Urban and Peri-Urban Development Dynamics in Ethiopia

Study for Swiss Agency for Development and Cooperation
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Ethiopia
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Abbreviations

AfDB  Africa Development Bank
CA   Cities Alliance
CSA  Central Statistics Agency of Ethiopia
DFID Department for International Development
FDRE Federal Democratic Republic of Ethiopia
GDP   Gros Domestic Product
GIZ  Germany-Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
GNI  Gross National Income
GTP  Growth and Transformation Plan
HDI  Human Development Index
MOA Ministry of Agriculture
MoFEC Ministry of Finance and Economic Cooperation
MOI Ministry of Industry
MSE  Micro and Small Enterprises
MUDHo Ministry of Urban Development and Housing
SDC  Swiss Agency for Development and Cooperation
SDG  Sustainable Development Goals
UNDP United Nations Development Programme
UNIDO United Nations Industrial Development Programme

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Executive Summary

Ethiopia is the second most populous country in Africa next to Nigeria with a population estimated at 99.39 million out of which over 19.4% live in urban and peri-urban areas. The country is predominantly rural and categorised as one of the lowest urban dwellers residence compared to many developing countries’ including Sub - Saharan standards in percentage of total population residing in cities and urban settings, which also displays a rapid rate of urbanisation in the pace at which people are relocating to urban centres. The agricultural sector as back bone of the economy could not meet the demand for food and could not provide adequate employment and income for the growing population. Diversification of the economy is a necessary precondition to ensure robust economic growth and alleviation of poverty. Urban and peri-urban development can play a significantly role in diversifying the economy towards industry and manufacturing growth. Public-led investment in infrastructural and other investment concentrating in major urban centres are attracting people from rural and urban areas. People settling in and around urban centres without any formal allocation of land and provision of proper services have turned, at times, into slum-like conditions and have led to clashes between settlers and law enforcement.

SDC’s support intervention in Ethiopia over years has been focussed in improving lives in arid and semi-arid communities through resilient and adaptable planning to drought and flood incidents. Humanitarian assistance provided in emergency situations and coordination mechanisms of the humanitarian system to more efforts for resilience building and stronger linkages between humanitarian aid and development. It has also been noted that new entrants to urban domain in peri-urban areas and expansions at urban centres have been joining to urban population without any other alternative income generating schemes. Designing poverty alleviation mechanism is an important instrument to ensure sustainable development in urban centres. Based on the identified challenges in the study, recommended future fields of action of the SDC suggest on urban employment, tenure security, basic services and governance.
The study report is structured in seven chapters. Chapter one describes background of the study and applied methodology. Chapter two presents population dynamism of the urban centres in Ethiopia. Elaborations on causes of the rapid urbanisation and its implication for urban and peri-urban development are included. Chapter three focuses land acquisition and expropriation mechanism that has strong linkage with rural land conversion processes to urban functions and market facilities on rural -urban linkage. In chapter four, urban economy, basic services and climate change are described. Unemployment, poverty issues and food security matters are made part of this analysis. Chapter five pinpoints relevant policies to stimulate urban development initiatives. Chapter six, identifies relevant stakeholders engaged in poverty reduction interventions in urban centres and the possibility of synergy with SDC’s activities in the country. Chapter seven, as a concluding and way forward section, is a prelude to identification for future field of actions in line with the Horn of Africa Cooperation Strategy thematic areas of SDC.
1. Introduction

1.1. Study background

Current SDC activity is mainly concentrated in rural areas with only modest part of its programmes focuses on urban development contexts while there had been a specialised department on “Industry, Vocational Skills Development and Urbanization” and country programmes with strong urban development components in Vietnam and Western Africa in the 80 ties till early 2000. Although the then modest focus on urban context was due to SDC-internal reforms in the years 2000, in view of the above mentioned global trends it appears to be focal area of engagement for both development cooperation and humanitarian support. The State Secretariat for Economic Affairs, as the second Swiss government entity implementing development cooperation projects, has already nowadays a focus on urban contexts through financing the urban infrastructure.

In comply to the adapted urban development goals at SDG 11 inclusive, safe, resilient and sustainable cities and the new Urban Agenda agreed upon Habitat III Conference in Quito, the SDC is planning for long term positioning to extend its contribution on tackling the new urban and peri – urban challenges in five countries. A working group established in 2016 has presented recommendation which suggested to expanding to SDC’s current experience to build on the potential of dynamic rural-urban linkages to fight poverty at national level, putting individuals at the centre. The preliminary proposal includes that the SDC engagement should be more actively and systematically in (peri-) urban contexts, thus contributing to a more inclusive and sustainable urbanization process and thematic areas would be on (a) urban governance, (b) economic inclusion, and (c) environmentally sustainable and resilient urban development.

To this end, SDC has taken the initiative to conduct further study on validating reflections in more specific and deepen approach at countries like Ethiopia aiming the study will provide inputs for the elaboration of country strategies and portfolios, management decisions, internal learning and beyond.
1.2. **Objective of the study**

The country study aims to identify and propose potential future field of action in SDC intervention in Ethiopia urban sector. The study is expected to answer the following leading questions:

- What are the current and projected levels and major drivers of rural-urban influx and what may be the implications for (peri-) urban development?
- What are key issues and challenges in (peri-) urban development that development cooperation in general, and the SDC specifically, could address in Ethiopia?
- How could the SDC connect its existing experiences in Ethiopia with poverty alleviation in (peri-) urban contexts?
- How should the SDC integrate an “urban lens” into the development of the upcoming Swiss Cooperation Strategy Horn of Africa 2018-21? How could the SDC adapt its existing project portfolio if at all?

1.3. **Study methodology**

The methodology implemented to prepare this report includes review of available secondary sources at Federal and city specific studies in urban and peri – urban centres. Desk reviews of reports from the SDC, Central Statistics Agency, the World Bank, Government of Ethiopia’s Growth and Transformation Plan, Ministry of Urban Development and Housing, Ministry of Finance and Economic Cooperation and research papers from Universities. Individual interviews at sample cities of Addis Ababa, Bahir Dar, Hawassa and Assosa were conducted for specific questions as complimentary sources. Open questions were presented for interview to people in different occupation. Interview covered to extent of some urban development professionals, city government employees and displaced persons, and federal government institutions (see interview questions at annex 1).
1. Population Dynamics

2.1. Population Size and Growth Rate

Ethiopia is the second most populous country in Africa next to Nigeria with a population estimated at 99.39 million in 2015 from which 19.4% live in urban and peri-urban areas (CSA, 2016). Between 2007 and 2015 nineteen million people were added to the population. The population size is growing by 2.9 percent per year and is expected to nearly double in less than 33 years to around 185 million in 2050 (MUDHo, 2015). The country is one of the lowest urban dwellers residence compared to Sub-Saharan standards in percentage of total population residing in cities and urban settings\(^1\), despite indications display a rapid rate of urbanisation in the pace at which people are relocating to urban centres.

Projection made by Ministry of Urban Development and Housing indicates that, the number of urban population by 2025 is expected to reach between 30-35 million (27 to 30% of a total population). By 2037 the urban population will be 42.2 million (40% of the total population). This means that the urban population of Ethiopia will increase between 2015 and 2037 by as much as 39 million, and that the urban population expansion accounts for around 75% of the total population increase of over 50 million during this period (MUDHo, 2015). Date back to the country level of urbanisation, it was about 5% in the 1950s, and 10% in the 1970s and by 1984 was about 13%, and reached 19% in 2014 having grown by 6% between 1984 and 2013 and this reflects an average increase of 2% per decade (MUDHo, 2015).

Urban Ethiopia is increasing not only in population but also in densification of big cities and land expansion by including nearby peri-urban areas or by converting rural surrounding to urban settings. As depicts in figure 1, the total national population was increasing by an average of 1,361,000 people per year during the period between the first and second censuses conducted in 1984 and 1994. While the share of urban population was increasing from 11.3%

\(^1\) Although the level of urbanisation is increasing in Ethiopia, using comparable figures for 2012(World Bank, 2014), it remained low compared to averages of the World (53%) and regions like lower middle income countries (39%), Sub-Saharan Africa (37%), Kenya (30%).
in 1984 to 19% in 2014 and 19.4% in subsequent year, the proportion of the rural population was 88.7% in 1984 and declined to 81% in 2014.

Urban centres in Ethiopia are characterized by a primate city of Addis Ababa, few cities with a population ranging between 100,000 to 500,000 and many small towns with a population size of less than 5000 inhabitants. Addis Ababa is home to a quarter of Ethiopia’s urban residents and it is ten times bigger than the second largest city of Mekelle (see figure 2).
Currently the rate of growth of the secondary cities and small urban centres is increasing (see figure 3). Such cities as Hawassa in the south, Dire Dawa and Harar in the east, Mekelle in the north, Bahir Dar in the North west and Adama in the central corners of the country are not just growing faster but are deemed potential corridors for the future urban Ethiopia with stronger metropolitan areas in their respective regions.

Figure 3: Percentage of urban growth rate, computation from the State of Ethiopian Cities Report (MUDHo, 2015)

The trend in the growth of urban populations is likely to continue given the shift in emphasis from agricultural to industrial-led development. Recognising urbanisation as a major factor in socio-economic development, the government is embarking on a programme to convert rural Kebeles into urban centres. Moreover, public investments undertaken in construction of sugar factories, dams, industrial parks, airports, rail ways, dry ports and roads in many places of the country contribute to fast urbanisation with higher agglomeration of new people as settlers.

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2 Secondary Cities are defined as intermediate urban centres at regional states with 100,000 – 500,000 inhabitants and relatively fast growing cities in terms of economic activities, population size, socio-politics functions (Urban Developmental Good Governance Strategy of MUDHo, 2014). Many of them are serving as Regional State Capitals. The strategy names Adama, Kombolcha, Dessie, Mekelle, Bahir Dar, Gondar, Nekemte, Jimma, Dire Dawa, Hawassa and Harar as secondary cities.

3 Many of Rural Kebelle centres were connected to Woreda centres and highways by road due to courtesy of the Universal Road Access Programme. Woreda is rural local government administration boundary with equivalent political functions of city administration other than Addis Ababa, Dire Dawa and some Zonal Administrations. While Kebelle is last administrative unit of Woreda and City (local governments).
The age of the Ethiopian urban population as presented in the State of Ethiopian Cities Report (MUDHo, 2015) reveals that the youth population belongs to the age group 15-29 years was 37.3%, and would increase to 47% if the age group of 10-14 is considered. This data shows that the urban population is already exhibiting a demographic transition, which offers huge economic opportunities that can be harnessed during the next years provided adequate investments are made towards the creation of competitive human capital. Expansion of social and physical infrastructure in urban centres can help to improved living standard of residents and facilitate to the development of educated young force who can play significant role in the economy.

### 2.2. Classification of Urban Centres

The history of municipal institutions in Ethiopia dates to the imperial regime but to the extent of meaningful progress on the general framework for decentralised urban governance came with the adoption of the constitution, which stipulates self-rule at all levels. The Constitution provides for the legal basis upon which regional states can take measures towards establishment of urban local governments in a decentralised system (FDRE, 1995). It empowers to create the legal framework for the establishment of urban local administrations. While the federal legislation applies to the cities of Addis Ababa and Dire Dawa, all other towns come under the regional statutes. The issuance of regional level legislation defining the status, roles and relationships of urban administrations also meant the evolution of different forms of urban local government entities.

Per the Ethiopian urban planning law, an urban centre is a locality with a minimum population size of 2000 inhabitants, at least 50% of whom are engaged in non-agricultural activities. On the other hand, the CSA simply considers administrative status to define urban centres regardless of population size. Concentration of population, diversification of economic activities and availability of infrastructure and services are expected to increase the number of settlements that shape the characteristics of urban settlements. Peri – urban areas
Urban and Peri-Urban Development Dynamics in Ethiopia
Swiss Agency for Development and Cooperation

in Ethiopia are considered as future expansion of urbanised centres⁴.

Out of the 973 human settlements recognized as urban centres by the CSA (2007), 122 cities obtained city administration status based on regional state laws. They also have legislative, executive and judiciary authority. Whereas, more than 850 urban centres established under rural Woreda administrations are not classified as city administrations status by regional states. Some are called municipalities and many are simply having Kebelle status within rural Woreda. All of them are not supported with neither by Federal nor Regional government proclamations which allow them functioning as local government entities except some service provisions associated with waste collection, building permit, abattoir and so on.

Given the increase in the number of urban settlements from 648 in 1984 to 973 in 2007, it can be imagined that the number of urban centres will be more than 1000 in the coming census by 2018. As per CSA, proportion of small towns which was 96% in 1984 has declined to 88% in 2007, whereas the proportion of large towns has grown from 4% in 1984 to about 12% in 2007 (see table 1).

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Table 1: Classification of Urban Centres (MUDHo, 2015)

⁴ The term “peri-urban” refers to a place predominantly rural located between urban built-up areas in cities and agricultural area. The place is an interface between rural and urban activities and institutions where rural and urban development processes meet, mix and interact on the edge of cities. Peri-urban development is considered as part of urbanisation processes and natural consequence of urbanisation which refers to continues expansion of land which was prime agricultural supposed to be transformed by housing and industry as well as could be thought as of the two-way flow of goods and services between rural and urban. As there is no clear institutional arrangements that strictly deals with the peri-urban areas except that of rural land administration and urban expansion guided by urban planning proclamation, peri-urban dwellers do confront with laws and rural and urban institutions.
Based on projections made on the population size in urban spatial development plan of the Ministry of Urban Development and Housing, Addis Ababa will be maintaining its primacy with over 6 million inhabitants and number of urban centres will reach to around 2500 by 2035 (2015). The urban system in Ethiopia is unbalanced, with Addis Ababa being the primate city. This unbalanced urban system has had an adverse economic multiplier effect as most investors focus on Addis Ababa and do not engage with the opportunities in secondary cities. This causes a regional imbalance where a certain part of the country experiences rapid economic growth while other regions stagnate, leading to further migration to the capital.

2.3. Drivers of Rapid Urbanisation

Rapid urbanisation is basically derived from migration from villages to towns, urban expansion to peri-urban areas and the natural growth of urban inhabitants.

2.3.1. Migration

Migration considered as major factor to urban growth dynamics in Ethiopia and has significant contribution to the country’s urban population. The population migration in Ethiopian to urban centres has been rural-urban and urban-urban. Several studies including the report on State of Ethiopian Cities revealed that proportion of migrants in urban centres drastically increased. The proportion of migrants in the urban population which was above 40% and more than 73% of the urban migrants were from rural areas (CSA, 2008), indicating increasingly general level of rural-urban migration. This doesn’t include day labour migrants coming from surrounding rural areas for which data is not available in any of studies done before.

Better employment opportunities and basic social services are attracting rural migrants to the urban areas, whereas drought also thought to be the environmental stressor of greatest concern of the country. Migration is cited as providing a buffer against the detrimental economic implications of climate extremes, which may include loss of income and loss of livelihood. Desertification, deforestation, decreased soil moisture, salinization, soil erosion, and loss of biodiversity are all examples of macro-level changes that take years to develop
and that act as effect-multipliers of extreme weather events, having negative economic impacts on subsistence households, as notable causes of migration. Permanent migration is employed as it allows people to escape livelihoods which depend on the availability of resource but is also a strategy for managing drought. In addition to that existing public investments in industrial parks and sugar factories will attract more people from rural and other urban areas. This is expected to engender urban-urban migration as well as further pull out rural people into urban centres at an increasing rate.

2.3.2. Urban expansion

As demand for land increased over time, urban centres have been physically expanding their boundaries to surrounding rural and peri-urban areas by including additional land where people did base their lives in agriculture. Urban expansion was practicing in planned and unplanned manner. Most commercial and manufacturing expansions were guided by the urban expansion planning where as many of the residential settlements were due to urban sprawl from inner cities and informal settlement with people living at outskirts in a built or rented housing occupations. This type of expansion is very common to urban Ethiopia where causes for creation of substantial peri- urban centres around big and medium urban centres. Public led investments at industrial parks in cities expected to physically annex hundreds of hectares along with farmers to boundaries they manage. Commercial activities, infrastructures and services in expansion areas attracts people who were originally agrarian to gradually transform their living styles to urban settings and these causes spatial expansion as well as urban population increments to overall count.

2.3.3. Natural growth

Among indicators set to be useful to measure natural growth of a population is the trend of fertility rate. Ethiopia, like many developing countries exhibits high fertility rate given declining of the rate in recent years which shows at national level 4.8 in 2011 from 5.9 in 2000, while in urban areas it declined from 3.3 to 2.6. Improvements in the educational status of the population in general and that of women which is reckoned to have contributed to enhanced awareness about reproductive health, has also contributed to the decline in child
and infant mortality rate. Infant mortality rates in the urban and rural areas of the country stood at 59 and 76 per 1,000 lives birth in 2016, respectively, however, exhibited a declining trend from 97 in the urban areas and 115 in the rural areas per 1,000 lives birth in 2000 (CSA, 2016). The decline is mainly attributable to improvements in the delivery of health services in the country. Availability of better health services in urban centres therefore plays role to maintain natural growth of the population through decreased child and infant mortality rate.

2.4. Implications of population increase in urban centres

Urban agglomeration\(^5\) effects can increase the productivity of resources including land, labour and capital. Proximity generates external economies through specialisation and diversification, allowing the production of higher value added products and services. In addition to that urban areas can deliver housing more efficiently through cost-effective, high-density construction and can be prosperous destination of rural population in terms of job opportunities, market facilities and better living standard. But this only can happen if urbanisation is well managed and it should be noted that every addition in population brings new pressure in provision of basic urban service needs which is not financially and technically easily attainable in urban centres of the country.

Increases in urban population would require investment on socio-economic development to address the ever-increasing demand for jobs, housing and social services. According to the projection made by CSA, the youth population within the age bracket of 15-29 years is expected to grow from the 5.4 million (2015) to 13.1 million by 2037. In terms of households, there will be close to 6.5 million additional households for which housing units will be required in addition to current backlogs in housing supply. The projection on future requirement of housing made based on the projected population size obtained from the National Urban Development Spatial Planning study indicates that the additional number of housing units that would be needed until 2025 and 2035 would be close to 3.9 and 9.8 million, respectively. For demand to Social Services (MUDHo, 2015): The additional urban population has implications on availability and access to social services like education and

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\(^5\) Urban agglomeration refers increase of population size, technology and resource in urban centres
health. Failure to meet these requirements would undoubtedly result in unemployment, housing shortage and congestion, proliferation of informal settlements, environmental degradation, and inadequate basic social services such as education and health.

2. Rural – Urban Linkages

Rural – urban linkages expressed in terms of urban land expansion in response to urban growth and the exchange of services and goods between rural and urban population. In this section, linkage is discussed in line with market facilities and land acquisition and expropriation mechanisms focused to experiences in rural land conversion to urban settings.

3.1. Market Facilities

Urban centres do provide economic space for rural households both to purchase their inputs and household items as well as to sell their final products at local markets, thereby linking rural producers to the national economy. Development of small and medium size urban centres infrastructure has the potential to lower transportation costs and improve access to markets for both urban and rural consumers and producers. Urban centres can also serve as a stepping-stone or an end for rural residents seeking opportunities outside of the agricultural sector by absorbing some of the agricultural labour. Infrastructure works as a bridge between the rural and urban centres, and between the agricultural sectors and other sectors of the economy. An improvement in rural road quantity and quality lowers travel time and reduces vehicle running and maintenance costs, which in turn lowers the actual costs of marketing produce and reduces the costs of delivering inputs, increasing the inter-linkages between urban and rural areas.

Rural – urban linkage increases trade and capital flows, which prompt rapid changes in the agriculture and food system as urban consumers increasingly influence the nature and level of interactions among the various stakeholders in the agri-food chain. Rural – urban linkage in sample cities is mainly associated with food and labour supply to urban centres, and inputs for construction as well as technological outputs to rural areas. Majority of food items
supplied to urban centres include cereal foods, vegetables, fruits and livestock and
construction inputs for building of houses and roads such as, red ash, gravel, wood, bamboo,
are basically derived from rural areas. Urban centres contribution to linkage has multiple
faces as serving being core link to rural production to local and international markets. Agro –
processing factories located in sample urban centres, like food and beverage processing are
notable instruments in linking rural and urban. Although was not able to find quantitative data
in terms of rural inputs to food processing factories in Addis Ababa, rural products including
vegetables as well as fruits comes from an approximate radius of 500-kilometre distance of
neighbouring regional states.

On the other hand, an example of market linkage (under construction) in Bahir Dar evidences
to extent of urban centres being a prosperous place to rural products through created bridge to
marketers. A project called ‘terminal market’ is an initiation of the regional government and
donors aiming at building a market place for transaction of agricultural products such as,
cereals, vegetables, fish, and animal products. The market will be equipped with modern
facilities including, cold and warm storage and warehouses to further enhance rural market
linkage covering around 100 – kilometre radius of the agricultural products. As learnt from
visit and explanation of responsible government employee in city, this type of market centre
can play pivotal role by creating direct link between rural and urban marketers in a single
place. And it is believed that transaction cost will decrease significantly as there will not be
much intermediation to products being ready for sale. Since the proposed market structure
includes whole sale and retails, producers can supply to whole sellers directly and at the same
time retailers can buy agricultural products from whole sellers without additional traveling
cost and this by implication helps both urbanities and rural agriculturalist.

Furthermore, urban areas are also serving to surrounding rural being centres of knowledge
and innovation. Higher educations, health institutions, technical and vocational training

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6 Studies indicate that more than 50% of the country’s trade transaction is undertaken in the capital city of Addis
   Ababa (World Bank, 2015).
7 The ‘terminal market’ in Bahir Dar is under construction in 25 hectares of land along the main road of Abay
   Mado with a cost of around 1 billion ETB, currently some of the sheds are completed. The land was used to be
   hold by 175 household farmers residing there and learnt that each were displaced after compensation and a
   plot land for residential house building given
centres are basically placed in main urban centres and supporting rural agriculture through modernised bee haves, poultry, milk processing equipment, and processed animal feedings, providing improved seeds and seed pest. Access to basic services and infrastructures including transportation facilities are the other type of the linkage where cities like Addis Ababa, Hawassa, and Bahr Dar public transport facilities are extended to rural surrounding with an average distance of 50-kilometre radius. This has been connecting rural agriculturalist in terms of labour mobility and easing product transport. Industrial products of urban centres those useable to house construction are currently changing living standard of the population of rural in many areas.

Peri – urban centres are important players to rural – urban market facility in Ethiopia. They are immediate reachable places to most rural marketers and close intermediates of both urbanised areas and pure rural places. Locational value of peri urban areas to agricultural products and industrial goods is not only categorised as juncture to urban and rural but they also demonstrate rural and urban functions much better than fully urbanised places. Agricultural goods produced in peri -urban areas can be sold at spot during market days to rural and/or urban buyers and can be transported to urban centres through intermediate traders.

3.1. Land Acquisition and Expropriation

Ethiopia has been implementing differing approaches to the acquisition of urban and rural land. The imperial regime allocated land ownership to political supporters without regarding to its occupation or use by farming populations. Between 1976 and 1991, the former government -Derg- implemented a series of reforms in which farmland was confiscated and redistributed among rural households. The government of FDRE largely maintained the policies of the previous regime. Under the Constitution, land is the property of the State and of the peoples of Ethiopia. The state has had total control over land development and provision although there are different acquisition systems in tenure rights of urban and rural lands.

3.1.1. Urban Land Acquisition
The urban land lease holding policy was introduced through land lease proclamation. It states that the transaction of land henceforth is between the government as sole owner of urban land and private individuals under the lease holding system. The purpose of introducing this land tenure system in urban and peri-urban (for urban expansion matters) areas is to transfer land use rights to individuals for a specific period. At present, urban land is only made predominantly available for investment on lease basis; the lease price in turn is determined through land auctions held by city administrations. In addition to the auction system, land is being leased out through negotiated locations and prices, or is being assigned by the government for selected projects.

Investment plots in cities are made available through an auction system for long-term leases, which range from 15 years for urban agriculture to up to 99 years for such as housing. With regards to rights of lease holding, any lease-hold possessor may transfer, undertake a surety on his rights of lease-hold, or use it as a capital contribution to the amount of the lease payment he has made according to the land and investment proclamation (No. 721/2011).

### 3.1.2. Rural Land Acquisition

Rural land is given free of charge and for an indefinite period to peasants, pastoralists and semi-pastoralists who live in rural or wish to be engaged in agriculture and to investors through lease/rent for a specified period. According to the proclamation (No. 456/2005), rural land can be acquired either by distribution of government land, communal land, other unoccupied land and land with no inheritor, redistribution, settlement programmes, donation or inheritance. Most of the land used by farming households is allocated by rural kebelle administrations.

Investors can lease farmland from Woreda administrations, regional states or federal government depending on how much land they wish to acquire. Rural land can be transferred through donation to family member who is or wants to be engaged in agriculture but who has no any other source of income. In addition to that a rural landholder who has a holding certificate can rent/lease the land to any person. Certification initiatives have resulted in an
increase in the number of women with legally recognised rights as holders by including both spouses on the certificate in the case of joint ownership, and providing certify cates to women in case of divorce, separation or death.

3.1.3. Urbanisation and Peri-Urban Land

Urbanisation and growth in population termed as a driving force of the emergence of new property system through conversion of rights on land tenure into various forms of privately held rights, development of new market segments, and institutional arrangement of a given society that entails formal and informal uses. The growing of population pressure as a cause and consequence of urbanisation leads to significant changes in land tenure practices and related property rights. Conversion of rights to market economy leads to greater entrepreneurialism and the transformation of local economy from agrarianism to a bustling, dynamic free market of commerce, services, small scale industry and commercial agriculture.

Peri-urban lands in Ethiopia are a sphere of unauthorised land transactions dominated by conflicts related to access and control of land. It is a place where big developments undertaken including with informal settlements without utilities emanated from urban sprawl of wealthy people in some areas and to the poor people in many areas. This was evidenced during field trip in this study in Addis Ababa Hawassa, Bahir Dar and Assosa where hundred thousand of informal houses were built in peri-urban areas and caused conflict between urban administrators and illegal house builders. In some case the number of informal houses build in peri-urban areas are set to be equivalent to legally built houses in inner cities. For instance, the consultant has learnt from municipal official in Hawassa that total housing units illegally built in peri-urban but later included to city administration based on structural plan reached to nearly 20,000. Whereas formally certified houses over sixty years in the city were only 23,000 housing units.

Similar experiences were exhibited in all over major urban centres especially in most vibrant cities like Addis Ababa. An example of conflict which claims individual lives due to erupted
clash between people from the city administration and informal settlers while announcement made for demolishing of these houses was an incident in 2016. City Administration of Addis Ababa’s major challenge is said to be confronting to informal settlers who built unauthorised houses around peri-urbs. Attempts made over years didn’t meet the required result. As per informant’s explanation to this study, around 40,000 housing unit owners were supposed to be regularised but many other housing owners are still asking the administration to certify them through regularisation\(^8\) process.

Both wealthy and poor are involved in informal land transactions for different purposes. For wealthy people, it was looking for wider and better plots of land in peri-urbs but for the poor, remains as a matter of shelter. As the poor can’t afford house rent in inner cities\(^9\), they prefer buying a piece of land from peasants and build a house with substandard material and live in a deteriorated housing condition in the peri-urban areas that include haphazard residential development with insufficient social services and infrastructure.

Land values are increasing, and multifaceted actors are set to be interested in peri-urban land. This intensifies land use disputes between different institutions and actors. Unprecedented demographic change and spatial growth in urban centres aggravated land insecurity of farmers residing in peri-urban areas. The usufruct rights permitted to be exercised in the transitional peri-urban areas are expected to be terminated and evolved into urban leasehold systems compulsorily by the government, as a response to the growing demand for land for urban development purposes.

Interviews with former land holder peasants affirms that the uncertainty of government promises with amount of compensation and unavailable of long term income generating scheme led to most of them to prefer selling the land to informal buyers or intermediate

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\(^8\) Regularisation is a process of granting urban land use certificate to informal settlers who hadn’t been acknowledged by city administration for many years. Informal land holders can only be given certificate as far as their hold is in comply with structure plan of the granting city.

\(^9\) Rental houses at city are untouchable for the poor as they range from 1000 ETB – 2000 ETB (equivalent to USD\$ 55 - 110) in Hawssa and ETB 800–1500 (equivalent to USD\$ 35-66) in Bahir Dar in a month for single small house for which is not affordable to majority of the people. They can’t also dream to participate in land lease auction for residential houses as the land lease price is high compared to illegal land sale price in peri-urban areas. As per informants view residential average land lease per square meter is ETB 3500 and 4000 (equivalent to USD\$ 156 and 178) in Bahir Dar and Hawassa respectively. (interview)
dealers although they both know it’s unconstitutional\textsuperscript{10}. In addition to the formal compulsory conversion of usufruct systems into leasehold systems, vast numbers of people, mainly the urban poor, are moving towards peri-urban areas looking for informal plots of land, which also has implications for land use and land tenure relation changes.

As per the responses from interviews and previous specific studies on sample cities, the impossibility of converting the rights of local peri-urban communities into urban land rights is a critical deficiency in the urban land development process in Ethiopia, which has triggered tenure insecurity in the area. As urban boundaries approach peri-urban territories, local landholders in these territories are subject to expropriation. Consequently, a sense of land tenure insecurity is a more prevalent problem in the transitional peri-urban areas. The responses from interviews in Hawassa, Bahir Dar and Assosa have shown that the local peri-urban landholders in one way or another feel in secured about their land rights\textsuperscript{11}. They expect that their land will be taken by the city administration at any time when it is needed for urban expansion programs. The interviewee peasants confirmed that do not feel secured on the usufruct right of the farm land they possessed it for many years. They are not also confident with government compensation practice as used to be decided autocratically given the federal proclamation puts some compensatory criteria.

Informal market buyers face another form of land tenure insecurity as they don’t receive straight acceptance by city administration. They should wait for years to get title deed certificate from city administration and these mainly done when number of illegal buyers increased over years and made to be political burden to government. Formal transaction for urban land is only possible through lease right transfer policy to be made between city administration- the leaser and lease holder. Not only that major cities revenue is depending on

\textsuperscript{10} For an example, the highest ever compensation given to peri-urban land holders around Bahir Dar (2016) was ETB 262,000 (equivalent to USD $11,645) whereas, some individuals were transferring the land to informal buyers for around ETB 3 million (equivalent to USD $133,333) by sub dividing the land in to an average of 100 square meter (this is an average, given smaller size also provided). Informal land market in Hawassa seems expensive than Bahir Dar when learnt to be around ETB 5 million (equivalent to USD $222,222) per hectare in 2017. Conversion is based on this month’s average rate as 1USD is equivalent to 22.5 Ethiopian Birr.

\textsuperscript{11} A research conducted on tenure security in surrounding peri – urban areas of Bahir Dar similarly revealed that rural land holders are not feeling secured on their farm land. 94% of respondents out of 70 interviewees had feeling unsecured (Achamyeleh Gashu, 2014)
land lease but also due to increasing demand on land for different urban development purposes, cities are struggling to include rural lands from peri-urban areas which makes the urban land delivery process a critical land policy matter in Ethiopia.

As a response to the growing demand for land for rapid urbanisation, the government has been implementing expropriation and reallocation of land mainly from peri-urban areas. The affected peri-urban landholders who cease to possess their land due to urbanisation are entitled to cash compensation. Compensation modalities as stipulated in the proclamation includes compensation in urban property situated on the land and for permanent improvements made to such land: based on replacement cost of the property - compensation for a building in current cost per square meter. Where as compensation for agricultural land holders at peri-urban areas is a displacement compensation which shall be equivalent to ten times the average annual income, the holder secured during the five years preceding the expropriation of the land (Proclamation No. 455/2006).

Whether this compensation is enough to transform displaced farmers from agrarian to urban based economic activities12 is a question. While not proactively led in prolonged period planning, leaving farmers without enough compensation and entrepreneurial skills can be termed as the destruction of existing property system and agricultural livelihoods. Without necessarily replacing peasants with any alternative form of economic activity and that loss of agricultural livelihoods leads to the rapid growth of an informal economy. It can often grow only by absorbing more participants without an accompanying increase in overall economic output. Informants from sample cities confirmed this with strong spirit that many farmers who were previously displaced from agriculture are getting poorer than before.

It was also indicated that the political unrest around Addis Ababa peri-urbanities in 2016 have association with dissatisfaction of the land expropriation and compensation mechanisms and an overall lack of strong complaint handling mechanisms. Existing practice towards land expropriation claim is only on the amount of compensation and/or provision of piece of land

12 Note: Displaced people can only claim on amount of compensation not for the landholding right as government has the right to takeover out of them and re allocate for public or private purpose. However, if they are not satisfied with the amount they can appeal to higher administrative body even to court by indicating that have been securing more income than current estimation.
for shelter by ignoring issue of continues income generating alternatives. As learnt from the Industrial Park of Hawassa and the Terminal Market of Bahir Dar, there seems to be no special treatment set for displaced peasants apart than compensations and temporary jobs for daily labourers. It would have been much better had been included some preferential rights on permanent job hiring through provided trainings and encouraging peasants to be entrepreneurs.

The process of urban expansion and large-scale private development in peri-urban areas through expropriation does not entail enough participation and negotiation between the affected local peri-urban landholders and private developers nor have inclusive planning for this process. The amount and kind of compensation received upon expropriation over the past years indicates that the system is generally characterized by unfair and inconsistent valuation methods, leading to inadequate rehabilitation programme to farmers as well as leaving them without securing minimum income generating alternatives after displacement. In addition to that absence of mechanism for converting the land rights of local peri-urban farmers into urban rights during the process of urbanisation put peri-urban land holders to uncertain living lives in urbanities which causes extra poverty to urban population and burden to additional infrastructure and service demand in city administration.

3. Economy, Basic Services and Climate Change

4.1. Economy

Over the past decade, fast economic growth in Ethiopia, with more than 10% annual GDP growth since 2005, helped to reduce poverty head count from 38.7% in 2005 to 30 % in 2011 and 26% in 2013, while low levels of inequality have been maintained with the Gini coefficient remaining stable at 0.30(World Bank, 2015). The proportion of households living in poverty has fallen in both rural and urban areas since 2005. Ethiopia ranked number 174 out of 188 on the Human Development Index on the UNDP Human Development Report
(UNDP, 2015)\textsuperscript{13}. Agriculture accounts for 85 percent of employment, 50 \% of exports, and 43 \% of GDP and growth in the sector was particularly inclusive and contributed significantly to poverty reduction (MoFEC, 2014). It is a major source of food for domestic consumption, of raw materials for the domestic manufacturing industries and of primary commodities for export. Moreover, the sector supplies 70\% of the raw-material requirements of local industries. Livestock and livestock products, as well as food crops, were the leading contributors to agriculture-sector growth in 2015 (MoFEC, 2014).\textsuperscript{14}

Share of agriculture in the GDP declined over ten years from 47\% in 2005 to 39\% in 2014, that of the services sector increased from 40\% to 46\% in the same period (World Bank, 2015). The strong economic growth has been underpinned by the country’s public sector-led development strategy, with its focus on heavy investment in infrastructure. Despite its declining contribution to GDP over the years, agriculture remains the leading sector in terms of contribution to the country’s overall economy. Government recognises that for economic growth to be accelerated, and the labour absorption capacity of the economy to be increased. A study undertaken by Ethiopian Development Research Institute in New Climate Economy recommends corridors around urban centres focused on the objective of development of the industrial sector, and in particularly on the expansion of light manufacturing activities (2015). These economic zones and industrial parks include free-trade zones, export processing zones, industrial parks, and to be governed by simplified customs procedures. The aim is to significantly increase production in the export-oriented manufacturing sector, and boost employment numbers directly and through local supply chain impacts.

\textbf{4.1.1. Employment}

\textsuperscript{13} Ethiopia’s HDI value for 2014 is 0.442— which put the country in the low human development category—positioning it at 174 out of 188 countries and territories. Between 2000 and 2014, Ethiopia’s HDI value increased from 0.284 to 0.442, an increase of 55.6 percent or an average annual increase of about 3.21 percent

\textsuperscript{14} Services sector (49\% of GDP growth) mainly due to distributive services, including wholesale, retail trade, hotels and restaurants, transportation and communications that happened mainly inside cities.

\begin{itemize}
\item Industry grew at 12.8\%/per year, resulting in a construction boom following the scale up in public investment. In 2010/11 to 2012/13, the construction subsector grew by an average of 22.7\% while the industry sector grew by 18.1\%.
\item The manufacturing sector remained low with an average share of around 4\% during 2012/13 but with a high growth rate at 11.5\% per year
\end{itemize}
The sector which accommodates the largest number of people after agriculture is the service sector. It comprises over 70% of urban employment in Ethiopia. Manufacturing sector, quarrying and construction sectors together make up 20.5% of urban employment. And the remaining 8.2% employment is in urban agriculture, forestry and fishing (CSA, 2011). In the service sector, a sizeable proportion of the employed work as shop sales persons, petty traders as well as restaurant service workers. The composition of employment structure within the service sector does not much related to innovation and has limited potential to grow and be competitive beyond the domestic market.\textsuperscript{15}

Unemployment rate in Ethiopia decreased to 16.80 percent in 2015 from 17.40 percent in 2014. The rate in Ethiopia averaged 19.88 percent from 1999 until 2015, reaching an all-time high of 26.40 percent in 1999 and a record low of 16.80 percent in 2015 (CSA, 2016). In urban centres, however, the national urban unemployment rate was about 21.3%, whereas Addis Ababa, Dire Dawa, Shashemene, Dessie, Adama stood above the average (see figure 4). Unemployment rate appears as high as in big cities and towns due to influx of migrants from rural and urban centres seeking for better job opportunities.

\textbf{Figure 4: Country and some cities unemployment rate in 2015 (CSA, 2016)}

Development of Micro and Small Enterprises\textsuperscript{16} (MSEs) in Ethiopia is aimed at enhancing job opportunities and to boost productivity. Financing support through microfinance institutions,

\textsuperscript{15} For instance, majority of workers in service sector (close to 66%) in city of Addis Ababa are engaged in low skill and low paying jobs and many of those in elementary occupations are either domestic or related helpers, cleaners, messengers, porters, doorkeepers or related workers (CSA, 2011).
various trainings and business development support services are part of the strategy. A lot of jobs have been created via the MSE Development Programme. The programme has contributing towards building the capacity of the private sector, although it was designed with the primary objective of creating jobs for the urban unemployed. In addition to their expected contribution to job creation, their role in establishing linkages in the value chain between agriculture and industry has made MSEs strategic for the transformation process.

Working in MSEs considered as an informal employment in many cases. Informal employment\(^\text{17}\) provides the livelihood of many urban residents. This sector accounts for 60-70% of urban employment in cities\(^\text{18}\). It employs a vast majority of the migrant work force in the urban economy; and provides affordable goods and services for the poor. The GDP share of urban output contributed by the informal sector is assumed to be considerable. It would thus be essential to support those informal sector activities which create value and provide positive externalities.

4.1.2. Poverty

Unemployment is strongly correlated with poverty in Ethiopia such an example where one third households with an unemployed in Addis Ababa live in poverty. As job opportunities haven’t increased in parallel to urban population growth, getting permanent job and income that make difficult for majority of urban residents buy food for at least 2200 calories a day. The World Bank’s urbanisation review study (2015) indicates that urban poverty seems to be increased as the urban poor lived in Ethiopia was 11% in 2000 and rose to 14% in 2011, whereas government official sources (MOFEC, 2015) shows slight poverty decrease over the subsequent years. Poverty rates in the two large cities of Addis Ababa and Dire Dawa are

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\(^{16}\) According to the strategy definition for MSEs, Micro enterprises are those establishments with less than five employees and with capital of less than 100,000 birr, while those between 100,000 and 1.5 million paid capital are defined as small enterprises and employ from 6 to 30 employees. Similarly, regarding the industrial sector, medium and large scale industries should be able to employ more than 30 persons.

\(^{17}\) Informal employment in this context refers engaging in any economic activity that lacks books of account showing the monthly income statement and balance sheet; have no permanent working place or any businesses operating without licenses. Perceptions about the informal sector are wide ranging. Some view the informal sector as a hiding spot for clandestine and illegal activities while others perceive it as a starting point for entrepreneurs and as a feasible alternative for employment.

\(^{18}\) MSEs Strategy (MUDHo, 2014).
much higher than other cities. Addressing poverty in urban centres is becoming an increasingly important focus of development policy, and increasing the productivity of urban work is central to many urban plans. Despite existing high percentage of food poverty compared to total poverty indications in urban centres, slight extreme poverty rate reduction exhibited through years from 29.6%, 27.6%, 26% in 2012, 2013 and 2014 respectively and people lived under extreme food poverty also fall to 31.8% in 2014 from 33.6% in 2012 (see figure 5)\textsuperscript{19}.

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure5.png}
\caption{People in urban centres live below poverty line (MoFEC, 2015)}
\end{figure}

Consumption inequality measured by the Gini-Coefficient for the country was 0.30, while the index was 0.274 and 0.371 for rural and urban areas, respectively (see figure 6). This reflects higher inequality in urban centres than in rural areas. While there was no meaningful change in inequality in rural areas and the country at large, in urban areas inequality index increased to the peak of 0.44 in 2005 and declined to 0.37, in 2011 consumption inequality in urban areas was higher than in rural areas. From 2005 to 2011, consumption growth was negative for the poorest 15 percent of the urban population and for most households in cities as income did not increase to compensate households for the rising food prices they faced (MUDHo, 2015).

\textsuperscript{19} The current national poverty line measurement and analysis of poverty and inequality in the country applies food consumption index based on a minimum calorie requirement per adult per day of 2,200 g calories, a consumption-based estimate of "food poverty" line set in monetary terms at ETB 1,985 per adult per year, and a consumption-based estimate of "total or absolute poverty" line set at ETB 3,781 per adult per (MoFEC, 2013).
Informants to the study expressed their view on urban poor’s affection of food price escalation through time. Daily earning by the poor residents is not sufficient to buy a minimum food for daily consumption.

Poverty reduction from agricultural productivity increases has occurred in places with better market access when cereals prices have been high, underscoring the dependence of agricultural growth on increased urban demand for agricultural products. Further urbanisation and growth in non-agricultural sectors would continue to exert upward pressure on food prices. This will need to be met by agricultural productivity growth to keep labour costs competitive, but soaring prices incentivize the required agricultural investments. Although beneficial for many poor rural households, high food prices carry costs for the urban poor. High food prices in urban centres is a challenge to urban poor lively hood as majority of residents are not able to buy sufficient food from the income they earn\(^{20}\).

Rapidly growing urbanisation is both an opportunity and a challenge. As an opportunity, it is a chance to promote a dynamic self-sustaining urbanisation process, which is an integral part of the overall economic structural transformation in the country. Per the World Bank study in urbanisation review, urban centres contribution to GDP stands at 38%, and 60% of all new jobs created in the country were in urban centres (2015). On the other hand, it demands

\(^{20}\) Informants to the study expressed their view on urban poor’s affection of food price escalation through time. Daily earning by the poor residents is not sufficient to buy a minimum food for daily consumption.
attention and investment to establish basic infrastructure and without these necessary preconditions, urban growth can create havoc that may result in poverty, unemployment, hopelessness, and criminality. The Government of Ethiopia recognizes the importance and relationship between urbanisation and successful economic development and it is expected that the country will become a middle-income nation by 2025. And to this end, national and city level programs and projects have mainly concentrated on social or physical infrastructure development for poverty reduction interventions.

4.2. Basic Services and Climate Change

Access to basic services is one of the requirements for a healthy and productive citizenship. Access to serviced land, safe drinking water, energy and sanitation can be mentioned as some of the services required of a city to at least support a healthy and decent living. In the absence of adequate, affordable urban services, a growing urban population translates into growing urban poverty. Cities in Ethiopia are already characterized by informal settlements and resource-poor communities living in harsh conditions; the growth of population in cities could lead to rapid growth in urban poverty.

Access and utilization of education and health services has increased over the last decade from 2006 to 2015 the number of health posts increased by 159% and the number of health centres increased by 386% and 77% of households in urban have water on their premise (CSA, 2016). Related to the water problem, urban centres have a poor sewerage system that need to be improved. This has exposed to liquid waste pollution and other sanitation problems. Most liquid wastes are dumped into the river and is causing a severe problem to urban agriculture and to the overall environment (CA, 2016).

Housing is one of the major challenges in urban and peri-urban areas of the country. Demand in Addis Ababa is higher than everywhere in the country where nearly a million low and middle income people are in the waiting list of the government condominium houses. Ministry of Urban Development and Housing study indicates that 70-80% of the population lives in urban areas considered slums, and 60% of urban houses are slums. The lack of affordable housing is the most pernicious deficits. The quality of available shelter is
extremely poor; as shown in the 2007 population and housing survey, about 80% of all urban housing units in the country are made of wood and mud (wattle and daub), and 66% have earthen floors (CSA, 2008). As many as 28% of urban housing units have no toilet, and around 27% are without kitchens. Coverage for sanitation services is very low; only 27% of urban dwellers had access to improved sanitation facilities in 2015 (CSA, 2016).

One of the other strongest manifestations of urban poverty is the lack of adequate energy services. While almost all urban areas in Ethiopia are connected to the national grid, actual use of modern energy sources is still lagging. Apart from the costs of electricity, the cultural attachment to traditional forms of cooking, in the form of biomass-based cook stoves (charcoal and fuelwood) is one of the single most influential factors keeping urban populations in Ethiopia from converting to electricity (CA, 2016). As energy demand and use is likely to increase as more people migrate to urban centres and as income levels rise, the energy sector should rise to the challenge of providing more reliable, healthy, and affordable electricity access to urban populations.

Persistent droughts and unpredictable rainfalls are common phenomenon in Ethiopia. The country is one of the most vulnerable country in the world. It is ranked as the 10th most vulnerable country in the world to extreme weather. which is ranked 5th of 184 countries for drought risk, 34th out of 162 countries for flood risk, and 5th out of 152 for landslide risk (CA, 2016). Some of the big cities like Dire Dawa, Adama, and Dessie are likely to be more prone to floods. In 2006, Dire Dawa was subjected to major floods, resulting in 256 deaths and some 10,000 people being made homeless (Dire Dawa Administration, 2011). The frequency of extreme rains and flash floods has increased over the last three decades

4. National Urban Development Policy Framework

- are each chartered by federal proclamations and are treated in some respects as regional state level while other urban and peri-urban centres roles and functions are defined by respective regional governments cities establishment proclamations.

Ethiopia is implementing its second Growth and Transformation Plan (GTP II), which spans the periods, 2015/16 to 2019/20. The process consists of a series of 5 year rolling plans with detailed sectoral growth targets include: 11% annual increase in GDP, 18% increase in the size of the industrial sector, 24% increase in the size of the manufacturing sector, an annual increase of 29% in export revenues, manufacturing to account for 40% of export earnings by 2025 (National Planning Commission, 2014). These ambitious targets are to be achieved by attracting Foreign Direct Investment, by encouraging the expansion of the domestic private sector, through continued government investment in infrastructure and services. The Government maintains that by meeting the targets specified in GTP II, the country will reach lower middle income country status by 2025. Experience with GTP I, however, indicates that meeting the targets may not be given. During GTP I important industrial and manufacturing output targets were not fully achieved. Exports did not grow as fast as had been hoped.

Ethiopian Government assesses urbanisation as necessary for both economic growth and structural transformation. As countries advance economically the share of agriculture shrinks while the share of industry and services increases. This is also seen in the recent changes of the structure of Ethiopia’s economy. A growing role in the share of industry and services means an increasing importance for cities and towns as most of the industrial and service activities take place in these areas. Urban areas are potential drivers of the implementation of many national development strategies and thereby underpin success of the GTP. But it has to be recognised that this can only happen if urban areas are pro-actively planned and managed.

The National Urban Development Policy prepared in 2005 has been an important starting point for policy discussion and marks an important shift and focus towards urban centres. This policy is a pivotal document where the government has responded to the urban affairs in a coordinated fashion and setting ground for policy makers focus towards urban and peri-urban centres. Following the policy document, various urban development strategies have
been advanced. Currently the urban development policy of Ethiopia is operating through the framework of the Ethiopian Cities Prosperity Initiative (ECPI). ECPI prepared to support the development of Ethiopia’s cities, urban and rural centres to ensure they are ‘‘Green, Resilient and Well-Governed’’. In comply to SDG 11. “Make cities and human settlements inclusive, safe, resilient and sustainable”, ECPI objectives extends to making cities economically productive, socially inclusive and environmentally sustainable through decentralised and building urban infrastructure, services and systems. Capacity b building programmes and resource mobilisation plans have been listed out to implement ECPI during GTP II and III. GTP emphasizes the importance of promoting MSEs and focus is going to be given during the plan period. Because they are considered fundamental for the development of medium and large-scale industries and job creation. Various supports such as trainings, credit, provision of work and selling premises, market linkages, one-stop-service and industrial extension had been provided to some MSEs operators. Since the overall objective of GTP is to sustain broad-based, fast and equitable economic growth, support package to MSEs need to enhance the support scheme that focuses on innovation, competitiveness and sustainability.

5. Stocktaking of Other Actors’ and SDC’s Activities

6.1. Donors and Institutions in Urban Development Programmes

The Federal Government of Ethiopia has been partnering with regional governments, urban local authorities, donors, and development actors in urban poverty reductions and infrastructure development for the improvement of livelihood of citizens. There is an understanding with actors working in urban development that existing rapid urbanisation in the country would be serious challenge if not pro-actively planned towards poverty redaction and job creation. Capacitating urban centres in inclusive planning and economic challenges related to urbanisation is considered as an important intervention by partners which this will not only included on their specific planning but also help them to be ready to deliver improvements for their existing and future urban population in their localities. Upon government’s policy shift from agricultural led industrialisation towards urban and industrial
development of recent years, there is an increasing expectation on additional efforts to be made in poverty reduction and assistance on widening job opportunities in urban and peri-urban centres.

MUDHo is the lead institution in providing technical standards to urban centres and policy initiatives dealing with infrastructure, employment and urban land management. Regional government bureaus of urban development are also in charge to provide technical support and create enabling environment to urban and peri-urban centres in their boundary. Partners who have been working in urban development initiatives including to GIZ, the World Bank, Cities Alliance, DFID programmes were basically focusing on poverty related challenges which did help the urban poor to have access to infrastructure and employment opportunities (see institutional mapping in table 2 and 3).
Table 2: Institutions partnering the urban development initiatives in Ethiopia

<table>
<thead>
<tr>
<th>Institution</th>
<th>Intervention area</th>
<th>Geographic Coverage</th>
<th>Achievement</th>
<th>Project status</th>
</tr>
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<tbody>
<tr>
<td>GIZ - Deutsche Gesellschaft fuer Internationale Zusammenarbeit- through (Germany) Urban Governance and Decentralisation Programme</td>
<td>Technical support in municipal services and infrastructure development, urban planning, livelihood, establishment of new city administrations and experience exchanges</td>
<td>In 28 Cities, MUDHo, and Ethiopian Cities Association</td>
<td>Among technical support provided by GIZ which is now institutionalised in each city and country awarded internationally is Cobblestone Road Development. Cobblestone has been source of income and employment to the poor. Moreover, the condominium houses introduced in Addis Ababa and low cost houses in some other cities were notable achievements in easing existing housing problem. Assistance provided to enhance ongoing cities reform programmes were helpful to local governments in establishing decentralised administration</td>
<td>Phased out</td>
</tr>
<tr>
<td>World Bank – through Capacity Building for Decentralised Service Delivery (CBDSD), Urban Local Government Development (ULGDP), Urban Productive Safety Net Project (UPSNP), Transport Systems Improvement Project (TRANSIP), Expressway Development Support Project</td>
<td>The bank was technically and financially providing support in deepening decentralisation process, urban local governments infrastructure development, transport, land management and water supply in cities</td>
<td>CBDSD was in 19 cities (Addis Ababa and 18 intermediate cities) ULGDP currently extended to 44 cities (big, medium and small cities) from 19 Productive Safety Net about to start in eleven cities in in first phase Water supply improvement project will be implemented in twelve cities</td>
<td>Cities have benefited from decentralisation programme and local infrastructure development which appears as one and biggest financial source of local governments in addressing residents demand.CBDSD has been phased out, both ULGDP and Productive Safety Net as well as initiatives on water supply and road transport are functional</td>
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<tr>
<td>Institution</td>
<td>Intervention area</td>
<td>Geographic Coverage</td>
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<tr>
<td>Water Supply and Sanitation Improvement project, Road Sector Support project Sustainable Land Management Project</td>
<td>Assistance extends to the establishment of country programme which brought partners in to urban development platform, fund transfer for assorted studies including urbanisation review, state of cities report, integrated data base management, inclusive and economic growth of secondary cities, and research on Ethiopia Energy and Climate Change</td>
<td>MUDHo and two secondary cities</td>
<td>Ethiopia Country Programme Steering committee chaired by MUDHo minister established, studies disseminated to institutions</td>
<td>Partnership continue</td>
</tr>
<tr>
<td>Cities Alliance – through Ethiopia Country Programme, Future Cities Africa Project, Property taxation project Melinda and Bill gates Foundation</td>
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<tr>
<td>DFID – through Future Cities Africa Project in Cities Alliance Ethiopia Investment Advisory Facility (EIAF) Water, Sanitation and Hygiene (One WASH) Programme</td>
<td>Fund provided to the study of Ethiopian cities future proofing to identify how will be cities inclusive, sustainable and have growing economy and establishment of Ethiopia Investment</td>
<td>MUDHO, MOI, MoFEC, Climate Resilient Green Economy (CRGE) Facility</td>
<td>Future Proofing Study in Mekelle and Dire Dawa (through Future cities Africa project under CA) has completed</td>
<td>Functioning</td>
</tr>
<tr>
<td>Institution</td>
<td>Intervention area</td>
<td>Geographic Coverage</td>
<td>Achievement</td>
<td>Project status</td>
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<tr>
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</tr>
<tr>
<td>Building Resilience and Adaptation to Climate Extremes and Disasters Private Enterprise Programme Ethiopia</td>
<td>Advisory Facility in trade logistics, energy and urban development as well as Industrial Parks development Working on private sector development, sanitation and building climate resistance activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UNDP – through Ethiopia Entrepreneurship project Local Economic Development programme</td>
<td>Fund and training provision to new entrepreneurs for start-up capital as well as revolving fund to people in need.</td>
<td>It has started with 18 cities and four regional sates</td>
<td>Contributed to improved lives of the poor in cities</td>
<td>Continuing</td>
</tr>
<tr>
<td>UNIDO- through Private sector development programme</td>
<td>Support for private sector development through training and experience exchanges</td>
<td>MOI Industrial Parks Addis Ababa and Secondary cities</td>
<td>Contributed to development of private sector</td>
<td>Functioning</td>
</tr>
<tr>
<td>AfDB through Transport development: Water and Sanitation: One WASH programme Water and Sanitation Improvement programme Agro-industry parks agricultural market infrastructure development</td>
<td>Integrated transport programme including new regional road project, capacity building for one stop border post, corridor management and logistics system Integrated water supply</td>
<td>MOT Regional Governments (Cross regional) Water and Sanitation Improvement programme for four cities Integrated water supply and sanitation programme for 10 towns Agro-industrial parks</td>
<td>On-going,</td>
<td>On-going</td>
</tr>
<tr>
<td>Institution</td>
<td>Mandate</td>
<td></td>
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<td></td>
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<td></td>
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<tr>
<td><strong>Federal Government</strong></td>
<td></td>
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</tr>
</tbody>
</table>
| MUDHo | Leading the sector  
Study urbanisation trend in the country  
Set criteria for urban grading and land management  
Provide capacity building and technical support to Cities  
Develop urban service and infrastructure standards |
| MoFEC | Lead macro Economy, Finance and Resource mobilization |
| National Planning Commission | Lead GTP II preparation and implementation process  
Responsible for National Planning Priorities  
Direct the course of national development. |
| MOI | Creating conducive conditions for the acceleration of industrial development of domestic and foreign investment;  
Provide support to industrialist  
Administer industrial parks |
| MOA | Responsible for rural land administration and productivity |
| Employment Creation and Urban Food Security Agency | Set policy to employment creation and criteria for food security programmes in urban centres |
| **Regional States** | |
| Bureau of Urban Development | Lead the sector in region  
Determine rural and peri-urban status in respective region  
Undertake cities’ capacity building programmes |
| Bureau of Agriculture | Determine the amount of compensation per hectare based on products  
Responsible for rural land administration and productivity |
| **City Administrations** | |
| Mayor's office | Mayor represents the city along with City Manager  
In charge of planning and delivering social and infrastructure services  
Responsible for boundary expansion and compensation to displaced people |
| Planning and Land Administration Department | Determines land expansion, amount of compensation for displaced people, land use change and land delivery for housing supply |
6.2. Possible outreach on SDC activities

The Swiss Agency for Development and Cooperation has been engaged in poverty reduction initiatives through increased food security and resilience of dry land communities. As indicated in the cooperation strategy for the Horn of Africa (2013-2016), thematic areas were organised into four components: Food Security (focusing on rural development), Health, Good Governance and Migrations. To this end and upon agreement with Government of Ethiopia, SDC was working with the Somali and the Oromiya Regional States of Ethiopia, which are categorised arid and semi-arid environment, highly dominated by pastoralist communities, and exposed to environmental risk and vulnerability. The Country Programming to end drought emergencies aims to achieve rapid development based on sustained economic growth and seeks to develop the livestock sector. Activities included during the programme period were associated with climate resilience participatory planning, rehabilitation and management of water points, sanitation and initiatives to improve hygiene services for which disaster risk management plan preparation is part of the intervention.

SDC experience on working in poverty reduction in arid and semi-arid pastoralist dominated communities can be scaled up to urban and peri-urban areas of the country. Initiatives undertaken by donors and public institutions in urban centres are not enough to ever demanding population growth and food insecurity in urban areas, esp. to peri-urbanities. Most interventions undertaken throughout the years were focusing on well-established city administrations. Although poverty and unemployment issue in these urban centres have never been addressed sufficiently due to limited coverage. Vulnerable people living in many of small towns and peri-urban areas haven’t been beneficiaries of initiatives, neither by the government nor donners. These towns and people needed attention.

Current cooperation strategy in SDC has correlation with urban and peri-urban poverty related challenges that may help design suitable planning to assist healthy transformation from rural to urban dwelling. For instance,
a) **Food security is an issue of the urban poor.** They suffer from unemployment and malnutrition. Food purchasing power of daily income is deteriorating. Having understood this pressing problem, the Ethiopian government in partnership with the World Bank has currently launched the Productive Safety Net Programme in Addis Ababa and some secondary cities. The programme aims to support low income people to start their business through financial provision and trainings. Financial transfers to disabled and aged people in a form of social welfare are also part of the programme. As learnt from the national programme coordinator, this kind of support will be given to the poorest people screened by city administrations. However, he does believe that the amount of people to be benefitting from the programme is very trivial compared to what is needed in each city.

b) **Health:** As explained earlier to this topic, addressing health problems in urban centres would help to building a productive society in these centres where sanitation facility coverage has never reached more than a quarter of the urban population.

c) **Good governance** is key instrument to ensure peace, stability and development. Many conflicts are caused in land acquisition and expropriation in peri-urban and urban areas. Lack of of good governance and the related significant tenure insecurity contribute to such conflicts. There is no enforcement mechanism for inclusive planning at the ground. Some of investments undertaken at cities have never been considered local public views nor are they aligned with overall city planning.

d) Both, **migration** into and out from Ethiopian urban centres need to be addressed through proper planning and handling of migrants. An element would be allowing them to contribute to the urban economy through created entrepreneurship capacity.
6. Conclusion and Recommendation on SDC’s Future Field of Action

7.1. Conclusion

The urban population growth is driven by continued migration to urban areas, urban expansions to peri-urban and rural areas, and natural growth based on the existing fertility rate. Expected new urban settlements around mega projects of the country will also bring additional urban population increase. Influx of migrants to these places is expected to be high. Migrants to urban areas are attracted by the prospect of securing paid employment and by expectations of improved health care, housing and education. A high urbanisation is an opportunity if agglomeration of skilled and semi-skilled labour as well as technologies are optimised through planned initiatives. It is a chance to promote a dynamic self-sustaining urbanisation process. On the other hand, as a challenge, it demands attention and investment to establish basic infrastructure such as health, education, housing, roads, water and sewerage, and recreational facilities. Without these necessary preconditions, urban growth can create havoc that may result in poverty, unemployment, hopelessness, and criminality.

Peri-urban areas are the most contestable places where rural land holders are usually forced to give up agricultural activities inconsequence of land expropriation upon cash compensation. This happens without any kind of entrepreneurship trainings to the ousted former land holders. Such trainings might be helpful to transform these former peasants to find livelihoods in their new urban lives. Government or private sector led investments in peri-urban areas do not consider sustainable rehabilitation or transformational programmes to rural land holders apart of providing the rather small amount of compensation. Agricultural land holders are not allowed to convert the land they hold into urban functions. They also do have no guarantee whatsoever regarding long term tenure security. Selling the land illegally to informal settlers and entrepreneurs (either all the land or through dividing their hold) seems to many land holders far more attractive than the amount of compensation and lengthy payment procedure of government in the likely case of a future compulsory acquisition.
Development is exhibited over the last ten years and still agriculture is continuing being the leading sector to GDP contribution, export earnings and employment generation. Service and industry sectors are also growing fast. Public led investments in urban areas are a major source of service and manufacturing development in Ethiopia and this will be seeming to continue over GTP II period as private sector is not yet in a position of leading big economic initiatives. Apart than witnessing existing development in all over the country, poverty remains high with a quarter of the urban population still suffering from a lack of food and other shortcomings.

Considerable improvements are registered in services and infrastructures in urban areas over the years. However, affordable housing and some services relate to water, sanitation and energy remain as serious bottleneck to the population, more specifically to urban poor. Living condition of the urban poor is miserable; they live in substandard houses without access to sanitary facilities and electricity.

7.2. Recommendation on Future SDC’s Field of Action

Inclusive planning and management is crucial for urban Ethiopia to ensure that implementation of poverty alleviation initiatives and creating sustainable and vibrant centres that will accommodate all social strata of the society. Without well-functioning infrastructure, governance and services, urban and peri-urban centres cannot take advantage of the potential of agglomeration, network effects and the inventiveness of businesses and people placed nearby offer. Structural transformation is important to create inclusive and resilient economy. Effective and inclusive planning and management leads to improved living standards, and allows or enables the development of individual capabilities. Inadequate planning and management leads to the rise of agglomeration diseconomies and debilitating poverty that characterises too many urban settlements.

SDC’s support intervention in Ethiopia over years has focussed on the enhancement of livelihood. Achievements include improved lives in arid and semi-arid communities through resilient and adaptable planning to drought and flood incidents. Moreover, improved
humanitarian assistance provided in emergency situations and coordination mechanisms of
the humanitarian system to more efforts for resilience building and stronger linkages between
humanitarian aid and development. As discussed earlier in this study, urban poverty is not
falling as expected against GDP growth in past ten years rather trends have been indicating an
increased rate especially at bigger cities like Addis Ababa, Dire Dawa and others.

It has also been noted that new entrants to urban domain in peri-urban areas and expansions
at urban centres have been joining to urban population without any other alternative income
generating scheme. Designing poverty alleviation mechanism is an important instrument to
ensure sustainable development in urban centres. Based on identified challenges in the study,
the consultant has recommended SDC future fields of action to focus on urban employment,
tenure security, basic services and governance. Proposed field of actions were assessed in line
with SDC’s long term experience in Ethiopia poverty alleviation intervention. Recommendations from similar studies in urban and peri-urban areas have been considered. Key urban development challenges mentioned by interviewees (see annex 2) were also integrated to overall intervention priorities21.

**ACTION ONE: REDUCE URBAN UNEMPLOYMENT:**

In Ethiopian context, income, food security and unemployment have strong correlation to
each other which one depends on the other. People living below overall and food poverty line
in urban centres are as high as 26% and 31% respectively (2014). Not only the country’s
agriculture is self - insufficient, but also threatened at regular intervals by droughts and
floods. Moreover, in consequence of rapid urbanisation, the farm lands are drastically
changing to urban settings leaving agricultural labour force without any other alternative
employment. Presence of high rural-urban migration in time of drought and less agricultural
productivity if not loss of farmland on rural area seemingly aggravated the urban poverty and
unemployment rate in urban centres. Despite falling trends in country poverty, the rates in
urban centres are much higher than in rural areas. Inequalities also increase as urban centres’

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21 Note: Proposed field of action do only reflect possible areas of intervention. The consultant assumes separate
(pre) feasibility study will be conducted to further shape project portfolio. Shaping may include intervention
areas (urban/peri urban centres), coverage, SWOT analysis, investment and implementation modality. Also see
table 4.
size expands. Income by itself can’t guarantee to poverty reduction and food security as far as not incompatible to daily expenses as employment generating schemes should confer to minimum daily income in correspondent to expenses.

**Particular proposal:** Support job creation initiatives with focus to people live below poverty line suffering from food shortage. By doing so, the field of action could achieve SDC goals on food security, employment and economic development at all urban and peri-urban centres.

**ACTION TWO: IMPROVE LAND TENURE SECURITY IN PERI–URBAN AREAS:**

Tenure security is critical governance issue in urban and peri-urban centres in Ethiopia. Constitutionally both urban and rural lands are owned by government and farmers for rural land and investors for urban and rural land have usufruct right in various modalities. Urban land use right can be transferred through lease payment for fixed periods, ranging from 15 – 99 years, with the possibility of contract renewal after expiry. Rural land holding rights are given for agriculturalist free of charge for unlimited years. However, because of urban expansion rural land holding transferees to urban land use right. This increases land tenure insecurity, leading to an illegal land acquisition market and bringing about poverty to many peri urban settlers. Land values are increasing, multifaceted actors are set to be interested in peri-urban land. This has already and will further lead to intensified land use disputes between different institutions and actors. Unprecedented demographic change and spatial growth in urban centres aggravated land insecurity of farmers residing in peri-urban areas. The usufruct rights permitted to be exercised in the transitional peri-urban areas are expected to be terminated and evolved into urban leasehold systems, justified by the government with the growing demand for land for urban development purposes.

**Particular proposal:** Introduction of well researched policy alternatives that would improve tenure security of farm land in ever expanding urban expansion areas. Such policies would facilitate peri-urban land’s ability to contribute to better rural transformation to urban dwelling through sustainable means of income and ensuring optimal use of the land for economic development. Proper consultation with Federal ministries of Urban Development and Housing, and Agriculture is required. Consultation may include to draw area of intervention as well as creating mutual understanding on scope of the work.

**ACTION THREE: IMPROVE BASIC SERVICES:**
Rapid urbanisation in the country is putting a lot of pressure in urban centres in terms of service provision. This condition brought urban centres to struggle to meet service demands of not just the existing and natural population growth but also the urban population growth driven by migration. Access to serviced land, housing, safe drinking water, energy, waste management and sanitation can be mentioned as some of the services required of urban and peri-urban centres to at least support a healthy and decent living. Inadequate service provision in urban centres led to informal settlements with agglomeration and resource-poor communities living in harsh conditions cause huge slum areas to be adding in the rate of urban poverty.

**Particular proposal:** Working on sanitation and waste management as a priority intervention to address health problems of poor neighbourhoods and protect the environment\(^2^2\). Intervention might be applicable to all urban and peri-urban centres but to determine focus areas as it needs further discussion with institutions working in sanitation and waste management like, UNDP, Ministry of Health, and Ministry of Climate Change.

**ACTION FOUR (CROSS CUTTING): IMPROVE GOOD GOVERNANCE**

This should be streamlined in all series of specific fields of action, in ensuring inclusive planning, gender equality, transparency and social accountability. For effective implementation of proposed field of actions, it requires an aligned approach among Federal and Regional and City governments. Division of roles and responsibilities in the government tires and line ministries need to be coherent during spatial planning process in urban and peri-urban areas. Quality of community participation in policy formulation, planning and implementation is an area should require improvement.

**Particular proposal:** Support the more inclusive governance that effectively incorporates and builds community voice. Incorporate informality into the broader system as a means of supporting rather than undermining people’s survival strategies.

\(^{22}\) Note: Affordable housing and energy demand are also bottlenecks of all major urban service needs to urban community but the suggestion is forwarded given vast government’s intervention in these areas and through consideration of both – sanitation and waste management – multiplier effect along with other suggestions of field of action.
### Table 4: Summary of the proposed field of actions

<table>
<thead>
<tr>
<th>Field of Action</th>
<th>Relevancy to SDC objectives</th>
<th>Expected policy makers’ response</th>
<th>Recommended possible Areas of Intervention*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>One: Improve Unemployment Rate</strong></td>
<td>Urban employment is about income generation that has strong correlation with food security. Urban food insecurity defined as individual’s inability to buy their daily food with they earn. In line with the objective of SDC, reducing the unemployed rate of urban/peri-urban settlers can contribute pivotal role in securing food, employment and economy development.</td>
<td>It is expected to get high acceptance in partners and policy makers in the government. This can be proved from GTP documents and ongoing initiatives throughout the country.</td>
<td>Employment creation is top priority of the urban community that needs attention. SDC can scale up its experience working in arid and semi-arid zones to peri -urban areas. Having knowledge to peasants live style in these areas can help to design income generation schemes suitable for farmers supposed to be transformed to urban livelihood.</td>
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| **Two: Improve Land Tenure Security in Per-Urban Areas** | Land serves as source of income, employment and food for peasants. When expropriated, they usually exposed to inadequate compensation and face food insecurity. Need for tenure security therefore emanated with the objective of providing sustainable income generating alternative as well as making the urbanisation process accommodative. | Recent government policy document indicates need to work on better handling mechanism for rural land possessors while converted to urban settings. This can be lead to say there will be medium** acceptance by government. | The expected research result in tenure security can help to draw alternative policy applicable in all over the country. BUT, first recommendation for SDC would be to work with institutions at Federal level only. And if resource allowed, it can also be extended on implementation at existing SDC intervention areas. |

| **Three: Improve Basic Services** | There is need for improvement in sanitation and waste management. It appears as cause of health problem and environmental pollution in urban areas and informal settlements | There will be high acceptance by government and partners. | Area of intervention can be in peri -urban areas at arid and semi- arid zone where SDC has working experience. |

| **Four: Improve Good Governance** | Inclusive and participatory planning is crucial instrument to incorporate community voices. | It is also expected to win high acceptance. | Apart than developing good governance tool applicable throughout urban centres it can be mainstreamed in SDC specific interventions. |

* Indicated suggestions in recommended areas of intervention are subject to more specific feasibility study and SWOT analysis on modality and locational priorities.

** As the expected researched alternative policy recommendation hasn’t yet known, it would be difficult to be confident its acceptance at this stage. Rating as ‘medium’ reflects overall need and government interest in this area.
References:


CSA (2016) Demographic and Health Survey (Addis Ababa)

CA (2016) Future Proofing Study in Regional Cities conducted by ARUP, Ethiopia – Regional Cities is part of the Future Cities Africa (FCA) initiative in partnership with Cities Alliance and the UK - Department for International Development (DFID). (Addis Ababa)

CA (2016) The climate change and energy debate in Ethiopia, studied by Pegasys Institute (Addis Ababa)

Dire Dawa Administration (2011) Baseline Survey for Integrated Watershed Management and Flood Control Project for Selected Community Watershed of Dire Dawa Administration (Dire Dawa)


MOFEC (2014) Mid Term GTP I Assessment (Addis Ababa)
UNDP (2016) Human Development for Everyone, Briefing note for countries on the 2016 Human Development Report, retrieved in
http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/ETH.pdf
Annex 1: Interview questions

For Federal Ministry;

1. What are the main causes of rural – urban – urban migration?
2. Are urban centres being ready to provide necessary services to new population? If yes, how? If not, what are those main challenges then?
3. Is there planning tool which could enhance rural – urban linkages? Please elaborate this question in line with spatial planning and value chains?
4. How do peri-urban centres contributing to poverty alleviation? Who manage them? Are they linked to nearby big/medium cities – at least in planning? Is there guidelines/policy? If so what are the main objectives/targets
5. What would you think three key poverty related challenges in large, medium and small towns – in urban and peri-urban centres?

For City Administrations;

1. What are the key features of your urban linkage to rural economy? is there guiding policy/procedure? Can you explain this in terms of human labour, product and service linkages?
2. Who is your city/town food supplier? What looks like your city residents, esp., the poor, purchasing power?
3. Does your city included in productive safety net programme? if yes, how many people are they benefiting? Are they all poor or poorer of the poor?
4. Explain your city’s land acquisition mechanism to the poor?
5. How much per hectares did you pay for land compensation to farmers (in recent years)? Was this enough? If yes, how do this people transformed their lives in urban? If not, what was the reason?
6. Do urban poor benefiting from industrial park? Can you explain what and how?
7. What would you think three most poverty related challenges in your city?
Annex 2: Urban poverty related challenges

Interviewees were asked to mention top three key urban challenges in their cities

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>City</th>
<th>Key challenges</th>
</tr>
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</table>
| Dr. Zemenfes Kidus   | Addis Ababa| 1. Housing  
                       |            | 2. Unemployment  
                       |            | 3. Income inequality |
| Mr. Sahlu Gebreegziabher | Addis Ababa| 1. Housing  
                       |            | 2. Poverty  
                       |            | 3. Transport |
| Mr. Damte Data       | Hawassa    | 1. Poverty and unemployment  
                       |            | 2. Land supply  
                       |            | 3. Waste management |
| Mr. Chernet Filatte  | Hawassa    | 1. Infrastructure  
                       |            | 2. Service delivery  
                       |            | 3. Amount of compensation |
| Mr. Yohannes Mekonnen| Bahir Dar  | 1. Land for housing  
                       |            | 2. Transport  
                       |            | 3. Poverty |
| Mr. Mohammed Yasin   | Assosa     | 1. Poverty  
                       |            | 2. Employment  
                       |            | 3. Land |