



Ethiopia: DFID ends support to the Promotion of Basic Services Programme

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On 26 February 2015, the Department for International Development (DFID) announced that it was reconfiguring important elements of its bilateral aid programme with Ethiopia. A key element of this reconfiguration is its support for the 'Promotion of Basic Services Programme' (PBS), a large multi-donor programme that also receives support from the World Bank and the African Development Bank.

DFID's announcement is striking in that it makes no reference to the controversy that has surrounded the PBS in recent years. This briefing seeks to place DFID's announcement in context.

Opponents have alleged that funds provided through the PBS have inadvertently supported a controversial 'villagisation programme' – known officially as the Commune Development Programme (CDP) – by the Ethiopian Government, involving forced resettlement and other human rights abuses.

A World Bank Inspection Panel report stated in November 2014 that it had found evidence of an "operational link" between the PBS and the CDP. On the same day that DFID made its announcement, the World Bank agreed an action plan that is supposed to address the problems with the PBS identified in the Panel report. Critics do not believe that the action plan goes far enough.

Meanwhile, Leigh Day has sought judicial review by the British High Court of DFID's support to the PBS on behalf of a claimant who has allegedly been the victim of forced resettlement by the Ethiopian authorities. Leigh Day is seeking a judgment on whether DFID has adhered to its own policies and principles in supporting the programme. The High Court ruled in July 2014 that the claimant has an arguable case. As a consequence, a full hearing is due to be held.

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1 26 February 2015: DFID's announcement

On 26 February 2015, the Department for International Development (DFID) [announced](#) that it was reconfiguring important elements of its bilateral aid programme with Ethiopia. A key element of this reconfiguration was ending its support for the 'Promotion of Basic Services Programme' (PBS), a multi-donor programme that also receives support from the World Bank and the African Development Bank.

The [aim of the programme](#) is to "increase access, quality and accountability in five basic services (Education, Health, Water and Sanitation, Agriculture and Roads) to 80 million Ethiopians by funding block grants that ensure adequate staffing and operations." The funds are channelled through the Ethiopian Government. The programme is in its third phase (2012-18), having begun in 2006.

For several years now, critics have alleged that funds provided through the PBS Programme were inadvertently supporting a controversial 'villagisation programme' – known officially as the Commune Development Programme (CDP) – by the Ethiopian Government, involving forced resettlement and other human rights abuses.

It is striking that DFID's statement makes no reference to this controversy. Below is the full text of the statement:

Ethiopia is delivering impressive progress towards the Millennium Development Goals meaning the needs of the country are changing as it experiences strong economic growth and increasing domestic revenue.

Recognising Ethiopia's growing success, the UK will now evolve its approach by transitioning support towards economic development to help generate jobs, income and growth that will enable self-sufficiency and ultimately end poverty.

This will go alongside additional funding for specific health, education and water programmes - where impressive results are already being delivered - resourced by ending support for the Promotion of Basic Services programme.

The UK remains firmly committed to poverty reduction in Ethiopia. This transition in approach does not affect the amount of aid DFID will provide to Ethiopia in 2015/16.

This briefing seeks to place DFID's announcement in context.

2 Background to DFID's announcement

2.1 July 2013: World Bank approves an investigation by the Inspection Panel into allegations about the PBS

The World Bank approved this investigation after members of the Anuak communities from Gambella State, but now refugees outside the country, formally complained that the World Bank's support to PBS was linked to the Ethiopian Government's Commune Development Programme. The Ethiopian Government denied these allegations.

The Inspection Panel is the World Bank's independent accountability mechanism. It ultimately submitted its report in November 2014 (see below).

2.2 March 2014: application made to the British High Court for judicial review of DFID's support to the PBS

Meanwhile, in March 2014 the law firm Leigh Day [applied to the British High Court for judicial review](#), with Justine Greening, the Secretary of State for International Development as the defendant, on behalf of a farmer, 'Mr O', from Gambella State, who claimed that he and his family had been the victims of forced resettlement.

According to Leigh Day:

"They were not given new farms or any farmland and there was no food or water available. The few menial jobs to be had did not provide enough income for survival. There was no school and no healthcare facility in the area, both of which had existed in his previous home area. In order to survive, Mr O returned to his old village and attempted to continue farming there. Shortly after his return, he was captured by ENDF soldiers, who took him to a military camp.¹

There he claims he was gagged and then severely beaten for several hours. The soldiers used their rifles and their boots to beat him, causing significant injuries."

Mr O subsequently fled to Kenya. His family remains in Ethiopia.

Leigh Day [set out its arguments](#) as follows:

Ethiopia currently receives more than £300 million of aid from the UK government. It is one of the largest recipients of UK development aid and the UK is one of its main donors. A proportion of this aid contributes to the Promotion of Basic Services (PBS) Programme.

Lawyers for Mr O claim that by contributing to this programme, which supports five sectors of services: health, agricultural support, roads, water and education, it contributes to the Villagisation Programme, by financing infrastructure in new settlements for forcibly relocated populations, or by paying the salaries of district officials overseeing and implementing the Villagisation programme.

The NGO Human Rights Watch conducted an in-depth investigation into the practices used to implement Villagisation. This found extensive evidence of forced relocation to inadequate new settlements and significant human rights violations committed in the process.

Rosa Curling, a member of the Leigh Day Human Rights team representing Mr O said:

"The Villagisation Programme has had a devastating and tragic impact on my client and his family.

"DfID must properly investigate and take immediate steps to ensure UK aid money is not involved.

"It must also be open and transparent about what such investigations find and encourage and allow other organisations to feed their evidence into this process.

Aid can play a crucial role in the development on a country but the UK government must ensure that it is being used for the right purposes; otherwise it can completely and devastatingly undermine the very aims it is trying to achieve."

¹ The ENDF is the Ethiopian National Defence Force.

2.3 July 2014: the British High Court rules that judicial review can proceed

On 15 July 2014 the [British High Court](#) ruled that Mr O's case can go to a full hearing. Leigh Day reported this development as follows:

"Law firm Leigh Day on behalf of a man, known only as Mr O, launched legal proceedings against the Secretary of State for International Development, Justine Greening, earlier this year claiming that the Department International Development (DFID) has unlawfully failed to properly assess whether UK aid money has been involved in Ethiopia's Villagisation programme. This programme has been widely criticised as having driven people from their homes and led to severe human rights abuses.

UK overseas aid assistance is provided under the 2002 International Development Act and governed by policies developed in a Government policy paper entitled "Partnerships for Poverty Reduction: Rethinking Conditionality."

In his judgment Mr Justice Warby said the policies "acknowledge the need for governments which are partners in the grant and receipt of aid to respect and uphold human rights, and the need for the UK Government as a donor to reconsider aid decisions if recipient countries are found to be in significant violation of human rights".

He ruled that Mr O had an arguable case against the Government on the basis that the Secretary of State "has failed to have in place any sufficient process to assess Ethiopia's compliance with the express conditions for receiving UK aid - or to follow such process".

Leigh Day had argued that the case should go to a full hearing on two grounds. The first ground was that described above. However, Justice Warby found against Leigh Day's claim that the Secretary of State had acted unlawfully in refusing to make her assessment of the impact of the PBS public, "in breach of her stated policies on transparency."

2.4 Political and media criticism of the judicial review

The bringing of Mr O's case by Leigh Day has been subject to political and media criticism.

A July 2014 press article in the *Daily Mail*, published soon after Justice Warby ruled that the case could go to a full hearing, [said](#):

The farmer lodged the court papers from Kenya, before Justice Secretary Chris Grayling introduced rules to prevent cases being brought by those who have never set foot in the UK. The changes, which come into force next month, will mean anybody seeking legal aid in civil cases must have been resident in Britain for at least 12 months.

A Whitehall source said: 'Whatever hardships this man has faced, the idea that someone without any connection to this country can get public money to sue the Government borders on the farcical.'

Tory MP Peter Bone, a fierce critic of UK aid policy, said the legal action was 'bizarre', adding: 'This is a ridiculous case and it is ridiculous there is legal aid for it.' However, he added: 'If money is going to a corrupt regime and somebody is pointing that out then we should be taking note of it. That is the problem. A lot of the money goes on propping up corrupt regimes.'

It is not clear how the farmer, a father of six identified only as O, came to bring the case. Papers lodged earlier this year state he had to leave his family and flee to a

refugee camp in Kenya after being beaten and tortured trying to protect his land. The UK has contributed to a £510million Protection of Basic Services fund which has allegedly 'contributed' to the programme of displacing the farmers.

O is not personally seeking compensation, but wants the Government to change its aid policies and stop bankrolling brutal regimes. If he succeeds, ministers could be forced to review donations to other nations accused of atrocities, such as Pakistan and Rwanda.

2.5 November 2014-February 2015: the World Bank Inspection Panel report

In January 2015, the [report](#) of the World Bank Inspection Panel about the PBS, submitted in November 2014, was leaked to the media.

In the executive summary of the report, the Panel says that, “where there is concurrent implementation”, there is “an operational link” between the PBS and the Ethiopian Government’s Commune Development Programme. The Panel also finds that the Bank had not carried out an adequate risk analysis or taken adequate steps to mitigate the risk of this happening.

The World Bank management responded to the report by drafting an Action Plan intended to address the conclusions of the Panel.

In a 23 February 2015 press release, Human Rights Watch [accused](#) the management of failing in the draft plan to address “the significant risks people take in speaking critically” in Ethiopia, arguing that it was misguided in continuing to view “officials implicated in human rights abuses as a source of potential resolution”. The group called for the plan to be significantly revised so that – as it saw it – its recommendations better reflected the conclusions of the Panel’s report.

The Board of Executive Directors of the World Bank met on 26 February 2015 – the same day as DFID announced it was ending its support – to consider the Inspection Panel report and the management’s response. It [approved the draft Action Plan](#), saying that:

The Inspection Panel report concluded that the involuntary taking of land and use of force and intimidation were not consequences of PBS and that the Bank is not responsible for these alleged harms. However, the Panel found that PBS did not fully assess and mitigate the risks arising from the Government’s implementation of CDP, particularly in the delivery of agricultural services to the Anuaks.

The chairperson of the Inspection Panel welcomed the Board’s decision. Gonzalo Castro de la Mata said:

The Inspection Panel is an integral part of the Bank’s architecture, and its aim is to contribute to the fulfillment of the Bank’s mission. Moving forward, the Panel welcomes the Board’s approval of management’s actions to incorporate lessons, make adjustments to PBS to better manage risks, and most importantly, to provide concrete support to vulnerable groups, including the affected Anuak communities in Gambella.

2.6 DFID’s responses to the allegations against the PBS

DFID has always denied any connection with, or responsibility for, the Commune Development Programme. In July 2014 it [asserted](#) that its financial support to the PBS was “only used to provide essential services like healthcare, schooling and clean water.”

In the same month, Justine Greening responded to a parliamentary question (14 July 2014 c556W) about the issue from the then shadow Secretary of State for International Development, Jim Murphy:

Mr Jim Murphy: To ask the Secretary of State for International Development if officials in her Department will meet displaced people from the Gambella region of Ethiopia to discuss forcible removal and abuse in the Ethiopian Government's villagisation programme. [204545]

Justine Greening: Since February 2011, DFID has undertaken several visits to Gambella and to Gambellan refugees residing in Kenya and South Sudan. These visits have included discussions about allegations of abuse and forced movement in relation to the Commune Development Programme.

DFID, together with partners from the Development Assistance Group in Ethiopia (the 'DAG'), is planning a further visit to Gambella later this year.

Mr Jim Murphy: To ask the Secretary of State for International Development when she last discussed the villagisation programme with the Government of Ethiopia. [204549]

Justine Greening: Ministers and officials regularly discuss all aspects of the bilateral programme with the Government of Ethiopia.

To our knowledge, no information has yet been made publicly available about the outcome of the DAG's follow-up visit to Gambella later in 2014.

As we saw earlier, DFID has opposed Leigh Day's application to the British High Court for judicial review.

Given the terseness of its 26 February statement, there is no way of knowing for certain whether DFID's decision to end support to the PBS should be interpreted as indicating that it disagrees with the stance taken by the Board of the World Bank.

2.7 Leigh Day's response to DFID's 26 February announcement

On 28 February 2015, Leigh Day responded to DFID's 26 February announcement as follows:

Rosa Curling a lawyer in the Human Rights team at law firm Leigh Day, who is representing Mr O, said:

"We are delighted the government has finally agreed to withdraw the funding it provided to PBS which is known to be associated with the Villagisation programme in Gambella.

Villagisation has had a devastating effect on people like my client and his family. It has been associated with appalling human rights abuses and it is not an appropriate or lawful use of UK aid money.

The government must learn from this mistake and put in place a proper system to ensure it assesses and follows the money it provides to development programmes abroad so it can be sure they are not inadvertently funding oppressive and abusive programmes like this."²

² Email communication received from Leigh Day. Available on request.

3 Further information

According to DFID's 'Development Tracker' website, DFID's [total project budget for Ethiopia](#) in FY 2014/15 is £373 million, making Ethiopia second in ranking after Sierra Leone, which has been affected by an Ebola epidemic over the last year or so.

The size of DFID's total project budget for Ethiopia is set to fall over the next two years and will be under £200 million in FY2016/17.

Ethiopia is widely viewed as one of sub-Saharan Africa's biggest '[development success stories](#)', with former Prime Minister Meles Zenawi, who died in 2012, given much credit for this.

However, its human rights record has been heavily criticised by organisations like [Amnesty International](#) and [Human Rights Watch](#).

Ethiopia was not one of the "countries of concern" featured in the Foreign Office's [Human Rights and Democracy 2013/14](#) report, although it is covered as a '[case study](#)', reflecting UK Government concerns about "continuing restrictions on opposition and dissent in Ethiopia". An [update](#) of the case study was issued in October 2014.

National and regional legislative elections are due to take place in May 2015.

An unexpectedly strong opposition performance in the 2005 elections led to a major political crack-down by the ruling Ethiopian Peoples' Revolutionary Democratic Front (EPRDF). Largely as a result of this crack-down, in the 2010 elections opposition representation in the federal lower house, the House of Peoples' Representatives, fell from 174 to one.

Another decisive victory for the EPRDF, now led by Prime Minister Hailemariam Desalegn, is widely expected in the forthcoming May 2015 elections.

3.1 Hyperlinks

["Rethinking business and politics in Ethiopia: The role of EFFORT, the Endowment Fund for the Rehabilitation of Tigray"](#), DFID Research/Africa Power and Politics Programme, ODI, 2011

Alex de Waal, ["The theory and practice of Meles Zenawi"](#), *African Affairs*, January 2013 [see also the July 2013 issue for follow-up debate on the legacy of Meles]

[Full text](#) of Justice Warby's 15 July 2014 ruling

["Report of the World Bank's Inspection Panel on Promoting Basic Services Phase III"](#), 24 November 2014

["Leaked report says World Bank violated own rules in Ethiopia"](#), ICIJ, 20 January 2015

["World Bank: Address Ethiopia Findings"](#), Human Rights Watch, 23 February 2015

["World Bank board discusses Inspection Panel case in Ethiopia"](#), 27 February 2015

[Promotion of Basic Services Programme](#) (Phase III), DFID's 'Development Tracker' website