swedish policy towards a human rights-based approach (HRBA) was the main reason for decreasing aid during the EPRDF period, rather than the EPRDF regime being worse than the Derg in terms human rights violations and undemocratic practices.

This raises the question of whether this shift in emphasis may have compromised other objectives of Swedish support. As described in the background section, the fastest poverty reduction in Ethiopia occurred around the time of decreased aid from Sida. One might argue that Sida missed an opportunity to contribute to this poverty reduction. Some of the earlier Swedish support may have contributed to this rapid decline in poverty rates. However, this fails to address the counterfactual question of the degree to which Swedish support would have accelerated this rapid decline in poverty had it not been withdrawn. Obviously, there are sound political and ethical reasons for decreasing support to a government that was at war and engaged in anti-democratic activities and human rights violations. Still, policymakers should have been aware that this might come at the expense of other worthy causes, such as reducing poverty. For such trade-offs, the choice of policy should be clear; in this respect, a clearer prioritisation of various objectives would have helped.

To compare Swedish aid with the other top 10 donors to Ethiopia, we used the CRS (OECD) data to run similar regressions as in Table 3.2 for each of the other nine donors. The predicted marginal effects for each donor and each Ethiopian regime appear in Figure A3 of the Appendix. The CRS (OECD) data covers 1973–2018 and hence contains data only on the last two years of Haile Selassie's regime and first year of Abiy's. Thus, we can only

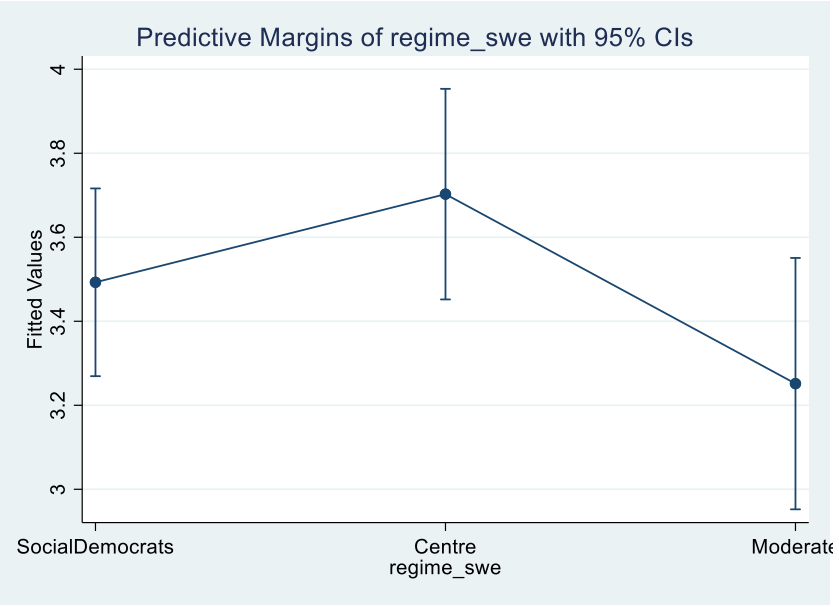
make meaningful comparisons between the Derg and EPRDF regimes. Aid from six of the other top 10 donors (Germany, Ireland, the Netherlands, Norway, the UK and the US) during the Derg and EPRDF periods was not statistically different. Like Sida, the remaining three top 10 donors, Canada, Italy and Japan, allocated significantly higher average annual aid, in real terms, during the Derg period than the EPRDF one. In other words, the average aid from the top 10 donors either stayed the same or decreased during the EPRDF period; a period of significant poverty reduction.

The other side of examining the consistency of Swedish aid is whether there was continuity across different Swedish governments. Sweden's strong constitutional and institutional structure for international aid suggests that changes in ruling political parties would not significantly affect aid to Ethiopia.[14]

The regression results appear in Table A3 of the Appendix, with the corresponding predicted marginal effects appearing in Figure 9. The marginal effects indicate no statistically significant differences in Swedish aid to Ethiopia when different Swedish political parties were in power. This provides some supporting evidence that the main principles of international aid allocation in Sweden (at least in terms of aid volume to Ethiopia) have continuity across different Swedish regimes.

[14] To test this, we regressed Swedish aid to Ethiopia, in real terms, on dummy variables capturing different political parties in power between 1960 and 2018. For most of this period (around 42 of the 59 years), the Social Democratic party was in power. The Centre and Liberal parties were in power for around five years in the 1970s and one year in the 1980s respectively. The Moderate party led a coalition between 1992 and 1994 and later came to power between 2007 and 2014, in coalition with other Alliance parties. The Alliance for Sweden was made up of the Moderate party (Moderaterna), Centre party (Centerpartiet), Liberal party (formerly Folkpartiet, now Liberalerna) and the Christian-Democratic party (Kristdemokraterna). Adding the Liberal party's one-year rule in the 1970s to that of the Centre party produces three regimes: Social Democratic, Centre/Liberal and Moderate. As before, we controlled for linear and quadratic time trends in the regression.

Figure 9: Marginal effects of Swedish regime changes on Swedish aid (log constant USD)



Marginal effects derived from regression in Table A3 of the Appendix. The Centre Party covers 1977–1982 including the one year when Ola Ullsten (Liberal Party) was in power.

The above analysis considers how, on average, total bilateral aid is affected by political changes in Ethiopia and Sweden. A closely related issue is the importance of Ethiopia within the overall bilateral aid of Sweden.[15]

Firstly, the percentage of aid allocated to Ethiopia decreased significantly compared to what it was during Haile Selassie's reign (from 4.3% to around 1.4%). In terms of the overall portfolio of Swedish bilateral aid, this implies that Ethiopia is becoming less important. Secondly, even though the percentage was highest when Social Democrats were in power, the only significant difference was under the coalition between the Moderate Party and Alliance for

[15] To examine this, we computed the percentage share of aid to Ethiopia from Sweden's total bilateral aid from 1960 to 2020, with mean percentages disaggregated for each political regime in Ethiopia and Sweden (Table 3.)

Sweden. However, since the coalition came to power just after the controversial election of 2005, it is difficult to know whether the decline was driven mainly by events (meaning that a different ruling party would have done the same), ideology or a combination of the two.

Table 3: Swedish bilateral aid to Ethiopia as a mean percentage of total Swedish bilateral aid by political regimes

	Political regimes in Sweden				
	SAP	C/L	M	M/A	Total
Political regimes in Ethiopia					
Haile Selassie	4.26				4.26
Derg	2.45	2.25			2.38***
EPRDF	1.48		2.07	0.81	1.35***
Abiy	1.40				1.40***
Total	2.64	2.25	2.07	0.81***	2.34

Key: C/P = Centre and Liberal; SAP = Social Democrats; M = Moderate Party; M/A = Moderate Party and Alliance for Sweden; *** Significant at 1% compared to Haile Selssie or SAP (t-test); Raw data source: OECD.

We will now examine Sida's shifting priority areas over the years. For example, in the earlier periods, there was prominent support for rural development and education. From the 1990s onwards, democratisation and human rights became increasingly central. Reflecting this, two of the most recent national strategy papers emphasise the rule of law, democratic accountability and transparency, openness, human rights, sexual and reproductive health, the rights perspective and the perspective of the poor (Swedish Ministry of Foreign Affairs, 2002, Swedish Ministry of Foreign Affairs, 2016).

The emphasis on a human-rights-based approach was probably the most important shift after the 1990s and became the cornerstone of Swedish aid in building a democratic form of government and safeguarding human rights (Kouassi, 2018). A bill on Sweden's global development policy was approved by the Swedish parliament

in 2003 and emphasised two perspectives, a rights perspective (based on international human rights conventions) and the perspective of the poor. Following this, Sida (2008) indicated that a rights-based approach would guide all its portfolio allocations. The three main principles of this approach influence all aid allocation. These are 1) participation and inclusion, 2) non-discrimination and 3) equality and accountability. The implementation of these principles relates to the processes of empowerment, advocacy and use of legal means to defend those who are poor, marginalised and discriminated against (Broberg and Sano, 2018).

Apart from the shift into human rights and democratisation, more recent policy documents also emphasise environmental issues, such as sustainability, limiting the impact of climate change and building resilience (Swedish Ministry of Foreign Affairs, 2016). For example, in its recent past, Sida has supported some important climate-related activities, including climate-smart agriculture.

On a more practical level, another underlying principle that runs through Sida's involvement in Ethiopia is the 'needs-based approach'. This requires engaging with and consulting recipient countries to identify needs. The wider literature and our interviews show that Sida has a long and strong tradition in this respect. Some argue that Sweden's approach to partner countries is based on needs, even though no well-structured method or formula guides such a policy (Baydag et al., 2018). Comparing Swedish and UK aid policy documents using discourse analysis indicates that Swedish policy considers recipients of aid as 'partners', with an equal relationship between donor and recipient. By contrast, UK documents emphasise the recipient aspect and focus on the power dynamics between donor and recipient (Kouassi, 2018). Many of our interviewees also highlighted Sida's 'needs-based approach'. Anecdotal evidence from one of our interviewees (a high-level official in Haile Selassie's government) is very revealing. While working in Ethiopia's planning commission during Haile Selassie's government, this official had frequent contact with international donor agencies, including

USAID and Sida. He told us that it was usual for USAID personnel to come to the planning commission with detailed plans for projects and offer to provide the necessary funding if such plans were supported by the Ethiopian government. By contrast, Sida officials would approach the planning commission to consult on identifying projects deemed important by their Ethiopian counterparts. In analysing specific projects, subsequent chapters will further examine whether a 'needs-based approach' was guiding Sida's aid allocations.

The next section examines issues of coordination, fragmentation and leadership in the aid sector in Ethiopia.

Coordination, fragmentation, leaders and followers

On the international level, much effort has gone into improving the effectiveness of aid, including strengthening coordination between donors in terms of priority areas (such as poverty reduction) and avoiding duplication of activities. These efforts include high-profile international fora such as conferences in Rome (2003), Paris (2005), Accra (2008) and Busan (2011). To assess whether higher levels of coordination were attained at the sectoral level by different donors in Ethiopia, we will first examine changes in the sectoral allocation of Swedish aid, comparing them with the experience of the other top 10 donors to Ethiopia between 1973 and 2018.

As indicated before, the CRS (OECD) data divides bilateral aid to Ethiopia into eight sectors.[16] To examine the average pattern of sectoral allocations and changes in Sida's aid over time and compare

[16] Social Infrastructure and Services, Economic Infrastructure and Services, Production Sectors, Multisectoral/Cross-cutting, General Programme Assistance/Commodity Aid, Action Relating to Debt, Humanitarian Aid and Others. More details on the component of each sector appear in Table A2 of the Appendix.

it with the experience of the other top 10 bilateral donors to Ethiopia, we regressed the percentage of total aid allocated to each sector from each donor's total aid on dummy variables of the top 10 donors.[17]

The constant terms in the respective regressions indicate the average percentage allocation to that sector from total bilateral aid by all donors. For example, the constant for the first regression for 1973–2001 for Social Infrastructure and Services (_100_perc) is 18.9; this means that, on average, between 1973 and 2001 bilateral donors to Ethiopia allocated 18.9% of their aid to the Social Infrastructure and Services sector. If the coefficients for the top 10 country's dummies were statistically significant at conventional levels, then these countries were allocating significantly more or less (depending on whether the coefficient is positive or negative) than the average for all donors.[18]

We will now examine the main patterns emerging from the regression results. The differences in sectoral allocations among the top 10 donors are lower in the second period (2002–2018) compared to the first one (1973–2001). In four of the seven sectors Social (100), Economic (200), Production (300) and Debt (600), the percentage allocations of the top 10 did not differ from each other in the second period as they had in the first. None of the dummies for the top 10 donors was statistically significant for 2002–2018, while some in the first period had been. The biggest percentage changes happened in the Social Infrastructure and General Programme Assistance sectors, with the former increasing by 19.8 percentage points and the latter falling by 38.4 percentage points between the two periods. The other sectors showed much

[17] We estimated random-effects regressions separately, with first-order autoregressive disturbances for 1973–2001 and 2002–2018 (see Table A4 of the Appendix).

[18] For example, the coefficient for Norway in 1973–2001 for Social Infrastructure and Services was 31.8 and highly significant at 1%. This means Norway was allocating 31.8% more than the average for all donors. In other words, on average Norway was allocating 50.7% (18.9 + 31.8) to Social Infrastructure and Services.

lower percentage point changes. Hence, in the second period more bilateral aid was going to Social Infrastructure while the share of General Programme Assistance declined significantly. Sweden was no exception regarding these changes. Of the seven sectors, the dummy for Sweden was statistically significant in five (at least 10%) in the 1973–2001 period but none was significant in the 2002–2018 one. Hence, like most other donors during the second period, Sida's sectoral allocation resembled the average.

The only sector with an increased difference in percentage allocations between the top 10 donors in 2002–2018 compared to 1973–2001 was General Programme Assistance.[19] Generally, the relative sectoral allocations by donors became more similar in 2002–2018 compared to 1973–2001 indicating that the harmonisation of aid by the top 10 donors increased over time.[20]

Sweden's aid mix increasingly resembles that of the average donor. In the 1973–2001 period, Sida's share of four sectors (Social, Economic, Production and General Programme Assistance) differed significantly from that of the average donor (at least 10%). In the 2002–2018 period, only Multisector had a share that differed significantly from the average. In other words, in terms of percentages,

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[19] This sector showed the greatest decline in percentage allocations and was also the sector in which differences between the top 10 donors increased. From 1973–2001, the only donors in this sector with statistically significantly (at least 5%) different allocations compared to the average were Sweden and the US. Sweden was allocating around 37.5 percentage points lower than the average (hence, its average allocation to the sector was 3.228% = 40.771-37.543) and the US 33.501 was percentage points higher. From 2002–2018, Sweden allocated the same as the average (2.416%), which is not much different from its allocation in the first period. However, six top 10 countries in the second period allocated significantly higher percentages to General Programme Assistance compared to the average (in descending order, Canada, the UK, Ireland, Japan, the Netherlands, and the US). The US decreased its allocation from 1973–2001, while the others significantly increased theirs.

[20] The main exception to this trend was General Programme Assistance, in which the relative share of allocations between the top 10 donors differed significantly over the two periods.

Sida's aid allocation was not significantly different from other donors in six out of the seven sectors in the 2002–2018 period. The three sectors that showed significant changes for Sida were Social Infrastructure, Multisector and Production.[21] Hence, following the general trend, Sida's sectoral aid allocation seems to have become increasingly harmonised with other donors. In terms of sectoral allocations, Sida is no longer unique.

The harmonisation of budget allocations discussed above may not have been achieved solely by direct coordination between donors. It might also have resulted from shared objectives, principles and consensus (such as poverty reduction), arising in part from the many efforts to improve aid effectiveness and coordination. Aside from this macro-level coordination, bilateral donors also attempted to coordinate their actions by pooling resources or avoiding overlapping activities. An example is coordination through Development Assistance Groups (DAGs), (currently known as Development Partners Groups, or DPGs). The DAG in Ethiopia has 28 members with 10 executive committee members representing the big donors such USAID, DFID, the World Bank and the European Union, medium-sized ones (such as Sweden) and small bilateral donors. Sweden was a member of the executive committee for two years and chair for one year (interviewee no. 4). Sida also chaired the humanitarian-resilience donor group from January 2020 (interviewee no. 12). The evaluation of bilateral aid should also consider this second aspect of coordination.

Countries that are active and contribute more to coordination are doing a service to all donors and the recipient, by providing a public good. In this respect, Sida seems to punch above its weight, through its many active coordination initiatives (interviewee no. 12); something that is also appreciated by other donors (Sørensen et al., 2019). This also came out clearly in the many interviews we conducted. There has been much more activity around coordination attempts in the recent

[21] The first two increased by around 20 and 17 percentage points respectively and the third fell by around 18.

past than in earlier times. Nevertheless, it remains unclear whether efficient coordination has been achieved. On the Ethiopian side, for example, at least one of the interviewees from the Ministry of Finance and Economic Development indicated that, despite many attempts at donor coordination, bilateral aid by donors is still uncoordinated (interviewee no. 24).

Coordination may also be facilitated from the recipient's side. In Ethiopia, the bilateral aid allocation is negotiated by a department in the Ministry of Finance and Economic Development and donors must sign bilateral aid agreements with the Ministry. To try and align the flow of foreign aid to national priorities, the Ministry negotiates with donors to influence the sectoral allocation of aid. Since 2005, Sida has signed one-year contracts and most of the funds, as indicated earlier, are channelled directly through multilateral or civil society organisations. Although allocation to NGOs is tolerated by the Ethiopian government, it was unlawful strictly speaking for some time, especially after the restrictive 2009 proclamation on civil society organisations. Staff indicated a need however to operate through the ministry (interviewee no. 24). As in most developing countries, Ethiopia's absorption capacity (utilisation of all available aid) is rather limited. This also constrains Ethiopia's coordination capacity (interviewee no. 24).

Alongside formal, explicit coordination activities, there may also be informal coordination. For example, some donors may not have the resources, energy or interest to conduct the necessary investigation and identify the best allocation of their aid. Rather, they may follow what other trusted donors do. If there is strong alignment in the aid policy of two countries, this may serve as a smart, resource-saving strategy. This implies that donors may be leaders or followers, with the leader's initiating changes that are later copied by the followers. For the top 10 donors to Ethiopia, we addressed this issue on two levels: total amounts of aid and sectoral allocations. Using the CRS

(OECD) data for 1973–2018, we estimated vector autoregressive models (VARs) and tested for Granger causality, each time considering Sweden's aid alongside one of the other top 10 donors.[22]

Please note, Granger causality is based solely on the fact that a cause precedes effect and should not, therefore, be taken as ironclad proof of causality. It is a necessary but not sufficient condition of causality.

Table 4 shows the Granger causality tests for total aid from Sweden and the other top 10 donors.[23] In both instances, the Granger causality goes from Sweden to the two countries. This means that over the period 1973–2018, when Sweden's average aid changed, this was followed by changes in aid from the UK and Canada and implies that Sweden likely led British and Canadian aid. There was no statistically significant result for the other donors.

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[22] In each VAR, Swedish aid was regressed on lagged values of one of the top 10 donors (say, the US), with US aid subsequently regressed on lagged values of Swedish aid. If levels of US aid influence those of Sweden, then the first set of coefficients on lagged US aid will be statistically significant with US aid Granger-causing Swedish aid, given that cause always precedes effect. If levels of Swedish aid influence those of the US, then the second set of coefficients on lagged Swedish aid will be statistically significant, with Swedish aid Granger-causing US aid. If both sets of coefficients are statistically significant, then there is bilateral causality (feedback) between Swedish and US aid. If both sets of coefficients are not statistically significant, Swedish and US aid are independent.

[23] Specifically, we estimate VAR regressions between the change in total (log of) aid for Sweden and the change in total (log of) aid of each of the other top 10 donors. The change in the total log of aid was chosen because they are stationary series. We link Sweden with each of the remaining nine top 10 donors (except Ireland, due to insufficient data). From the eight pairings between Sweden and the other donors, the first lines test whether changes in the other donor's aid result in changes in Swedish aid, while the second lines test the opposite. As shown in the table, the two statistically significant cases are with the UK and Canada (both of which are statistically significant at 5%).

Table 4: Granger causality for total real aid annual changes (in log) for top ten donors (based on vector autoregressive models; 1973–2018)

	F	df	df_r	p	Significance
Sweden←USA	0.3609	2	38	0.6994	
USA←Sweden	0.9455	2	38	0.3974	
Sweden←UK	0.2059	2	31	0.8150	
UK←Sweden	3.3037	2	31	0.0500	**
Sweden←Germany	0.2213	2	34	0.8027	
Germany←Sweden	2.1529	2	34	0.1317	
Sweden←Canada	0.0132	2	32	0.9869	
Canada←Sweden	4.1090	2	32	0.0258	**
Sweden←Netherlands	1.1735	2	38	0.3202	
Netherlands←Sweden	0.0323	2	38	0.9682	
Sweden←Japan	1.8394	2	33	0.1748	
Japan←Sweden	1.6505	2	33	0.2074	
Sweden←Norway	1.5342	2	34	0.2302	
Norway←Sweden	0.5206	2	34	0.5988	
Sweden←Italy	0.7255	2	30	0.4924	
Italy←Sweden	0.4776	2	30	0.6249	

*** 1%, ** 5%, * 10%; CRS (OECD) data; Augmented Dickey-Fuller unit root tests conducted.

At the sectoral level, we used changes in the percentage of aid allocated to each sector from the total aid of each of the top 10 donors to run Granger causality tests like the ones above. Table 5 shows only the statistically significant results at 5% or 1% levels. [24]

[24] To save on space, detailed results have not been included.

On the sectoral level, there were no statistically significant correlations in the Social Infrastructure, Programme Assistance and Actions Relating to Debt sectors. Sweden's aid in the economic sectors correlated to that of the US, UK and Norway. While Sweden appeared to be a leader relative to the UK and Norway, the US seemed to lead Sweden in this sector. In the production sector, Sweden's aid correlated to the UK, US, Germany and Japan, Sweden led the UK and Germany but followed Japan. Interestingly, the Production Sectors aid from Sweden and the US seem to be related in a feedback loop, with each influencing the other. In Multisector (Cross-cutting) aid, Sweden leads Japan but follows the Netherlands. The only sector in which Sweden appears consistently as leader is Humanitarian Aid; out of the nine top 10 donors. Sweden leads Canada, the US, the Netherlands and Italy. This is likely because Sweden responds to Humanitarian Aid quicker than the other top 10 donors. Note, this does not necessarily mean Sweden is first to act. International organisations such as the UN may be quickest. However, compared to the other top 10 bilateral donors, Sweden acts faster on average.

Overall, the above results suggest that Sweden probably influences both the total and sectoral allocation of other donors. As indicated before, this may be due to deliberate coordination. It might also be due to imitation, because other donors consider Sweden a good example to follow. Informal leaders essentially provide a public good by providing 'free' coordination. Evaluations of international aid do not usually consider such informal means of coordination.

Table 5: Summary of Granger causality results at the sectoral level

Sectors		
Social infrastructure		
Economic infrastructure	1	USA→SWE**
	2	SWE→UK**
	3	SWE→NOR**
Production sectors	1	SWE→UK***
	2	USA→SWE**
	3	SWE→USA**
	4	SWE→GER**
	5	JPN→SWE**
Multisectoral	1	NTH→SWE***
	2	SWE→JPN**
Programme assistance		
Debt		
Humanitarian aid	1	SWE→CAN***
	2	SWE→USA**
	3	SWE→NTH**
	4	SWE→ITL**

***1%; ** 5%; SWE = Sweden; UK = United Kingdom; CAN = Canada; USA = United States; NOR = Norway; GER = Germany; JPN = Japan; NTH – the Netherlands; ITL = Italy; From VARs (vector autoregression regressions) given in Tables A6–A12.

Closely related to coordination, another issue emphasised, especially after Paris (2005), is the fragmentation of aid. Fragmented aid increases transaction and administrative costs, meaning that the marginal net returns from small projects may be lower than for bigger ones. However, it is also noteworthy that research shows that fragmentation by itself is not a bad thing (see Gehring et al., 2017; Han and Koenig-Archibugi, 2015; Annen and Moers, 2017). After signing the Paris Declaration, Sweden decreased fragmentation by reducing aid dispersion and increasing geographical concentration

(focusing mainly on Sub-Saharan Africa). However, this may have regressed after a few years, mainly due to a lack of institutionalisation (Hagen, 2018; Baydag et al., 2018; Wohlgemuth, 2009).

According to Ramalingam (2013), Ethiopia has one of the most fragmented aid sectors in the world. For example, 51% of aid projects in Ethiopia cost less than USD 100,000, comprising less than 2% of all aid (Ramalingam, 2013). This evaluation report will add evidence of the fragmentation of Sida's aid, focusing on the sectoral allocations captured by the CRS (OECD) data. We will also compare Sida's case with that of other bilateral donors.

We measured the degree of sectoral concentration using the Herfindahl-Hirshman index (HHI).[25]

The average HHI for each year for the top 10 donors fell, indicating increasing fragmentation. A regression of the average yearly HHI on time indicates that, on average, the HHI for all top 10 donors decreased by around 119 points per year between 1973 and 2018 (significant at 1% level). A similar regression for the HHI of Sweden also showed a declining trend over the period, with the index falling by an average of 41 points each year. This implies that, contrary to recommendations, fragmentation in terms of allocations across sectors was actually rising among the top 10 donors to Ethiopia, including Sweden. Moreover, Sweden had the lowest average HHI for the whole period, implying that among the top 10 bilateral donors its aid was the most fragmented. This goes in the opposite

[25] We computed the HHI for each donor and year by first squaring the percentage share of each sector and then totalling them for a donor. For example, if one bilateral donor allocates all its aid to Ethiopia in one sector, the share of that sector will be 100%. Squaring it gives 10,000, which is the HHI for that donor in that year. Note that because all the remaining sectors have 0 allocation, they do not add to the index. Hence, if a donor allocates all aid to one sector, the concentration will be highest and the HHI becomes 10,000 (100x100). The lowest concentration is when aid is allocated equally among all sectors. The HHI for each year and each of the top 10 donors between 1973 and 2018 appear in Table A5 of the Appendix.

direction to that recommended by Paris (2005). While increasing administration and transaction costs, fragmentation may have advantages, such as flexibility of working in multiple sectors and experimenting with new ideas, including learning by doing. If different sectors work on interconnected issues, the sector-level data exaggerates fragmentation since it does not reflect the interdependence between sectors (interviewee no. 4). Hence, our results should be interpreted with caution.

Finally, Sweden's long-term involvement with Ethiopia, even under poor conditions, is also likely to be another reason why Sweden plays a more important role than its volume of aid suggests. Sida's long stay in the country provides a wealth of experience from which other donors may learn. Furthermore, as one interviewee argued, Sweden's main support to Ethiopia may be that, like a good friend, it remained in Ethiopia during the bad times. This interviewee gave a stark illustration of this by relating how, during the Red Terror campaign of the 1970s, a Sida staff member would drive around Addis Ababa counting dead bodies left on the streets, documenting it for posterity (interviewee no. 25). This belief in Sweden as a friend who stays through thick and thin was also reflected in many other interviews with both Ethiopians and Swedes. This has resulted in a higher level of trust between Sweden and governmental and non-governmental Ethiopian partners.

Conclusion

Ethiopia receives a significant amount of aid from international donors. The total bilateral aid alone is over USD 2 billion (interviewee no. 24). Even though Sweden is a mid-level bilateral donor to Ethiopia in terms of volume, it occupies something of a unique position due to its long-term engagement and active role in donor coordination.

Overall, in terms of **relevance** and **coherence**, Sida seems to perform very well. The evidence indicates that most of Sida's aid has been highly relevant due to Sweden's long-standing tradition of consultation and need-identification with recipients. It is likely that the stronger national and constitutional structures of the country (at least partially) protect international aid from being used for nationalistic foreign policy purposes. Sweden's strong tradition of consultation also helps coherence by harmonising aid allocation with the national interests of recipients.

Sweden used to provide more aid to Ethiopia relative to its per capita income compared to the other top 10 bilateral donors. However, it has more recently lost its lead over the others. Still, Sweden provides more support relative to per capita income than the average bilateral donor to Ethiopia. This likely reinforces the relevance and coherence of Sida's aid. One empirical observation that goes against relevance and coherence is that Sida's aid was relatively low when Ethiopia significantly reduced poverty. This illustrates the potential trade-off between the objectives of poverty reduction and democracy/human rights.

It is rather difficult to assess **effectiveness** on a strategic level, as this requires specific objectives, such as individual projects. In terms of **efficiency**, the higher level of fragmentation of Sida's aid (even compared to the other top 10 bilateral donors) may have room for improvement.

Most of the **impacts** of Sida's aid will be analysed in the coming chapters when we examine individual projects. In terms of Sweden leading other bilateral donors, there is some evidence that Sida's actions may influence the actions of other bilateral donors. This helps coordination and provides a public good/positive externality. In most instances, Sida's aid scores well in terms of **sustainability** but its lower level of aid during the period of significant poverty reduction casts a shadow of doubt in this regard.

We will conclude by examining the main lessons learnt from the strategic analysis in this chapter.

- Most of the experience of Swedish support to Ethiopia has been characterised by a pragmatic approach rather than an all-encompassing ideological one. Even when the Swedish government disapproved of the overall policy of the Ethiopian government, some collaborations with government departments were allowed to continue. When the Swedish government was reluctant to deal directly with the Ethiopian government, other channels (such as CSOs) were used. Many donors can learn a valuable lesson from this experience, as they create long-term partnerships with recipient countries.
- Relating to the first point, Swedish support to Ethiopia has also shown that bilateral aid may be used more flexibly by combining it with multilateral mechanisms. For example, in the period after the Ethio-Eritrean War and the violent repression after the election of 2005, Sida stopped direct support to the Ethiopian government. However, a significant proportion of Swedish bilateral aid was channelled to Ethiopia through multilateral institutions, such as various UN agencies. This was in addition to channelling aid through the CSOs mentioned above.
- There might be a tension between a pragmatic approach to aid and mainstreaming of HRBA into all sectors. This reflects potential trade-offs between competing objectives. Sometimes, emphasising a rights-based approach may clash with other important objectives such as poverty reduction. An example of this trade-off would be the withdrawal of Swedish support when poverty levels were rapidly falling. Both donors and recipients should assess potential trade-offs when there are multiple objectives.

- Data from the literature and our interviews both indicate that Sweden uses a 'needs-based approach' and conducts robust consultation with Ethiopian recipients. Moreover, as indicated by discourse analysis and our qualitative data, Sweden tends to consider recipients as partners rather than bargaining counterparts whose behaviour should be changed through conditionality. This approach seems to contribute to the long-term, trust-based involvement between the two countries.
- Despite calls by many international forums to decrease the fragmentation of aid, the experience of Ethiopia and other countries suggests that this is rather difficult to do. Indeed, in the case of Ethiopia (and probably other countries too), the fragmentation of aid across sectors has increased for all major donors. This suggests that previous calls to decrease fragmentation may have overstated its costs and understated its benefits. Fragmentation may be good for innovative undertakings, experimenting and learning-by-doing. There is probably a need to re-examine the costs and benefits of fragmentation in international aid.
- The analysis in this chapter shows that some donors may play a role as informal leaders, providing a public good to the aid sector. Like the formal leader among the donors, this informal mechanism is also important. For example, if policymakers in recipient countries want to influence aid allocation, then targeting donors that are formal and informal leaders may be effective.

The next three chapters analyse the impact of Sida aid in the three clusters of rural development, education and democratisation and human rights (including gender equality).

4 Sida's Support to Rural Development in Ethiopia

Introduction

This chapter evaluates Sida's interventions in rural development. The focus is on the Chilalo Agricultural Development Unit (CADU) but we will also cover its descendant projects and one more recent rural development project (SARDP). The following three sections describe these projects, with an evaluation of each in Section 5 of this chapter.

Chilalo Agricultural Development Unit (CADU)

The Ethiopian and Swedish governments signed a formal agreement to establish CADU in September 1967, with operations starting in 1968. The September 1967 agreement only lasted 34 months but was extended to the end of 1970 and then another five years to 1975. After the overthrow of Haile Selassie's regime in 1974, Sida's support continued up to 1987, during which time CADU ceased being an autonomous agency of the Ministry of Agriculture (MOA) supervised by an inter-ministerial committee and became an integral part of the MOA's Extension and Project Implementation Department (EPID) (Bruno, 2016, Cohen, 1987). While the initial phase of CADU covered only the Chilalo *awraja*, a sub-division of the Arssi province, it later expanded to cover the whole province and parts of neighbouring Bale province. Its name changed to reflect the expansion of its operational area. CADU first changed to ARDU (Arssi Rural Development Unit) and then to BARDU (Bale-Arssi Rural Development Unit). Most of its innovations happened during its initial period of 1968–1975.

In the initial phase of the project, most heads of CADU departments were Swedish expatriates mainly associated with the Swedish University of Agricultural Sciences (SLU). In 1968, 65% of CADU's payroll expenses went to 4% of the project staff, with Swedes holding the 40 top positions in the organisation. This was rapidly Ethiopianised. For example, in 1974, only five Swedes held senior positions. This was achieved despite difficulties recruiting highly qualified Ethiopians. Other large-scale, national rural development programmes by bigger donors like the World Bank and USAID had increased the competition for highly trained manpower (Cohen, 1987).

CADU had an uncomfortable relationship with the MOA and local government. The link between CADU and the Ministry's field agents was weak. MOA staff considered CADU a rival that was taking their jobs. Even though, in principle, the inter-ministerial committee coordinated CADU's overall activities with other ministries, on the ground, there was no framework to implement it. That notwithstanding, the lack of educated, trained local government personnel, compounded by low pay and little interest in (and suspicion about) CADU's activities created friction between CADU and local government structures. To make matters worse, CADU officers considered local government officials to be exploiting smallholders. This sentiment increased, particularly in the last years of Haile Selassie when there was radicalisation among CADU staff (Cohen, 1987).

In the relatively short time between 1968 and 1975, CADU was involved in a large number of activities that influenced the debate on rural development, not only in Ethiopia but internationally too. There is a voluminous literature on CADU and we will not attempt a comprehensive summary here. In the following paragraphs, we will summarise CADU's main activities and discuss its major achievements and constraints. This will help us evaluate the overall performance of the project in the final section of this chapter. We will broadly categorise and discuss CADU's main activities below into the following six groups: improved crops and livestock, extension, credit, marketing, research/evaluation and others.

Improved crops and livestock: research and experimentation were the centrepieces of CADU's activities. This was unique in Ethiopia at the time because institutions engaged in fundamental agricultural research, experimentation and implementation were almost non-existent. Probably the only exception was the Debre Zeit Agricultural Experiment Station. CADU was conducting experiments with more than 20 different cereals, legume crops and oilseeds. Probably the most successful project in the crop research and experimentation was a variety of wheat bred in Mexico and tested with fertiliser packages (Bruno, 2016). The area of wheat increased dramatically between 1968 and 1973, from 27,000 to 150,000 hectares (Cohen, 1987), with corresponding crop yield increases. The yield for the local variety of wheat (without fertiliser) was 15.2 quintals/hectare in 1973. The same year, the corresponding figures for the improved variety, with and without fertiliser, were 22.6 and 18.1 quintals/hectare respectively (Tecle, 1975). The yield figures for improved variety with and without fertiliser were 49% and 19%, higher than for the local variety without fertiliser. At the time, CADU was the only organisation in Ethiopia supplying improved seeds in any significant quantities. In 1971, CADU distributed 24,000 quintals of seed, mainly wheat, from its two farms at Kulumsa and Asasa. In the same year, the corresponding amounts of seed distributed by the Debre Zeit Agricultural Experiment Station were 240, 210, 33 and 7 quintals of *teff*, wheat, barley and field peas respectively (Almquist, 1972). With improved seeds, the distribution of fertiliser also increased. CADU distributed only 42 quintals of fertiliser in 1967–68 but this increased to 40,129 quintals in just five years in 1972–73 (Cohen, 1987).

The above significant yield increases are also confirmed by the personal testimony of one of our interviewees (interviewee no. 28). His father and uncle were direct beneficiaries of CADU, in terms of increased farm productivity and the introduction of mechanised farming. CADU was one of the pioneers of introducing mechanised agriculture in Ethiopia.

Another very successful innovation with long-standing impact in the region has been milk production. CADU's crossbred cows produced around 1,500 litres of milk per year, compared to 200 litres from indigenous cows (Bruno, 2016). In addition to introducing the more productive crossbred cows, CADU also improved milk production techniques. Some have argued that CADU overemphasised milk production and did so in isolation from crop production, thus missing opportunities for an integrated crop-livestock system (Cohen, 1987). Nevertheless, CADU's innovations in crop and milk production have undeniably had significant, long-standing impact. This has been evidenced by the testimony of the many farmers still benefitting from CADU's work in milk production, over 30 years after its introduction (Asmono et al., 2002). CADU also had programmes for improving livestock quality and what was probably Ethiopia's first artificial insemination centre was set up by the project (interviewee no. 28).

Extension services: after experimentation and testing, CADU's innovations reached farmers through its extension programme. CADU was the first extension service in Ethiopia, with the possible exception of Haramaya College, which had a similar programme in collaboration with the University of Oklahoma (interviewee no. 28). The involvement of the Ethiopian government in the agricultural extension service began with CADU (Chekole, 2006). The extension programme was one of the first implemented at the start of the project. Model farmers selected from the local areas were the main link between CADU and other farmers. Model farmers implemented the innovations on their farms and demonstrated them to others. Although there is a lack of detailed information on the exact selection process of model farmers, Cohen (1987) suspects they were recommended by the local gentry, unchallenged by tenants and poor farmers. The extension programme saw rapid expansion. Firstly, most of the innovations did not require major changes and yields quickly increased. Secondly, respect for model farmers aided the dissemination. Thirdly, the prices of wheat and milk were high during the period, a fact which incentivised rapid adoption, since

early extension work had focused on both products (Cohen, 1987). Alongside demonstrations by model farmers, CADU also used farmer's days, posters and films to disseminate information. Some have argued that CADU could have also used mass media to reach more farmers (Chekole, 2006). Extension services subsequently expanded (like many of CADU's other activities) into new areas such as home economics and using female extension agents to deal with gender issues (Cohen, 1987).

Credit: the third major programme in CADU dealt with credit. From the start, the founders of CADU recognised a shortage of credit as one of the major constraints on adopting innovations and increasing the productivity of small farms. Most of the credit was in the form of input purchase loans at low interest rates (Bruno, 2016). It was given in-kind for production purposes only and mainly in the short to medium-term, up to a maximum of five years. The credit could only be used for inputs from CADU and not for mechanisation or other long-term investments (Kifle, 1971). CADU's supply of credit increased rapidly, particularly with the expansion of trade centres. From 1967–68, CADU extended 189 loans with a credit total of Ethiopian $15,700 (at the time, the Ethiopian national currency was known as the Ethiopian dollar). From 1972–73, these figures increased to 13,302 loans and Ethiopian $1,703,491 (Cohen, 1987). This period saw both intensive (volume of credit increasing) and extensive (new borrowers joining) growth (Kifle, 1971). Initially, CADU had no restriction on credit access, resulting in richer farmers using a significant proportion of the credit supply. For example, in 1967–68 tenants took only 4% of CADU's total credit. By contrast, only 10 credits extended to those owning more than 40 hectares of land accounted for 33% of the credit volume. Recognising that richer farmers were benefiting most, CADU stopped giving credit to the biggest landowners (ones having more than 40 hectares of land). In 1972–73, this resulted in the proportion of credit going to tenants increasing to 30%. In the same year, the combined share of tenants and those owning less than 10 hectares accounted for 86% of the total credit (Cohen, 1987).

This was a massive improvement for those tenants and smallholders whose share in 1967–68 had been only 21%. The repayment rates of CADU credit were remarkably high, at around 93% (Tecle, 1975). The integrated nature of the CADU programmes probably explains this high rate of repayment. As the farmers were getting various services from CADU, not repaying was potentially very costly because it meant losing these other CADU services. Despite the impressive repayment rates, the administration cost of the credit programme was high. One reason for this was CADU's low interest rates. While the estimated CADU interest rate was around 12% per annum in the early 1970s, one study estimated that a 25% interest rate was required for CADU to break even (Cohen, 1987).

Marketing: the fourth major programme under CADU is marketing. CADU established many trading centres in Chilalo, with their numbers increasing from nine in 1968–69 to 33 in 1972–73 (Cohen, 1987). The trading centres were used mainly to purchase wheat and milk from farmers, usually at stable and preferential rates compared to market prices (Bruno, 2016). The amount of milk purchased at the trading centres increased from 4,000 litres in 1967–68 to 109,908 litres in 1972–73 (Cohen, 1987). CADU sold most of this milk in the provincial capital, Asela and to its own staff. Initially, the only crop purchased was wheat, but this was later expanded to barley and flax. The amount of wheat purchased increased from 480 quintals in 1967–68 to 93,887 quintals in 1971–72. CADU started buying barley in 1970–71, with the volume purchased increasing from 520 to 12,149 quintals in just one year. Furthermore, the purchase of flax increased from 710 to 3,327 quintals between 1968–69 and 1971–72 (Cohen, 1987). As indicated above, trading centres also distributed credit. Since CADU was purchasing these commodities at preferential, above-market prices, it incurred losses. However, this did not undermine the overall financial viability of the project. As well as engaging directly in the buying and selling of agricultural commodities, CADU also researched market structures and practices, including cheating by grain traders; particularly the kind involving inaccurate weights at market exchanges (Ellis, 1982).

Research and evaluation: CADU was involved in systematic research and evaluation. At the beginning of the project, surveys were conducted on (amongst other things) rainfall, vegetation, soil, farming practices, weeding, pests and diseases, mixed farming, quality of seeds, soil types, seedbed preparation (Cohen, 1987). CADU conducted regular, systematic research and evaluation of interventions during most of the project period, despite a downward trend, starting from 1970 due to a shortage of skilled personnel and a change of focus partly driven by the radicalisation of staff. The quality of the research outputs was very high, given the theoretical and empirical development of impact evaluation at the time. The planning, management and monitoring of project activities were informed by research and evaluation (Holmberg, 1972; Holmberg, 1973). This was unique for Ethiopia and some of those who worked with CADU at the time have fond memories of this combination of high-quality research and direct practical implementation.

Others: since CADU was an integrated rural development project, it expanded into various sectors perceived as constraining agricultural productivity and living standards. This led to a proliferation of activities. For example, there was a generally unsuccessful attempt to organise cooperatives. Senior CADU officers were sceptical about cooperatives, given the experiences of other countries. Some additional reasons included political and social constraints in the project area, status differences between farmers and local elites, the hostile attitude of government ministries and resistance by farmers (Cohen, 1987, Bruno, 2016). There were also innovations in terms of new tools for soil preparation, harvesting, postharvest activities and transport, most of them unsuccessful. For example, CADU introduced an iron plough, but it was not adopted by farmers as it was too heavy to carry (Bruno, 2016) (also interviewee no. 28). For some time, CADU provided a tractor-hire service but it was stopped in 1970, mainly to reduce tenant evictions (Cohen, 1987). CADU participated in water and soil conservation

and health activities, including a master plan for water in 1970 and 1973, the implementation of which was aided by the organisation of community self-help activities (Cohen, 1987). The project organised health education (Nyberg, 1969) and family guidance (Lundin, 1971). Major marketing centres were also connected by roads. The construction of these roads was initially capital-intensive but labour-intensive technology was later adopted, to create employment opportunities for the increasing number of evicted tenants. CADU's success seemed to create an expectation that some state responsibilities could be left to the project. For example, the government started delaying the construction of some roads, expecting CADU to build them instead (Cohen, 1987). Still another sector was forestry and forest protection. In 1973, CADU's Forestry Section experimented with 100 species to identify eucalyptus varieties suitable for specific locations (Cohen, 1987). Initially, CADU protected both state and private forests (in the Munessa Forest). Later, it was decided that CADU should enforce the Ethiopian forestry legislation across the entire Chilalo *awraja*. This involved protecting the Munessa Forest and a vast area of savannah with charcoal and firewood production (Poulsen, 1973).

The above few pages describe CADU's main activities, particularly between 1967 and 1974. As mentioned before, after the Derg came to power in 1974, CADU's administration and role changed significantly, evolving into ARDU and BARDU. CADU's descendants will be discussed in the next section.

CADU's descendants: ARDU, BARDU and SEAD

The overthrow of the Haile Selassie government in September 1974 and subsequent measures by the Derg, significantly changed the state policy environment and administration. Earlier in the Derg regime, most top officials were sceptical about CADU, believing it mainly benefited wealthier people. Given the socialist orientation of the

regime, there was sufficient reason to close the project. However, as one of our interviewees (interviewee no. 23) indicated, a government committee was set up to investigate CADU's performance, arguing in favour of the project's positive role. This guaranteed its survival.

With CADU's success in increasing yield and providing various services, the Ethiopian government was keen to scale up some of the programmes to national levels. Obviously, high cost prevented the government from extending all CADU's programmes to a national level, which is a known limitation of integrated rural development projects. Through its Minimum Package Programme (MPP) of 1971, the government extended two of CADU's core activities across the country; credit provision and demonstrating new inputs. This led to the establishment of the Extension and Project Implementation Department (EPID) under the Ministry of Agriculture (Bruno, 2016) (also interviewee no. 28). Meanwhile, the government was keen to expand CADU's operational area beyond Chilalo, initially to other districts of Arssi and then beyond. In the first stage of this process, the government expanded CADU to all regions of Arssi province, under the new name of Arssi Rural Development Unit (ARDU).

When CADU became ARDU, it ceased to be an autonomous project overseen by an inter-ministerial committee and became an integral part of the Ministry of Agriculture. The transformation of CADU into ARDU dispersed its staff over a wider area, which exacerbated the capacity problem (interviewee no. 23). To make matters worse, the ethnicity and religion of the new areas were different from Chilalo, creating new problems of language and social trust. Government services and infrastructure were also less developed in the new areas (Cohen, 1987).

After the overthrow of Haile Selassie, the land reform proclamation of 1975 nationalised all rural land. Peasant associations were set up to administer the distribution and redistribution of land and serve as the lowest rung of local administration. This reform gave land use rights to farmers and abolished large and absentee landownership. Following the reform, ARDU staff devoted most of their energy to

implementing the new land laws and setting up peasant associations. ARDU also helped transfer commercial farms to landless farmers, attempting to organise them into collective farms. This was unpopular among farmers, who demanded that commercial farms be apportioned for individual cultivation (Cohen, 1987).

The political turmoil of the 1970s affected ARDU's operations, with internal conflicts between politicised factions dividing project staff and hindering cooperation. Some members opted for a more politicised stance, focusing on mobilising farmers against landlords and elites. Others argued for a focus on increasing production and providing technical support (activities within the traditional remit of CADU). ARDU may have lost opportunities to improve agricultural productivity due to its focus on political mobilisation (Cohen, 1987).

ARDU's energy was absorbed by the new regime's objective of transforming agriculture along socialist lines. The state-owned Agricultural Marketing Corporation (AMC) increasingly dominated crop marketing. All state farms and the few collectives were obliged to sell their entire output to AMC at much lower than market prices. AMC also imposed quotas on farmers, forcing them to sell part of their produce at low prices. At one point, aided by ARDU, the government decided to collectivise farms but this move was a failure. ARDU was also involved in large-scale resettlement programmes.

ARDU became a shadow of the former CADU. Over the years, ARDU's technical and administrative capacity declined and there was high staff turnover. The organisation's flexibility and dynamism were further weakened by its integration into the Ministry of Agriculture. It could not contract experts, arbitrary decisions from senior Ministry officers derailed project objectives and coordination between ARDU and the Ministry was poor (Cohen, 1987).

Many initiatives followed in the 1980s. Initially, ARDU's operations extended further into parts of neighbouring Bale province and became BARDU (Bale-Arssi Rural Development Unit). Subsequently, an initiative began scaling up activities in all highland

areas of Ethiopia through PADEP (Peasant Agriculture Development Extension Programme). BARDU was then reorganised by the Ministry of Agriculture into the South-Eastern Area Development Zone (SEAD), effectively eliminating its status as a separate, integrated rural development unit. Alongside Sida, other multilateral donors, such as the World Bank and International Fund for Agricultural Development (IFAD), attempted to push the Ethiopian government to formulate agricultural policies supporting small farmers. The government rejected this on ideological grounds. While the World Bank and IFAD withdrew support, Sida's support continued, even under SEAD. The last straw was the implementation of the villagisation programme, which ended Sida's support. Arssi was one of the first regions to be villagised and, in a matter of four months from December 1985 to March 1986, around one million Arssi farm households were moved into 850 villages (Cohen, 1987). Villagisation was a highly misguided policy. Its failure is illustrated by the fact that in the late 1980s when the government liberalised its policy, almost all households across the country returned to their original residences.

Sweden tried to stay relevant in poverty alleviation and natural resource management by establishing a new, integrated rural development programme in South Wollo. This was in the aftermath of the major famine that hit the region in the mid-1980s. The Sida-Wollo programme was a form of link between CADU/ARDU/SEAD and SARDP that will be discussed in the next section. It was a classic, integrated rural development programme of ambitious reach and included demonstration plots and extensions, tree plantation, livestock improvement through artificial insemination, plus natural resource management (especially soil conservation). There was also an ambitious social outreach programme entailing reproductive health, environmental education and, most notably, "service cooperative planning". This built on participatory planning exercises and included revolving funds at the village level that could be used for such things as post-famine replenishment of oxen. There was even the construction of

meteorological stations, warehouses for emergency food and roads. The programme was hosted by the Ministry of Agriculture and involved many other agencies, However, there was a condition that no villagisation would take place in the programme area. This was breached by the Derg government and by November 1989 there were no Swedish staff left in Dessie and the programme area became overrun by rebel forces. Many of the experiences from the Sida-Wollo Programme were recycled into SARDP (Sida-Amhara Rural Development Programme) in the mid-1990s by the ORGUT consulting company, which was involved in both projects. The next section looks at SARDP.

Sida Amhara Rural Development Programme (SARDP)

After CADU and its descendants, Sida spent a long time working in the Amhara region. With the new regional administration organised after 1991, the Amhara administration requested Sida to continue its work there. SARDP was the result of that request (interviewee no. 13). SARDP started operations, with a one-year inception phase followed by three other phases. SARDP I ran from April 1997 to December 2001 in four *woreda*s in East Gojjam and five *woreda*s in South Wollo, mainly focusing on regional capacity-building. The selection of East Gojjam, a rich agricultural area, and South Wollo, with its low agricultural potential, was a deliberate attempt to explore the impact of the project's interventions in contrasting situations (interviewee no. 13). SARDP II followed, from January 2002 to June 2004, expanding the programme into eight *woreda*s in both regions of East Gojjam and South Wollo. This second phase focused on building *woreda*-level capacity and implementation. SARDP III further expanded the project into 14 *woreda*s in East Gojjam and 16 in South Wollo, from July 2004 to June 2008 (subsequently extended to June 2010). The third phase built further capacity and implemented different components of the project in *kebele*s, at even

lower levels than *woredas* and focused on agriculture and natural resources, economic diversification, infrastructure and decentralisation (Tengnäs et al., 2009). Gender mainstreaming has been an important component running through all SARDP implementations (Farnworth and Gutema, 2010). In all, the three phases covered 14 years from 1997 to 2010 with a total budget of around USD 130 million (SARDP, 2010).

SARDP is a comprehensive programme resembling an integrated rural development project. However, unlike CADU, which was autonomous, SARDP operated mainly through government and community structures. SARDP had four categories of activities: 1) agriculture and natural resources management; 2) infrastructure and social services development; 3) economic diversification; and 4) decentralisation and capacity building. Gender is an overarching theme in all four components. Each component comprises many activities. Agriculture and natural resources management includes land administration and land-use planning (including land tenure security), crop and livestock production (such as new crops, livestock breeds and farming techniques), management of natural resources and household energy, research and extension services and encouraging market-orientated production. Infrastructure and social services covers road construction, water supply and sanitation, small-scale irrigation development, rehabilitation and construction of formal and non-formal school facilities, health facilities (including family planning) and HIV/AIDS control. Economic diversification includes non-farm enterprises and new local sources of income, setting up and strengthening demand-driven business development services (BDS, mainly as training) and enterprise development facilities (EDF, mainly micro-credit). Decentralisation and capacity-building covers strengthening management and the financial capacity of *woreda*s and *kebele*s; strengthening the autonomy of local governments and upgrading skills; the Community Development Fund to allow *kebele*s to implement their plans; strengthening local justice and traditional conflict management systems; and strengthening *woreda* information and documentation.

Gender includes supporting awareness and analysis; establishing gender networks and forums; eradicating harmful traditional practices; setting up girls' clubs in schools; constructing girls' dormitories; and voluntary counselling and testing facilities for HIV/AIDS (SARDP, 2010; ORGUT, 2010; Havnevik et al., 2003; Tengnäs et al., 2009; Sida, 2003).

SARDP implemented many innovative interventions. One of these was direct budgetary support (the *woreda* development fund) for the lower levels of government administration, *woreda* and *kebele* (a similar budgetary initiative was tested in the Sida-Wollo programme). The *woreda* development fund is the core activity of SARDP; decentralising project identification, management and decision-making. While the state covers the salaries of *woreda* and *kebele* employees, it does not allocate any capital expenditure funds at these levels (interviewee no. 13). Hence, the *woreda* development fund provides an additional capital expenditure resource not available from central government. This fund was used to finance capital expenditure on projects identified by *kebeles* and *woredas*. Sida is not involved in project identification and implementation but provides support for proposal writing and appraisal. Sida provides the *woreda* development fund to the regional government, which then transfers it to the *woredas*. The regional government has no power to change the amount or decide how the money is used. Project identification starts with the *kebeles* and is then consolidated at the *woreda* levels, with the regions consolidating the *woredas'* plans. SARDP started at a time when regional state administration was still in its infancy. Hence, its impact is probably higher than normally assumed (interviewee no. 13).

Micro-level budgetary support helps provide services for the local population and facilitates the active involvement of local administration in important decision-making and implementation processes. Another innovative activity in the agriculture and natural resources component is improved land administration and land-use planning. In particular, land certification covered large areas at low cost. For example, 91% of households were issued certificates and

books of holding and the data from 26% of registered households were entered into the Information System for Land Administration (ISLA) (ORGUT, 2010). This land certification was the first of its kind in Ethiopia after the land reform of 1975 and includes surveying, demarcation, registration and certification. The first stage of the registration used only local materials and was not precise. In the second stage, professionally trained surveyors used modern equipment with GPS. To this end, Sida collaborated with Bahir Dar University and the Swedish Royal Institute of Technology to develop the required skills. This collaboration led to the establishment of the Institute of Land Administration at Bahr Dar University. The land certification was participatory, with women as equal partners (interviewee no. 13).

Integrating gender into most of the interventions was another innovative measure and flexible in its implementation. Alongside the participation of women in land certification, in culturally conservative areas of the project, gender issues were integrated by using 'alternative entry points'. Women's practical needs were supported by promoting micro-enterprise development at household level (Farnworth and Gutema, 2010). SARDP also built a dormitory at a *woreda* town for girls attending school, to mitigate security problems for those who commuted. This contributed to girls' education (interviewee no. 13).

We will now discuss the evaluation of these rural development interventions.

Evaluation of Sida's rural development interventions

This section evaluates Sida's rural development interventions focusing on CADU, its descendants and SARDP. As before, this is guided by the evaluation questions and follows OECD/DAC's revised evaluation criteria, using the concepts of relevance, coherence, effectiveness, efficiency, impact and sustainability (OECD/DAC, 2019).

CADU

Relevance and coherence

Regarding the first evaluation question, "has Sweden formulated appropriate strategies, given the development constraints and opportunities in Ethiopia at specific periods in time?" this mainly relates to **relevance** and **coherence** in OECD/DAC's evaluation framework.

At the time, the need to increase agricultural productivity in Ethiopia was an important issue for policymakers. Transforming Ethiopia's low-productivity technology was crucial to improving the standard of living and food security. The Ethiopian government emphasised the modernisation of agriculture, as reflected in the 3rd Five Year plan. The overall state of the Ethiopian agricultural sector and government policy indicated that increasing agricultural productivity was crucial. Hence, CADU was responding to an important national need, thus making it a relevant project.

The process followed by Sida to identify Ethiopia's needs was commendable. Indeed, the Swedish government's consultation and negotiation with its Ethiopian counterpart in general, and the Ministry of Agriculture in particular, about the modality and location of CADU is a clear indication of needs-identification with the active partnership of a beneficiary country. The consultative approach of the Swedish government was highly appreciated, as revealed in an interview with a former senior official of the Haile Selassie government (interviewee no. 3). The interviewee contrasted the Swedish approach with that of other donors, particularly the US, which brought detailed proposals of its own without consultation. In terms of the overall relevance of the project, CADU performed very well.

As discussed earlier, the Swedish University of Agricultural Sciences (SLU) coordinated the design and implementation of CADU. Hence, it was mainly people from agriculture (particularly the

technical side) who drove the process, with little participation from other social sciences. As Bruno (2016) argues, this was no coincidence but reflected how, from the beginning of the 20th Century, both in Sweden and internationally, the politics of national development and economic growth was all about techno-science. The focus was more on technological innovation and productivity growth and less on the socio-economic aspects. CADU's leadership was acutely aware of the limitations of this technical emphasis but, given their expertise and limited time and resources, could not do much about it.

The tension between the technical and socio-economic aspects of project design and implementation was also reflected in some dissenting Swedish voices. They were sceptical about placing the project in Ethiopia, given its land tenure system at the time. This tension affected the project at the beginning and would resurface often. For example, the choice of Chilalo as a project location was mainly due to the agricultural potential of the region. However, this region's tenancy rate was probably higher than many regions of Ethiopia and discussions about where to place the project likely did not consider the socio-economic conditions as thoroughly as the technical ones. During the latter part of CADU's and ARDU's life, particularly at the end of Haile Selassie's reign and the beginning of the Derg regime, the project staff were divided into 'radicals' and 'reformers'. The former emphasised political mobilisation of farmers while the latter focused on increasing production (Cohen, 1987). This tension was related, at least in part, to the same problem of balancing and synthesising technical aspects with social ones. Ultimately, this weakened CADU, and we may thus conclude that, in terms of coherence, the unresolved tension between the technical and socio-economic issues was one of CADU's weaknesses.

While CADU's objective was improving the livelihoods of small farmers, the agricultural policy of Haile Selassie's government (particularly during the project) was mainly anchored in the development of commercial farming, as stated in the 3rd Five Year

Plan. This was another issue related to the coherence of CADU's design and objectives regarding Ethiopian government policy and the evident increasing commercialisation of agriculture. The result was a situation in which CADU's boost to agricultural productivity accelerated the growth of commercial farms. There were more tenant evictions and an undermining of the project's objectives, without necessarily contradicting the Ethiopian government's objectives.

CADU's focus on improving the condition of small farmers lacked a targeting strategy. For example, until CADU restricted the provision of credit to larger farmers, they were the ones using most of it. Similarly, the distribution of improved seeds failed to target smallholders. We would not necessarily argue that blocking access to CADU's services for larger farmers was a better option. However, without a rationing mechanism, providing such services to everyone would not automatically benefit the intended beneficiaries. Indeed, as most development research illustrates, richer farmers almost invariably benefit more than poorer ones. The absence of a targeting mechanism which reflected CADU's objective was one aspect of CADU's design and implementation that lacked coherence. Interestingly, this deficit was largely compensated for by the project's agility in adapting to challenges.

Overall, CADU scores high in relevance but, despite good design and highly motivated staff, some aspects lacked coherence.

Effectiveness, efficiency, impact and sustainability

The second evaluation question is "has Swedish development cooperation with Ethiopia contributed to sustainable results in terms of poverty reduction and better living conditions for people living in poverty? If so, how and to what extent?" This question touches on effectiveness, efficiency, impact and sustainability in the OECD/DAC evaluation criteria. These are discussed in the following paragraphs, in context of CADU.

We will first examine **effectiveness**. This refers to the fulfilment of immediate project objectives by contrast with impact, which focuses on direct and indirect, short and long-term, intended and unintended effects. The discussion in the previous section demonstrates that, in many respects, CADU was a highly effective project. As stated, CADU's very sound research and evaluation system (at least in its initial years) provided good data for assessing effectiveness. See Section on impact for more details on CADU's achievements. Overall, the results clearly indicate that CADU was an effective project. Some of its less successful activities mostly came once the project began extending its reach into many more areas of operation.

A proper **efficiency** analysis of CADU would require a cost-benefit analysis, ideally, one reflecting opportunity costs. To our knowledge, there is no cost-benefit analysis of CADU and doing one would be extremely difficult, if not impossible, given the paucity of data and complexity of the project.

We will now discuss some aspects of the project's efficiency, generally based on what happened with CADU.

An almost intrinsic feature of integrated rural development projects is their tendency to cover more and more activities. Integrated rural development projects start from the principle that development solves multi-faceted constraints in production, distribution, consumption, health, education, the environment and so on. Hence, in principle, the project should tackle a constraint in whichever sector it is identified. If the project is in an area with robust government and/or alternative private-sector capacity, this principle would not automatically lead to the ever-expansion of project activities as those institutions would tackle some of the constraints. CADU was set up in an area which lacked these services and infrastructure (which was true for the overwhelming majority of rural Ethiopia at the time). Hence, the project's sphere of operation expanded over the years, resulting in increased project complexity and administration costs (Tecle, 1975). The project's involvement in various activities also increased its interactions with other

government and non-government organisations, raising its transaction costs and negatively affecting efficiency. Moreover, some activities aimed at protecting the interests of small farmers were also costing money. For example, in 1971/72 CADU offered farmers guaranteed prices based on an annual forecast. However, that same year, unanticipated grain imports depressed domestic grain prices and led to losses by CADU (Tecle, 1975). Such subsidies reduce efficiency even though they may not necessarily go against project objectives.

We now move on to **impact**, a much broader concept that includes ultimate, intended and unintended, short and long-term effects. This means broadening our scope to discuss CADU's performance within a much larger context and even considering effects that may be difficult to attribute to the project. We will discuss CADU's impact within the context of the wider socio-economic evolution of the country.

Given the increased crop yield and introduction of new activities such as milk production, there is an anticipated increase in the Chilalo farmers' income. This is supported by limited research evidence. A study by project economists in 1973 found that the average annual income of farmers in Chilalo had seen a major increase of between 50% and 100% from the start of the project (Cohen, 1987). Tecle (1975) reports that the annual income of average farmers from northern areas of CADU (the area covered first when the project started) rose from Eth$ 313.60 in 1966 to around Eth$ 883.20 in 1971; a growth of 182%. On the aggregate level, the incremental income in Chilalo from the project's activities jumped from Eth$ 51,700 in 1968 to Eth$ 1,654,000 in 1972 (Holmberg, 1973). Another study (Bonger, 1987) reports that crop output more than doubled during the lifetime of the project and that the marketed surplus increased from 27% to 70% of output; a very high figure compared to the average for all of rural Ethiopia.

While the above-reported impacts are impressive, we should not lose sight of some regressive distributional impacts. Firstly, the investment of significant resources in only one of 102 *awraja*s in the country at the time introduced regional inequality. Secondly, the spread of CADU's innovations changed the complexity of farming due to new cultivars and more productive cows which also required more input. Due to the higher complexity and increased costs, better-off farmers were willing to experiment and hence enjoyed more of the benefits compared to smallholders (Bruno, 2016). This meant that CADU most likely also increased inequality within the region. Moreover, CADU's innovations accelerated existing trends towards mechanisation and commercialisation, accompanied by tenant evictions. Since non-farm employment was not widely available, the evicted tenants' income probably fell (Tecle, 1975).

While the above results do provide evidence of a significant (short-term at least) positive impact with some potentially negative distributional outcomes, one should interpret them cautiously. CADU was the only organisation in the project area conducting comprehensive, impact-monitoring research and is thus the source of almost all the evidence. One might argue that the evaluations may be biased as they were not conducted by an independent, impartial body. Possible as this might be, the professionalism and methodological rigour of the research (given the knowledge at the time) makes one doubt that this was a major source of bias and error. More importantly, a cautious interpretation of the results is advisable due to a lack of with-without comparisons. Most of the impact studies refer to a baseline survey, conducted at the start of CADU, comparing conditions before and after the Chilalo project. As far as we are aware, there is no comparison between Chilalo with its project and other *awraja*s of Ethiopia with none. In a proper impact evaluation, a with–without comparison is as important as a before–after one. For example, if the yield was increasing in other parts of Ethiopia during 1968–1975, a before–after comparison will produce an overestimate as it ignores yield increases that might have happened even without CADU. On the other hand, if yields were

decreasing in other *awraja*s of Ethiopia, a before–after comparison will underestimate CADU's impact. Since intensive farming was expanding (at least in some other parts of Ethiopia during the period including areas around Addis Ababa), we would conjecture that the reported CADU impacts have been overestimated. Still, the voluminous evidence from the CADU research, plus the large volume of literature and estimated high impact levels point to those impacts being positive. We thus conclude that CADU has significantly increased the average income of beneficiaries but probably not to the degree reported in contemporary research. Moreover, better-off farmers likely saw most of the project benefits, while evicted tenants suffered the most harm.

We will further broaden our scope and attempt to assess the wider socio-economic impact of CADU, by focusing on the issues of tenant evictions and mechanisation. The with-without comparison mentioned in the previous paragraph is pertinent in understanding the impact of CADU in this respect. CADU's innovations changed tenancy relationships leading to both increased rents and tenant evictions. As expected, the increased use of land and productivity growth due to CADU's success also increased the value of land and rent. Before CADU, sharecropping was virtually the only form of tenancy; cash rents were uncommon. Twenty-five percent of sharecroppers who provided their own oxen and inputs paid between one third and half of their output as rent, while 44% paid between one quarter and half their output and 6% paid one tenth to one quarter. After CADU, the percentage of tenants paying half or more increased steeply and the number of farmers paying cash grew to 25% (Cohen, 1987). The number of evicted tenants was also increasing. There are no accurate figures on the number of evictions. One study in 1974 estimated that 2,000 tenant households were evicted in Chilalo due to CADU. In 1975, another study put the number at 5,000 but the actual figure is likely to fall between the two (Cohen, 1987). The eviction of tenants was not a complete surprise to CADU's founders, but the magnitude was probably greater than they had expected (Bruno, 2016). In response to the increasing

eviction of tenants, CADU began remedial initiatives. In 1972, CADU organised tenants into groups to contract larger holdings and 56 households benefited from this arrangement over two years (Cohen, 1987). This devotion to the welfare of tenants and smallholders put CADU at the centre of the land-reform controversy (Degu, 2008) and affected the project's operation, particularly at the end of the Haile Selassie regime.

The increased tenant evictions went hand-in-hand with mechanisation and commercialisation. With the increased yields and productivity and facilitation of trade in agricultural products, all supported by CADU, it became increasingly clear that farming was a profitable enterprise. The elite living mainly in urban areas and larger farmers in rural areas started mechanising agriculture. In northern Chilalo, for example, tractor cultivation increased from 41% in 1968 to 54% in 1969 and 65% in 1970 (Cohen, 1987). Contract farming also increased. One of the main reasons for tenant evictions was mechanisation. This was facilitated by a national policy of duty-free imports of tractors, the provision of foreign exchange loans at a subsidised interest rate and fuel tax waivers (Cohen, 1987). In Chilalo, this was further reinforced by the tractor-hire services provided by CADU itself. These continued until 1970 when the service was stopped because project staff were alarmed by the scale of tenant evictions. Ironically, CADU's Kulumsa farm that produced improved seeds was mechanised, which some asserted had a strong demonstration effect on farmers by providing a real example of how a modern mechanised farm operates (Bruno, 2016, Kifle, 1972).

Given CADU's stated objective of improving the standard of living of smallholder farmers and tenants, many researchers criticised CADU for accelerating the rate of mechanisation and increasing tenant evictions. At face value, this is a fair criticism given the project's objective. However, this criticism should be tempered by an appreciation of the wider context (the with–without comparison) and the dynamics of Ethiopia's long-term economic evolution. In the with–without comparison, we should ask whether some rural

areas of Ethiopia experienced accelerated mechanisation and increasing tenant evictions at that time. The answer is yes, as strongly suggested by information from the Ministry of Agriculture. The data shows the number of tractors registered in Ethiopia for duty-free fuel since 1957/58 when the scheme started. In the first seven years of 1957–1964, there was slow, sporadic growth with an average rate of increase of 40 tractors per year (note, this is the increase in the year-on-year number of tractors, not the total number of tractors). The increase between 1963/64 and 1964/65 was only 25; however, in the following year, the increase shot up to 300 and that growth was maintained from 1965/66 to 1969/70, with an average annual increase of 356 (Kifle, 1972). Kifle (1972) concludes that the growth of tractor cultivation in the area was consistent with the rest of the country. In particular, areas with easier access to Addis Ababa (by far the largest urban area) experienced rapid mechanisation during the period. Asela, the provincial capital of Arussi, is around 160 km from Addis Ababa, connected to the capital by an all-weather road originally built by the Italians. Addis Ababa's increased demand for agricultural produce was one reason for mechanisation. All these conditions suggest significant mechanisation would likely have happened even without CADU and that it is therefore wrong to attribute all mechanisation in Chilalo to the project, even if the project may have accelerated the process.

As outlined in the background chapter of this report, Ethiopia was undergoing significant changes in land tenure and agrarian relationships at the time. The tenure structure was becoming more individualised, not only in the south but also in the traditional *rist* heartland of northern Ethiopia where (at least in theory) inheritance was meant to follow strict ancestral lineage. Thriving land markets were developing, partly due to the large-scale land grants from the Haile Selassie government (Wolde Mariam, 1995, Cohen, 1987). In addition to mechanisation, the eviction of farmers increased due to the individualisation of tenure, a much wider national phenomenon. Hence, it is not accurate to put all the blame for tenant evictions on CADU. One of our interviewees (interviewee no. 28)

who has done extensive research into Ethiopia's rural development is of a similar opinion. And, as discussed above, CADU was experimenting with measures to improve the conditions of tenants, such as improving tenancy agreements, establishing tenant groups to negotiate better deals with landowners and land reform. CADU was pushing for a written contract between landowners and tenants to clarify the rights and obligations of both parties and stop tenant evictions without good reason. If tenants' rights were violated, compensation would be paid. This was discussed by the Council of Ministers of Haile Selassie's government and lower chamber of parliament but was never ratified or implemented (interviewee no. 23).

The final OECD-DAC evaluation criterion is **sustainability**, focusing on lingering effects after completion of the project. CADU has major historical significance (Bonger, 1987) both in Ethiopia and internationally and it is very difficult to find any discussion of integrated rural development without reference to CADU. An entire generation of Ethiopian agricultural experts was trained at, or by, CADU (Bruno, 2016). Indeed, the Ethiopian government's involvement in agricultural extension services started with CADU. Other development projects such as WADU (Wolamo Agricultural Development Unit) followed CADU's example (Chekole, 2006). The lessons from CADU were the basis for the national extension programme known as the Minimum Package Programme (MPP). CADU's experience in seed multiplication and distribution provided invaluable knowledge for many future projects. Even after more than three decades after the completion of CADU, researchers found greater adoption of improved wheat, advanced crop management and more use of fertiliser in Arssi, compared to other regions of the country, something that was probably inherited from CADU (Ferede et al., 2000). Some forty years after CADU, farmers in the project area remember the project and its various innovations (Asmono et al., 2002). The direct and indirect long-term impact of CADU has been huge. Thus, in this respect, the sustainability level of the project was very high.

Many of our interviewees indicated the importance of CADU in terms of significantly reshaping the debate on rural development in Ethiopia. CADU changed the idea of agricultural development for a generation and, in consequence, working at CADU was considered a privilege by educated Ethiopians at the time (interviewee nos. 25 and 28). Many people who were at CADU played an important role in drafting the land tenure proclamation of 1975 and actively participated in its implementation. The maximum amount of land allowed for a household in the land reform proclamation (10 ha.) came from a study conducted by CADU (interviewee no. 23).

While the above paragraph demonstrates the direct and indirect significant sustained impacts, the inability of CADU to continue as an autonomous, innovative and integrated rural development project puts a question mark on another sustainability aspect. Firstly, CADU could not continue its autonomous status under the Derg regime and its descendants, ARDU and BARDU and SEAD, did not last. Right up to their natural demise in 1987 when Sida ceased its support, these did not operate at the level of the original project. Second, despite the substantial impact of CADU, no similar integrated rural development project was organised (other than the Sida-Wollo Programme, which did not exist as long as CADU). Of course, high cost was a factor but the move to new ideas on rural development has played a role, both internationally and locally. The jury is probably still out on whether integrated rural development projects have a place in transforming rural areas in developing countries.

From the perspective of the long-term evolution of Ethiopia's rural economy, one wonders whether the country lost an important opportunity for development in the late 1960s and early 1970s. As described in the background section, there were many signs of emergent capitalist agriculture in numerous regions of the country. These included the individualisation/privatisation of land, increased land values, a rapid mechanisation rate, expansion of contract farming and increased tenant evictions. With the benefit of hindsight, most people will agree that a socialist transformation of

agriculture for Ethiopia was a misguided policy shift, given the country's experience under the Derg regime. Hence, it seems Ethiopia took a wrong turn towards a radical socialist transformation of agriculture; the better option would have been to follow the capitalist path that was already well underway. In this counterfactual scenario of continued capitalist agricultural development in Ethiopia, the usual criticism of tenant evictions and the mechanisation of agriculture being down to CADU would not hold, as such processes are usually integral to a capitalist transformation of agriculture. Indeed, CADU's attempt to protect tenant rights may be understood as the development of 'capitalism with a human face'.

Democracy, human rights, gender and lessons from CADU

The third and fourth evaluation questions are:

> To what extent has a perspective of democracy, human rights and gender equality been considered in interventions financed by Sweden over time? In which ways have political dialogue (with Ethiopian authorities) and development projects reinforced democracy, human rights and gender equality?
>
> What lessons can inform Swedish development cooperation with Ethiopia and other countries ahead?

In terms of democracy, Ethiopia was probably not the right choice to set up an integrated rural development project. As Cohen (1987) puts it, "So eager were the Swedes to experiment with integrated rural development in Ethiopia that they ignored one of the central principles of foreign aid enunciated by the Swedish Parliament in 1962 and 1968. It required Sida to direct development assistance toward increasing 'political democracy and social equality,' and to avoid contributing to the 'conservation of an antiprogressive social

structure." Although there was no opportunity to push for democracy and human rights during the autocratic regime of Haile Selassie, CADU actively tried to bring the land reform agenda into the political discussion. Indeed, many argue that a draft bill presented to the Ethiopian parliament was mainly due to pressure from the Swedish government. Furthermore, as previously discussed, Sida actively worked to protect the rights of tenants by pushing for better land contracts and organising tenants to increase their bargaining power.

An issue related to the evaluation question on democracy and human rights is the role of farmers' participation in CADU's activities. Some have strongly criticised CADU for a lack of participation by local people (Zewde, 1991a, Cohen, 1987). In many respects, this was a valid criticism. For example, some innovations in agricultural implements, such as the improved plough and improved stove, were unsuccessful mainly due to insufficient feedback from farmers (interviewee no. 28). However, we should not exaggerate the role of the participatory approach, especially concerning a project attempting to disseminate well-tested innovation packages new to farmers. The main dissemination mechanism was through model farmers having demonstration effects.

CADU organised specific activities targeting women. A Women's Extension Unit was set up to increase awareness of development, establish women's groups and teach home economics. CADU did most of these without proper research or a clear strategy and with the assumption that women are mainly engaged in non-productive activities. In 1971, CADU upgraded its home economics training to make it more professional and development-orientated. This was backed up by encouraging income-generating activities for women. By 1974, there were 32 women's extension agents and around 35,000 women taking home economics lessons (Cohen, 1987). For its time, CADU performed well in terms of gender but fell short of the standards it achieved in its other activities.

In terms of lessons learnt, CADU has (as discussed above) now become one of the most popular integrated rural development projects, not only in Ethiopia but globally. Even though integrated rural development projects are not in fashion, one wonders whether they still have a role in the transformation of rural areas in developing countries. The experience from the Millennium Development Villages may offer a more recent example.

In the next two sub-sections, we will briefly assess the impacts of CADU's descendants (ARDU, BARDU and SEAD) and SARDP, before concluding this chapter on rural development interventions.

Descendants of CADU: ARDU, BARDU and SEAD

Evaluating the descendants of CADU (ARDU, BADRU and SEAD) is more difficult than evaluating CADU itself. CADU's international reputation has generated voluminous literature, which helps in evaluating it. Also, the descendant projects had neither the required resources nor the same interest in research and assessment as CADU. Hence, our evaluation of those projects is rather sketchy.

CADU's descendant projects were able to integrate some of its programmes into Ethiopia's government structure and policy. In principle, this increased both the **relevance** and **sustainability** of the descendant projects. The projects also increased the regional coverage, firstly from one *awraja*, then to the whole province of Arssi and expanding into Bale. We also believe that the Ministry of Agriculture did absorb some of CADU's good practices, thus creating an enduring institutional memory (**sustainability**). Interviews with personnel who worked on these projects (interviewee no. 2) indicate this.

However, the above positive impacts came at a cost. The projects lost their autonomy and the Ministry's directions were often incompatible with the specific conditions of the project areas. The projects were unable to do the same high-level research and evaluation that CADU routinely conducted due to a shortage of trained staff, an inability to

employ outside consultants and a lack of interest from Ministry officials. Bureaucratic processes increasingly consumed the staff's time. More and more of the projects' energy, resources and time was devoted to political mobilisation and similar activities, diverting resources from technical research and dissemination. This all indicates that the **effectiveness**, **efficiency** and **impact** of these projects was likely very low, particularly when compared to CADU.

Like other government institutions, CADU's descendants became implementors of the Derg government's misguided policies. A lot of effort and resources was devoted to collectivising agriculture; a policy that ended in dismal failure. The descendent organisations were involved in resettlement and the massive villagisation programmes. While the outcome of the resettlement programme was doubtful, villagisation was a complete disaster. These factors also reduced the **effectiveness**, **efficiency** and **impact** of the projects.

The cumulative effects of CADU and its descendants had some unintended consequences. When the Derg regime pushed for such misguided policies as collectivisation, monopolisation of grain markets through a parastatal organisation (AMC) and villagisation, the effect on Arssi was greater than in most other regions of Ethiopia. For example, the AMC quota for Arssi was heavy, partly because CADU had increased the grain-producing capacity of the area (Cohen, 1987). As noted earlier, Arssi was one of the first regions to be widely villagized, with nearly a million farm families moved in just four months. One reason why such misguided policies were implemented more intensively in Arssi than elsewhere was probably CADU's achievement in increasing productivity and improving the area's infrastructure.

In terms of lessons learnt, CADU's descendants integrated into existing government structures and scaling up activities to a national level, all of which produced some worthwhile lessons regarding such transitions. This relates to the important issue of the sustainability of projects requiring integration into governmental or similar permanent structures and sustaining their impacts long into the future.

Sida-Amhara Rural Development Programme (SARDP)

SARDP was a complex project with a great many activities in the four broad areas of agriculture and natural resources management, infrastructure and social service development, economic diversification and decentralisation and capacity-building at *woreda* and *kebele* levels. A detailed evaluation of the SARDP project is beyond the scope of this report but there have been many detailed evaluations of the project (Sida, 2003; Farnworth and Gutema, 2010; Havnevik et al., 2003; ORGUT, 2010).

The **relevance** of the project is high. Firstly, like integrated rural development projects, it covers a host of interrelated challenges and constraints in the project area. A more comprehensive approach examining the interdependence between different aspects of livelihoods has many attractions (even though, as discussed below, it may compromise on other aspects, such as effectiveness and efficiency). Secondly, SARDP works directly with government structures, a fact which has many attractive features. It strengthens the capacity of a permanent institution, rather than a project with an end date. There is great potential for scaling a project up to all structures of state administration (such as spreading the practice into other zones of the Amhara region and other regions of the country). Long-term, it also helps create capacity in domestic institutions and thus reduces dependence on donors. Thirdly, SARDP's interventions are mainly embedded in the lower rungs of state administration, at the *woreda* and *kebele* levels. This strengthens the autonomy of lower-level state administration and provides much-needed support at the interface between state administration and citizens. Fourthly, the project used participatory methods and evaluations have shown that these were often successful, with communities enthusiastically joining various undertakings. Fifthly, SARDP has a strong cross-cutting gender theme, which has contributed to the flexible mainstreaming of gender to reflect local conditions. Sixthly, some programmes within the project were

innovative and would likely contribute important lessons, not only to other parts of the country but also to the developing world at large. One outstanding example was the low-cost land registration programme.

Comprehensive interventions increase relevance but maintaining a high **coherence** level becomes a challenge. Ascertaining that the different components are coherent with each other requires coordination, planning and continual assessment and monitoring. Alongside maintaining coherence between the many different activities, the coherence between different levels of government administration (region, zone, *woreda* and *kebele*) must also be considered.

Evaluations of SARDP indicate that most activities were conducted with a high level of **effectiveness**. The list of major achievements listed in SARDP (2010) is a good illustration of this. There are no cost-benefit analyses of SARDP, hence it is difficult to say much about its **efficiency**. Even if a cost-benefit analysis were to be conducted, the task would be complicated by the project's multifaceted nature. However, given the probably high degree of social benefits from most of the activities, one might speculate that they would exceed the social costs. In terms of **impact**, the potential social benefits can be very high. The direct social benefits of the built infrastructure and processes introduced by SARDP are expected to be high. Those inhabiting the project area are expected to benefit from schools, roads, bridges, health posts, health centres, counselling and treatment centres, water wells and minor irrigation, improved gender relations, greater economic diversification and so on.

Land certification is an important component of SARDP and many studies on balance find positive impacts. Bezabih and Elias (2018) provided a sound review of many studies. There is some evidence that land certification increases the consumption expenditure of poor rural households (Ayalew et al., 2021), expands major off-farm employment activities (Ayele and Siba, 2017) and increases

land-related investment, rental market participation and yield (Deininger et al., 2011). Land certification also has a gender impact. Using data from southern Ethiopia, Holden and Bezu (2014) found that certification strengthens wives' awareness of their land rights and increases their involvement in land-related decisions. Moreover, certification increases market participation and productivity for both male and female-led households, its marginal impact being higher for the latter (Bezabih et al., 2016). Congdon Fors et al. (2019) show that certification increases school enrolment for all, or at least the eldest, children. However, the grade progression of the eldest sons (who most likely inherit the land) worsens. Land certification also positively affects trust (Bezabih et al., 2011), with trust in formal institutions being stronger than interpersonal trust.

Some other studies presented mixed and more critical findings. Whilst a willingness to pay for land titles and greater trust and flexibility in land-sharing arrangements all indicate improvements in tenure security, the government's intervention in contracts during the titling and certification process seems to diminish it (Adem, 2019). Using qualitative research methods and a case-study approach Abebe (2014) found that certification establishes a strong perception of land security. However, the thesis also argues that the negative impact of certification arises from its failure to address existing land inequality. More critically, Ege (2017) used an ethnographic study to argue that certification initially attempted to solve a non-existent problem whilst creating new ones. Rural communities were using tax registration as a flexible means of securing landholding and, hence, security of holding was not a major issue. Certification replaced a flexible system based on taxes with a more rigid one, alongside new entitlements that may have exacerbated land distribution problems.

Maintaining the benefits of SARDP's project for the long-term (**sustainability**) requires maintenance and investment. Whether this will be achieved in the long run is yet to be seen.

An interview with a former Embassy staff member (interviewee no. 13) also highlighted many positive impacts of SARDP, while acknowledging the difficulty of isolating the project's net impact. Land certification improved gender equality, reduced land-related litigation and strengthened the sense of ownership. All *woredas* were connected by roads and the confidence of *woreda* and *kebele* leaders received a particular boost from the development fund and decentralised management and decision-making. The additionality of the project is also likely high because the government does not provide funds for capital expenditure at *woreda* and *kebele* levels (it only covers recurrent expenses and salaries). In other words, the project did not displace funds that would have been provided by the government. SARDP also strengthened the Amhara Credit and Savings Institute (ACSI), the region's micro-credit organisation. Sida provided funds to the regional government to be loaned to ACSI. The growth of ACSI's capital, from around ETB 2 million to more than ETB 40 million was at least partly due to Sida's funding. Sida also provided guarantees to commercial banks, allowing them to extend loans to ACSI. The interviewee also identified some constraints. The collection and analysis of data and impact evaluation of the project could have been better implemented (by, say, collecting baseline data). The quality of project reports was rather poor. Furthermore, the **sustainability** of the impact after the completion of SARDP is also unclear.

Apart from the direct impacts of SARDP's activities, its indirect impacts in the form of spillover effects may be significant. The systems SARDP introduced in the project areas may be implemented in other zones of Amhara and other regions of the country. This may bring significant change to the way lower-level government administration works. During the project's implementation, many neighbouring *woreda* pushed to be included. USAID copied and implemented the land certification in other areas of Ethiopia, which was another spillover effect (interviewee no. 13). This land certification later spread to all the main regions of the country.

On balance, SARDP is strong in terms of **perspectives on democracy, human rights and gender equality**. Most of its activities were at the lower level of government administration and involved the participation of people within the administrative area. These activities encouraged autonomy of lower government administration and active participation of the citizenry, both of which are components of democratic governance. As already seen, SARDP is also strong in mainstreaming gender and mobilising women for gender equality.

In the academic and policy-related literature, SARDP is a popular example of a strong area development programme. There are many **lessons** to be taken from SARDP, particularly in terms of strengthening the autonomy of lower government administration and supporting participatory interactions between the population and government structures.

Conclusion

This chapter has examined the main rural development interventions by Sida, with particular emphasis on CADU and its descendants, plus SARDP. In many respects, Sida has a good track record in rural development, particularly concerning CADU and SARDP. Both have provided significant positive results and highly innovative programmes that were copied by other donors and institutions.

CADU clearly demonstrated that an integrated rural development project can significantly increase agricultural productivity and improve the standard of living. Most of the project impacts reported in evaluations (mainly by CADU itself) were probably overestimates. There was no comparison with what was happening elsewhere outside the project, but agriculture was being mechanised and commercialised in other regions too. Despite this, CADU likely had a net positive impact on productivity and income. The usual criticism of CADU (that it increased inequality and tenant evictions) does not consider Ethiopia's wider socio-economic evolution at the time. The

period was characterised by a nascent capitalist development in agriculture, with inherent increases in inequality and tenant evictions. However, these aspects had also been observed in areas of Ethiopia outside the project and most of the changes introduced by CADU had sustained impacts. Even now, many decades after completion of the project, the area is characterised by higher crop yield (mainly wheat) and milk production. The Ethiopian government's extension programme started with the project. CADU trained a generation of rural development experts who played an important role in policymaking and implementation for many years after the project. Numerous positive practices from CADU were integrated into the workings of the Ministry of Agriculture, resulting in such initiatives as the Minimum Package Programme (MPP).

Like CADU, SARDP was an area-based programme, but its implementation was through existing government administration. The project introduced many innovative interventions. Of these, two are worth mentioning here. While the regional government covered the recurrent budgets of lower administrative levels, such as *woreda* and *kebele*, there was no capital budget allocation to them. SARDP distributed capital budgets for these lower government administrations, so that they could be allocated to projects identified by lower officials in consultation with local inhabitants. This significantly enhanced the autonomy of lower government bodies and encouraged the active participation of local inhabitants in important decisions. SARDP also implemented a low-cost land certification programme which was copied by many other regions of the country. On balance, most evaluations of the land certification were positive.

The lessons from CADU and SARDP are relevant, not only to Ethiopia but to developing countries at large. These relatively successful undertakings indicate that area-based programmes probably have a well-deserved place in rural development. The programmes' different forms also make them fertile grounds from which many lessons may be drawn. CADU was a classic integrated

rural development programme and there is now voluminous literature on its experience. This, in itself, serves as an indication that there are many lessons to be learnt. By contrast, SARDP strengthened the autonomy of lower government bodies, specifically by allocating capital budgets and delegating decision-making to lower officials and inhabitants of the area through a participatory approach. SARDP also implemented a low-cost land certification programme. Both programmes are relevant to many developing countries. Governments in most developing countries usually do not delegate decision-making and capital budget allocations to lower administrative bodies. Thus, the experience with SARDP could provide important lessons on decentralisation and autonomy of government administration and active participation of citizens in capital budget allocations. Many developing countries have traditional land tenure systems without formal land certification, making security of land ownership a problem. Usually, standard methods of land certification are very costly; hence, the low-cost certification of SARDP is invaluable. The experience gained through SARDP can provide valuable lessons in this respect.

Sida was involved in many other rural development programmes but covering them all is beyond the scope of this evaluation report. An example from the recent past is related to climate-smart agriculture. Initially, this project was implemented for refugees from Somalia in collaboration with Demark. A similar project was subsequently rolled out in Gambella (interviewee nos. 11 and 12). Sida also participated in a WFP (World Food Programme) project using satellite information to provide insurance to farmers (interviewee no. 12). In collaboration with SMHI (the Swedish Meteorological and Water Institute) and the Meteorological Authority of Ethiopia, Sida participated in a project on weather forecasting and climate resilience (interviewee no. 12).

The next chapter will examine the main Sida programmes in Ethiopia's education sector.

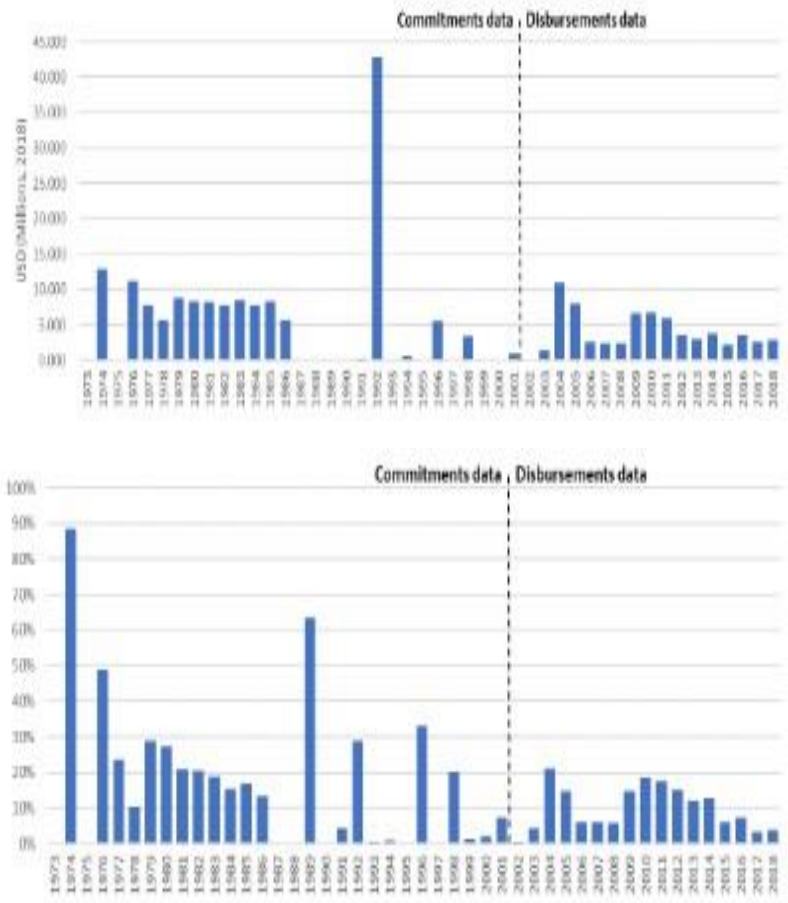
5 Sida's Support for Education in Ethiopia

Introduction

In the 60 years covered by this evaluation, Sida has engaged in many programmes and projects in Ethiopia's education sector. Indeed, Sida's work in that sector is an enduring feature of Swedish support to Ethiopia. Even when most Western donors had shunned Ethiopia during the Derg regime, Sida remained involved in education support except for its final few years. Figure 10 shows the percentage and total share of Swedish commitments and disbursements to education between 1973 and 2018.

As illustrated by absolute figures at the top of Figure 10, Sweden mostly allocated around USD 10 million annually to education. These sums decreased significantly in the final few years of the Derg. With the start of villagisation in 1987, most Swedish support was withdrawn until the EPRDF government came to power in 1991. Generally, the 1990s was characterised by fluctuations, while the period starting with 2004 saw more stable budget allocations continuing until 2018. The bottom of Figure 10 shows the percentage share of education from Sweden's total allocations to Ethiopia. For most of this period, Sweden allocated roughly 10–20% of its budget to education. Note, the graphs do not cover the 1960s when some of the larger education projects (such as ESBU) were active. Overall, the figures indicate that Sweden invested a significant amount and that a decent proportion of its overall budget went to educational support.

Figure 10: Sweden's ODA to Ethiopia for the education sector in USD (millions) and as % of Sweden's total ODA to Ethiopia

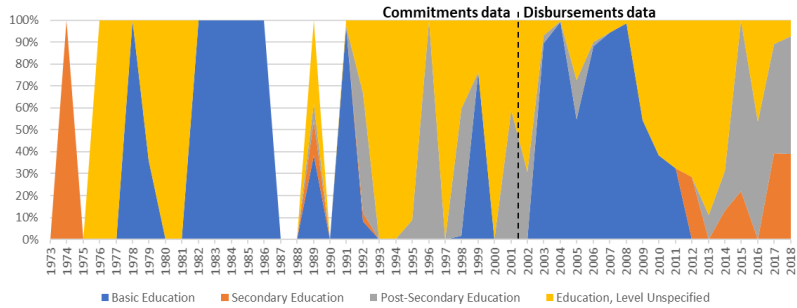


Note: 1989 value is omitted as a significant outlier.
Data Source: Creditor Reporting System (CRS) 1973–2001 ODA commitments data (OECD database). CRS 2002–2018 ODA disbursements data (OECD database).

Over the years, the composition of Sida's education budget saw significant changes. Figure 11 shows the percentages of Sida's education budget allocated to basic, secondary and post-secondary education. In most of the earlier years, basic education was more important than the other two. More recently, this has been reversed. After 2012, allocations to basic education fell significantly, with

secondary and post-secondary education accounting for the largest proportion of the education budget; in 2018, the two accounted for around 90% of Sida's education budget. As discussed in the background chapter, Ethiopia has undergone significant expansion in educational facilities, particularly at the basic level. The current focus on secondary and post-secondary education reflects this progress.

Figure 11: Proportion of Sida's education budget to Ethiopia by educational level



Data Source: Creditor Reporting System (CRS-OECD) 1973–2001.

Obviously, given Sida's sustained involvement in education, it is impossible to cover all its projects and programmes within the sector. We will focus on three interventions at the lower and higher levels of education. We will begin with the Building College and then go on to cover ESBU (the Elementary School Building Unit) and the Wondo Genet College of Forestry.

Building College

The Ethiopian and Swedish governments signed the agreement to set up the Building College on 13 October 1954. The staff themselves planned and designed the campus and construction by outside contractors started in March 1955. The first batch of 26 students began their studies in October 1955. A special representative from

each government and the director of the College served as the governing body. Each government contributed roughly half the cost (Building College, 1959). The establishment of the Building College coincided with the arrival and consolidation of modern university education in Ethiopia. Five years earlier, in 1950, the University College of Addis Ababa (UCAA) had been set up, followed by the College of Engineering (also in Addis Ababa) in 1952, the colleges of agriculture in Alemaya and Jimma in 1952 and 1953 respectively and the Gondar Public Health College in 1954 (Ayalew, 2017). Most of these colleges amalgamated into Haile Selassie I University in 1961, renamed Addis Ababa University (AAU) in 1975.

Strictly speaking, the 'Building College' is an amalgamation of three interdependent organisations specialising in teaching, research and testing. The teaching (done by the Building College) started with a three-year diploma programme, extended (in 1957–58) into a four-year Bachelor of Science degree in Building Engineering. The curriculum covers both technical engineering topics and social sciences, including economics, history, philosophy and sociology. The Ethio-Swedish Institute of Building Technology (ESIBT) led the research and focused mainly on practical issues. Its aim was to study and improve building methods in Ethiopia, with particular emphasis on low-cost buildings. Traditional Ethiopian houses, experimental housing and water and sanitary projects (such as hand-dug water wells, hydraulic pumps and the like) were other areas of research. The testing was led by the Building Materials Testing and Research Institute (BMTRI), which focused on testing local and imported building materials, providing testing services to authorities, contractors, building material firms and individuals. The institute provided advice and information to outside bodies and offered impartial expert investigation of building damage. In addition to testing existing materials, the institute facilitated the use of locally sourced raw materials and introduced new building materials and manufacturing methods (Building College, 1959).

The College also had other facilities, catering for its own needs and those of outsiders. In the first few years of the College's existence, its library, although small, was Addis Ababa's best source of information about building engineering. The College produced a series of textbooks on building engineering, adapted to the Ethiopian context. Other facilities included the physics and chemistry lab, testing facilities for building materials and a carpentry workshop (Building College, 1959). At the time, most of these facilities were not widely available outside the College.

Initially, almost all the main teaching, research and testing staff were foreigners, mainly Swedes. The Ethiopianisation of the College was achieved by its alumni going on to take further studies at overseas universities. By the 1990s, the Building College was fully staffed by Ethiopians, with one of its graduates as dean (Okoye, 2002). Today, the Building College is a part of Addis Ababa University's Ethiopian Institute of Architecture, Building Construction and City Development (EiABC).

We now leave the higher education sector to examine Sida's contribution to primary and secondary education in Ethiopia, particularly through its school-building project, ESBU.

Elementary School Building Unit (ESBU)

The Swedish Volunteer Services started primary school building in October 1965. Because of its popularity, it grew into an autonomous body within the Ministry of Education and Fine Arts (MoEFA), as the Elementary School Building Unit (ESBU). In 1968, Ethiopia and Sweden signed a five-year agreement (later extended to 1975). In the same year, ESBU merged with the Construction Department of the Ministry of Education, later transferring to the Ministry of Public Works and Housing (which was subsequently renamed the Rural Project Agency (RPA)). RPA's responsibility was much wider than that of ESBU and covers all types of public construction, such as roads, health centres, storage and water supply (Gumbel et al., 1983).

Even though ESBU only existed as an autonomous body until 1975, Sida's support continued into the early 1990s, with less emphasis on building schools (Gumbel et al., 1983).

The main purpose of ESBU was to build schools, as outlined in the Third Five Year Plan of the Haile Selassie government. Another objective of ESBU was to train Ethiopians to replace the Swedish personnel. The target during the first agreement (1968–73) was to build 7,000 classrooms. Some 4,690 classrooms were completed and ESBU's workforce increased to around 2,000, with trained Ethiopians replacing most Swedes (Gumbel et al., 1983). Between 1965 and 1982, Sida assisted in building 4,780 primary schools, 85% of schools at that time. In 1993, there were 8,196 government primary schools, of which some 6,000 were built with Sida's support (Negash, 1996). However, this does not mean 6,000 brand new schools. The figure includes both new schools and schools in which new or replacement classrooms were built (interviewee no. 14). From 1968 to 1972, 62% of classrooms built were replacements for old ones and 38% were new. In both cases, ESBU's buildings were of superior quality (Gumbel et al., 1983). Sida does not cover the total costs of building schools. A 50% contribution comes from the community.

For various reasons, after ESBU's initial rapid expansion, its growth started to slow. There were three reasons. Firstly, as school-building moved to more remote areas, the capacity of communities to raise matching funds decreased. Secondly, the devaluation of the Ethiopian Birr, coupled with the devaluation of the Swedish krona, increased costs. Third, during the Derg period, Sida was reluctant to increase aid to the military government, especially as there had been widespread human rights violations (Negash, 1996, Gumbel et al., 1983).

Most of ESBU's schools were in rural areas. For example, between 1968 and 1972, 85% of schools were in rural areas. In the same period, the estimated increase in primary school enrolment due to ESBU's schools was 200,000 (Gumbel et al., 1983). The Ministry of Education run all the schools and staffed them with teachers.

The improved quality of ESBU's schools was mainly due to the quality of building materials. They were built with hollow concrete blocks (largely prefabricated to facilitate transportation) and pre-cast reinforced concrete elements fabricated on-site (Hjort and Sendabo, 2011). In the later years, with Sida's agreement, RPA started building schools with impregnated eucalyptus and mud walls to reduce the cost of building. This made the wood-mud schools less popular compared to those built by other donors, such as the World Bank (Gumbel et al., 1983, Negash, 1996). Although the wood-mud method decreased short-term costs, in the long-term it proved more costly due to frequent repair and maintenance. Many of the original ESBU schools are still in good shape 40–50 years after their construction. Some people argue for a third option combining low cost with durability. Hjort and Sendabo (2011) argue that ESBU could have used cement-stabilised soil blocks (CSSB) to lower costs and introduce a more appropriate technology, given the factor endowments of the country. CSSB require thorough mixing of the soil and a measured amount of cement and water, followed by high-density compaction and protection against moisture loss. The amount of cement required is less than conventional concrete blocks. Although CSSB helps decrease costs, it is unclear how their durability compares with conventional concrete blocks.

In addition to the higher quality of construction materials used in ESBU's schools, an interviewee also pointed out that the buildings were 'future-orientated'. For example, even though most villages where the schools were built had no electricity, the buildings included facilities to readily connect to electricity supply (interviewee no. 26).

ESBU's schools were also characterised by adaptation to local conditions. For example, one interviewee provided an eye-witness account of local adaptation after visiting a school in Gambella in southwestern Ethiopia. The school had been built on stilts to protect it from flooding during the rainy season and improve air circulation in the hot season (interviewee no. 26).

The discussion so far has focused on the supply side. However, it would also be good to examine how ESBU's schools impacted local communities. To do that, we use three case studies from Bale, Tigrai and Wollo.

The first case study is from Bale and specifically the towns of Goba and Robé (Wandifraw, 2018). The first government primary school was built in Gobba in 1962 and financed by the education tax collected by the central government. In the early 1970s, five additional classrooms were built by ESBU, with a 50% contribution from the public. In 1972, ESBU also built a new six-classroom primary school in Gobba. The unit costs of ESBU's classrooms were higher due to the use of steel and hollow concrete blocks. However, ESBU's classrooms were still in good shape when the author visited the schools in 2018, some fifty years after their construction. Almost all the post-ESBU classrooms built by the community using traditional local materials were no longer in service by the time of the 2018 visit. ESBU also built eight additional classrooms for a primary school in Robé, the second town covered by the study.

The second case study comes from Tigray, specifically from Asgede Tsimbla *woreda* (Mjaaland, 2013). There was no secular school anywhere in the *woreda* until 1969. The first primary school was built by ESBU in the market town of Endabaguna. ESBU built additional three schools in Asgede Tsimbla, before the overthrow of Haile Selassie in 1975. By 1991, when the Derge was overthrown, there were nine schools. This implies that 44% of the schools in the *woreda* were built by ESBU.

The third case study is from northern Shoa, Saya Debir, around 190 km north of Addis Ababa (Sjostrom, 1986). ESBU built a primary school in 1973/74, serving 16 peasant associations with a combined population of 14,000. The school had two separate buildings with six classrooms, a plot for farming and gardening and an ample supply of textbooks, sports equipment and handcraft and farming tools. There was a shortage of teaching aids and the school

had no library. For the academic year 1984/85, 378 students enrolled. In addition to educating its students, the school also provided additional benefits to the wider community, such as after-hours literacy classes. People's participation in mass organisations increased and the spread of education and literacy improved health and hygiene practices.

Apart from building primary schools, Sida also supported other activities in the education sector; for a long time, it delivered paper for the publication of textbooks. Between 1975 and 1983, Sida imported 6,000 tons of paper valued at SEK 21 million and around 20 million textbooks were printed using it (Gumbel et al., 1983). Sida also supported the provision of school science kits and furniture through the Educational Materials Production and Distribution Agency (EMPDA) (Negash, 1996).

We will now turn to the Wondo Genet College of Forestry and Natural Resources (WGCFNR).

Wondo Genet College of Forestry and Natural Resources (WGCFNR)

Wondo Genet College of Forestry and Natural Resources (WGCFNR) was conceived in the 1970s, after the consultancy firm Orgut suggested setting up a forestry training institute during a workshop (interviewee no. 18). Sida supported the WGCFNR with a series of shorter-term contracts from its inception in 1978 (then known as the Wondo Genet Forestry Resources Institute) and up to 2009. Sida was the major external source of technical and financial support in education, research, staff and infrastructure (Wondo Genet College of Forestry, 2004). Other less prominent donors were Norway, Germany and the UK but, for the first 10 years, Sida was the sole external funder (interviewee no. 18). Amongst other infrastructure-related things, Sida built 15 dormitory blocks and two-storey academic buildings (interviewee no. 27).

The key institution for academic support was the Faculty of Forestry at the Swedish University of Agricultural Sciences (SLU)(Sida, 2003); SLU provided its own resources alongside Sida's financial support (interviewee no. 14).

The college started with a two-year diploma programme and by the 1980s, its programme had an intake of 140 students with around 70 forest rangers graduating annually (World Bank, 1984). The diploma courses were upgraded to BSc level in 1987, in cooperation with the Agricultural University of Alemaya and the Swedish School of Forest Engineers in SLU and with training offered in Ethiopia and Sweden (Lundgren et al., 2011). In 1994, MSc courses were introduced as a 'sandwich' programme with SLU, which also awarded the degree. The first nine master's students graduated from the programme in 1996 and 180 students in 11 batches were trained with SLU's support (Lundgren et al., 2011). The PhD programme supplied teachers for the college's MSc courses and experts to the country at large. By 2012, there were 40 PhD graduates, 25 of them supported by Sida. During that period, PhD fieldwork was held in Ethiopia, with supervision from both countries. SLU provided the required courses, and the degree was mainly awarded by SLU. The college succeeded in recruiting good-quality students (usually with a 3.0 grade point average/GPA or higher). Most of the training is practically orientated (interviewee no. 18).

Sida's support, mainly through SLU, was also instrumental in shaping existing courses and institutional development. For example, in the final phase of the support (2003–2009) the college, supported by SLU, introduced curriculum changes to focus its training programmes on sustainable natural resources management. Emphasising the need for an interdisciplinary, action-orientated approach, the college introduced its "development-orientated inter-disciplinary thematic action research" (DOIT-AR)(Lundgren et al., 2011; Sida, 2004b). Sida also supported the training of lecturers and almost all college staff were trained through funding from Sweden (interviewee no. 18).

While upgrading to higher degrees, the college ended its diploma programme. This was mainly due to the establishment of 25 new technical and vocational education training centres (TVETC) in Ethiopia. The plan was to train 30,000 diploma graduates annually in crop production, livestock husbandry and natural resources management (Wondo Genet College of Forestry, 2004).

When Sida stopped its support to the college in 2009, it funded income-generating assets such as a guest house to accommodate 32 people, a large, hireable assembly hall and a carpentry workshop (interviewee no. 27).

In the 2019–20 academic year, there were 12 BSc, 12 MSc and 1 PhD programmes. In addition to the college's core competence in forestry, there are also courses in ecotourism, GIS, natural resources economics and policy, soil and water shade management, wildlife and fisheries, urban forestry and greening, environmental sciences, land administration, climate change and climate-smart agriculture. There are currently 171 academic staff and the college hosts 1,425 regular students and 678 further education students (WGCFNR website). In addition to teaching, the college has 26 research projects actively involved in policymaking and implementing bodies for natural resources and wildlife conservation. One of the major partners of the college is the Ethiopian Environment, Forest and Climate Change Commission, a body that builds capacity under various REDD+ activities. For example, the college participated as a national centre for enhancing capacity in the measuring, reporting and verification (MRV) of greenhouse gases and strengthening capacity in the area. It runs MSc courses in forestry, climate-smart agriculture and renewable energy for experts from all regions and two city administrations of Ethiopia. The college has also signed a memorandum of understanding with the many stakeholders implementing Ethiopia's Climate Resilience and Green Economy Strategy (CRGE). Other activities include numerous rounds of training for experts from regional offices in GIS, plus remote sensing, cadastral surveys and forest resources

assessment. Manuals for the management of the Ethiopian Urban Green Infrastructure Standard have been prepared for over 30 major cities, including Addis Ababa, in collaboration with the relevant ministry. The college has also supported a forest management plan for the upper catchment area of Addis Ababa. All these activities are undertaken with such partners as the Ethiopian Environment and Forest Research Institute (EEFRI), Ethiopian Institute of Biodiversity (EIB), Ethiopian Wildlife Conservation Authority (EWCA), Center for International Forestry Research (CIFOR), United Nations Development Programme (UNDP) and Global Green Growth Institute (GGGI) (WGCFNR website).

WGCFNR is the only educational and research institution focusing on forestry in Ethiopia. The only other one was the Forestry Faculty, set up at Alemaya University in 1987. However, the faculty was transferred to WGCFNR in 1996/7 (Ministry of Education, 1999). The college is the largest supplier of professionals in the field and aims to become a centre of excellence, not only for Ethiopia but Africa generally.

The next section presents an evaluation of selected programmes supported by Sida.

Evaluation

The Building College

In the next few paragraphs, we will briefly evaluate Swedish support to the Building College by addressing the four evaluation questions, combined with the OECD/DAC criteria of relevance, coherence, effectiveness, efficiency, impact and sustainability.

The first evaluation question relates to **relevance**. "Has Sweden formulated appropriate strategies given the development constraints and opportunities in Ethiopia at specific periods in time?"

The establishment of the Building College was preceded by needs identification and negotiations between the Ethiopian and Swedish governments and was motivated by many factors. One is the increased demand for houses in the country generally and Addis Ababa in particular. For example, the total annual value of houses built in Ethiopia (excluding traditional houses that are usually constructed from wood and mud) was estimated at Eth$ 10 million around 1954 but it grew to Eth$ 20 million by 1959 (Building College, 1959). Such increased demand for modern buildings required trained manpower and supporting facilities and was one of the reasons for establishing the Building College. Another reason was to decrease the dominance of foreign architects and builders in the sector. Almost all modern construction at the time was controlled by a small number of Italian, Greek and Armenian builders and costs were driven up by a lack of competition (Sigge and Mattsson, 2018; Levin, 2016). Another reason relating to this was changing the 'colonial attitudes' of the foreign builders that did not reflect Ethiopia's building tradition (Sigge and Mattsson, 2018). Furthermore, the Building College was set up at a time of increased need for higher education in Ethiopia. Most of the colleges that were ultimately consolidated into the Haile Selassie I University (later renamed Addis Ababa University), were set up in the 1950s. As seen above, these include the University College of Addis Ababa (UCAA), the College of Engineering, the colleges of agriculture in Alemaya and Jimma and the Gondar Public Health College. This indicates that the Building College started at precisely the point when the need for higher education was increasing. All these factors strongly suggest that the Building College was highly relevant at the time. The college helped reinvent Ethiopia's building traditions (Sigge and Mattsson, 2018).

In terms of **coherence**, the project seems to have performed well. However, we will first discuss some issues relating to internal coherence.

As expected, due to the dominance of expatriate staff, the curriculum followed Swedish/European standards, as this was a well-established and coherent knowledge system. A related question is whether the Building College succeeded in its objective of integrating Ethiopian building traditions. The college worked on categorising Ethiopian building materials and recreated some building styles from different regions of the country on its campus (Sigge and Mattsson, 2018; Building College, 1959). However, the main curriculum was dominated by Swedish and European traditions, with no significant Ethiopian input. There was tension between traditional and modern architecture at the Building College, reflecting similar tensions in the buildings and architecture of Addis Ababa (Levin, 2016). In terms of external coherence, the Building College performed well in many respects. It was established at a similar time as other higher education institutions, ultimately becoming one of the colleges that constituted Ethiopia's first university. More recently, the college has also helped new universities set up faculties of architecture, engineering and urban planning. Overall, the college has had a significant impact on engineering education and practice in Ethiopia. Many of the college's facilities also catered for outside users, including soil testing for Sida projects such as CADU and ARDU (interviewee no. 26). This is further evidence of external coherence.

The second evaluation question relates to **effectiveness, efficiency, impact and sustainability**. "Has Swedish development cooperation with Ethiopia contributed to sustainable results in terms of poverty reduction and better living conditions for people living in poverty? If so, in what way and to what extent?"

Our evidence suggests that the project was largely **effective.** The Building College was constructed promptly, with the first batch of students starting their studies exactly a year after the two governments signed their agreement. The standards of teaching, student accommodation, library, laboratory, testing centre and extra-curricular activities were equal to, or higher than, similar Ethiopian institutions at the time. The teaching, research and testing centres

were well-equipped, with highly skilled personnel. One interviewee argued that the college's success was due to the strong foundation laid by Swedish support (the provision of highly skilled manpower and instilling of a strong work ethic). He said he had heard nothing negative about the Swedish staff from those working with them (interviewee no. 26).

A lack of data makes it difficult to comment on the **efficiency** of the project. As discussed below, the short and long-term impact of the college is high, and we thus expect its overall social benefit to outweigh the social costs.

Improvements in the quantity and quality of buildings are expected to have direct and indirect **impacts** on poverty and standards of living. Part of the college ethos was researching and improving materials and methods, particularly for low-cost buildings. It is unclear whether the college achieved this objective. Still, the fact that low-cost buildings are emphasised does at least indicate a concern for the living conditions of low-income people. The college built low-cost housing in Addis Ababa's Kolfe neighbourhood, with the project's concepts copied by a government programme for low-cost housing during the Derg's period after 1974 (interviewee no. 26).

Many of the first domestically trained architects and engineers from the Building College would go on to hold important public and private-sector positions in later years. For example, the construction minister under the Derge, Kassa Gebre and the owner of Bertha Construction (one of the biggest domestic private construction companies) were both graduates of the college (interviewee no. 26). As indicated above, many of the Building College's facilities (such as the Building and Material Testing Department, the Information and Documentation Unit and the research and workshops) also served external governmental and non-governmental institutions (Workneh, 1985); a form of positive externality (spillover effect).

The fact that some 66 years after its founding, the college has survived and expanded is a testimony to its **sustainability**. This was further reflected in the relatively rapid Ethiopianisation of its staff. The Building College, now called the Ethiopian Institute of Architecture, Building Construction and City Development (EiABC), has played (and will continue to play) an important role in building construction and city planning in Ethiopia. It plays an important role in the current growth of urban centres.

The third evaluation question touches on **democracy, human rights and gender**. These issues are not directly related to the Building College. Although gender is relevant, we have no information on gender-related issues, such as student enrolments and the gender balance of college staff.

In terms of **lessons learnt** (evaluation question 4), we believe the Building College to be a good example of how timely, efficient intervention by donors to higher education can have an important and lasting impact.

Elementary School Building Unit (ESBU)

We will now assess ESBU's overall performance by addressing the respective evaluation questions and using the OECD-DAC criteria. ESBU was a highly **relevant** project that was a good fit with Ethiopia's development objectives. When ESBU was running, Ethiopia had one of the lowest school enrolment rates in the world. The Third Five Year Plan (late in Haile Selassie's reign) emphasised the importance of education. After the fall of Haile Selassie, the policy emphasis on education continued under both the Derg and EPRDF regimes. Hence, ESBU was well-aligned with Ethiopia's national objectives. ESBU brought Swedish expertise into the school-building programme, and hence the additionality of the project is probably high (something that was difficult for the Ethiopian government to do without Swedish support). As seen in the brief description of the three case studies, in many rural

communities ESBU provided the first access to primary education. In many rural villages, schools built by ESBU were the first government-provided service to inhabitants (interviewee no. 25). ESBU played an important role in laying the foundation for the relatively high primary enrolment rates seen in present-day Ethiopia.

The programme also seems to have good internal and external **coherence**. Up until its integration into government ministries, ESBU's autonomy probably allowed it to organise its activities without too many bureaucratic obstacles. The simple formula of a 50% contribution from the community (including labour costs) provided a clear guideline for community participation. The schools and classrooms were transferred to the Ministry of Education for staffing and management. This was well-coordinated, with no reports of unused schools and classrooms.

All evidence indicates that ESBU was a highly **effective** programme. Increasing primary school enrolment by up to 200,000 between 1968 and 1972 (Gumbel et al., 1983) was no easy feat. As the case studies and many of our interviews indicate, ESBU provided the first primary schools for many, particularly in rural areas. Since most of these schools were built in relatively remote rural areas, the number of students in each school was low. Hence, in addition to increasing overall enrolment rates, the social benefit of ESBU's schools was likely very high because they provided educational access to marginalised communities (interviewee no. 14). On the flipside, the remoteness hampered the provision of materials and teachers' salaries for ESBU-built schools. In some instances, teachers' salaries at ESBU schools were paid late, which was a source of complaint (interviewee no. 23).

Although no one conducted a proper cost-benefit analysis, ESBU probably scores high on **efficiency** because, in addition to the direct effects, the indirect effects and externalities of education are usually high. As we have seen, the higher quality of ESBU school buildings (constructed from hollow concrete blocks and steel) was likely more cost-effective in the long term, compared to the traditional wood and

mud construction. However, whether ESBU's method was clearly superior to that of CSSB (cement-stabilised soil blocks) remains an open question. If CSSB technology is significantly cheaper but does not compromise durability, ESBU may have missed an even more efficient technology.

The evidence also indicates that ESBU's **impact** was high. In terms of improving human capital by educating so many more young people, its direct impact must have been huge. Most studies of developing countries show that returns to primary education are relatively high, and that education is one of the most promising ways to escape poverty. Indeed, at that time, due to the shortage of educated manpower, the returns to education were probably even higher than in later periods. This was discussed in the background chapter and is demonstrated by our interviews (see interviewee no. 14, for example). Aside from the direct impacts, indirect impacts and externalities were probably high as well. Additional impacts included support for the adult literacy campaign, non-formal education, improvements in health and hygiene habits and active participation in political and public organisations.

In terms of programme simplicity/coherence and encouraging community participation, the requirement for the community to cover 50% of school-building costs is a good one. However, it may well have excluded very poor communities from ESBU's school-building programme. There is evidence that when ESBU moved into more remote areas, some communities did not have the capacity to raise the 50% match funding (Negash, 1996). Hence, we can say that ESBU had both inequality-decreasing and inequality-increasing impacts. Since most ESBU schools were built in more remote areas, it decreased inequality between peripheral regions and the centre. However, it increased inequality in remote areas; between those that could afford to raise the 50% contribution and those that could not. In principle, ESBU might have solved this problem via a cross-subsidisation scheme, in which richer areas contributed more than 50%, while poorer ones contributed less or nothing (effectively

poor communities being subsidised by additional sums from richer ones). However, this cross-subsidisation works if richer regions are willing to subsidise poorer areas or Sida conceals it from the rich communities and there is no problem with free-riding. Furthermore, while cross-subsidisation creates more equality, it comes at the expense of a more complex system that is difficult to implement.

One of the remarkable features of Swedish aid to Ethiopia between the end of the 1950s and the 1980s (the last years of Haile Selassie's reign and the overthrow of the Derg) is its sustained aid to the education sector. Indeed, between 1974 and 1991, Sida became the largest bilateral donor to the education sector in Ethiopia, replacing USAID (which had been dominant under Haile Selassie) (Negash, 1996). The following findings also show that ESBU scored high in **sustainability**:

- its choice of more expensive but highly durable building materials proved to be the right one in the long term (but note the complication with CSSB technology discussed above).
- ESBU's institutional continuity was also remarkable. Even after losing its autonomous status, ESBU's main functions continued in RPA and subsequent descendants. In fact, RPA's scope expanded into the construction of infrastructure other than schools such as health centres in many parts of the country (Stommes and Sisaye, 1980). It was also involved in the construction of schools for projects funded by the World Bank (World Bank, 1984).
- the relatively rapid Ethiopianisation of the staff was also another feature contributing to ESBU's sustainable impact.
- the 50% match-funding model encouraged participant communities to own the projects as major stakeholders, thus helping sustainability. However, this did favour those (comparatively richer) communities that could afford to raise the 50%, thus increasing spatial inequality in remote areas.

In terms of the third question on **democracy, human rights and gender**, ESBU's impact on democracy and human rights was indirect. An educated population is the basis of a democratic system and the protection of human rights. Even though we have no data on how much ESBU schools encouraged the enrolment of girls, this does usually increase when schools are closer to residential areas. Hence, we expect an indirect impact on gender equality. With relatively high primary enrolment rates in present-day Ethiopia, the gender gap has almost closed and ESBU's contribution was probably significant.

Two major **lessons** emerge from our analysis of Sida's support to the education sector. Firstly, Sida's sustained support to the education sector (even when all other Western donors stopped aid) seems to have paid off in the long run. Secondly, a well-organised school-building programme supported by donors can significantly improve a country's education.

Wondo Genet College of Forestry and Natural Resources (WGCFNR)

We now move on to evaluate Sida's support for WGCFNR, starting with **relevance**; Sida's setting-up of the college and continued support of it for over 30 years is highly relevant.

- The college was set up at a time when the country had no institution of learning and research on modern forest and natural resource management. To a certain extent, the college and Sida's support filled this gap.
- The degradation of forests and natural resources is an increasing problem in the country and the supply of trained personnel is extremely important in mitigating it.
- The international climate crisis has pushed climate-smart policies to the forefront and the college is currently playing an important role in this.

- The design and implementation of Sida's support followed consultation with concerned policymakers and alignment of that support with government policy and local needs.
- The good fit between the training of graduates from the college and the jobs they subsequently take constitutes further evidence. A 2004 study of the four major regional states and Addis Ababa interviewed graduates of the college and their employers. It established a major consensus, in that the college's teaching was highly relevant in disseminating knowledge to farm households, assisting environmental rehabilitation and commercialising forest products (Wondo Genet College of Forestry, 2004). In Ethiopia, the public sector is the major employer as there is no private forestry sector (interviewee no. 18). Our interviewees also arrived at a similar conclusion on the important role of college graduates. Almost 90% of the staff at the Forestry and Climate Change Commission, almost all professional employees of the National Forestry Research Institute and the heads of the natural resource directorates of the Ministry of Agriculture were graduates of the college. Moreover, graduates of the college are working in other countries, such as Botswana, South Africa, Canada and Rwanda and in international organisations such as ICRAF (the International Council for Research in Agroforestry) (interviewee no. 27).

Sida's intensive, long-term support was greatly appreciated by senior members of the college. One of our interviewees characterised the relationship between Sida and the college as a "family tie". Although financial support could have been sourced elsewhere, had Sida's support not been available, he underlined the fact that other donors would probably not be as successful as Sida in providing personnel with the required skills, work ethics and flexibility of involvement (interviewee no. 27).

Sida's support for the college was also **coherent**.

- SLU's teaching and research experience in agricultural and natural resources aided the coherence of the BSc, MSc and PhD programmes.
- The college's sequence for introducing new courses was a good illustration of the programme's coherence. Starting with a diploma course, the college saw increased demand for higher levels of expertise and greater capacity and thus introduced its BSc, MSc and PhD programmes. Aside from a need to conduct advanced research, the PhD programme was begun specifically to prepare teaching staff for the MSc programmes. As one of our interviewees put it, two unique features of Sida support are its continuity and progression (starting with support for the diploma, then the master's and then the PhD). Moreover, other attractive features of Sida's aid are that it builds local capacity, has flexible financial administration and was not tied to specific economic and political interests of Sweden (interviewee no. 18).

SLU's expertise and experience in forestry studies and the long-term rapid growth and sustainability of its various programmes are good indications of **effectiveness**. There is also some evidence from an evaluation conducted in 1997. This found that through their fieldwork, diploma students were effectively raising awareness of the importance of forestry among those living in rural areas. The practical and theoretical training of the BSc programmes is well-adapted to Ethiopian conditions. The MSc and PhD programmes are both relevant, including the study in Sweden (Sida, 2003).

It is difficult to say much about **efficiency** without a proper cost-benefit analysis. Some studies highlight the high cost of certain programmes, particularly the PhD (Sida, 2003). However, given the high social value of the services provided by graduates, one may surmise that the social benefits will outstrip the social costs.

The college produces most of the professionals in forestry (Wondo Genet College of Forestry, 2004); hence, we expect the short and long-term **impact** of Sida's support to be high. Many of

the diploma graduates work at *woreda* and *kebele* levels as resource experts or multi-purpose development agents. The BSc graduates work at *woreda* level as foresters or natural resources experts. Most *woredas* in the Amhara, Oromia and Tigray regions have at least one forester, while some in the Southern region have more. The MSc graduates work in regional offices of the Ministry of Agriculture and Rural Development, Ethiopian Agricultural Investment Land Administration Agency, Environment Protection Authority, and other research centres and regional universities (Wondo Genet College of Forestry, 2004). All this shows that graduates of the college are working in the main structures of government and hence, we expect their impact to be high. However, it is very difficult to identify their ultimate impact on the management and conservation of forests and other natural resources.

The college has many spillover impacts. It has supported forest and natural resource developments in its surrounding areas. For example, 11 *kebeles* around the college were supported through tree-seedling and extension services. Most of the afforestation in the country during the Derg period was supported by the college, something which would not have been possible without Sida's support (interviewee no. 27). The college has helped many new universities to set up forestry and related faculties (interviewee no. 18).

As indicated before, Sida's support for the college spanned 30 years. Such longevity of support is an indication of **sustainability**. Sida's support saw the college grow from a relatively small institute training a few diploma students to one with BSc, MSc and PhD programmes, actively engaging in policymaking and conservation of Ethiopia's natural resources. This was also the period within which it grew from a small institute into a large college within a national university (Hawassa University) and became the national centre of excellence for teaching and research into forestry and natural resources. Now embedded in one of the largest national universities, it is very likely to survive and grow in future years.

The link between Sida's support for the college and enhancing **democracy and human rights** is rather indirect and, hence, difficult to evaluate. We have no information on the gender of students and staff and cannot say whether it has impacted this aspect of **gender equality**. Nor do we have any additional information for assessing the wider gender impacts.

The main **lesson learnt** from the experience of Sida's aid to the college is that sustained support over a long period (30 years) with the leadership of a well-qualified key institution (SLU) can help establish a sustainable centre of excellence and improve the conservation and management of forests and natural resources.

Conclusion

To highlight the performance of Sida's aid in the sector, this chapter focused on three specific programmes in education. These were the Building College, ESBU and Wondo Genet College of Forestry and Natural Resources.

The Building College was the first Sida project. It was set up at a time when other tertiary educational establishments were cropping up in the country. The college went on to become part of Ethiopia's largest national university. At the time, urban areas were growing fast, with the design and construction of buildings completely dominated by foreigners. Swedish staff played an important role in teaching, research and management in earlier periods, followed by rapid Ethiopianisation. Graduates of the college became influential engineers, some rising to ministerial positions or becoming owners of large engineering consultancy firms. Our evidence clearly shows that the college, with its engineering faculty set up around the same time, helped fill an important gap involving a specialised skill. Most testimonies indicate that, alongside the financial and technical support, the quality of Swedish staff was very high. The spillover effects from the college are probably also high. The college provided testing and other services to outside clients. It started low-cost

housing in Addis Ababa; something later used as a basis for a larger low-cost housing project. Hence, in many respects, the impact of the Building College was substantial.

The impact of ESBU, particularly on elementary education, was very impressive. By the early 1980s, 85% of Ethiopia's schools were supported by ESBU (either building the whole school or adding classrooms to existing schools). The social benefit of ESBU schools is expected to be high because they were concentrated in more remote areas serving relatively poorer communities. However, as discussed in the chapter, the required 50% contribution from communities may have also excluded some poorer communities. In addition to the sheer size of the schools built, the buildings were of superior quality and survived for much longer than traditionally built schools.

The Wondo Genet College is the only specialised college of forestry in Ethiopia. Swedish support was substantial for over three decades, from its foundation in 1978 and up to 2009. Alongside financial support, Swedish expertise was instrumental, particularly in earlier periods. The college partnered with a well-established Swedish agricultural university and the evidence shows that it contributed to its impact. Graduates from the college are highly sought-after, mainly by government institutions which currently occupy important positions impacting environmental and forestry-related policy issues. The college aspires to become a centre of excellence, not only for Ethiopia but also for Africa.

Our analysis of Swedish support in Ethiopia's education sector highlights lessons relevant to other countries. Although Sweden is a medium-sized donor to Ethiopia, ESBU's achievements show how a concerted, well-planned programme involving communities can lead to a significant and rapid increase in the stock of schools and enrolment. As discussed in the chapter, this programme was designed in consultation with Ethiopian policymakers and followed the emphasis of the contemporary five-year education plan. The ingredients for this success included needs identification, consultation between donor and recipient and the active involvement of communities.

While ESBU focused on primary education, Swedish support was also extended to the higher echelons of education, particularly the Building and Wondo Genet colleges. Both these tertiary educational institutions were highly specialised, the former in architecture and the latter in forestry. Looking at the growth trajectory of both colleges up to now, the choices made were very likely the right ones. A solid foundation for these colleges was laid by the fact that they cover disciplines within which Sweden has a comparative advantage (engineering and forestry). The lesson here is that impact is increased by carefully selecting interventions in areas where the donor has a comparative advantage.

Many other educational projects and programmes were supported by Sida in the evaluation period. For example, Sida' past and present support for Addis Ababa University is too great to quantify. Sida channels significant funding to the education sector through multilateral organisations, such as the UN and covering all of it falls beyond the scope of this evaluation report. However, the few examples that have been covered highlight some of the more important features of Sida's aid to the sector.

The next chapter examines Sida's support for democratisation, human rights and gender equality.

6 Sida's Support for Democratisation, Human Rights and Gender Equality

Introduction

This chapter focuses on Sida's involvement in democratisation, human rights and gender equality. Although democratisation and protection of human rights are important principles in Swedish foreign policy, their influence on aid allocation seems to increase from roughly the 1990s onwards. In 2007, a more conservative coalition of political parties (the Moderate Party and Alliance for Sweden) came to power in Sweden. This seems to have increased the focus on human rights (interviewee no. 4).

Global concern about human rights was formalised internationally in 1948 by the UN Universal Declaration of Human Rights after the end of World War II. Development assistance was not significantly affected by human rights concerns, particularly during the Cold War, because geo-political objectives such as stopping the spread of communism, were paramount to most Western donors (Broberg and Sano, 2018). An econometric study of 21 donors from 1985–1997 (just before and just after the end of the Cold War) provides some support for this. It found that donors did not consistently allocate aid to reward those countries with better human rights performance. This was true, even for countries commonly seen as committed to human rights (Canada, Denmark, the Netherlands, Norway and Sweden) (Neumayer, 2003).

More recently, human rights concerns in international assistance were articulated by the human rights-based approach (HRBA). One of the influential initiatives in this respect was a 2003 workshop organised by the UN. This laid down six human-rights-related

principles: 1) universality and inalienability; 2) indivisibility; 3) inter-dependence and inter-relatedness; 4) accountability and the rule of law; 5) participation and inclusion and 6) equality and non-discrimination (Broberg and Sano, 2018). Naturally, operationalising these principles, particularly in development assistance, led to different approaches. However, Broberg and Sano (2018) identified six common characteristics. Firstly, development effort is not charity but fulfilling the rights of people. Secondly, rights imply obligations, and the state is generally the institution that carries these obligations. Thirdly, the focus is on enabling the duty-bearer (the state) to respond to people's claims. Fourthly, discrimination and inequality are causes of poverty. Fifthly, the approach encourages activism and advocacy. Sixthly, not all forms of development can be cast in terms of secured rights (the example Broberg and Sano (2018) give is corruption linked to information and participation rights and how institutions function and interact between different centres of power. The latter cannot be converted into defined rights).

Among donor organisations, Sida was an early adopter of the HRBA (usually referred to within Sida as the 'rights perspective'). HRBA is implemented according to four principles: non-discrimination, participation, transparency and accountability. The main objective is to empower individuals "to claim their human rights (as rights-holders) and increase the capacity of those who are obliged to respect, promote, protect and fulfil those rights (as duty-bearers)" (Sida, 2015). HRBA is expected to contribute to secure, just and inclusive democratic societies which protect and respect the rights of all. Human rights are regarded as fundamental to development (Sida, 2017). For Sida, HRBA is a major principle integrating human rights into development. It is anticipated that this will continue in the future, as suggested by guidelines submitted to the Swedish government in March 2021 (interviewee no. 4).

The involvement of donors in democratisation and human rights issues in Ethiopia after the overthrow of the Derg in 1991 went through different phases. The controversial election of 2005 may be

taken as a watershed. Before 2005, donors supported political parties to increase the competitiveness of elections. However, this was largely unsuccessful due to the unwillingness of the ruling EPRDF coalition to broaden its political base and provide a level playing field to all contestants (Rahmato and Ayenew, 2004). Despite the relationship between civil society organisations and the government mostly being tense, human rights and advocacy organisations set up after 1991 were able to record human rights conditions for some time. Donors' assistance to democratisation and the media sector was limited and most of the achievements in elections, human rights and press freedom resulted from local initiatives and organisations, plus stakeholders' initiatives (Rahmato and Ayenew, 2004).

The 2005 election was probably Ethiopia's most competitive multi-party election. It resulted in a coalition of opposition parties capturing most of the parliamentary seats in Addis Ababa. Donors actively supported this election by raising some USD 11 million and regularly meeting with opposition leaders, such as Berhanu Nega. This was relatively easy before the election because the ruling party was relaxed about it, probably due to the mistaken expectation of an easy win (interviewee no. 1). Eleven donors supported the 2005 election, with UNDP as the implementing agency. Sida took a leading role for almost two years, between January 2004 and December 2005. Some of the new election mechanisms included: international standards for complaints and compliance; open public debates; supporting political parties for greater political diversity; supporting civil society in election observation; and direct dialogue with the election commission. All these activities supported the election commission (interviewee no. 1). However, after the election things quickly turned sour. Emboldened by popular support, elected opposition leaders challenged the ruling party. It responded with violent suppression. If donors had begun their election support earlier, made an in-depth analysis of the political dynamics and supported the more moderate parties, things might have been different (interviewee no. 1).

The flurry of democratisation and human rights activities before the 2005 election died away after it (interviewee no. 15). To make matters worse, in 2009, the government issued a proclamation prohibiting local civil society organisations from receiving funds from foreign sources and significantly restricting their operations. This further weakened the civil society sector. After 2009, even the surviving civil society organisations were censoring themselves for fear of government suppression. For example, those working on human rights changed their operations to less politically controversial areas, such as domestic violence against women (interviewee no. 4). The proclamation of 2009 remained in force until Abiy came to power and a revised proclamation was issued. Abiy brought significant changes to the democratisation and human rights domain. Work on human rights issues became easier and government offices were willing to work with civil society organisations (interviewee nos. 4 and 5).

In discussing this cluster, it can be misleading to focus solely on organisations explicitly involved in democratisation and human rights because there are institutions working on closely related issues. Indeed, many organisations may disguise the true nature of their activities by not explicitly indicating their work on democratisation and human rights. One of our interviewees highlighted this with concrete examples. The first was the Ethiopian Social Accountability Programme (ESAP) of the World Bank. ESAP strengthens the accountability of (mainly government) institutions from below through a democratic process that supports local organisations. Other examples include organisations working on gender equality. The ILO's (International Labour Organisation) projects (in dialogue with employers) about working conditions in the manufacturing sector are closely related to human rights issues (interviewee no. 15). These and similar types of work continued, even after the 2009 proclamation, so this sector was not completely obliterated. Even though Sida stopped working directly with the government, it supported these and similar activities by drawing on a global fund. Moreover, Sida channelled funds through multilateral organisations

(such as the United Nations) to indirectly support civil society organisations working on democratisation and human rights (interviewee no. 4).

Sida supports many projects in the democracy, human rights and gender equality cluster. Not all can be covered but to illustrate Sida's increasingly active involvement, we selected the following five projects (in consultation with Sida staff at the Swedish Embassy in Addis Ababa) to gain an idea of Sida's portfolio of projects within the cluster.

- Civil Society Support Programme (CSSP).
- Life and Peace Institute (LPI), The Ethiopia Programme.
- Jerusalem Children and Community Development Organization (JeCCDO), Good Governance and Social Accountability.
- United Nations Office on Drugs and Crime (UNODC).
- Ethiopian Human Rights Commission (EHRC).

Some other recent Sida interventions, not covered here, include:

- UNDP good governance programme 2018–2022.
- UNDP SEEDS (Supporting Elections for Ethiopia's Democratic Strengthening), June 2019–Feb 2022.
- United Nations Population Fund (UNFPA) – Sexual and Reproductive Health and Rights, 2017–2020.
- Fojo Media Institute – Media reform, 2018–2019 and 2019–2023.
- UN Women Ethiopia Country Office programme 2017–2020.
- Swedish Pentecostal International Relief and Development Agency (PMU), Peace Building and Trauma, 2018–2022.
- Engender Health Ethiopia (EHE) 2019–2021.
- Amhara Women's Entrepreneurs Association (AWEA) 2018–.

- Justice for All (involved in the disarming of OLF (Oromo Liberation Front) combatants and recently tried to organise a meeting between Prime Minister Abiy and Debretsion Gebremichael, leader of the TPLF, to negotiate a peaceful settlement to the current war).
- Peace and Reconciliation Commission.
- Initiative Africa (recently organised by involving chambers of commerce in Ethiopia).

Gender equality is an important component of this cluster. Sida has long experience of mainstreaming gender issues in most of its activities, even those implemented in earlier periods. The above list of more recent projects explicitly indicates the importance of gender-related areas, such as sexual and reproductive health and rights, as well as mainstreaming gender in all sectors.

The next five sections will briefly discuss the main features of the selected projects. The chapter concludes with an overall impact evaluation.

Civil Society Support Programme (CSSP)

In 2009, the Ethiopian government introduced its Charities and Societies Proclamation. This prohibited non-governmental organisations receiving more than 10% of their funds from outside the country from working on rights-related issues. As a result, 412 CSOs closed, with fear and self-censoring in the sector significantly slowing down activities. The main purpose of the Civil Society Support Programme (CSSP) was to support, rehabilitate and expand civil society across the country, even though actual CSSP projects were not immune from the restrictions under the proclamation (NEDICO, 2016). In 2019, with Abiy Ahmed in power, the government significantly amended the 2009 law by lifting

the restrictions on funding and allowing international organisations to operate in the country (CSSP2, 2019). This opened up opportunities for CSOs.

The first phase of CSSP (CSSP I) was a multi-donor programme led by the UK Department for International Development (DFID) between 2011 and 2016, with a budget of around GBP 28 million (DFID, 2017). CSSP I benefited 3.1 million people, mainly by providing loans, seed capital for income generation, basic services, training, information and awareness, plus dialogue and project design mainly to vulnerable segments of the population. A management agent administered CSSP and CSOs channelled the funding from CSSP to the ultimate beneficiaries. Some CSOs also sub-contracted to other CSOs. CSSP I disbursed 772 grants comprising 352 direct grants and 420 indirect grants (NEDICO, 2016). An evaluation report on CSSP I showed that all extended grants were less than two years and, hence, it was difficult to secure lasting outcomes. Furthermore, all grants were around EUR 30,000 or less, regardless of the size of the CSO and nature of the problem. Delays in the disbursement of grants were also common (NEDICO, 2016).

The second phase (CSSP II) from August 2018 to July 2021 had a budget of GBP 16.8 million. DFID contributed GBP 9 million, and the rest came from Canada, Ireland, Norway and Sweden. Sweden contributed GBP 2.7 million, the third-largest donor after the UK and Ireland. Grants accounted for some 63% of the budget, with 13% for technical assistance, while the remainder went to management, evaluation and research (DFID, 2017). The second phase supported Ethiopian civil society through capacity-building grants and encouraged the effective engagement of the government with CSOs to address the needs of vulnerable, hard-to-reach people. It focused on three thematic areas: gender transformation, citizen-state engagement and young people (CSSP staff interviews). Capacity-building activities included training on gender and social inclusion, conflict sensitivity and applied political economy training and co-creation workshops (CSSP2, 2019). The programme

provided grants to selected CSOs to make their activity more professional and accountable and improve their collaboration with communities, each other and the government. These grants, technical support and capacity-building were to help strengthen the culture of dialogue and constructive policy advocacy, thus improving the equitability and inclusiveness of services (CSSP2, 2019). Capacity-building and grant support strengthen CSOs in catering for the needs of marginalised people. It also builds constructive work with the government and strengthens social accountability. This can increase citizens' participation and build trust between government and civil society (DFID, 2017).

During the restrictive period after 2009, the UK, Sweden, Norway and Ireland supported the CSSP by partially reorientating human-rights-related projects towards service delivery activities. The human rights aspects were explicitly restored when Abiy came to power (interviewee no. 5 and CSSP staff interviews). CSSP helped the government to prepare the revised civil society proclamation of 2019 and is working on regional laws based on federal law (CSSP staff interviews). The revised proclamation spurred real collaboration between CSOs and the government, although collaboration between different government services still requires improvement (CSSP staff interviews).

Four examples from Dawson (2016) provide some concrete examples of the types of activities financed through CSSP. The study covers some CSSP projects in Tigray. The first example is a project run by the Women's Association of Tigray on violence against women. This raised awareness of the negative impact of violence against women and changed the power balance between men and women. Accordingly, there was a reduction in the project area of many harmful practices, such as early marriages. Moreover, the number of women seeking legal aid services increased. The second example was the provision of separate girls' latrines in a school for the Kunama ethnic group. In traditional Kunama custom, it is shameful for men to see women visiting the toilet. This meant the

girls had to go home, as the school had no separate latrines for girls. Funded by CSSP, an NGO called Operation Rescue Ethiopia (ORE) built separate latrines for girls. The third example was an income-generation scheme for people living with leprosy. Funded by CSSP, the Tigray branch of the Ethiopian National Association of People Affected by Leprosy (ENAPAL) organised income-generation activities to help 150 people affected by leprosy become economically self-reliant. The psychological and social impact on beneficiaries was significant, as most were living as outcasts and sustaining themselves by begging. The fourth and last example was an enabling centre for the blind. Using CSSP funding, ORE set up a centre to support blind people in using computers, software, braille literacy, mobility orientation, voice recorders and braille printers. This project significantly enhanced the self-esteem and confidence of its beneficiaries.

The next section examines the second project managed by the Life and Peace Institute (LPI).

Life and Peace Institute (LPI), The Ethiopia Programme

The current main activities of LPI and its partners (including the Peace and Development Centre (PDC)) involve Ethiopian universities. The recent ethnic conflicts in many parts of Ethiopia have also affected its universities, as these did not resolve ethnic tensions on their campuses (Life and Peace Institute, 2020b). Since 2017, LPI, PDC and Ethiopian universities (supported by the Swedish Mission Council (SMC), Church of Sweden (CoS), USAID and Sida) have been running a project on conflict resolution. Its focus is specifically on resolving ethnic and identity-based conflicts among university students, building on earlier experience from Addis Ababa University in 2009 and Haramaya and Jimma universities in 2013 and 2014 (interviewee no. 10). Similar projects were implemented by LPI earlier in Kenya, Somalia, Sudan,

Democratic Republic of Congo, Burundi and Sweden (Bekele, 2019). The main objective of the project is to mitigate negative ethnic and identity-based attitudes through dialogue, research and local collaborative action, engaging decision-makers and policy implementers in strengthening structural conditions for peace (Bekele, 2019). LPI broadly aims to create platforms for exchanges between civil society organisations by creating a core group with its partners such as PDC, Inter-Africa Group (IAG), the Inter-Religious Council of Ethiopia (IRCE), as well as newly emerging organisations (Life and Peace Institute, 2020b).

LPI, using its accumulated experience from other conflict-affected societies, engages with civil society organisations and academic institutions to transform conflictual relationships into peaceful ones (non-violent conflict transformation). Alongside this, it also attempts to build an early-warning system for conflicts. The specific focus of the project in Ethiopia is on conflict resolution within universities and bringing universities closer to their surrounding communities (interviewee no. 10).

The main components of this programme include Sustained Dialogue (SD), peace action and peace incubation. SDs establish continuing dialogue between students in conflict to build mutual understanding and trust. Peace action includes activities such as panel discussions, planting seedlings, football matches and preparing and distributing materials such as brochures and T-shirts. Peace incubations provide space for students to come up with new ideas and projects to help resolve conflict, build trust and support peace-building leaders in spreading the message beyond universities. The selected incubations receive a budget of between ETB 16,000 to 25,000. The current phase of the project involves Jimma, Haramaya, Gondar, Ambo and Bahr Dar, with SDs reaching 6,919 students directly and 35,680 indirectly (Bekele, 2019). Alongside working within universities, LPI and PDC started a programme on Conflict Sensitive Land Administration (CSLA) in some *woredas* in the East Hararghe zone of the Oromia Region, addressing land-related

community conflict through participatory action research (PAR) (Bekele, 2019). Peace incubation projects have also spread to many other small towns in the country, including Adama, Meki, Shashemene, Dodola, Dire Dawa, Debre Markos, Jimma, Arba Minch and many others (Life and Peace Institute, 2020a).

University and government officials are increasingly supporting these programmes. Four universities have taken financial and implementation responsibilities for spreading SDs on other campuses, while Addis Ababa University is continuing SDs on its own campus (interviewee no. 10). Similarly, government officials are showing support for SDs organised beyond universities. An alumni network of former SD members that have graduated from the respective universities has been set up; this will definitely help sustain the impact of such work (Life and Peace Institute, 2020b).

We now turn to JeCCDO.

JeCCDO Good Governance, Social Accountability and Vulnerable Groups

Jerusalem Children and Community Development Organization (JeCCDO) is a domestic charity active in three regional states and two city administrations. The charity emerged after the devastating 1984/85 famine, mainly to facilitate the integration of orphaned and abandoned children into adopting or biological families. Over the years, JeCCDO has expanded its activities with more community-based organisations (CBOs) and started widening its funding base. This was particularly the case after 2003 when donors such as the Firelight Foundation, Sida, Comic Relief UK and other international and domestic organisations started supporting it. As it has grown, JeCCDO has shifted its focus from direct project implementation to facilitating change through local CBOs by investing in capacity-building. In 2017, JeCCDO had projects in 23 geographically distinct areas of the country, partnering with 142 CBOs through its

five Community Development Programme Offices in Amhara (Bahr Dar and Debre Berhan), Oromia (Bishoftu), southern region (Hawassa) and Dire Dawa (JeCCDO, 2017).

JeCCDO employs 140 staff in its four offices and focuses on women's and children's rights. Its main principle is one of building sustainability based on ownership by, and participation of, communities with an emphasis on local institutions. JeCCDO seems to be an early adopter of HRBA among domestic Ethiopian CSOs. When working with community-based organisations, the plan is not to change their original objectives but to modify and facilitate their implementation by, say, helping them build their own impact evaluation systems. JeCCDO also works to establish trust between community-based organisations and government institutions. The services of the organisation are in great demand from CBOs, meaning that demand is outstripping the organisation's capacity (JeCCDO staff interviews). JeCCDO has long worked with Sida (as far back as 2002) on a project for *iddirs* ("funeral associations") amongst others (interviewee no. 15).

In this section, we briefly describe two JeCCDO projects funded by Sida. The first is "Engaging community structures towards sustainable local development in Ethiopia" (hereinafter "engaging community structures") and the second is "Comprehensive Rehabilitation and Protection of Women and Girls in Commercial Sex Industry in Bahir Dar City, Ethiopia" (hereinafter "commercial sex workers").

The engaging community structures project in two Amhara cities (Bahr Dar and Debre Berhan), one in Oromia (Bishoftu) and one Southern city (Hawassa) lasted 35 months between 2017 and 2021. Sida contributed SEK 10 million to support this project. The project's main goal was to strengthen citizens' involvement in improving good governance by promoting pro-poor and gender-sensitive transparency and accountability and strengthening local development processes. JeCCDO does this through capacity-building in CBOs, Social Accountability Councils (SACs) and networking forums of CBOs. While strengthening CBOs, the

ultimate beneficiaries are disadvantaged groups (such as women, girls, orphaned and vulnerable children/youth, people with disabilities and HIV/AIDs) and local government (JeCCDO, 2017).

While the first project focused on strengthening governance and accountability of CBOs, the second targeted a specific vulnerable group (commercial sex workers) focusing on their rehabilitation and protection in the city of Bahr Dar, Amhara region. JeCCDO prepared the proposal for this project in partnership with the Office of the First Lady of Ethiopia and it will run between 2019 and 2022. The main objectives of the project are to bring lasting behavioural changes among former sex workers, offer appropriate psychosocial support, train them with marketable vocational and management skills, reunite girls with their families and relatives and increase awareness among other stakeholders to halt further expansion of the commercial sex sector. The target of the project is to support 695 women and girls in moving out of the commercial sex sector. Of these, 75 are girls under 15. The rehabilitation component of the project covers psychosocial and medical rehabilitation, training in vocational and income-generating activities and providing safe homes and boarding services. The prevention and promotion components include promoting the agenda of commercial sex workers among the public and government, mobilising brothel owners to eliminate exploitative practices, strengthening CBOs and raising awareness of these problems with government offices and law enforcement bodies (JeCCDO, 2019).

The next section covers Sida's support for the United Nations Office for Drugs and Crime (UNODC).

UNODC

Like most other developing countries, the history of Ethiopia's formal justice system is very short. A modern justice system and formally codified laws only started in Ethiopia in the 20th Century. Rulers ran the justice system as an arm of the executive branch

(UNODC, 2014). Hence, from the 1990s, there was strong demand to reform the justice system, including criminal justice. UNODC has played a crucial role in this process.

In 2011, the Ministry of Justice of Ethiopia requested that UNODC conduct an assessment of Ethiopia's criminal justice system. UNODC undertook a thorough interdisciplinary gap analysis of the system to identify areas needing change. This facilitated the government's task of getting additional, well-targeted support from donors across a clearly identified area. Sweden and the Netherlands were the main funders of this comprehensive assessment (UNODC, 2014).

UNODC also prepared a National Action Plan outlining the nature and scope of technical assistance it could provide to Ethiopia, from 2019–2021, to reform the country's criminal justice system. UNODC drafted the plan after a series of consultations and discussions with government partners and other stakeholders. The plan harmonises activities and outcomes with five pillars of the Regional Plan for East Africa:

- Pillar 1: countering transnational crime and trafficking.
- Pillar 2: countering corruption.
- Pillar 3: terrorism prevention.
- Pillar 4: crime prevention and criminal justice.
- Pillar 5: prevention of drug use, treating cases of drug use disorders and HIV and AIDS prevention and care.

Sweden was one of the major donors supporting UNODC in preparing the National Action Plan (UNODC, 2019). Sida started supporting UNODC in 2013, with its support increasing when Abiy came to power in 2018. Among others, Sida funds the juvenile detention centre reform (part of the UNODC country programme) and the rehabilitation and human rights components (interviewee no. 5).

UNODC has continued working with different stakeholders relevant to the five pillars above. UNODC works with the following criminal justice institutions: the Federal Police Commission (FPC), the Federal Office of the Attorney General (FOAG), the Federal Supreme Court (FSC), the Federal Prisons Administration Commission (FPA), the Ministry of Women, Children and Youth Affairs (MOWCY), the Ministry of Health (MOH) and the Food and Drugs Authority (FDA). Some of the key achievements in 2019 included: signing of the National Action Plan; completion of some revised proclamations; training and capacity-building; completion of the Legal Aid Strategy (supporting those unable to pay for legal services); consultations on a National Crime Prevention Strategy; assessment of prisons; developing performance measurements for prosecutors; and policies on prosecutor-led crime investigations (UNODC, 2020). Sweden has provided substantial support for these activities.

Some of UNODC's other activities include the prevention of crime against children, reintegrating children who committed crimes, compiling data on children in correctional facilities, criminal activities relating to financial flows and mapping of government, NGO and international institutions involved in crime prevention in Ethiopia (UNODC staff interviews).

The next section examines the final case study, specifically the Ethiopia Human Rights Commission (EHRC).

Ethiopian Human Rights Commission (EHRC)

The government established the Ethiopian Human Rights Commission (EHRC) in 2000. Its activities have increased more recently, with reforms to improve and strengthen governance and democratic participation. One of the programmes designed to support this is the Governance and Democratic Participation Programme (GDPP), coordinated by the United Nations Development Programme (UNDP). Sida has been an important bilateral donor to this programme in recent times. The other

important bilateral donors are the Austrian Development Agency and the Danish and Norwegian embassies. The GDPP works with 11 implementing partners, including EHRC. The other ten are: the House of Peoples' Representatives, Ethiopia Institute of the Ombudsman, Office of the Federal Auditors General, National Electoral Board, House of Federation, Council of Institutional Inquiry, Office of the Attorney General, Federal Ethics and Anti-Corruption Commission, Ministry of Federal and Pastoralist Development Affairs and Government Communication Affairs Offices (Government of Ethiopia and UNDP, 2017).

The objectives of GDPP are to enhance the efficiency and responsiveness of EHRC systems, frameworks and tools as well as human resources management. It helps to develop and maintain equitable systems and processes (including gender equity) and recruit and retain motivated employees by offering training and professional development. To this end, the EHRC's IT system was upgraded to enhance communication and coordination. A company was contracted to design and develop an application to provide information on human rights standards and the work of the commission. In addition to its core function of monitoring human rights in the country, the commission also oversees the preparation of human rights educational manuals, supervises human rights conditions in prisons, organises human rights education for law enforcement organs and assesses the human rights implications of restrictions related to the COVID-19 pandemic (UNDP, 2020).

Sida focused primarily on supporting the Ethiopian programme (rather than the UN's global programme), particularly after Abiy came to power. Sida is the only donor specifically supporting the country programme, by contrast with the whole UN programme on human rights (UN-OHCHR staff interviews).

The role of the EHRC is crucial and, given the conflict in Ethiopia, is expected to increase. Maintaining the capacity and independence of the commission is important. The support of donors, including Sida, is crucial to maintaining EHRC's capacity and independence.

Evaluation

For many reasons, the evaluation of this cluster is rather difficult compared to the others.

Firstly, most of these projects are of recent origin (with many still ongoing). Hence, we do not yet have as much information on their performance and impact as we do for the older projects. Secondly, the nature of many of the outputs from these interventions is very different and they are more difficult to measure. Measuring and documenting information on changes in agricultural yield and school enrolments is easier than measuring changes in democratisation and human rights. Thirdly, due to the current fluid situation in Ethiopia, these projects are adjusting to rapidly changing situations. For example, many interventions to strengthen civil society organisations (CBOs) recently gathered momentum due to the new opportunities created by Abiy's rise to power and the amendment of the 2009 civil society proclamation. Moreover, human rights issues came to the fore due to the continuing identity-based violence in many parts of the country. Fourthly, Sida collaborates with many other donors in most of these interventions by contributing money to a pooled fund. Hence, it is difficult to single out Sida's specific impact. Taking these complications into account, we will briefly present our evaluations of the five interventions.

Civil Society Support Programme

While CSSP's objective is to strengthen civil societies, we should remember that many of the interventions conducted by participant CSOs are livelihood-related projects. In particular, the livelihoods of the most vulnerable and hard-to-reach socio-economic groups. For example, the first phase of the programme reached 3.1 million people with loans, seed capital and similar income-generating activities. Although we do not have the data, these are quantifiable results. The anecdotal evidence presented above on violence against women,

separate girls' latrines, income-generation for leprosy sufferers and the enabling centre for the blind are good illustrations of these interventions' impact. The evidence suggests that the interventions are **relevant** and (given the overall policy direction of poverty reduction emphasising vulnerable groups) that they appear **coherent**. The testimony of CSSP staff strongly supports Sida's constructive role in their activities. For example, they indicate that Sida is particularly keen to support interventions targeting hard-to-reach socio-economic groups, such as those with disabilities and social minority groups which many donors usually overlook (CSSP staff interviews). The project team members admired Sida's appreciation and understanding of specific contexts (CSSP staff interviews).

The number of people reached by CSSP, particularly those in hard-to-reach socio-economic social groups, implies **effectiveness**. However, some of the reported delays in disbursement cast a shadow of doubt. Regarding Sida, interviews with CSSP staff revealed that Sida may have played a positive role in improving effectiveness. Interviewees indicated that Sida was much more flexible compared to other donors. For example, Sida was much quicker than other donors in responding to the significant changes after Abiy came to power (CSSP staff interviews).

The complicated administration of the project, with an international managing agency spread across the world and the contracting of CSOs (which sometimes sub-contracted to other CSOs) cast doubt on CSSP's **efficiency**. This may be improved by a simpler administrative structure. The very small grants over relatively short periods (implying fragmentation) may further undermine **efficiency** and **sustainability**. The project participants acknowledged that Sida focused on the quality and meaningfulness of interventions, rather than preoccupying itself with less useful quantitative results (CSSP staff interviews). In terms of **impact**, even though the small-scale, short-term nature of most projects indicated low impact, the fact that many of the activities reached the most vulnerable and hard-to-reach social groups indicated the social benefit of these projects to be high.

Life and Peace Institute

LPI's projects directly tackle one of Ethiopia's most important current problems, ethnic conflict and violence. This indicates a high level of **relevance**. LPI justifies its focus on universities because the problem exists within these institutions and because university students constitute influential social groups for the future. LPI extended its activities beyond university campuses, providing a good opportunity for scaling up. LPI also probably scores high in both internal and external **coherence**. The project is externally coherent because conflict avoidance and resolution are important in present-day Ethiopia. Internally, LPI's long international experience of similar interventions is reassuring. Our interviews indicate that project staff appreciated how Sida accepts opinions and listens to suggestions. Furthermore, Sida is more impact-orientated compared to other, more activity-orientated donors (interviewee no. 10). The increasing number of university students and outside people reached by LPI's programme is likely a reflection of **effectiveness**. Although there is no proper cost-benefit analysis, the high social value of conflict avoidance and resolution indicates the project is probably **efficient** and has net social benefit.

The evidence from baseline and endline surveys indicates a positive **impact** with SDs, peace actions and peace incubations reducing conflicts and improving trust. For example, a baseline-endline study measured participants' perceptions before and after the programme's implementation. This comparison showed significant positive changes. There was a significant drop in the proportion of students believing they either "do not trust very much" or "do not trust at all" those from other ethnic groups. Also, the percentage of students who either completely trusted or somewhat trusted increased from 71% to 83%. An evaluation of the programme indicates that, although these are important improvements, their impact on the dynamics of the wider conflict in Ethiopia is limited (Life and Peace Institute, 2020b). Students participating in SDs did not engage in violence but neither did they actively try to stop it

(interviewee no. 10). It is difficult to be sure that these behavioural changes will stick with the participants in the future. If they should find themselves in the middle of an ethnic conflict, will they behave in the same way they indicated in the endline survey? While this casts doubt on **sustainability** (in terms of the behavioural change of participants), there are other indications that the project itself may have triggered the kind of interest that could make it sustainable. For example, university authorities are interested in introducing the activities to new campuses. Some have started setting up a network of alumni to participate in the LPI interventions. Government bodies are also interested in scaling up the project. All these things indicate the potential scaling-up and **sustainability** of the intervention.

Jerusalem Children and Community Development Organization

JeCCDO's has built a large network of CBOs to reach vulnerable groups such as commercial sex workers. Hence, its activities are **relevant**. Its involvements are internally and externally **coherent** with national policy objectives and the long experience of the organisation. Although JeCCDO seems **effective** overall, its interaction with many CBOs may undermine its **efficiency.** However, its focus on the most vulnerable, hard-to-reach marginal groups indicates the high social value of its activities. While difficult to assess the long-term **sustainability** of JeCCDO's activities, its short-term **impact** at least seems to be high, especially given the fact that its focus is on hard-to-reach vulnerable people. Whether these impacts sustain in the long run is yet to be seen. Interviews with JeCCDO staff reveal a high level of appreciation for Sida's support. Apart from the financial support, the staff appreciated that Sida was results-orientated and that it evaluated projects in good time. They also appreciated Sida listening to them and never imposing its agenda. They believed Sida understands the logic of JeCCDO. They also raised some problems that needed addressing. Usually, there is

an unfunded gap between agreements. JeCCDO finds it difficult to manage these gaps and a mechanism for financing them would be very helpful. From a longer-term perspective, lengthening projects to five-year cycles would be helpful. Finally, in providing general feedback on the overall allocation, they suggested that Sida should reallocate funding from international organisations to local institutions; building local organisations was extremely important to Ethiopia (JeCCDO staff interviews).

UNODC

Modernisation and reforming the criminal justice system are clearly **relevant** to Ethiopia. The **coherence** of UNODC's projects is high, both externally (the country embarking on a reform of its criminal justice system) and internally (UNODC being an international body with experience and expertise in the area). Although it is difficult to know whether the programme is **effective** and **efficient**, the organisation's experience and capacity are reassuring. The rule of law and modern justice system are both fundamental to the operation of modern societies and, hence, we expect the social **impact** to be high. The Ethiopian government's openness to reforming the criminal justice system improved significantly after Abiy came to power (UNODC staff interview) and we expect this to strengthen the impact. We expect the activities to score high on **sustainability**, since reforming criminal justice has a lasting impact (UNODC staff interviews).

UNODC staff also identified some challenges. The inherent difficulty of conducting a rigorous impact evaluation (given the nature of activities and their impact) is one challenge. However, showing a clear impact by donors is difficult. Another challenge is the incompatibility of Sida's and the UN's financial systems. For example, Sida's contracts are not as detailed as the UN system requires. These administrative differences sometimes slow processes down (UNODC staff interviews).

Ethiopian Human Rights Commission

The need to protect human rights is an increasingly significant issue in Ethiopia, particularly with increasing conflict. Hence, the **relevance** of EHRC is definitely very high. The appointment of Daniel Bekele as commissioner (a very experienced human rights lawyer who has worked with Human Rights Watch and Amnesty International) also strengthens the relevance of EHRC. With increasing capacity-building in the commission and the robust interest of policymakers and donors in human rights, the internal and external **coherence** of EHRC is strong. It is difficult to assess the **effectiveness** of the commission. Still, the commission's frequent reports, concerns and questions on human rights issues and violations (including in its statements on social media) indicate its active involvement. Another example is the recent joint investigation by the Office of the United Nations High Commissioner for Human Rights (OHCHR) on human rights violations in Tigray. Given the widespread conflict in Ethiopia, EHRC's capacity is likely stretched. It is hard to assess EHRC's **efficiency** due to a lack of data and difficulties in measuring the social costs and benefits of its activities. It is also difficult to assess the **impact** of the commission. However, the commission has (at least in the short term) systematically raised human rights concerns to the government both before and after the start of war with TPLF. With the National Election Board of Ethiopia, EHRC seems to have developed a reputation for independence (note, both institutions have benefited from Sida's support). However, the long-term impact is yet to be seen. In the long term, the work of EHRC should decrease human rights violations and lead to the prosecution of violators. It should also support institution-building to protect human rights. Capacity-building investments have strengthened the commission and it therefore seems to score well in organisational **sustainability**.

Conclusion

Overall, Swedish support for democratisation, human rights and gender (as illustrated by the five interventions in this chapter) seems to play an important role in Ethiopia. This support has strengthened CSOs and, consequently, the basis for active participation in public affairs. It has also helped in accessing hard-to-reach and vulnerable social groups, such as disabled people and commercial sex workers.

In some instances, the administration of funds and flow of resources look rather fragmented and complicated, with management agencies contracting CSOs, which then sub-contract other CSOs. Thus, the transactional and administrative cost of running projects with complicated structures is likely to be high. Donors and policymakers should probably consider alternative modalities to improve on this. Embedding interventions within existing permanent institutions may help improve efficiency and sustainability; to some degree, this has already happened. The balance between investment in local institutions vs international organisations should be assessed, bearing in mind the specific context of the country.

The reorientation of Swedish support along the lines of HRBA has many attractive features. However, one should not forget its potential limitations. HRBA's focus is not on capacity-building but on enabling the duty-bearer (mainly the state) to respond to claims from the intended recipients (Broberg and Sano, 2018). When capacity is the main constraint, HRBA's potency is likely to be low. Focusing on claims of recipients without the right capacity in place will not solve the problem. For example, if no health facilities are available, then the focus should be on building them first, rather than worrying about poor people's access to them. Hence, Swedish support should be cautious in its practical implementation of HRBA. Care should also be taken when mainstreaming HRBA. Guiding all aid activities based on a single approach (be it HRBA or something else) can significantly erode pragmatism, an attractive feature of Swedish support to Ethiopia. There is still no proper evidence for HRBA's superiority over other approaches (Broberg and Sano, 2018).

We will conclude this chapter by discussing some of the lessons learned from Ethiopia. Most developing countries are characterised by relatively weak state and civil society sectors. In many instances, civil societies may fill the gap created by a weak state. The recent growth in civil society organisations in Ethiopia (accelerated by the repeal of the 2009 restrictive regulation) has been significantly supported by international aid, including Swedish support. The available evidence (from a few case studies relying on previous evaluations and new qualitative data) indicates that Swedish-supported projects in the democratisation and human rights sector are playing a positive role. The case studies show Swedish support has helped mobilise civil society organisations, mitigated ethnic conflict among university students, accessed hard-to-reach vulnerable people, modernised the justice system and protected human rights. These civil society organisations can help support people's active participation in matters affecting their lives.

This recent experience in Ethiopia also highlights two important lessons. Firstly, it is obvious that the legal system in a country can have a significant effect on the growth and vibrancy of the civil society sector. As evidenced by almost all interviewees, after the 2018 repeal of the restrictive 2009 proclamation, setting up new CSOs became easier, while the activities of existing ones expanded because they no longer had to censor themselves for fear of reprisal. Secondly, (and less obviously), even when the restrictive law was in place and many CSOs were closed, others were able to continue by rebranding their activities as something unrelated to rights. This indicates that even when restrictive legal structures are in place, still there could be space for the civil society sector to survive.

The recent experience of Ethiopia also shows that aid to the civil society sector may be directed to institution-building or behavioural change. For example, direct Swedish support to UNODC and the EHRC built capacity in justice and human rights institutions. On the other hand, LPI projects mainly focused on behavioural change (changing the attitude of university students towards those from

other ethnic groups). Interventions combining behavioural changes with institution-building are likely to be more effective, particularly in the long run, because institutional memory can better transmit behavioural changes to future generations.

The more recent situation in Ethiopia is characterised by increased conflict in many parts of the country. A continuation of conflict and instability may undo some of the achievements in the civil society sector that were partly achieved through international aid. However, CSOs may also help resolve conflicts and strengthen stability. For example, the EHRC played a constructive role in monitoring human rights conditions in the country even during the conflict. One CSO attempted, unsuccessfully, to organise a meeting between top federal government officials and TPLF leaders to start a negotiated settlement. University students who have passed through the LPI's programme may play a role in reducing ethnic conflicts (indeed, a follow-up study of those students can provide evidence as to how effective the programme is). The Ethiopian experience shows that while peace and stability are necessary for a vibrant civil society sector, CSOs can play a positive role in bringing them about.

7 Lessons Learnt and Prospects of Sida's Support to Ethiopia

This chapter summarises the main results, discusses lessons learnt from Swedish support to Ethiopia and examines its prospects.

Sweden is a mid-level bilateral donor to Ethiopia in terms of its total aid during the study period between 1960 and 2020. However, on a per capita basis, the situation is rather different. We used the per capita aid of each of the top ten donors to Ethiopia as a percentage of the GDP per capita of the donor to examine how much is transferred as aid. In other words, we measured the average percentage of individual income in a donor country that is transferred as aid to an Ethiopian. Using this measure showed that, in earlier periods, Sweden had by far the largest percentage of the 10 biggest donors to Ethiopia but that it has been surpassed more recently by others who have significantly increased aid, such as Ireland, Norway and the UK. While the earlier periods support the widely accepted view that Sweden gives more aid in per capita terms compared to other donors, the recent trend goes against that view (at least in the case of Ethiopia). Note that we are only considering aid to Ethiopia, not total aid to all countries.

Sweden's support to Ethiopia is less volatile compared to that of other important donors. For example, while other Western donors withdrew early from the agricultural sector after the Derg regime chose socialist transformation, Sweden continued its support until a few years before the regime's downfall. Our interviews with Ethiopian policymakers and practitioners reveal that this long-term involvement built a strong reputation and trust for Sida as a reliable partner whose support is not mainly driven by narrow political interests. This is further reinforced by the perception that Sweden's aid is not strongly influenced by strategic foreign policy concerns. This is partly due to its 'middle power' status, with its aid less sensitive to geopolitical factors compared to major powers such as

the US. In addition, some studies show that Sida is more autonomous compared to aid agencies of many other countries which may have partially protected aid from short-term foreign policy shifts. Sweden's constitutional and political regime has also probably played a role in this respect. Moreover, our statistical analyses provide support for the fact that changes in the ruling political parties in Sweden did not significantly change the average amounts of aid to Ethiopia. All these findings point to greater stability of Swedish aid compared to many other Western donors.

Sida plays an active role in donor coordination in Ethiopia. This includes actively participating in the leadership of development assistant groups (DAG)/development partners groups (DPG) and is evidenced by the qualitative evidence from interviews. Furthermore, we find some econometric evidence that Sida is probably leading other donors (in the sense that other donors follow/copy Sida), at least in some sectors. For example, our econometric results show that changes in Swedish allocations to humanitarian aid are systematically followed by Canada, Italy, the Netherlands and the US. Even if one cannot rule out alternative explanations for this, it could be interpreted as providing leadership, albeit informally and, thus, offering a public good to the aid sector. In terms of formal and informal aid coordination, Sweden seems to be more important than the volume of its aid implies.

The past few decades have seen a general trend of reallocating Swedish support from rural development and education towards democracy and human rights (including gender equality). This partly reflects changes on the demand side. Firstly, compared to the 1960s and 1970s, Ethiopian rural development institutions and education at all levels are in better shape now. However, even though the coverage has improved, the quality of education has a long way to go. Hence there could be a case for investing in improving quality. Secondly, due to recent political changes, particularly after the rise of Abiy Ahmed, government policy was more conducive to the implementation of democracy and human rights projects. This has

been verified in interviews with Sida and project staff. On the supply side, starting from the 1990s, Sweden increasingly integrated the human rights approach into aid; a trend that will likely continue.

In formulating aid policy, it is worth noting that there could be a real trade-off between prioritising democracy/human rights and poverty reduction. For example, Sida significantly reduced its support after the Ethio-Eritrean war in 1998 and the political suppression after the controversial 2005 election. However, after 2005 poverty levels significantly declined in the country. Note that poverty reduction is one of the most important objectives of Swedish support. One might argue that Sida lost an opportunity to contribute more towards poverty reduction during this period. As is well-known in the academic literature, policy choices with multiple objectives generally suffer from these types of trade-offs. Future aid strategies should properly consider similar trade-offs to have a clearer guide to policy formulation. Given the increasingly prominent role of democratisation and human rights (including gender equality) in Swedish aid, a human rights-based approach (HRBA) is mainstreamed into all sectors. Care should be taken as to how this is implemented and the implication of HRBA on other competing objectives and corresponding trade-offs.

Sida's practice of consulting domestic partners (whether policymakers or civil society organisations) is one of its strengths. All interviewees appreciated this 'needs-based approach' and Sida's flexibility in accommodating modifications, at both the project inception and implementation stages. We believe the recent broadening of Sida's activities to civil society organisations and democracy and human rights projects will provide an even wider basis for strengthening this approach. It is advisable to maintain this tradition and build on the trust that exists with partners and stakeholders. Sweden does stakeholder analysis of all prioritised areas in development cooperation identified by the Swedish cabinet. This may be further strengthened by systematically using stakeholder analysis on the micro level to understand the interests and incentives of relevant actors in

projects and programmes. Since the interests and needs of various stakeholders differ, stakeholder analysis can refine and strengthen the 'needs-based approach'. Recent literature has sharpened both the conceptual framework and practicality of stakeholder analysis. Examples include: Zarghami and Dumrak (2021) using network theory and fuzzy logic to examine not only how stakeholders are related to a project but also the interdependence between them; Balane et al. (2020) who integrate complex concepts such as power, interest and position into stakeholder analyses; Eskerod and Larsen (2018) emphasising the importance of understanding stakeholders' perceptions of the recent past, present and future (what they called 'shadows of the context').

However, it is also good to keep an eye out for consultations with others who may not be direct stakeholders. Sometimes new and innovative ideas come from outsiders.

From the top 10 donors' sectoral allocation of aid to Ethiopia, Sida's aid is the most fragmented. Despite the international call to reduce fragmentation, the top 10 donors to Ethiopia underwent increasing fragmentation over time. Fragmentation is generally expected to increase transactional and administrative costs. However, fragmentation also has a beneficial effect because it allows experimentation with different types of activities on a small scale and at low cost. Hence, it is good to come up with clearer guidelines which consider the costs and benefits of fragmentation. Increased fragmentation should be properly justified by anticipated higher benefits. The cost of fragmentation can be high, particularly in periods when resources need to be concentrated on one or more critical sectors.

In the rural development sector, Sida's projects were very innovative and transformative. For example, CADU was a comprehensive rural development intervention that significantly affected agricultural productivity and extension programmes in its project area, Chilalo and far beyond. Many of CADU's activities were packaged into national programmes. SARDP, another rural development

programme funded by Sida, innovatively introduced a decentralised budgeting system in the Amhara Region and implemented a land registration programme that was praised by many as cost-effective. Sida's recent involvement in climate-smart agriculture is another example. The continuation of selective investments in rural development programmes of high social value that exploit the unique advantages of Sweden (for example, in environmental sciences) is encouraging.

Sida's educational contribution was also significant, innovative and sustained. ESBU significantly increased the number of schools in the country when coverage was very low. Sida invested in the Building College and the Wondo Genet College of Forestry for many years and strengthened these very important specialised tertiary educational institutions. The current support for tertiary education (including a partnership with Addis Ababa University) is another example.

Sida's recent involvement in democracy, the rule of law and human rights (including gender equality) has increased, particularly after Abiy came to power and the repeal of the restrictive 2009 proclamation on civil society organisations. Support is channelled through multilateral organisations as well as directly to local civil society organisations covering a variety of themes. These include ethnic conflict avoidance and resolution, supporting hard-to-reach vulnerable groups such as sex workers, reforming the criminal justice system and strengthening the Ethiopian Human Rights Commission. After the repeal of the 2009 proclamation, activities in the civil society sector both by domestic and international organisations picked up. Interviews with Sida staff at the Swedish Embassy in Addis Ababa revealed that their interactions with civil society organisations had become freer compared to previous periods. In addition, the relationship between civil society and government organisations was particularly improved, compared to previous times when it had been characterised by suspicion and sometimes outright enmity. These interventions have strengthened many civil society organisations and improved the way they interact with government agencies.

It is advisable to strengthen the impact evaluation of Sida's projects and interventions, particularly concerning democracy and human rights. The reasons for this are twofold. Firstly, support for democracy and human rights is increasingly important to Swedish support. Secondly, the evaluation method for this sector is not as well developed as for traditional sectors (such as rural development). The design and implementation of impact evaluation require a careful examination of existing methods and adaptation to specific sectors.

The discussion so far has summarised the main lessons from six decades of Swedish support to Ethiopia. The discussion on lessons learnt will take place within the context of broader issues of global aid architecture.

Aid can contribute to the provision of global public goods, redress international inequality and help the development of poorer countries. In an ideal world, to be efficient, global aid should be allocated to the areas of greatest marginal impact (regardless of geopolitical interests). Realistically, no one expects this to happen any time soon. Indeed, the recent increase in global polarisation suggests that the world is probably moving in the opposite direction. However, there could still be space for building a global aid architecture that is less influenced by geopolitical contingencies in core areas of international public goods, such as large-scale humanitarian disasters, mitigation and adaptation measures for climate change and pandemics. This list may be lengthened to include poverty reduction, health and education and similar issues. An international aid architecture that relatively disentangles these core areas from other forms of aid that are sensitive to geopolitical factors is a step in the right direction. However, such a change is not as radical as it may sound. For example, international response to large-scale humanitarian disasters is much less influenced by geopolitical interests and the suggestion is to extend this to other core public goods on which international consensus emerges. The experience of long-term Swedish support to Ethiopia may provide some important lessons to help improve global aid architecture. The following few paragraphs discuss the main lessons.

Partnership rather than conditionality: one of the distinctive features of Swedish support is the partnership nature of its relationship with recipients. As we have seen, this is supported by narrative analyses of Swedish aid documents and the almost universal recognition by project staff and policymakers that Sida's support is characterised by consultation and 'need-identification' at both the inception and implementation stages. This is different from the approach of many other Western donors, which emphasises bargaining power and conditionality. The Swedish approach has many advantages. Consultation probably improves the importance and impact of aid, by channelling resources to those areas that are most relevant. Consultation develops trust and encourages longer-term involvement. It also increases flexibility in an uncertain world and thus increases the chance of success. By contrast, there is growing evidence that conditionality is not effective (Koch, 2015; Crawford and Kacarska, 2019; Dornan, 2017; Li, 2017; Watkins, 2021).

Appreciate historical and long-term structural conditions: instead of focusing only on the short term, donors should appreciate recipients' long-term structural problems, to better understand their needs and assess the chances of success. For example, many donors supporting democratisation focus mainly on elections, without due emphasis on institutional capacity-building (Pemunta, 2020). Sweden's scaling down of its support to Ethiopia after the controversial 2005 election, particularly when poverty rates were falling, may be an example of this focus on elections. By contrast, Sweden's continued support for the Electoral Commission and Ethiopian Human Rights Commission (EHRC) are good examples of how to build long-term institutional capacity for democratisation and human rights. In many instances too much is expected of recipients, given their institutional and related capacities. It is better to focus on building the required capacity than on setting the threshold too high and penalising recipients. An appreciation of structural problems also improves impact evaluation. For example, CADU is usually criticised for increasing inequality and landlessness. However, as discussed in this report, this was a wider phenomenon usually accompanying a capitalist transformation of agriculture.

Aid should be pragmatic: aid should properly consider the detailed alignment of forces, rather than being directed by a general understanding of conditions in the recipient country. Overall political conditions in a recipient country may be bad but this does not rule out opportunities for fruitful involvement in some sectors. Although not official policy, the idea (usually raised by Sida staff) of working with a "tailwind" (favourable conditions) or "headwind" (unfavourable ones) is a highly pragmatic guiding principle for long-term aid. This implies adjusting aid support to areas with opportunities to make a positive difference. For example, in the period before Abiy came to power, the regime was not interested in facilitating development of the private sector (headwind). However, during the same period, there were opportunities to work with the government on environmental problems (tailwind). During that period, Sida was working on environmental projects with government departments.

There is also the opposite approach, of working against a headwind. In other words, trying to change the behaviour of the government in the required direction. In this case, the emphasis is not on exploiting existing opportunities but on creating new ones. Using the above example, when working against a headwind, the focus is not on identifying areas in which Swedish support may be put to good use (the environment) but on changing the behaviour of the government (making it interested in private-sector development).

A more pragmatic approach focuses on working with a tailwind rather than working against a headwind. Changing government behaviour is generally very difficult, especially if entrenched interests are involved. Hence, its opportunity cost (in terms of things that might have been done) can be high. Furthermore, for a mid-level donor such as Sweden, changing government behaviour is even more difficult than for big donors with stronger leverage, such as the US.

Competing objectives: like everything in life, aid has multiple objectives and there is always the possibility that focusing on one thing may come at the expense of something else. A very careful

assessment of any trade-offs should be made. One example was the withdrawal of most Swedish support at a time when poverty levels in Ethiopia were falling rapidly.

More coherent policy on fragmentation is required: international aid forums have repeatedly called for a reduction in fragmentation due to increased transactional and administrative costs. As has been seen in the analysis of aid to Ethiopia, fragmentation has been increasing for all ten major donors to Ethiopia. There is a need to debate the role of fragmentation. The increasing fragmentation likely suggests that there is room to decrease transaction and administrative costs. However, in a highly uncertain world, experimenting widely can be a virtue. The failure of the top 10 donors to Ethiopia to decrease fragmentation may reflects this fact. It is time to rethink the role of fragmentation and develop methods and a coherent policy.

Area-based projects can work well: the relatively successful performance of CADU and SARDP indicates that area-based projects can work well. After the focus on integrated rural development approaches of the 1960s and 1970s, area-based programmes largely went out of favour. Even though a rigorous impact evaluation was not possible due to lack of data, a significant amount of the evidence indicated these two programmes had been successful in many respects and had longer-term impacts.

Tapping into the comparative advantages of donors: many of the more successful projects funded by Swedish support seem to use the comparative advantages of Sweden. For example, investments in primary education (such as ESBU), tertiary education (such as the Building College and Wondo Genet College of Forestry) and rural development (such as CADU and SARDP) exploited Sweden's comparative advantages in education, engineering, forestry and agricultural sciences. Both the Swedish and Ethiopian sides seemed to play a role in tapping into these advantages. Thus, donors and recipients should consider the comparative advantages of the donor as well as the needs of the recipient.

We now turn to the future of Swedish support to Ethiopia.

Sida's "Strategy paper for development cooperation with Ethiopia 2022–2026" is a good starting point for discussing the future. An attractive feature of this paper is the link between short and long-term development issues. The paper calls this a 'triple nexus' between long-term development cooperation, humanitarian aid and peacebuilding. Humanitarian aid and peacebuilding are, hopefully, short-term development issues mainly necessitated by current conflicts.

Sida's strategy paper outlines an involvement and implementation strategy that is conditional on the democratic space in Ethiopia. Cooperation with public institutions and the state would be maintained if there were to be a more positive democratic development. If democratic development should stall, this cooperation would then focus mainly on responses to shocks rather than institutional building of state systems. If repressive and authoritarian conditions should develop, Swedish support would be channelled through either civil society or multilateral organisations.

We believe this pragmatic approach to Sida's strategy is one of its strengths. It reflects a pragmatic tradition, built up over many decades of Swedish involvement with Ethiopia. However, we should also recognise that this approach might divert aid away from certain priority areas. For example, channelling aid through non-governmental routes could undermine government poverty alleviation programmes.

The strategy paper for 2022–26 outlines four thematic areas: 1) democracy, rule of law, human rights and equality; 2) environment, climate and sustainable use of natural resources; 3) inclusive economic development; 4) peaceful and inclusive societies. There are similarities with Sida's strategy for 2016–20 which covered three thematic areas: 1) environment and climate (including energy); 2) democracy and human rights (including gender equality); and 3) livelihoods (including development of the private

sector, climate-smart agriculture and better safety nets). The inclusion of the fourth thematic area (peaceful and inclusive societies) reflects current conditions in Ethiopia. As seen in Chapter 6, some of Sida's current projects already cover issues in the fourth theme. How far these thematic areas are implemented depends on political conditions. There is a good chance that Sida's focus areas will continue to be implemented, particularly with the return of peace and positive democratic development. Should conditions fall short of this optimistically peaceful and democratic outcome, some progress may be achieved by making the adjustments suggested in the 2022–26 strategy paper.

Given the current conflict and widespread destruction, it is advisable (at least in the short term) to focus on humanitarian aid, conflict resolution and reconstruction. Indeed, this may constitute the major component of Sweden's support to Ethiopia in the short term, until the needs for the conflict cessation and reconstruction are met. Continuing a recently observed trend, the 2022–26 strategy paper, does not prioritise the education and health sectors. Due to the widespread destruction of educational and health infrastructure in most of the regions affected by the conflict, it would be advisable to prioritise these sectors as part of Sida's humanitarian and reconstruction support.

While the 2022–26 strategy paper outlines a sound, pragmatic and flexible approach to implementation, monitoring and learning (one that adapts to the three democratic development scenarios), a more nuanced understanding is required. As Sida's experience demonstrates, even when democracy is restricted or repressive and authoritarian tendencies dominate, there could be opportunities to work with some government departments and programmes. It might also be possible to work with some civil society organisations, even if the democratic space is limited. For example, even after the regulations of 2009, which severely restricted the operation of civil society organisations, significant work on social accountability was

done through the World Bank. Implementing Sida's approach should exploit similar opportunities on a case-by-case basis, rather than relying on a general assessment of the democratic space in the country.

Sida's 2022–26 strategy paper advocates adopting a strengthened multidimensional poverty perspective. In its theoretical and empirical content, the computation of multidimensional poverty indices has come a long way in terms of strengthening. Hence, the adoption of this perspective is welcome. However, care should be exercised when using multidimensional poverty indices. Firstly, the composite index is sensitive to what dimensions are included or excluded. Thus, it is necessary to check whether relevant dimensions are included, and irrelevant ones excluded. Secondly, the composite index is also sensitive to the weight assigned to the different dimensions. There needs to be a critical examination of whether this reflects the specific practical or policy problem for which the index is used. Thirdly, because different dimensions of poverty are considered, there is a general tendency for multidimensional poverty scores to be higher than unidimensional/monetary poverty measures. This may reduce the discriminant power of the indices. For example, the strategy paper reports multidimensional poverty in Ethiopia as 83.5%. If the overwhelming proportion of the population is categorised as poor, the utility of the index for such policy purposes as targeting is very limited. Hence, critical use of multidimensional poverty indices complemented by other indices is advisable.

As outlined in the new strategy paper for 2022–26, Sida's emphasis on democracy and human rights will continue, perhaps with a stronger emphasis on conflict resolution. Sweden has a comparative advantage working in these areas, due to its reputation as a reliable partner, its policy being less influenced by strategic geo-political interests and its long-term presence in Ethiopia. In particular, the relationship between the Ethiopian government and the bigger donors such as the US, the European Union and the UK has been

strained during the current conflict. This makes Sweden's position even more important. In the short term, it would be advisable to focus on conflict resolution and reconstruction as part of the democracy and human rights cluster.

Bundling behavioural change interventions in the democracy, human rights and conflict programmes with institutional capacity-building helps the sustainability of impacts. So far, the support for the Ethiopian Human Rights Commission, the National Electoral Board of Ethiopia, judicial bodies through UNODC and civil society organisations (among others) are good examples of institutional support.

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Appendix 1. List of interviewees

	Interviewee	Topic and workplace
1	Dr. Hiyaw Terefe	Building College, EIABC
2	Dr. Zebene Asfaw	Wondo Genet College of Forestry, WGCF
3	Getachew Diriba	CADU and ESBU
4	Dejazmach W/Semayat	WADU, former administrator
5	Abraham Liyew	UNODC, Ethiopia Country Office
6	Benjamin Mirichi	UNODC, Ethiopia Country Office
7	Ghetnet Metiku	UNODC, Ethiopia Country Office
8	Ermiyas Kostre	UNODC, Ethiopia Country Office
9	Dr. Zeleke Ewnetu	Wondo Genet College, WGCF
10	Mulugeta Gebru	JeCCDO, CEO
11	Meseret Teferi	JeCCDO
12	Mitiku Mekonen	UN-OHCHR, Programme Coordinator
13	Adwoa Kufuor-Owusu	UN-OHCHR, Programme Coordinator
14	Joseph Noubadoum	UN-OHCHR, Programme Coordinator
15	Nwanneakolam Vwede-Obahor	UN-OHCHR, Programme Coordinator
16	Emebet Getachew	LPI, Programme Director, Ethiopia
17	Atkilt Daniel	CSSP II
18	Debebe Hailegebriel	CSSP II
19	Selamawit Menkir	CSSP II
20	Lealem Mersha	CSSP II
21	Jebessa Sendeka	CSSP II
22	Gebriye Kefelew	CSSP II
23	Tamrat Kebede	CADU and ESBU, formerly in CADU
24	Zewdu Tamrat	Bilateral aid, MoFED
25	Lennart Wolgemuth	Sida aid to Ethiopia
26	Lennart Jemt	Sida aid to Ethiopia
27	Debela Dinka	CADU, ARDU, BARDU, former employee
28	Tekalign Gedamu	Former Ethiopian Planning Commissioner

	Interviewee	Topic and workplace
29	Annika Jayawardena	Sida, Swedish Embassy Addis Ababa
30	Feven Netsanet	Sida, Swedish Embassy, AA
31	Karin Borovic	Human Rights and Democracy, Swedish Embassy AA
32	Per Sevastik	Research Cooperation, Swedish Embassy AA
33	Annika Törnqvist	Private Sector Development, Swedish Embassy AA
34	Elmi Nure	Climate and Environment, Swedish Embassy AA
35	Anna Hjärne	Resilience, Environment, Climate, Humanitarian Development, Swedish Embassy AA
36	Aklog Laike	Former employee, Swedish Embassy AA
37	Tekeste Negash	Uppsala University, Sweden
38	Stina Karltun	Former employee, Swedish Embassy AA

Appendix 2: List of abbreviations

Abbreviation	Full name
AAU	Addis Ababa University
ACSI	Amhara Credit and Savings Institute
AWEA	Amhara Women's Entrepreneurs Association
AMC	Agricultural Marketing Corporation
ARDU	Arssi Rural Development Unit
BARDU	Bale-Arssi Rural Development Unit
BMTRI	Building Materials Testing and Research Institute
CADU	Chilalo Agricultural Development Unit
CIFOR	Center for International Forestry Research
CoS	Church of Sweden
CRS	Creditor Reporting System (OECD)
CSLA	Conflict Sensitive Land Administration
CSO	Civil Society Organisation
CSSB	cement stabilised soil-blocks
CSSP	Civil Society Support Programme
DAG	Development Assistance Group
DPG	Development Partners Group
DFID	Department for International Development
EEFRI	Ethiopian Environment and Forest Research Institute
EHRC	Ethiopian Human Rights Commission
EiABC	Ethiopian Institute of Architecture, Building Construction and City Development
EIB	Ethiopian Institute of Biodiversity
EMPDA	Educational Materials Production and Distribution Agency
ENAPAL	Ethiopian National Association of People Affected by Leprosy
ENDF	Ethiopian National Defence Forces
ESAP	Ethiopian Social Accountability Programme
ESBU	Ethiopia School Building Unit
EWCA	Ethiopian Wildlife Conservation Authority
FDA	Food and Drugs Authority
FOAG	Federal Office of the Attorney General
FSC	Federal Supreme Court

Abbreviation	Full name
EPRDF	Ethiopian Peoples' Revolutionary Democratic Front
EPID	Extension and Project Implementation Department
EPRP	Ethiopian People's Revolutionary Party
ESBU	Elementary School Building Unit
ESIBT	Ethio-Swedish Institute of Building Technology
EWCA	Ethiopian Wildlife Conservation Authority
FPA	Federal Prisons Administration Commission
FPC	Federal Police Commission
GDP	gross domestic product
GDPP	Governance and Democratic Participation Programme
GNP	Gross national product
GGGI	Global Green Growth Institute
HHI	Herfindahl-Hirshman Index
HoAREC&N	Horn of Africa Regional Environment Centre and Network
HRBA	Human Rights-based Approach
IAG	InterAfrica Group
ICRAF	International Council for Research in Agroforestry
IFC	International Finance Cooperation
IFAD	International Fund for Agricultural Development
ILO	International Labour Organisation
IRCE	Inter-Religious Council of Ethiopia
ISLA	Information System for Land Administration
ISP	International Science Programme
JeCCDO	Jerusalem Children and Community Development Organization
LPI	Life and Peace Institute
MoEFA	Ministry of Education and Fine Arts, Ethiopia
MOH	Ministry of Health
MOWCY	Ministry of Women, Children and Youth Affairs
MPP	Minimum Package Programme
NIB	Swedish Agency for International Assistance
OECD	Organisation for Economic Cooperation and Development
OLA	Oromo Liberation Army
OLF	Oromo Liberation Front

Abbreviation	Full name
ORE	Operation Rescue Ethiopia
PA	Peasants' Associations
PADEP	Peasant Agriculture Development Extension Programme
PAR	Participatory Action Research
PDC	Peace and Development Centre
PMU	Swedish Pentecostal International Relief and Development Agency
REDD+	Reducing Emissions from Deforestation and Forest Degradation
RPA	Rural Project Agency
SAC	Social Accountability Council
SARDP	Sida Amhara Rural Development Programme
SEAD	South-Eastern Area Development Zone
SD	Sustained Dialogue
SEEDS	Supporting Elections for Ethiopia's Democratic Strengthening (UNDP)
Sida	Swedish International Development Cooperation Agency
SLU	Swedish University of Agricultural Sciences
SMC	Swedish Mission Council
SMHI	Swedish Meteorological and Water Institute
TPLF	Tigray Peoples' Liberation Front
TVETC	Technical and Vocational Education Training Centres
UCAA	University College of Addis Ababa
UNDP	United Nations Development Program
UNFPA	United Nations Population Fund
UNODC	United Nations Office on Drugs and Crime
USAID	United States Agency for International Development
VAR	Vector Autoregressive models
WADU	Wolamo Agricultural Development Unit
WDI	World Development Index (World Bank)
WFP	World Food Programme
WGCFNR	Wondo Genet College of Forestry and Natural Resources

Appendix 3: Graphs and tables

Table A1: Sida's Total aid to Ethiopia (1960–2018) (Millions USD, Constant 2018)

Year	Amount	Year	Amount	Year	Amount
1960	2.10	1980	54.19	2000	29.34
1961	2.94	1981	37.76	2001	31.10
1962	4.34	1982	38.76	2002	30.23
1963	6.73	1983	37.43	2003	33.87
1964	6.47	1984	43.44	2004	54.56
1965	8.91	1985	58.29	2005	53.36
1966	0.00	1986	64.87	2006	43.56
1967	17.66	1987	55.04	2007	43.31
1968	42.37	1988	75.71	2008	42.30
1969	45.43	1989	44.75	2009	46.02
1970	35.47	1990	56.88	2010	39.82
1971	33.46	1991	46.61	2011	33.01
1972	30.89	1992	47.55	2012	23.53
1973	37.56	1993	71.52	2013	23.76
1974	26.16	1994	33.85	2014	29.83
1975	33.03	1995	45.99	2015	35.29
1976	40.30	1996	43.07	2016	48.24
1977	49.13	1997	44.21	2017	87.55
1978	29.26	1998	39.43	2018	80.19
1979	38.46	1999	24.66		

Source: Data 1960–1997 (Sida, 2004a); 1998–2018 (Openaid.se).

Table A2: Detailed Classification of the 8 Bilateral Aid Sectors in CRS (OECD) Database

1. Social Infrastructure and Services
1.1. Education
1.2. Health
1.3. Population Policies/ Programmes and Reproductive Health
1.4. Water Supply and Sanitation
1.5. Government and Civil Society
1.6. Conflict, Peace and Security
1.7. Other Social Infrastructure and Services
2. Economic Infrastructure and Services
2.1. Transport and Storage
2.2. Communication
2.3. Energy
2.4. Banking and Financial Services
2.5. Business and Other Services
3. Production Sectors
3.1. Agriculture, Forestry and Fishing
3.2. Industry, Mining and Construction
3.3. Trade Policies and Regulation
4. Multisector/Cross-cutting
4.1. General Environment Protection
4.2. Other Multisector
5. General Programme Assistance/Commodity Aid
5.1. General Budgetary support
5.2. Development Food Assistance
5.3. Other Commodity Assistance
6. Action Relating to Debt
6.1. Action Relating to Aid
6.2. Debt Forgiveness
6.3. Relief of Multilateral Debt
6.4. Rescheduling and Refinancing
6.5. Debt for Development Swap

7. Humanitarian Aid
7.1. Emergency Response
7.2. Reconstruction, Relief and Rehabilitation
7.3. Disaster Prevention and Preparedness
8. Others
8.1. Administrative Costs of Donors
8.2. Refugees in Donor Countries
8.3. Unallocated/Unspecified

Table A3: Regression of Sida aid (in constant USD, in log) on Swedish political regimes

	(1)
VARIABLES	**log_ODA_constant**
Time	0.120***
	(0.0233)
time2	-0.00152***
	(0.000370)
Centre Party[1]	0.210
	(0.150)
Moderate Party	-0.241
	(0.191)
Constant	1.697***
	(0.373)
Observations	59

Newey-West standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1
Data: Sida (2004) and Openaid.se
[1]Centre Party covers 1977–1982 including the one year when Ola Ullsten (People's Party) was in power.

Table A4: Random effects (with autoregressive scheme of order 1) estimates of sectoral allocations (%) of aid to Ethiopia (1973–2018)

VARIABLES	1973–2001 _100_perc	2002–18 _100_perc	1973–2001 _200_perc	2002–18 _200_perc	1973–2001 _300_perc	2002–18 _300_perc	1973–2001 _400_perc	2002–18 _400_perc
Sweden	16.153*	-4.290	7.903**	-4.910	15.805***	-1.204	1.169	10.807**
	(8.710)	(22.414)	(3.916)	(15.779)	(4.733)	(7.702)	(1.986)	(5.409)
Canada	-6.789	-5.672	-2.623	-7.651	-7.450	13.023*	1.636	-4.749
	(8.894)	(22.414)	(4.068)	(15.779)	(4.994)	(7.702)	(2.101)	(5.409)
Germany	-4.728	-7.028	7.477*	-0.978	-3.214	9.757	-1.340	5.837
	(8.821)	(22.414)	(3.999)	(15.779)	(4.864)	(7.702)	(2.043)	(5.409)
Ireland	6.265	11.094	2.200	-6.574	-3.770	-1.026	0.374	1.409
	(18.277)	(22.414)	(8.894)	(15.779)	(11.426)	(7.702)	(4.851)	(5.409)
Italy	2.088	12.796	5.900	11.428	5.342	-1.372	12.953***	-5.285
	(9.237)	(22.414)	(4.238)	(15.779)	(5.192)	(7.702)	(2.183)	(5.409)
Japan	-1.422	-13.183	9.332**	17.494	12.230**	11.969	2.646	-5.789
	(8.927)	(22.414)	(4.060)	(15.779)	(4.943)	(7.702)	(2.076)	(5.409)
Netherlands	-3.106	7.711	4.084	-6.974	4.426	5.088	0.405	-1.666
	(8.710)	(22.414)	(3.916)	(15.779)	(4.733)	(7.702)	(1.986)	(5.409)

VARIABLES	1973–2001 _100_perc	2002–18 _100_perc	1973–2001 _200_perc	2002–18 _200_perc	1973–2001 _300_perc	2002–18 _300_perc	1973–2001 _400_perc	2002–18 _400_perc
Norway	31.800***	8.195	-0.798	-3.907	-6.125	4.567	3.757*	8.303
	(8.912)	(22.414)	(4.042)	(15.779)	(4.929)	(7.702)	(2.072)	(5.409)
UK	-7.970	13.005	6.262	-6.059	-5.137	-6.495	1.429	-4.963
	(8.857)	(22.414)	(4.033)	(15.779)	(4.927)	(7.702)	(2.071)	(5.409)
US	-5.397	-5.219	-2.482	-7.353	-7.874*	-5.846	-1.155	-6.455
	(8.710)	(22.414)	(3.916)	(15.779)	(4.733)	(7.702)	(1.986)	(5.409)
Constant	18.942***	38.687***	3.071**	8.980***	11.079***	8.867***	1.546**	7.327***
	(3.139)	(4.280)	(1.450)	(2.981)	(1.791)	(1.615)	(0.754)	(1.155)
Observations	412	469	412	469	412	469	412	469
No. countries	21	40	21	40	21	40	21	40

Standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1.

Note: _100_perc = % Social Infrastructure; _200_perc = % Economic Infrastructure; _300_perc = Production; _400_perc = Multisector; _500_perc = General Programme Assistance; _600_perc = Relating to Debt; _700_perc = Humanitarian.

Table A4: Random effects (with autoregressive scheme of order 1) estimates of sectoral allocations (%) of aid to Ethiopia (1973–2018) (cont'd)

VARIABLES	1973–2001 _500_perc	2002–18 _500_perc	1973–2001 _600_perc	2002–18 _600_perc	1973–2001 _700_perc	2002–18 _700_perc
Sweden	-37.543***	3.465	-0.718	-1.533	-3.394	13.660
	(14.486)	(3.622)	(3.817)	(3.193)	(14.971)	(14.539)
Canada	18.764	19.314***	-1.771	-1.487	-8.326	2.295
	(14.621)	(3.622)	(3.915)	(3.193)	(15.053)	(14.539)
Germany	-0.965	6.433*	2.127	5.109	-5.194	-3.853
	(14.571)	(3.622)	(3.875)	(3.193)	(15.020)	(14.539)
Ireland	-39.787	14.133***	-2.330	-1.533	36.700*	-4.427
	(26.590)	(3.622)	(8.201)	(3.193)	(20.726)	(14.539)
Italy	-13.195	-0.135	3.666	-1.525	-13.604	-8.255
	(14.987)	(3.622)	(4.074)	(3.193)	(15.216)	(14.539)
Japan	-25.376*	11.150***	13.523***	-0.132	-14.621	-6.264
	(14.670)	(3.622)	(3.926)	(3.193)	(15.069)	(14.539)
Netherlands	-19.823	10.755***	-2.054	-1.303	13.457	-4.722
	(14.486)	(3.622)	(3.817)	(3.193)	(14.971)	(14.539)

VARIABLES	1973–2001 _500_perc	2002–18 _500_perc	1973–2001 _600_perc	2002–18 _600_perc	1973–2001 _700_perc	2002–18 _700_perc
Norway	-13.727	-2.043	-2.330	-1.533	-12.714	-2.961
	(14.709)	(3.622)	(3.914)	(3.193)	(15.064)	(14.539)
UK	0.650	14.389***	0.992	0.580	-3.953	5.788
	(14.596)	(3.622)	(3.895)	(3.193)	(15.036)	(14.539)
US	33.501**	7.505**	-1.437	-0.673	-16.893	31.307**
	(14.486)	(3.622)	(3.817)	(3.193)	(14.971)	(14.539)
Constant	40.771***	2.416***	2.330*	1.533**	21.722***	15.475***
	(5.017)	(0.817)	(1.386)	(0.717)	(4.773)	(2.811)
Observations	412	469	412	469	412	469
No. countries	21	40	21	40	21	40

Standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1.

Note: _100_perc = % Social Infrastructure; _200_perc = % Economic Infrastructure; _300_perc = Production; _400_perc = Multisector; _500_perc = General Programme Assistance; _600_perc = Relating to Debt; _700_perc = Humanitarian.

Table A5: Herfindahl-Hirschman Index for sectoral allocation of ODA to Ethiopia

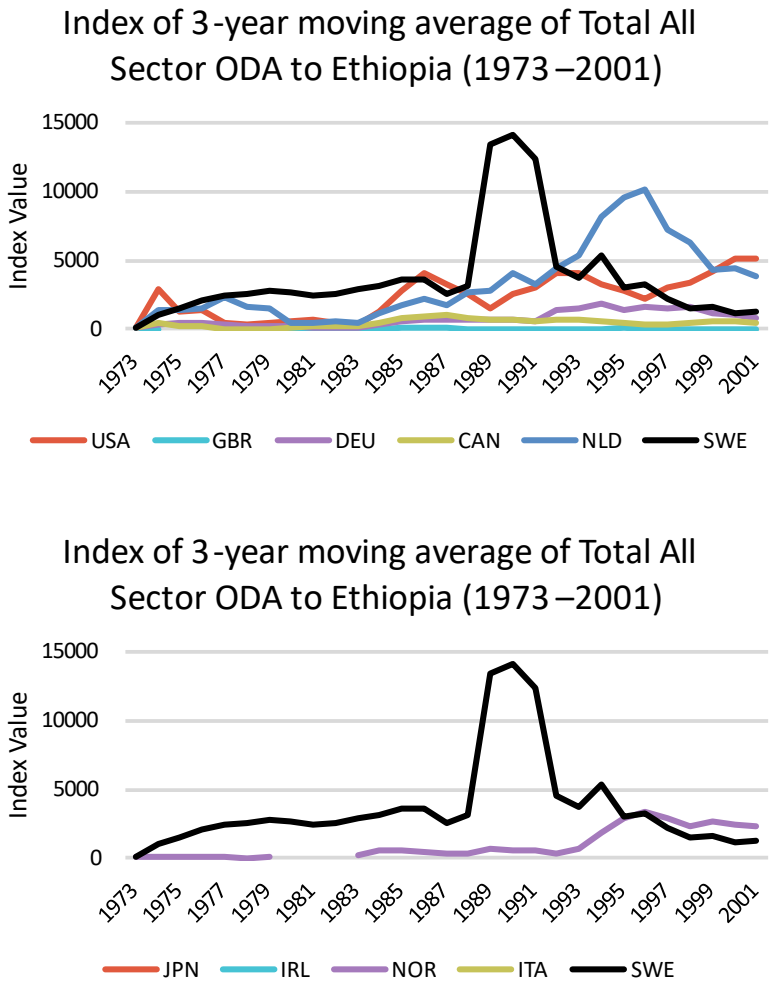
Year	SWE	CAN	DEU	GBR	IRL	ITA	JPN	NLD	NOR	USA	average
1973	5000	10000	6089	4469				10000		10000	7593
1974	7945	10000	9584					6171	10000	5007	8118
1975	4837	10000	3619					6454	10000	7025	6989
1976	4781			10000				5200	10000	10000	7996
1977	5054	10000		4876				4285	10000	9260	7246
1978	3770		8720	9201			10000	5473	10000	9546	8101
1979	3182		10000	7924		10000	10000	10000	10000	10000	8888
1980	3892	10000	5648	10000			10000	5391		10000	7847
1981	3181	9136	6701			5145	10000	7813	10000	10000	7747
1982	4099	6406	5156	10000		10000	10000	3719	10000	10000	7709
1983	2880	10000	5957	7514		9575	10000	8580	6676	10000	7909
1984	2680	5069	6488	5183		5188	5327	4387	6128	10000	5605
1985	3268	3400	4786	6479		4424	3539	3921		10000	4977
1986	3177	6059	7434	5020		3766	4019	3269	7813	10000	5617
1987	3318	5020	7592	6338		5218	3628	4589	5433	10000	5682
1988	9517	4691	3944	8172		3105	5221	4725	5918	10000	6144
1989	4505	4864	10000	5237		6205	6033	5045	9509	10000	6822

Year	SWE	CAN	DEU	GBR	IRL	ITA	JPN	NLD	NOR	USA	average
1990	3526	3687	10000	7909		6337	3491	5051	7404	10000	6378
1991	7759	4351	10000	10000		2845	10000	7824	10000	9623	8045
1992	4320	3332	3707	4413		2258	3353	2517	7291	4651	3982
1993	10000	5075	4003	5001		3557	3105	2226	2823	5350	4571
1994	2209	5032	2710	5041		3021	4490	3223	2377	4232	3593
1995	2282	2448	1856	3096		6484	2686	2770	3042	5442	3345
1996	4066		2918	3524		2108	3358	3012	3183	3987	3269
1997	4777	4000	3375	2213	10000	2970	2502	4254	2455	3460	4001
1998	3500	4490	1879	2467		6081	3677	2871	2298	4942	3578
1999	3718	7236	3201	2271	10000	3127	5381	3335	2426	3248	4394
2000	4351	3004	2447	4128	3249	3714	3308	4515	4478	3811	3700
2001	5595	3774	2707	5768	4039	2679	2360	3111	4699	3032	3776
2002	3417	3720	1625	2701	4509	5219	3986	2331	2635	3079	3322
2003	3611	4075	2008	3737	4273	2630	3265	3792	3497	6410	3730
2004	2398	3186	4715	4452	4152	2825	3100	3499	3548	5354	3723
2005	2551	3907	2702	3761	5124	7918	2086	3206	2876	5679	3981
2006	2637	4782	3027	3967	2625	6189	2084	4819	2817	4154	3710
2007	2091	3729	2521	7141	2993	6585	2591	5962	4057	4270	4194
2008	2461	4437	2384	3260	2298	6165	2580	3281	4224	5359	3645

Year	SWE	CAN	DEU	GBR	IRL	ITA	JPN	NLD	NOR	USA	average
2009	3097	2333	2756	6628	3453	4523	2574	2985	3079	4130	3556
2010	3298	3480	2515	4350	2802	5596	2709	2888	3722	4140	3550
2011	4284	2618	2255	4675	3171	7223	2712	3050	4076	3850	3791
2012	3921	2679	2250	5422	3263	8580	2769	3158	3165	3892	3910
2013	3587	2697	2245	5051	3353	4442	2652	3036	2421	4133	3362
2014	3466	2777	2647	6293	2974	5015	2955	2989	2334	3382	3483
2015	4046	2749	3667	3947	2909	5455	2513	2416	3054	2985	3374
2016	3334	2333	2439	5244	3835	3273	2362	2908	3252	3266	3225
2017	3251	2227	2531	3777	4683	3472	2590	3075	3078	3222	3191
2018	2487	2373	3009	3726	3536	5694	4628	4752	3711	2983	3690
Average	4024	4885	4450	5451	4154	5093	4479	4389	5337	6368	

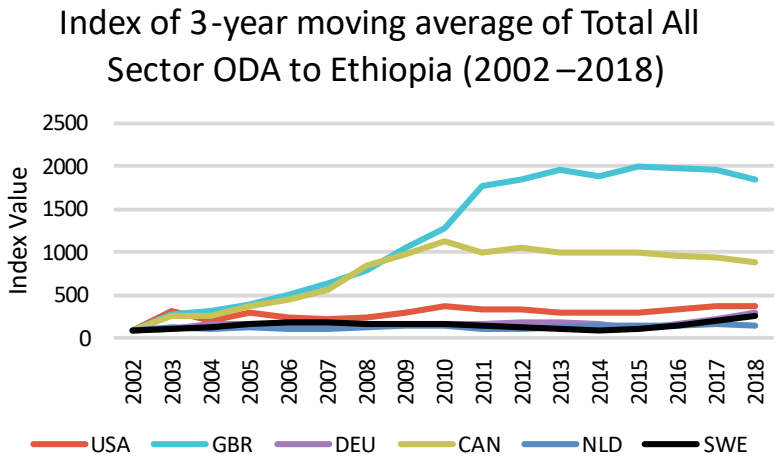
Notes: 1973–2001 ODA commitments data (Source: Lemi, 2017). 2002–2018 ODA disbursements data (Source: OECD CRS database). Figures omitted when the sum of sectoral ODA is less than 95% or more than 100% of reported total ODA to Ethiopia. Sectoral ODA proportions recalculated to equal 100%.

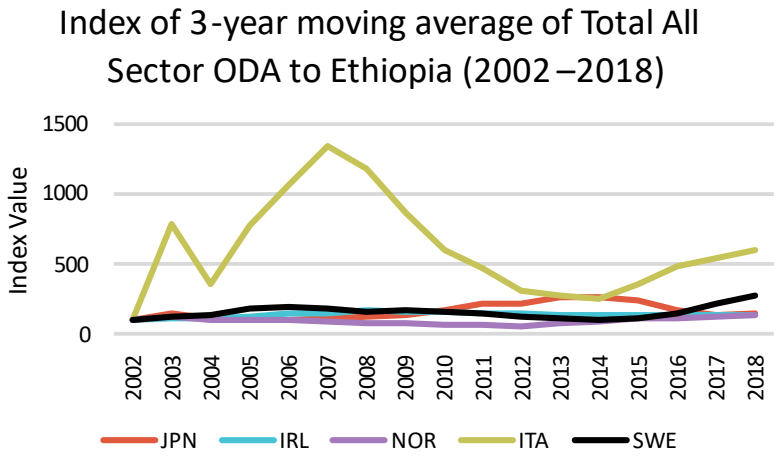
Figure A1: Index of top 10 donors' 3-year moving average of total bilateral commitments to Ethiopia of (1973–2001)



Source: Creditor Reporting System (CRS)(OECD) 1973–2001 (Lemi, 2017).

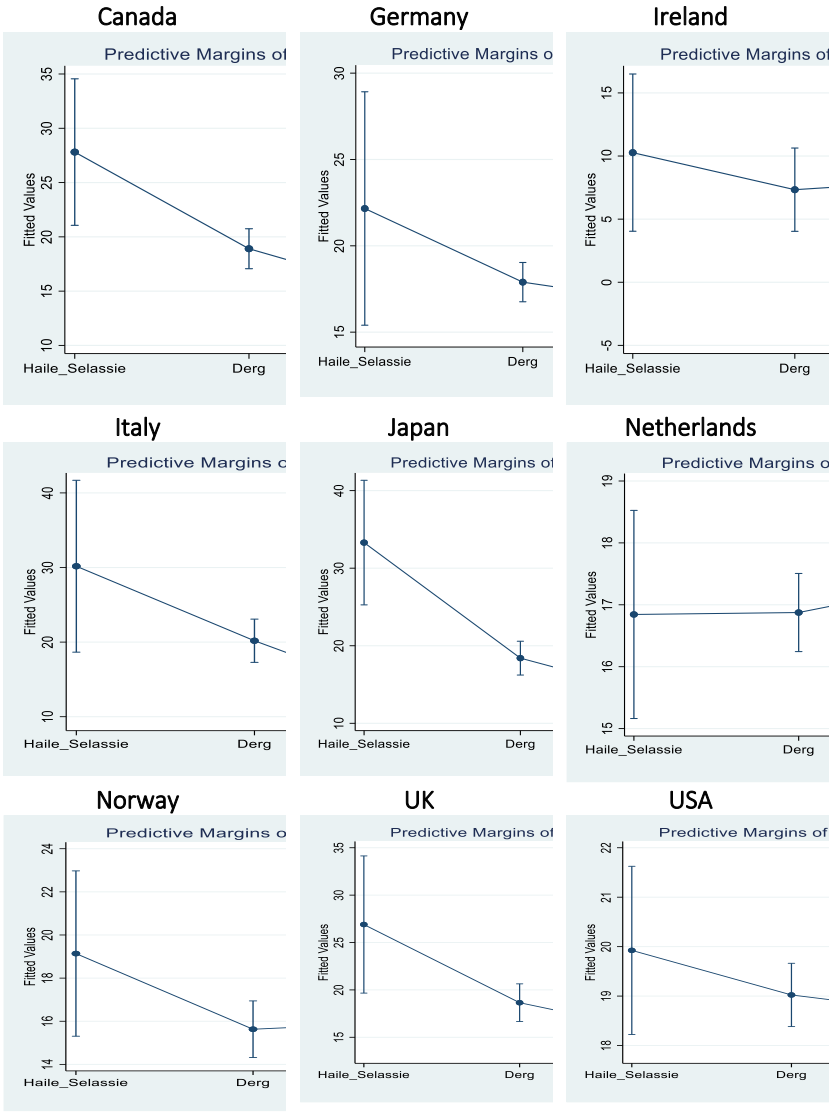
Figure A2: Index of top 10 donors' 3-year moving average of total bilateral disbursements to Ethiopia of (2002–2018)





Source: Creditor Reporting System (CRS)(OECD) 2002–2018 (OECD database).

Figure A3: Marginal effects of Ethiopian regime changes on top 10 donors aid (1973–2018; log constant USD)



Marginal effects from a regression with Newey-West standard errors controlling for time trends (linear and quadratic). Data from CRS (OECD).

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One of the most important partner countries for Swedish aid historically has been Ethiopia. This evaluation examines 60 years of Swedish development cooperation with Ethiopia. In recent decades, Swedish aid to Ethiopia has focused on democracy, human rights and gender equality rather than on traditional sectors such as rural development, agriculture and education.

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