

3. ETHIOPIA AND ITS CAPITAL, ADDIS ABABA


3.1 Ethiopia's General Profile

3.1.1. Basic Data

Ethiopia has a population of 76.5 million (2007)⁶ and is the second most populous country in Sub-Saharan Africa. It is 1.1 million square km big⁷. With a history of 3000 years, Ethiopia is one of the ancient Sub-Saharan countries. However, the Human Development Index (HDI) calculated yearly by the UN puts Ethiopia in position 169 of 177 countries in 2005⁸, and its GDP of \$US 160 is less than a quarter of the Sub-Sahara Africa countries average⁹.

The country economy revolves around agriculture, which in turn relies on rainfall. Droughts are recurrent, affecting millions of people; so many Ethiopians depend on food aid from abroad.

Table 1: Country Data¹⁰

			
Full name	Federal Democratic Republic of Ethiopia		
Capital	Addis Ababa		
Regions (plus 2 chartered cities)	Afar, Amhara, Benishangul Gumuz, Gambela, Harari, Oromia, Somali, SNNPR ¹¹ , Tigray, Addis Ababa, Dire Dawa		
Extension	1.13 million sq km		
Major languages	Amharic, Oromo, Tigrinya, Somali		
Major religion	Christianity, Islam		
Monetary unit	1 Birr = 100 cents		
Life expectancy	46 (men), 49 (women)		
HDI (2005)	0.406 (position 169 of 177 countries with data)		
Main exports	Coffee, hides, oilseeds, beeswax, sugarcane		
	1991	2005	
Population (millions)	53	71	
GDP per Capita (US\$)	108	141	
Inflation (% charge in consumer)	36	12	
External debt (% of GDP)	97	16 (2006)	
Poverty incidence (%)	46 (1996)	39 (2006)	
Gross Primary school enrolment rate (%)	30	79	
Under-five child mortality (per 1,000)	204 (1990)	123	
Access to clean water (% of population)	19 (1990)	36 (2004)	
Road network (km)	23,442 (2005)	37,018	

⁶ World Bank, <http://go.worldbank.org/WA1RL12OL0>, February 2008

⁷ World Development Indicators database, April 2007.

<http://devdata.worldbank.org/external/CPProfile.asp?CCODE=ETH&PTYPE=CP>, Feb 2008

⁸ UNDP, 2005. http://hdrstats.undp.org/countries/country_fact_sheets/cty_fs_ETH.html

⁹ World Bank, <http://go.worldbank.org/WA1RL12OL0>, February 2008

¹⁰ http://news.bbc.co.uk/1/hi/world/africa/country_profiles/1072164.stm, September 2007; Ethiopia: Protecting the Most Vulnerable. <http://www.worldbank.org/ida>, March 2007; UNDP, <http://hdr.undp.org/en/>, March 2008

¹¹ Southern Nations, Nationalities and Peoples Region

Since 1991 (falling of the Communist “Derg” Regime), it has been significant progress in key human development indicators: The poverty headcount, which stood at 46 % in 1996 and 44 % in 2000, fell to 39 % in 2005. However, Ethiopia is still a long way from achieving the MDGs by 2015 due its beginning low level.

3.1.2. History

After some civilizations passed through northern Ethiopia the first Ethiopian Empire was established around 1270 by the Salomonic Dynasty, (claiming descent from the Kings of Axum, from Salomon and from the keen of Sheba.

Menelik II was emperor of Ethiopia between 1889 and 1913. He founded Addis Ababa as the capital city in 1889.

In 1895/96 there was a frustrated intend of Italy to invade Ethiopia whose troops were defeated, even though they retained the control over Eritrea.

In 1930 Haile Selasie (known as well as the king of the Rastaffaris) became Emperor of Ethiopia until the invasion of Mussolini's Italian troops (1936-41).

In the first part of the 20th century Ethiopia forged strong links with Britain, whose troops helped evict the Italians in and put Emperor Haile Selassie back on his throne. From the 1960s British influence gave way to that of the US, which in turn was supplanted by the Soviet Union¹².

Although largely free from the coups that have plagued other African countries, Ethiopia's turmoil has been no less devastating. Drought, famine, war and ill-conceived policies brought millions to the brink of starvation in the 1970s and 1980s¹³.

In 1974 this helped topple Haile Selassie. His regime was replaced by a self-proclaimed Marxist junta led by Mengistu Haile Mariam under which many thousands of opponents were purged or killed, property was confiscated and defence spending spiralled¹⁴.

Table 2: Historical remarks

1930-36	Ras Tafari Makonnen: Emperor Haile Selasie I
1936-41	Mussolini's Italian Occupation
1941-74	Britain and Commonwealth troops restore Haile Selasie to his throne
1952-62	UN federates Eritrea with Ethiopia (1952) and Haile Selasie Appends it (1962)
1973-74	An estimated 200,000 people die as a result of famine
1974	Haile Selassie overthrown in military coup.
1974-91	Marxist Junta called "Derg" led mainly by Mengistu
1975	Haile Selasie dies
1977	Somalia invades Ethiopia's Ogaden region
1978	With the help of Soviet Union and Cuba, Ethiopian troops defeat Somali troops
1984-85	Worst famine in decades in Tigray and Eritrea
1991-95	Ethiopia's People Revolutionary Democratic Front (EPRDF) captures Addis Ababa. Mengistu flees. Transitional government
1993	Eritrea becomes independent by referendum
1994	New constitution divides Ethiopia into ethnically-based regions
1995	"Democracy". First multi-party elections: Negasso Gidada titular president. Meles Zenawi prime minister
1999-2000	Ethiopian-Eritrean war because of border conflicts
2000	Second multi-party elections. Meles Zenawi win second five-year term as prime minister
2005	Third multi-party elections. Meles Zenawi wins again. The elections are considered a fraud. Nearly a hundred people were killed by police during protests. Thousands of people were detained
2006	Ethiopian troops support forces of the Somali transitional government
2007	Most of the oppositors of the government are released from prison in June. In September Ethiopia celebrates the start of a new millennium according to the calendar of the Coptic Orthodox Church.

¹² http://news.bbc.co.uk/1/hi/world/africa/country_profiles/1072164.stm, September 2007

¹³ http://news.bbc.co.uk/1/hi/world/africa/country_profiles/1072164.stm, September 2007

¹⁴ http://news.bbc.co.uk/1/hi/world/africa/country_profiles/1072164.stm, September 2007

The overthrow of the junta in 1991 saw political and economic conditions stabilise, but not enough to restore investors' confidence¹⁵.

Eritrea gained independence in 1993 following a referendum. Poor border demarcation developed into military conflict and full-scale war in the late 1990s in which tens of thousands of people were killed¹⁶.

3.1.3. Political Background

The current Head of the state is President Woldegiorgis Girma and the actual Prime minister is since 1995 Meles Zenawi¹⁷.

The first openly contested elections in Ethiopia's history were held peacefully on 1995. In May 15, 2005, official results of the third elections showed a victory for the ruling party (Meles Zenawi's Ethiopian People's Revolutionary Democratic), but large gains for the opposition, especially in the capital of Addis Ababa. Observers noted electoral irregularities, while the opposition claimed victory. Large demonstrations in June and November 2005 resulted in loss of life and mass arrests of demonstrators, journalists, and opposition leaders (around 36 people were killed and hundreds were arrested in the protests; 46 protesters died in further violence in November). Leaders of the main opposition party, the Coalition for Unity and Democracy (CUD, also known as Kinijit), as well as others detained in relations to the political unrest were released from prison in July 2007¹⁸.

While the tensions that arose after the May 2005 elections have not disappeared, the government has been making steady progress on the governance agenda¹⁹.

The government's recently completed second Poverty Reduction Strategy (called the Plan for Accelerated and Sustained Development to End Poverty, or PASDEP) now includes enhanced plans over the medium-term to accelerate local empowerment and increase transparency and accountability²⁰.

With the support of the Protection of Basic Services Project, the government is following through on its commitment to avoid political bias in providing basic services, improve local accountability (e.g., posting local government budgets in public places, unprecedented disclosure of budget information on the government website, establishment of a Parliamentary Public Accounts Committee chaired by the Opposition); strengthen fiduciary standards (audits, procurement, financial management, and fiscal reporting); and continue to devote an increasing share of expenditures to pro-poor services²¹.

3.1.4. Economic Background

After the downfall of the government of Emperor Haile Selassie I in 1974, Ethiopia spent the next 17 years under a heavy-handed Marxist junta

¹⁵ http://news.bbc.co.uk/1/hi/world/africa/country_profiles/1072164.stm, September 2007

¹⁶ http://news.bbc.co.uk/1/hi/world/africa/country_profiles/1072164.stm, September 2007

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¹⁸ <http://go.worldbank.org/WA1RL12OL0>, August 2007

¹⁹ <http://go.worldbank.org/WA1RL12OL0>, August 2007

²⁰ <http://go.worldbank.org/WA1RL12OL0>, August 2007

²¹ <http://go.worldbank.org/WA1RL12OL0>, August 2007

(commonly known as the “Derg”). Under Derg rule, the national economy suffered tremendously, due mainly to a rather large number of ill-conceived policy measures ostensibly designed to steer and control the courses of social, economic and political development in the country (above all, nationalization of urban and rural land and rental housing affected particularly the urban economy). In addition to this, the national economy, which relied heavily on the agricultural sector, received further blows from recurrent droughts that affected millions while the Derg was in power²².



Figure 2: National economy relies mainly on the agricultural sector, what depends on rainfall. Droughts are recurrent and have affected millions of people in last decades. The ADLI program is the main programme of the government to develop the agriculture and create industry

The country has been undergoing market-oriented reforms following takeover by the Ethiopian People’s Revolutionary Democratic Force (EPRDF) in 1991, after the downfall of the “Derg” Marxist Junta (1974-1991). The reform program has, in general, led to improvements in economic stability and growth in terms of real GDP, which according to the Ministry of Finance and Economic Development (MOFED) grew an average five percent per annum during the greater part of the post-1991 period. Ethiopia’s total public debt has been rising considerably in the recent past. For instance, total outstanding *external* debt was USD6.8 billion, while total *domestic* outstanding debt stood at 26.5 billion Ethiopian *birr* (ETB) at the end of the 2002/2003 financial year (MOFED, 2003)²³.

Currently, with a GDP per capita of about USD 160, Ethiopia is one of the poorest and most heavily indebted countries of the world. The agricultural sector, which accounts on the average for about 45 percent of GDP, is a source of livelihood for about 80 percent of the country’s population. Partly owing to this, the performance of the national economy fluctuates considerably with changes in weather conditions. For instance, the most recent drought, which occurred in

²² Situation Analysis of Informal Settlements in Addis Ababa, UN-Habitat. United Nations, Human Settlements Programme, 2007

²³ Situation Analysis of Informal Settlements in Addis Ababa, UN-Habitat. United Nations, Human Settlements Programme, 2007

2003, affected an estimated 13 million people and resulted in a decline of about 13 percent in the value added to GDP by the agricultural sector²⁴.

However, in 2005/06, Ethiopia maintained a third consecutive year of high, broad-based growth, thanks to a combination of a sustained high agriculture performance and higher and more diversified exports. Government reported broad-based high real GDP growth of 9.6 percent, following 10.5 percent growth in 2004/05, and an 11.9 percent rebound in 2003/04 after a severe drought²⁵. In fact, the IMF expects GDP growth of about 10 percent in 2006/07²⁶.

With the boom has come inflation, which needs to be managed consistently with growth objectives. The official inflation rate reached 12.3% in 2006, up from 8.6% in 2005, resulting from a strong upward pressure in food (14%), and non-food prices (7.2%), partly caused by the significant realignment of domestic oil prices in May 2006 to international levels. Exports grew at a 21 percent rate in 2006, but imports increased 22 percent from a larger base, leading to a widening of the balance of payments deficit and a reduction in foreign reserves²⁷.

While public revenues have shown strong growth, expenditures rose faster, resulting in a small increase in the fiscal deficit (from 5% of GDP in 2004/2005 to 5.3% of GDP in 2005/2006). Fiscal policy in 2005/06 was marked by a rapid adjustment to two significant shocks: reduced budget support (slashing the expected US\$400 million to about US\$150 million) following the 2005 elections, and the shortage of foreign exchange, partly due to the high oil import bill. The share of pro-poor spending in the budget continued to rise, and in 2005/06 accounted for almost two-thirds of expenditure, while defence dropped from 3.1 to 2.6% of GDP²⁸.

²⁴ Situation Analysis of Informal Settlements in Addis Ababa, UN-Habitat. United Nations, Human Settlements Programme, 2007

²⁵ Ethiopia: Protecting the Most Vulnerable. <http://www.worldbank.org/ida>, March 2007

²⁶ <http://go.worldbank.org/WA1RL12OL0>, August 2007

²⁷ <http://go.worldbank.org/WA1RL12OL0>, August 2007

²⁸ <http://go.worldbank.org/WA1RL12OL0>, August 2007

3.1.5. Poverty in Ethiopia

The Ethiopian government has adopted a national economic development policy of Agricultural Development-Led Industrialization (ADLI), since the implications of the predominantly agrarian national economy over the other economic sectors (mainly the industrial one). Accordingly, poverty reduction has remained the declared core objective in the government's Sustainable Development and Poverty Reduction Program (SDPRP).²⁹

In keeping with the spirit of ADLI, Ethiopia's poverty reduction program has until recently been giving emphasis to the welfare of the rural populace and only a few work has been going on in the country to improve the lives of the urban population, even though it has increased in the recent past. However, the fact remains that most of the country's urban centres are currently suffering from a

host of problems, including rising unemployment, deepening poverty, severe housing shortage and lack of good governance.

The government's efforts to improve the living conditions of the rural population have begun to bear fruit, whereas the incidence and severity of poverty have intensified in the urban areas in the recent past. The incidence of poverty dropped from 47 percent in 1995/1996 to 45 percent in 1999/2000 in rural Ethiopia. Comparatively, the same indicator rose from 33.3 percent to 37 percent in urban Ethiopia during the same period. More recent research also suggests that the income gap between the wealthy and the poor has been widening in urban centres. This appears to be particularly the case in Addis Ababa, which currently has an estimated population of no less than four million³¹.

Table 3: Poverty Incidence in Ethiopia by Region, 1999/2000³⁰

Region	Population living below poverty line (Percent)		
	Rural	Urban	Total
Tigray	61.6	60.7	61.4
Afar	68.0	26.8	56.0
Amhara	42.9	31.1	41.8
Oromia	40.4	35.9	39.9
Somali	44.1	26.1	37.9
Benishagul Gumuz	55.8	28.9	54.0
SNNPR	51.7	40.2	40.9
Gambella	54.6	38.4	50.5
Harari	14.9	35.0	25.8
Addis Ababa	27.1	36.2	36.1
Dire Dawa	33.2	33.1	33.1
Total	45.4	36.9	44.2

3.1.5.1. Governmental Efforts. PASDEP

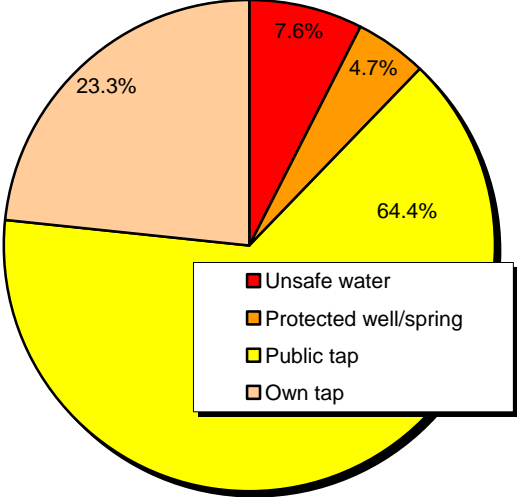
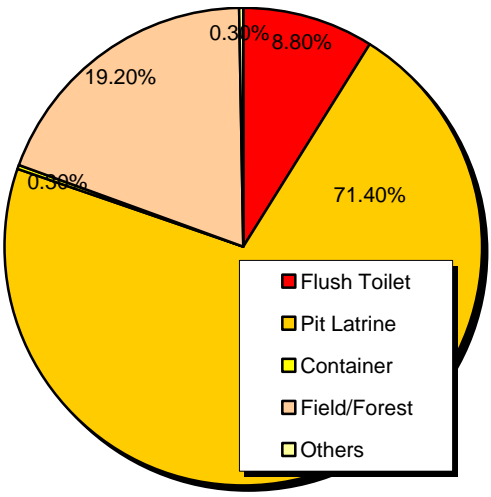
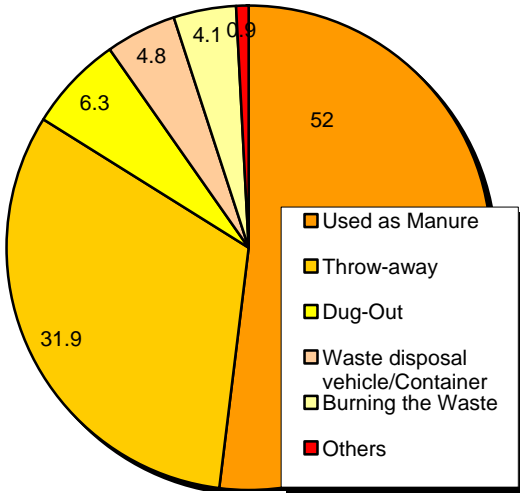
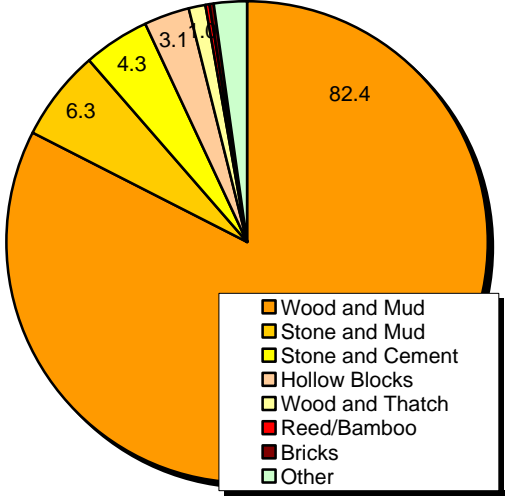
The Ethiopia's guiding strategic framework for the five-year period 2005-2010 are described in the Plan for Accelerated and Sustained Development to End Poverty (PASDEP, see number 14 in Figure 12, page 19). The PASDEP represents the second phase of the PRSP process which begun under the Sustainable Development and Poverty Reduction Program (SDPRP), which covered the past three years, 2000/01-2003/04 (see number 9 in).

²⁹ Situation Analysis of Informal Settlements in Addis Ababa, UN-Habitat. United Nations, Human Settlements Programme, 2007

³⁰ Situation Analysis of Informal Settlements in Addis Ababa, UN-Habitat. United Nations, Human Settlements Programme, 2007

³¹ Situation Analysis of Informal Settlements in Addis Ababa, UN-Habitat. United Nations, Human Settlements Programme, 2007

Table 4: Poverty profile analysis related with infrastructures and housing in urban areas in Ethiopia. Data has been taken from PASDEP document; the original tables are in Appendix B

<p>Figure 3: Percentage distribution of households by source of drinking water in urban areas, 2004</p>	<p>Figure 4: Distribution of households by type of toilet facility in urban areas, 2004</p>																																
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As shown in **Figure 3**, in urban areas most of the people don't have a tap at home (only 23.3 % do). This should be normal in rural areas but not that normal in urban areas. Furthermore, 7.6 % of the population in urban areas don't have any safe water source.

In the urban Ethiopia, even in Addis Ababa, there is not any waste water net; instead, most of the people use pit latrines (71.40 %) and there is even a huge percentage not using any type of toilet facility, "going" to the field or the forest (19.20 %).

As shown in the last figure, even in urban areas most of the houses (82.4 %) are made of wood and mud, which normally means a poor quality of the houses, and which means a very low income of the people living in there.

Before launching a strategic plan, the PASDEP analyses the poverty profile in Ethiopia. The graphics in Table 4 are related with infrastructures and housing

and use data mainly extracted from the PASDEP document, which uses information from the three main sources about poverty in Ethiopia - Welfare Monitoring Surveys (WMS), Household Income Consumption and Expenditure Survey (HICE) and the Participatory Poverty Assessment (PPA). In the Appendix B there are more tables that give more information about other issues like health, education or gender inequality.

After making an analysis of the urban poverty situation in Ethiopia related with infrastructures and housing with the data from the PASDEP document, some more specific targets are presented in the same document. These targets are divided into different groups., which are: Agriculture; Food Security and Vulnerability; Private Sector Development; Export Development; Tourism; Mining; Infrastructure; Health; and Education.

However, focusing on our study, only the infrastructure block is going to be summarised. This block is divided into Water infrastructure and Roads and Transport Infrastructure.

Water Resources, Water Supply, and Sanitation.

Ethiopia possesses substantial untapped water resources that could play significant role in reducing poverty and accelerating growth, if utilized adequately. However, mainly due to the uneven distribution of the resources and limitations of financial and technical inputs, only limited progress has been made so far.

Table 5: Selected Water Supply Indicators and Targets for PASDEP period. Source: PASDEP document

Indicator	2005/06	2006/07	2007/08	2008/09	2009/10
Supply of Clean Water (% of population)	51.50%	60.40%	68.80%	76.80%	84.50%
Improved Sustainability/Efficiency	Mal functioning water schemes reduced to 25%	Mal functioning schemes reduced to 20%	Mal functioning water schemes reduced to 15%	Mal functioning water schemes reduced to 10%	Malfunctioning water schemes reduced to 5%
Rate of water born diseases decline	From 70% to 60%	From 60% to 50%	From 50% to 40%	From 40% to 30%	From 30% to 20%
Water fetching time reduced	From 5.5 km to 4.5 km	From 4.5 km to 3.5 km	From 3.5 km to 2.5 km	From 2.5 km to 1.5 km	From 1.5 km to 0.5 km
N° of Rural WS schemes constructed	374 DW 2551 SW 20271 HW 22895 D	374 DW 2551 SW 20271 HW 22895 D	374 DW 2551 SW 20271 HW 22895 D	374 DW 2551 SW 20271 HW 22895 D	374 DW 2551 SW 20271 HW 22895 D
RWA schemes rehabilitated	23699 schemes	23699 schemes			
N° of UWS system studied constructed & rehabilitated	192 town study 51 new constructions 109 rehabilitated	202 town study 133 new constructions 77 rehabilitated	152 town study 163 new constructions 42 rehabilitated	182 town study 70 new constructions	97 new constructions

Recently greater efforts have been made. Especially during the last 3 years, the first phase of Sustainable Development and Poverty Reduction Program (SDPRP I) was formulated and implemented within the frameworks of the national Water Resources Management Policy, Water Sector Strategy and

Water Sector Development Program (WSDP). The average access to rural water supply rose from 24% in 2000 to 34.5% in 2005.

Despite the successes there still remain challenges. Most notable among these are ensuring the ongoing operations and maintenance of rural water supply schemes, and establishing the financial viability of urban systems. The other major issue confronting Ethiopia is how to move beyond the very low level of sanitation coverage, described in the findings of the WMS in chapter II.

The main target during PASDEP is to raise water supply coverage from 34.5% of the population to 77.5% in rural areas, and from 42.2% to 84.5% for the population as a whole.

With respect to sanitation, PASDEP will see a major program to promote and support the use of latrines with a target of increasing rural coverage from 17.5% to 79.8%, and urban sanitation coverage from 50% to 89.4% of the population.

The total estimated cost is in the order of Birr 3 to 4 billion (US\$ 300,000 to 400,000) per year for water supply and sanitation in the first few years, falling to about 1.8 billion per year in the later years.

A summary of sector targets under PASDEP are presented in Table 5:

Roads and Transport

The Ethiopian economy is characterized by widespread poverty, rugged terrain, skewed distribution of population and inadequate road network and transport services. This has resulted in weak spatial integration, predominance of rural settlements in isolation from one another and low economic activity. All these together have constrained the growth process and compounded the poverty problem, making it a vicious circle.

While it is difficult to directly measure the poverty impact of roads, it is widely agreed that road improvement has the potential to enhance household welfare, not only through increased use of transport services, *per se*, but through improving the quality and security of access to work, markets and services and through release of scarce household resources for consumption and production.

In the early 1990s, Ethiopia's classified road network was limited to about 23,000 kilometres, of which about 75 percent was rated as in poor condition. Faced with this situation, the Government gave greater emphasis to improving the main road network and extending the regional network in order to meet the socio-economic development needs of the country.

After two phases of the Road Sector Development Program (RSDP, 1997-2002 and 2003-Currently on going) efforts has been done by the Government to create adequate capacity in the road sub-sector to facilitate and hasten the economic recovery process, to restore the essential road networks to an acceptable condition. Network expansion has been done as well to particularly upgrading and constructing link roads to specifically address the deficiencies in access to potentially rich agricultural areas and mobility in rural areas as part of a broad-based rural development strategy.

The third phase of RSDP has now been prepared in the context of the government's PASDEP. The Road Infrastructure Needs Assessment in the context of MDGs (October 2004) is the basis for preparing the road sector

Development Program under PASDEP. However, the PASDEP only constitutes 40% of the ambitious Needs Assessment for roads sector calculated for the next ten years. Nonetheless, it represents three times the size of what was planned in the RSDPI. It is expected that such a huge investment will dramatically improve the classified road network connecting different regions of the country as well as low class roads interconnecting rural villages

3.1.5.2. Non-Governmental Efforts

On the other hand, as well as many governmental efforts are being done to alleviate poverty, many Non-Governmental Organizations (NGO) are working in Ethiopia, as the UN-Habitat indicates in the "Situation Analysis of Informal Settlements in Addis Ababa", no less than an estimated 1,120 NGOs are currently involved in various types of activities throughout Ethiopia. Of these, about 419 (128 international and 291 domestic) are development-oriented (however only a handful is participating in residential upgrading programs in Addis Ababa). NGOs have implemented projects worth ETB5.96 billion (or USD681 million) in Ethiopia, reaching out to 15 percent of the country's population between 1996 and 2000³².

An indigenous non-profit umbrella organization of these NGOs is Christian Relief and Development Association (CRDA). It is an association of Non-Governmental Organizations (NGOs) and Civil Society Organizations (CSOs) engaged in relief and rehabilitation, developmental activities focusing on poverty alleviation and policy advocacy and lobbying. It is the first legally registered association of NGOs/CSOs operating in Ethiopia and serves as a forum for collective vision and action. It allows resource mobilization and the sharing of experiences for effective and sustained impact. CRDA builds capacity to ensure efficiency and quality are met, efforts are not duplicated and lessons can be learnt. All this is geared towards championing societal transformation.

At establishment in 1973, CRDA had 13 members. As of January 2007, this number has increased twenty times over to 283 member agencies operating in Ethiopia, which are listed in APPENDIX C. This number covers more than two third of the NGOs operating in the country. Of CRDA's total membership, 69% (194) are local NGOs, and 31% (89) are international. The membership operate throughout the country, covering both urban and rural areas emphasizing food security, rural and urban development, health, HIV/AIDS, education, water and sanitation, infrastructure, good governance, environmental protection, civic education, etc. Though they are varied in their organization, activities and scope of intervention, all CRDA members envision a society where human dignity, justice, peace and equality prevail and needs are satisfied.

³² Situation Analysis of Informal Settlements in Addis Ababa, UN-Habitat. United Nations, Human Settlements Programme, 2007

3.2 Addis Ababa’s General Profile

3.2.1. Basic Data

Addis Ababa, the capital city of Ethiopia, was founded in 1886 by Menelik II. The city is only 122 years old. There were three main factors that conducted the city to stay as the capital city of Ethiopia (since many cities have been capital cities along the history of Ethiopia): the introduction of eucalyptus (a tree that grows very fast and provides a lot of wood for energy and cooking), the proclamation for legalizing private ownership of urban land in 1907 and the completion, mainly by the French, of the Addis Ababa – Djibouti railway in 1917.

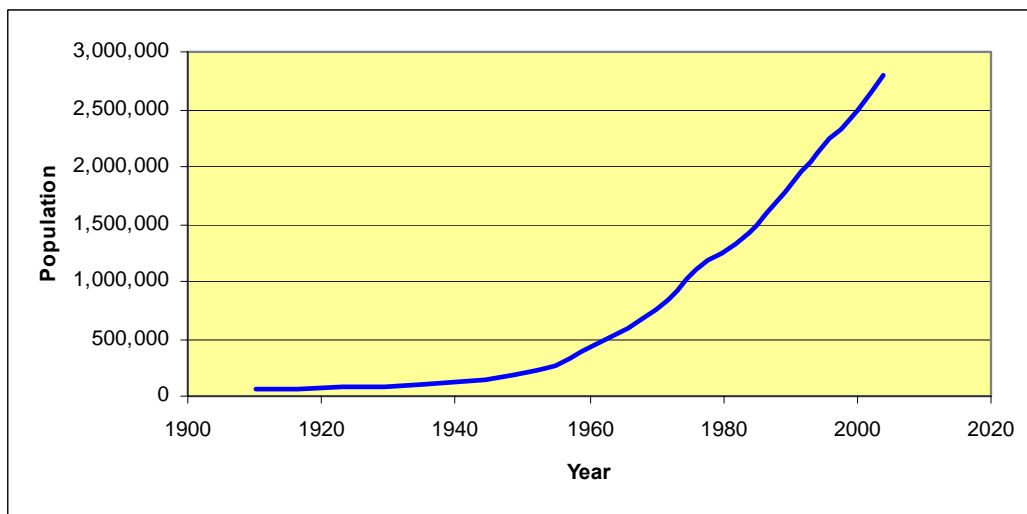


Figure 7: Annual Population of Addis Ababa. UN-Habitat, 2007

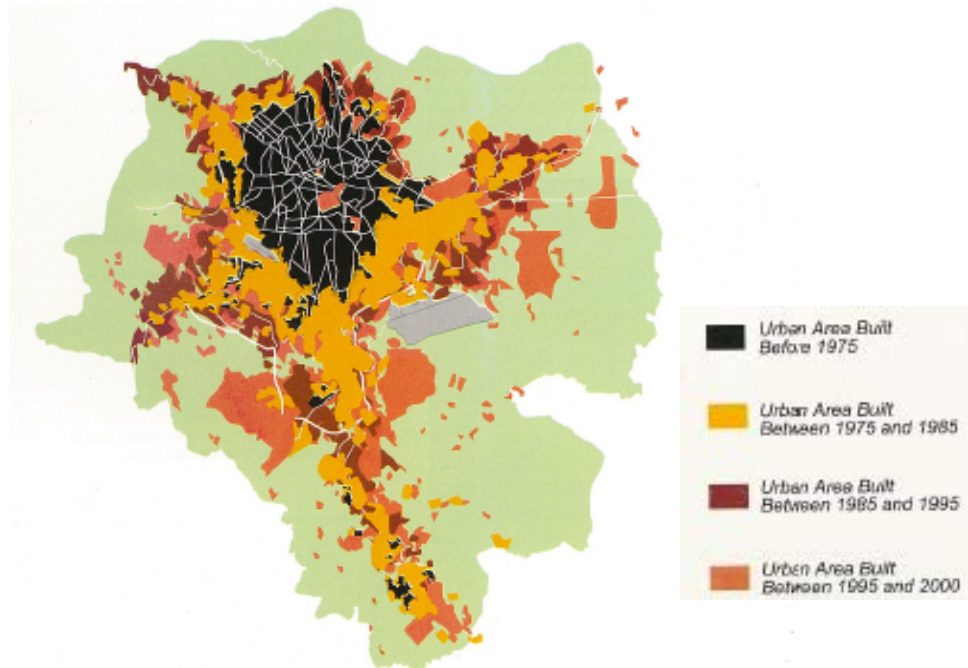


Figure 8: Addis Ababa growth trends between 1975 and 2000 in Addis Ababa. Source: ORAAMP, 2002

Addis Ababa is located almost in the centre of Ethiopia and it is in an altitude of about 2,400 metres above sea level. It had a built up area of 290 square km in 2004 and has an estimated population of 4 million (UN-Habitat, 2007). The live expectancy is at 62.8 for males and at 66.5 for females (UN-Habitat, 2007). It is the seat of the United Nations Economic Commission for Africa (UNECA) and the African Union (AU), what makes call Addis Ababa as the capital of Africa. Addis Ababa is the capital city of the country since 1886.

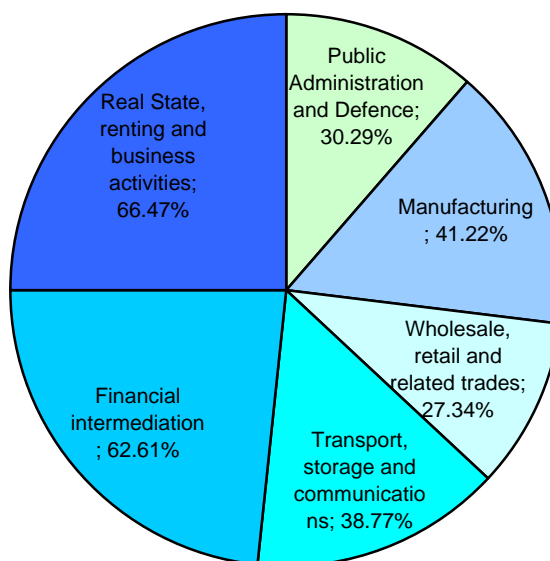
Even though Addis Ababa is currently experiencing one of the lowest population growths of its history (6.37 in 1976, 3.95 in 1994, 2.92 in 2004), the capital city continues to attract 90.000 to 120.000 new residents every year, mainly due to net immigration (UN-Habitat, 2007).

3.2.2. The Economic Base of Addis Ababa

The economic base of early 20th century Addis Ababa was typical of a consumer city, i.e., one where taxes, tributes and tithes were the principal source of income. As it is shown in Figure 9, Addis Ababa today has a diversified economy, being the main centre of public administration, commerce, manufacturing, finance, real estate and insurance.

The range of activities in Addis Ababa has two major consequences. First, with such concentration of so many activities the Addis Ababa municipal authority has a fairly broad and dynamic tax base to tap into –that is, if only it would put in place a truly transparent, efficient and accountable tax collection system. Second, this wide range of activities also implies that like other major cities in the Third World, Addis Ababa has a reasonably well-developed class structure where

Figure 9: Urban Labour Force Employed by Sectors in Addis Ababa. Source: Un-Habitat, 2007



income gaps, and hence the conflicts of interest between the haves and the have-nots, are growing by the day. As it is said in the Un-Habitat report “Situation Analysis of Informal Settlements in Addis Ababa”, “thanks to ongoing market-oriented reforms, Addis Ababa’s economy has been undergoing a remarkable recovery these past few years”.

However, most residents are still very poor or on moderate incomes. A 2002 study by the Association of Ethiopian Microfinance Institutions shows that the informal sector employs about 51 percent of the economically active labour force. As the 1994 census of the Central of Statistical Agency affirms, unemployment is a big problem in the city (34.7 %) and it is even worse than in other urban areas of the country (22 %, UN-Habitat, 2007). And overall, the

poverty in Addis Ababa is still one of the major problems and it seems to have been increasing in the last years. Some authors claim that today, about 70 to 80 % of the Addis Ababa population are living at or below subsistence level (UN-Habitat, 2007).

3.2.3. Urban Policies and Programmes. From 1900 to 2008

Irrespective of its long history of urban development, Ethiopia has no comprehensive national urban housing policy or strategy to date. Nonetheless, the country has been experiencing various policy measures that have profoundly influenced the course of development the national urban housing sector, at least as of the first few decades of the 20th century. For the sake of convenience, the next two sections present a brief survey of these developments as well as their role in creating the current urban housing conditions in Ethiopia.

In Addis Ababa, although slums constitute the greater portion of the residential areas, to date, the city has not had a comprehensive slum upgrading policy or regulation to date.

Dr. Wubshet Berhanu and other authors describes the four major phases of the city's development as the early period, 1886 – 1935; when the city was being established; the 1935 – 1974 period, which included a short period of Italian occupation, and a longer period of modernization under Emperor Haile Selassie; the socialist period from 1975 – 1991; and the post-socialist transition period, since 1991 (Curran, 2007)

In this study, a small overview is going to be done to the Pre 1974 period and some more policies and programmes after 1974 are going to be explained .It follows a chronogram and its explanation summarizing the main programmes and policies carried out by different actors in Ethiopia in general, and in Addis Ababa in particular.



Figure 10: Bole Road, one of the main streets in Addis Ababa with offices, commercial centres and restaurants. Contrarily to what is usually thought, the city is very safe



Figure 11: The inner parts of the city are often the oldest, where few have invested for renewing the area

3.2.3.1. Pre-1974 Government Responses to Urban Housing Needs and Demands

Generally speaking, it would appear that there was no stringent planned public guidance or control over housing development in Addis Ababa during the first 10 to 15 years after liberation (1940). As a result, most of the housing was built without any permits. For that matter, it appears that as late as the early 1970s, only about a quarter of the housing units produced in Addis Ababa had municipal permits. Except for the fact that most of the housing units thus built were small and substandard, the city apparently did not suffer from any alarming housing shortage when the February 1974 revolution broke out (UN-Habitat, 2007)

In Addis Ababa, the only pre-1974, low-cost housing development worth mentioning was the Kolfe Low Cost Housing Scheme (1960-1969; number 1 in Figure 12). The project provided housing for 91 low-income households whose original, inner-city dwellings were razed to make way for the construction of larger public and commercial buildings. During the early 1970s, and although the Department of Housing and three alternative master plans were available, Addis Ababa did not see any significant government sponsored low-income housing program. Absence of effective government response to ever-mounting pressure for low- and moderate-income housing widened the gap between demand and supply of formal-sector housing. Consequently, the proliferation of unauthorized housing accelerated as never before. Indeed the production of formal sector dwellings was so far behind demand that between 1969 and 1972, only 12.62 percent of the total dwelling units required by population increases were built with municipal permits (UN-Habitat, 2007).

Three major factors constrained the development of public or private formal-sector low-income housing in pre-1974 Addis Ababa (UN-Habitat, 2007):

- The first and perhaps the most important factor was the income structure of the needy households. During the given period, the monthly income of the urban households in Ethiopia in general was so low that approximately one-third of the needy households could not afford to pay ETB11.25 in rent or monthly charges on a loan of ETB1,500.
- The second major factor that made it difficult to launch sound low- and moderate-income housing programs before 1974 was the paucity of financial resources.
- Thirdly, the pre-Revolutionary land tenure system strongly facilitated the proliferation of informal housing both directly and indirectly. About 95 percent of privately-owned land in pre-1974 Addis Ababa was in the hands of only about five percent of the population.

3.2.3.2. Post-1974 Housing Policies and Programs

The issue of land was one of the motive forces behind the February 1974 revolution in Ethiopia. In February 1975 and under strong influence of the then-popular revolutionary slogan "land to the tiller", the Derg issued a proclamation that nationalized all rural land. In July 1975, Proclamation No. 47 nationalized all urban land and rental dwellings in Ethiopia (see number 2 in Figure 12).

		Government	Historical remarks	Ethiopian Government	World Bank	Agency for Rental Housing Administration (AARH)	Norwegian Save the Children Fund (Redd Barna, International NGO)	CONCERN (International NGO)	OXFAM (International NGO)	IHA-UDP (local NGO)	CARE Ethiopia (International NGO)	Environmental Development Office (Municipal Administration)	PRO PRIDE (local NGO)	GTZ (Development Cooperation Agency)	Housing Development Project Office (Municipal Administration)			
1950'	1955	Haile Selassie I																
	1956		First post-liberation master plan of Addis Ababa by Sir Patrick Abercrombie (1956)															
	1957																	
	1958																	
	1959		In 1959, Bolton Hennessy and Partners put out a second post-liberation master plan for Addis Ababa															
1960'	1960	Haile Selassie I		Kofe low-income housing program (1)														
	1961																	
	1962																	
	1963																	
	1964																	
	1965		The French architect L. de Marien propose the last pre-1974 Master Plan, in 1965															
	1966																	
	1967																	
	1968																	
	1969																	
1970'	1970	Haile Selassie I	At the early 1970s, only about a quarter of the housing units produced in Addis Ababa have municipal permits															
	1971																	
	1972		Between 1969 and 1972, only 12.62 percent of the total dwelling units required by population increases are built with municipal permits															
	1973																	
	1974		95 % of privately-owned land in pre-74 Addis Ababa belongs to only 5 % of the population.															
	1974																	
	1975			Nationalization of the land (2).														
	1976			Increase of informal settlements														
	1977																	
	1978																	
1980'	1979	17 years of Marxist junta (commonly known as the "Derg"). Junta lead by Mengistu Haile Mariam																
	1980																	
	1981																	
	1982																	
	1983																	
	1984																	
	1985																	
	1986																	
	1987																	
	1988																	
1990'	1989	Meles Zenawi become prime minister																
	1990																	
	1991		Creation of federal system of governance with the current nine national regional States															
	1992																	
	1993		Overthrow of the Junta. EPRDF	Eritrea gains independence in 1993 following a referendum	Urban land lease legislation embodied in Proclamation No.3. in 1994													
	1994																	
	1995			Constitution redaction														
	1996																	
	1997																	
	1998																	
2000'	1999	Meles Zenawi win a second fiveyear term	War of Eritrea 1999-2000	SDPRP (9)														
	2000																	
	2001																	
	2002																	
	2003																	
	2004																	
	2005			End 2006: 5,000 to 10,000 Ethiopian troops get into Somalia to support government.	The Ministry of Federal Affairs sets out a comprehensive national urban development policy and had it approved by the Cabinet in March 2005													
	2006																	
	2007																	
	2008																	
2009																		

Figure 12: Chronogram of Urban Policies and Programmes carried out by different institutions and organizations.

Sources: UN-Habitat, 2007; Interviews. Appendix A

This nationalization, far from being the solution to the housing shortage, involved that all cities in Ethiopia, including Addis Ababa, went through acute housing shortages and ever-deteriorating housing conditions. In Addis Ababa, for example, the main damage that Proclamation No. 47, 1975 did to the urban housing sector was none other than the disruption of a formerly vibrant housing market, which caused a sudden, big housing shortage. In addition to this, with the rents once and for all fixed at very low levels, the *kebeles* found it next to impossible to keep the properties in a proper state of repair. As a result, old slums only got worse. As the housing deficit intensified and nationalized land, in effect, became nobody's property, squatters in their thousands began to invade the peripheral areas of Addis Ababa.

In Addis Ababa, after the Kolfe low-income housing program of the mid 1960s, the Tekle Haimanot Upgrading Project, launched in the early 1980s, was the first residential scheme of any meaningful size in Addis Ababa (see number 3 in Figure 12). The project was financed by the World Bank and the Ethiopian Government and it was executed by the Addis Ababa municipality.

In addition to the Tekle Haimanot project, other, small-scale upgrading projects were sponsored by international NGOs. According to Ashenafi, one such neighbourhood improvement program was run by the Norwegian Save the Children Fund (Redd Barna) in *kebele* 41 in the Tekle Haimanot area (4, Figure 12). Two other international NGOs, CONCERN and OXFAM, were involved in upgrading programs in *kebeles* 37 and 29 respectively of Wereda 4, which is adjacent to the Tekle Haimanot area (5 and 6 respectively in Figure 12). IHA-UDP was also working in *kebeles* 30, 42 and 43 of the same area (7, Figure 12). Between 1987 and 1993, these NGOs have collectively built 1,906 new housing units, repairing 879 dwellings, building 597 kitchens, repairing 77 kitchens and constructing 460 latrines.

Since the housing shortage was being deeper under the "Derg" regime (mainly because of the nationalization of the land, among others) some new policies were adopted. The most notable move in that regard probably was the housing policy laid out in 1986 (8, Figure 12), the major objectives of which (as detailed by Tarekegn Assefa) were as follows:

- standardize building codes;
- research housing design and building materials;
- encourage community involvement in housing production;
- more effective use of the existing housing stock, by allowing co-dwelling and regulating the purchase and sale of houses.

Furthermore, while the "Derg" was in power, at least two types of cooperative housing programs were launched to improve the housing conditions of urban low- and moderate-income households. They were then known as the 'Self-Help' and 'Pure Self-Help' cooperatives. 'Self-Help' helped household heads whose monthly incomes were not in excess of ETB200 to become homeowners; it provided building lots and technical advice free of charge, and allowed them to borrow about 60 percent of project cost from the Agency for Rental Housing Administration (AARH) at an affordable interest rate. It was for the homeowner to cover the remaining 40 percent of the project cost through direct labour input. The

second, 'Pure Self-Help' type of cooperative was tacitly aimed at informal sector workers without any regular income. This group, too, was provided with land, house plan and technical advice free of charge. Both types of cooperatives were given priorities for building material purchases from government-owned firms at affordable prices.

According to Tarekegn Assefa, between 1986 and 1993 the AARH spent ETB249.6 million in the construction of low-cost houses (9, Figure 12). Of these, low-cost and self-help houses accounted for 59.2 of the total expenditure, resulting in the construction of 6,759 low-cost and 2,210 self-help houses, (UN Habitat, 2007).

3.2.3.3. From 1991 to present

Compared to earlier periods, post-1991 Addis Ababa has seen far greater participation of local authorities, NGOs and the wider community in slum and squatter upgrading programs. In addition to the scale on which residential upgrading was undertaken since 1991, it is perhaps the level of community participation that was achieved that makes the projects even more interesting. Irrespective of these facts however, the achievements of all the participating bodies have been considerably constrained by various institutional and regulatory shortcomings. Above all, in the case of the Addis Ababa city authority and prior to recent administrative restructuring, neighbourhood upgrading efforts had been significantly affected by such factors as excessive centralism and the absence of a well-organized, dedicated department that could effectively improve slums and manage squatter upgrading programs. Added to this is the inefficiency of most *woreda* and *kebele* offices when it comes to implementing neighbourhood-upgrading projects, due mainly to their well-known organizational and resource-related deficiencies.

Today, two prominent parallel, community-based slum upgrading programs are operating in Addis Ababa. The first and most important one is conducted by the municipal authority. The chief operators in this regard are The Environmental Development Office (EDO), the Eco-City Project and the Housing Development Project Office (HDO).

However, the fact that three distinct municipal units are involved in residential area upgrading implies a strong need for cooperation and coordination of activities between them. In practice however, each is entrusted with different responsibilities, all of which will finally coalesce to create more viable residential areas. As things stand at present, EDO is spearheading community-based slum improvement programs in the city. The Eco-City project focuses more on environmental concerns, whereas the Housing Agency is directly involved in the urban renewal program.

The goals of the Environmental Development Office (EDO) upgrading programs were to: improve the living and working conditions of the urban poor by improving infrastructure and services; create job opportunities for the urban poor and the unemployed, especially through labour-intensive methods for project implementation; ensure public participation in all essential neighbourhood upgrading activities, including problem identification, project design and implementation; and enable the communities to own and manage upgraded or newly built infrastructure and services.

Table 6 Summary of Ethiopian urban policies after EPRDF came to power in 1991, UN-Habitat 2007

After the EPRDF came to power in June 1991, a democratic government was established in Ethiopia and some recent developments were done in other urban policies. Among others, these were the most influential over urban housing in Ethiopia:

Decentralization: After the EPRDF came to power, a federal system of governance, with nine, mainly ethnic-based, national regional States. Increased flows of federal funding had enabled regional States considerably to improve physical and social infrastructures.

Policies Aimed at Urban Housing Problems: Ethiopia has never had a comprehensive national urban development policy until March 2005. Upon coming to power, the EPRDF took the originally Derg notion of a mixed economy and went one or more steps further through open pursuit of market-oriented reforms. Nonetheless, with regard to land and housing few changes have been done: urban land is a public property, city authorities are the sole suppliers of land and the government retains a high degree of control over land use and design.

SDPRP I: The Sustainable Development and Poverty Reduction Program (SDPRP I), launched by the new Ethiopian government (see number 10 in Figure 12), has developed a strategy to address urban poverty. Overall, the program looks to strengthen urban governance and, in the process, to improve the delivery of municipal services; this will be achieved primarily through legal and institutional reforms that are accompanied by capacity building programs. When it comes to housing and infrastructure provision, the aim is to launch various upgrading programs with increased awareness and participation of beneficiaries.

In fact, SDPRP is none other than an extension of the country's preexisting sustainable economic development policy, which has been somewhat fine-tuned to meet the requirements of the donor community, especially the World Bank and the IMF.

The National Urban Development Policy: The lack of a national urban development policy or strategy was one of the principal factors that made it very difficult for Addis Ababa as well as regional states of Ethiopia to come up with sound slum upgrading programs. This is why the Ministry of Federal Affairs set out a comprehensive national urban development policy and had it approved by the Cabinet in March 2005. So far only the Amharic version of the policy document is available. A translation of the basic principles that guided the drafting of the policy documents is as follows:

- To promote the development of a national urban system in which cities and towns are functionally linked to each other and to their respective hinterlands in a sustainable way;
- To promote balanced urban growth by giving equal opportunity for growth and development to all urban centers and regions in the country;
- To ensure the development of a multi-centered urban growth and development pattern in which urban centers specializing in different functions will grow in an interdependent way at all levels of the national urban hierarchy;
- To design and implement an urban development strategy whose core objective is poverty reduction in the short run and eradicating poverty altogether in the long run;
- To ensure that urban development is people driven, designed and implemented in collaboration with the government based on the wants, abilities and sustainable participation of the citizens in a setting where good governance prevails;
- To create a strong public-private partnership in urban development;
- To enhance the process of decentralization to a level where cities and towns fully exercise self-rule.

The scope of the project includes the following: upgrading access roads; improving drainage; building culverts; constructing latrines; increasing the number of public piped water stands; building retaining walls and other related structures; provision of social infrastructure, such as classrooms, pre-school buildings, health centres, public library, multi-purpose community halls and markets; and environmental protection, such as erosion control, and improving recreation areas.

The working arrangement between EDO and the target communities has been very efficient with respect to fund-raising for residential area improvement projects over the past decade. For instance, between 1995 and 2005, EDO implemented slum upgrading projects worth ETB280 million (or USD32.3 million; see number 11 in Figure 12). The unit has also distributed 1,100 tons of wheat and 55 tons of oil under a food-for-work program. Community financial contributions in the same period stood at ETB112 million (or USD12.95 million). Of this, ETB92.7 million (or USD10.7 million) came in cash, ETB10 million (or USD1.15 million) in the form of labour and another ETB9.3 million (or USD 1.1million) in materials.

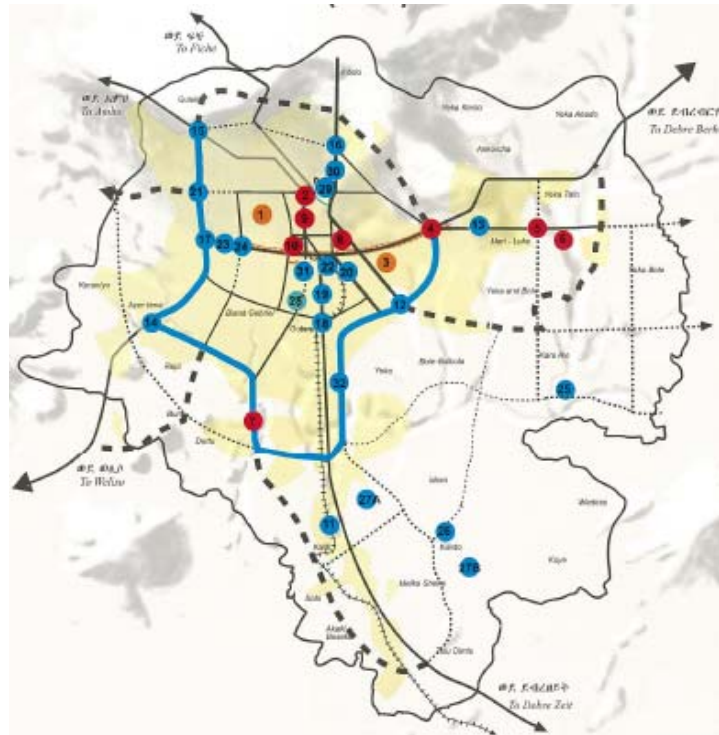


Figure 13: Municipal Local Development Plans under study (red), and to be studied (blue), ORAMP, 2002

About the Housing Development Project Office (HDO), it is the municipal unit in charge for the condominium housing project, which was a massive urban renewal program launched in 2004/2005 by the Addis Ababa's authority to upgrade the inner parts of the city between 2005 and 2010 (12, Figure 12). The objective is to build 400,000 residential units over five years in the predominantly rundown, *kebele*-administered rental accommodation in the inner city, where, as described earlier, living conditions are appallingly cramped. The initial plan for the 2004/2005 period was for 45,000 units, and construction has been ongoing on 103 building sites across the city. The GTZ (German Technical Cooperation) plays a technical advisory role in the whole venture and is also an active partner in the production of condominium units.

This program is explained with more detail in the next chapter, since it is one of the projects visited and analysed in this study.

The second major slum improvement program in Addis Ababa is carried out by various NGOs with cooperation from the municipal authority and the target communities.

In view of the magnitude of the environmental problems faced by cities like Addis Ababa, it is not clear why only a few NGOs have shown interest in slum improvement programs in the city to date. One mitigating factor is that NGOs have been operating in an atmosphere of uncertainty, with the lack of specific legislation to regulate their activities compounded by the close scrutiny they had been kept under by the government. However, the degree of trust between NGOs and the government has been improving over the years, possibly reflecting the authorities' increasingly tolerant attitude. Overall, if anything the Ethiopian government seems to be keen to make sure that any NGO is an organization whose sole purpose is not profit-making but engaging in the promotion of development, social services, democracy, good governance and humanitarian assistance, as the case may be. The authorities also want to make sure that NGOs provide services without discrimination and in more than one region.

The Bureau of Civil and Social Affairs of the Addis Ababa Municipality has an NGO desk in charge of coordinating the activities of those NGOs interested in neighbourhood upgrading or related projects. NGOs normally present any project proposals to this desk for approval. The Bureau then sends the project proposals to the appropriate bureaus and offices of the Municipality for evaluation. NGOs are also expected to prepare reports to the Christian Relief and Development Association (CRDA), which brings together faith-based agencies and NGOs involved in poverty alleviation in various parts of the country.

The NGO most prominent in slum upgrading or environmental sanitation issues include IHA-UDP, CARE, CONCERN, Plan International, Medical Missionaries of Mary (MMM), Ethiopian Aid, SIM, OXFAM and the Rotary Club. These NGOs have been operating in various parts of the city, mostly with *kebele* support as well as in collaboration with grassroots associations. The Norwegian Save the Children was also involved in Upgrading programmes.



Figure 14: Construction of a Water Point by the Norwegian Cooperation in Woreda 09

Most NGOs operating in Addis Ababa have been focusing on infrastructure upgrading and improvement of environmental sanitation. Like the Environmental Development Office, NGOs also encourage community participation in neighbourhood upgrading programs. In principle, therefore, the target communities

participate in all stages of NGO-sponsored urban development programs, including the raising of what originally used to be something like 10 percent of the project cost in most cases.

Only two or three NGOs have been running meaningful, though limited, housing improvement programs. CARE is the most prominent for undertaking rather a large and visible infrastructure upgrading projects. It has been working for the past several years through what it calls Community Infrastructure Improvement (CII) and the Urban Food for Work Project (UFFW).

A summary table of the activities of CARE is shown in Chapter 6, where the upgrading programmes are compared with other urban interventions. As the "Situation Analysis of Informal Settlements in Addis Ababa" states (UN-Habitat, 2007) the NGO has made very good use of available financial resources during the 1993-2002 period (13 in Figure 12). In some areas and given their scale, its achievements, look as impressive as those of the Environmental Development Office, while in others such as building retaining walls CARE has achieved even more than municipal authorities. In some cases such as pedestrian stairways and spring protection, CARE has tackled problems that did not seem to be taken seriously by the municipality.

Other than CARE, IHA-UDP has been very active in residential area upgrading in the recent past (see summary table in Chapter 6), building 1,102 new housing units and repairing 1,146 dwellings in inner Addis Ababa between 1990 and 1997 (number 7 in Figure 12). The achievements of other NGOs operating in the city are not as visible as those of CARE or IHA-UDP. Nonetheless, most have been instrumental in changing the urban environment in those limited areas where they did intervene. For instance, CONCERN has been particularly active alongside different community association- based urban development programs. CONCERN also has a housing improvement program, which for instance led to the improvement of 137 houses, 43 kitchens and 25 latrines in 2001-2002. Two further NGOs, namely Plan International and Ethiopia AID, have also been involved in housing renovation in inner parts of the city, albeit on a small scale. In addition, one important aspect of CONCERN'S activity that must be highlighted here is that on top of direct implementation of development projects, its capacity building program helps communities alleviate their environmental problems by themselves.



Figure 15: Woreda 23, Kebele 09. In the recent past IHA-UDP and CARE International have been working in this sector on retaining walls, bridge construction, access roads improvements and water canals

However, neither CARE nor CONCERN are working in urban upgrading programmes or in housing projects in Addis Ababa anymore. Walleligne Alemaw, ex manager of the CARE upgrading programme and the current CONCERN's general director states that CARE and CONCERN have left the infrastructure programmes in urban areas for different reasons and they are now working either in rural areas or fighting social and health problems in urban areas (see interview in Appendix A). And during interviews conducted for the UN-HABITAT slum study (2007), respondents indicated that funding for this kind of work had largely dried up. USAID has stopped funding CARE's infrastructure work, having assessed the program as "not doing well in terms of poverty alleviation". It appears that poverty, in this case, was clearly measured on a strict income axis, regardless of the significant benefits poor households could derive from improved health, safety, social cohesion and temporary employment. As stated in "Situation Analysis of Informal Settlements in Addis Ababa" (UN-Habitat, 2007) the CARE urban staff team has been almost entirely disbanded and nowadays their role in urban development seems to be largely restricted "to attending workshops on governance".

3.2.4. Current Urban Situation

In Addis Ababa there have been a lot of economical developments and the GDP of the whole country has been increasing every year in average the last decade³³.

However, as many organizations and research letters show, social issues and poverty is far of getting better and it is even getting worse.

In this research letter we focus on some of the aspects that affect directly to the living conditions of the inhabitants of the city and were engineers, architects and urbanists have a lot to say. We will focus on the housing conditions, mainly of the poor in Addis Ababa, and in the city infrastructure situation of the Ethiopian capital.

3.2.4.1. City Physical Structure

As an indigenous urban settlement, Addis Ababa initially expanded without any formal planning or control. The earliest settlements developed haphazardly around the king's palace and the camps (*'sefers'*) of his generals (*rases*) and other dignitaries. It appears that just like the king, the generals preferred to live surrounded by the ranks and files of their subordinates. At the same time, and at least originally, substantial vacant spaces would separate the abodes of these dignitaries from those of their subordinates. This original settlement pattern, supported by the then prevailing social, cultural and economic conditions, eventually led to the gradual filling up of those vacant spaces and the emergence of a residential structure where the wealthy lived side by side with the deprived. The mixed residential structure that began in those days was not altered by the changes that took place in its economic base as the country opened up to Western civilization in the early 20th century and subsequently during the short-lived Italian occupation. Over the last three decades, a few, predominantly high-income, residential areas have emerged, especially in the Bole and Old Airport areas. A new upper middle class residential area also seems to be in the making in the eastern peripheries of the city. Apart from these few changes – all of which are

³³ IDA at Work. Ethiopia: Protecting the most Vulnerable. The World Bank

results of planned housing development – Addis Ababa fails to display the degree of separation between housing classes commonly featured in other major cities in the developing world. Although Addis Ababa has its own fair share of ethnic concentration areas, these cannot be defined as ghettos. All over the city, the poor, the middle-income earners and the rich live side by side in apparent harmony³⁴.

Today, high-rise apartment and office blocks dot the fronts of the main streets in Addis Ababa, giving a rather misleading impression of a well-built, spacious city. Together with a mixed or apparently well-integrated residential structure, these impressive roadside buildings often effectively mask the predominantly low standards of most housing units and residential neighbourhoods. Although no one knows for sure the exact magnitude of slums in Addis Ababa, most international estimates put the proportion of the city's population that is living in rundown and slum settlements as one of the highest in the world. Indeed, most of the capital's residents live in poorly constructed and inadequately serviced substandard housing units that, as discussed below, were hastily built mainly after the Italian occupation to meet the shelter requirements of a rapidly growing and overwhelmingly poor population. This may be why in the mid-1960s UN experts ventured an estimate number for slum dwellers as high as 90 percent.



Figure 16: The mixture of the housing types is often visible in Addis Ababa. Buildings and slum coexist together in the whole city

One thing that makes squatter settlements somewhat different in the case of Addis Ababa is that they are not poverty-driven. As research by Minweylet Melese shows, mainly middle-class households have illegally occupied the peripheral areas of western Addis Ababa over the past 10 years. As discussed below, most squatter settlements in Addis Ababa have rather poor access to basic urban services, including access roads and utilities, due to a combination of their peripheral location and recent establishment.

Due to the city's residential structure, the slums in Addis Ababa are not the exclusive preserve of the poor: an urban MDG needs assessment study completed in early 2005 suggested that about 80 percent of Addis Ababa's residential areas were slums (UN-Habitat, 2007).

³⁴ Situation Analysis of Informal Settlements in Addis Ababa, UN-Habitat. United Nations, Human Settlements Programme, 2007

3.2.4.2. Housing situation

As Brihanu Lodamo says in a municipal article, the “Among the socio-economic problems [of Addis Ababa city], housing is the prior one”, (B. Lodamo, 2006).

Even in the 2002 Addis Ababa Structure Plan states that:

...all the efforts made thus far fall short of the accumulated housing demand especially for the low-income group that accounts for about 80% of the city's population. Housing shortage, poor housing quality, poor working and living environment, shortage of related services have been and will continue to be serious problems challenging the Addis Ababa City Government (Curran 2007)

Since there is a lot of biography about housing in Addis Ababa, this chapter is a recollection of information about this issue, presenting the actual housing situation in Addis Ababa with the goal of presenting the two projects I visited in the city.

Let's begin with a question of an author:

Will this future mega-city become a place where the slopes of its surrounding hills are filled with slums as occurred in so many Latin American cities when they experienced rapid population growth? Such a city would retard rather than contribute to Ethiopia's growth and development.³⁵

As said along the study, the housing need and the shortage is one of the worst problems that Addis Ababa is facing. In the Rose Curran Report this issue is clearly studied:

The Housing Component document goes on to calculate that in 2002 there was a backlog of approximately 233,000 units. This was the number of units needed to meet the pent up demand for housing that is currently overcrowded, and to replace the severely-deteriorated or grossly illegal housing. However, it also estimated that by 2010 (just three years from now) an additional 223,000 units would be needed to house new households at the medium variant growth projection for the city. This amounts to a total of 456,000 units needed by 2010³⁶. If we were to go out another 5 years to 2015 (a total of 8 years from now), an additional 91,000 units will be needed – or about 550,000.³⁷ This would require the production of about 70,000 units per year.³⁸

The Housing Component recognized that the lack of formal land provision and the pent-up demand for housing fuelled the growth of the

³⁵ Alain Bertaud, et al. "Improving Delivery of Urban Land and Housing in Ethiopia: The Case of Addis Ababa (Draft)." Addis Ababa: (The Cities Alliance, April 28, 2004), 11. From "Supplying Central City Housing for all Income Groups in Addis Ababa", Rosemary T. Curran, Ph.D. April 2007, First Draft

³⁶ Ibid., 36. From "Supplying Central City Housing for all Income Groups in Addis Ababa", Rosemary T. Curran, Ph.D. April 2007, First Draft

³⁷ Ibid., 36. From "Supplying Central City Housing for all Income Groups in Addis Ababa", Rosemary T. Curran, Ph.D. April 2007, First Draft

³⁸ "Supplying Central City Housing for all Income Groups in Addis Ababa", Rosemary T. Curran, Ph.D. April 2007, First Draft

illegal/informal sector of housing.³⁹ In addition to the informal/illegal settlements in the expansion areas, much of the core area of the city is believed to have gross densities of at least 600 persons per hectare, or more than 120 housing units per ha.⁴⁰

Furthermore, there is not only a shortage of housing units. There is an affordability problem for paying the houses (property or rent) since, as said before, 70 to 80 % live at or below subsistence levels.

In additions to the shortage, the physical conditions of most of the existing houses are very poor. The Housing Component describes the condition of housing in Addis Ababa in 2002:

...all the efforts thus far, fall short of [addressing] the accumulated housing backlog of 233,000 units by the year 2000. An estimated 60 per cent of the city core is dilapidated, and 25 per cent of units in periphery areas were built through squatting both of which are characterized by shortage of services, poor living and working environment.⁴¹

And as explicitly says Rosemary t. Curran and it is also suggested by many other authors:

In addition to the physical deterioration of housing, overcrowding, high density, poor access, and lack of infrastructure services characterize the 80% or more of Addis Ababa's core neighborhoods that are generally described as "slums".⁴²

And in the "Situation Analysis of Informal Settlements in Addis Ababa" document of the UN-Habitat organization many more data about the poor conditions of the housing units in Addis Ababa are done:

The mammoth housing deficit in Addis Ababa is not just measured by the large number of units that are required today. It is also observable in the extremely small sizes of most available dwelling units. (...) an estimate made in 1988 showed that the area of over 75 percent of the units are under 40 square meters, with the number falling under 20 square meters for another 20 percent or so. (...) the problem has worsened between the two census surveys.

(...), the walls of some 75 percent of housing units are made of mud and wood. (...) a sizable number [of these mud houses, known as chicka] are so old and in such poor shape that they are only fit for demolition. (...) available data suggests that only about 17 percent of the total housing stock in Addis Ababa can be considered to be in good condition at present.

Another indicator of the poor quality of most residential units in Addis Ababa is that 97 percent are single-story and nearly 60 percent are attached row

³⁹ Ibid., 8. From "Supplying Central City Housing for all Income Groups in Addis Ababa", Rosemary T. Curran, Ph.D. April 2007, First Draft

⁴⁰ Ibid., 84. and Wubshet, 154. From "Supplying Central City Housing for all Income Groups in Addis Ababa", Rosemary T. Curran, Ph.D. April 2007, First Draft

⁴¹ "Structure Plan: Housing Component", 27. From "Supplying Central City Housing for all Income Groups in Addis Ababa", Rosemary T. Curran, Ph.D. April 2007, First Draft

⁴² "Supplying Central City Housing for all Income Groups in Addis Ababa", Rosemary T. Curran, Ph.D. April 2007, First Draft

houses. Roofs are almost invariably made of corrugated iron sheets that make a vast and unpleasant rusty blanket in the central and older parts of the city.

With respect to tenure, today 34.4 percent of housing units are owner-occupied. Public and private sector rental units account for 40.4 and 16.4 percent of the total housing stock respectively. It must be noted here that government-owned rental units are, for the most part, in poor condition due to decades of disrepair and neglect – the major factor being extremely low, fixed rents. Most of these units sit on prime locations and therefore hinder more productive uses of inner-city land. (...) *kebele*-administered units contribute the bulk of inner-city slums in Addis Ababa (UN-Habitat, 2007)



Figure 17: Most of the houses in Addis Ababa are in very bad conditions. Some authors consider 80 percent of the houses in the city are slum. Many efforts are being done by the municipality to reduce this housing shortage in both, quantity and quality

To summarize, “housing conditions in Addis Ababa, and generally throughout Ethiopia, are among the worst in the world...” (Curran, 2007).

3.2.4.3. Access and quality of shelter-related infrastructure

As said in the UN-Habitat Report about Slums in Addis Ababa, “only a small proportion of the city’s households enjoy adequate access to shelter-related infrastructure, (...) the city’s physical as well as social infrastructure are poorly developed and unevenly distributed over its rather vast built-up area”. (UN-Habitat, 2007)

And being much critical with city municipality about the actual situation in Addis Ababa it states:

“The city authority of Addis Ababa is (...) expected to generate substantial funds to provide various kinds of municipal services, including the financing of infrastructure projects. However, until very recently the municipal authorities were lacking either the political power or the technical capacity to tap into the city’s broad and diverse tax base. Even though proclamation No.

80/1993 mandates cities and towns in Ethiopia to use the proceeds of lease transactions to finance various types of services including infrastructure, the fact remains that revenues from such transactions have remained unimpressive.” (UN-Habitat, 2007)

As shown in Figure 18, a survey by PADCO showed that in 1996 a rather large proportion of the housing units in the city had no direct access to sanitary infrastructure or services, neither to roads.

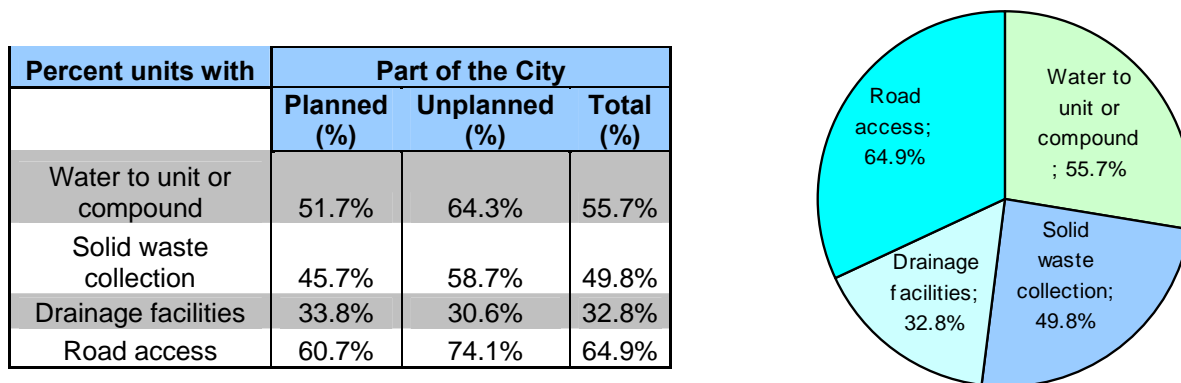


Figure 18: Access to shelter-related infrastructure in Addis Ababa, 1996¹

The main affected zones are the unplanned parts of the city, those are the inner parts, as explained before. Therefore, slums are more concentrated in the centre of the city rather than in the planned or more peripheral zones.

Roads: communication infrastructure and access service

The road network of Addis Ababa has not enough quality in both density and quality. Much of the city is still not served by paved roads. “As municipal data show, the total road length of the city was 2,146 kilometres in 2004. Obviously, this is not an impressive figure when compared to the total built-up area of some 290 square kilometres. Overall, roads accounted for only about 6.1 percent of the total built area in Addis Ababa in 2004. Even more disheartening, asphalted roads accounted for only 36.25 percent of the total road length that same year. Principal arterial roads comprise the largest proportion of the asphalted roads (about 42 percent of the total)” (UN-Habitat, 2007).

In addition to this, where roads are asphalted, sidewalks are for the most part either absent or in disrepair, irrespective of the fact that walking is the predominant mode of travel. Overall, the length of side-walked ways is only 252 kilometres – which means that over two thirds of asphalted roads are simply without any sidewalks. As a result, it often happens that vehicular traffic mingles with pedestrians and animals all over the city. Another consequence is that Addis Ababa today is experiencing one of the world’s highest rates of car accidents involving pedestrians. Even more worrying, the physical damage caused by these accidents is fast increasing. From 3.6 per cent of traffic accidents in 1998, deaths and heavy injuries rose to 6.3 percent per annum in 2003.

Given the poor condition of public thoroughfares in Addis Ababa, obviously a large amount of work is required in order to upgrade Addis Ababa’s road network to acceptable levels. Still, according to a 1996 PADCO study (1997), some 65

percent of residential units in Addis Ababa are accessible by car (UN-Habitat, 2007)



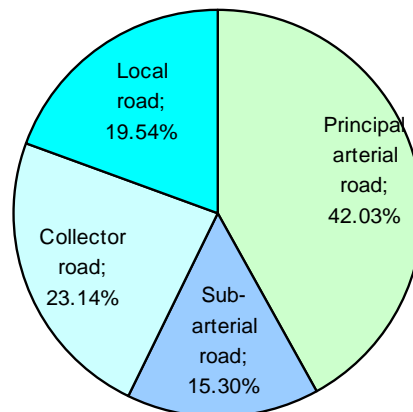
Figure 19: Sidewalks are not always in roads but sometimes they do. This is a sidewalk in Cina Road



Figure 20: Some houses are of a difficult accessibility by foot and completely inaccessible by car

Table 7: Length of Asphalt Roads by Type in Addis Ababa, 2004

Road Type	Length (Km)	% of total Asphalt roads
Principal arterial road	327	42.03%
Sub-arterial road	119	15.30%
Collector road	180	23.14%
Local road	152	19.54%
Total asphalted road	778	100.00%



More specifically, the main problem lies in peripheral areas where access roads are in short supply. In fact, as shown in Table 7, the older and unplanned inner parts of the city are better served by access roads than newer, outer and planned areas. Indeed, the proportion of units in planned areas with road access is 60.7 percent, compared to 74.1 percent for unplanned and inner areas. A significant factor behind this paradox is that municipal authorities have not been able to allocate serviced lots to providers of new units, largely due to lack of resources. No less relevant is the inability of the Addis Ababa municipality to check the rapid

proliferation of squatter settlements, which, as stated earlier now account for about 20 percent of the city's housing stock.



Figure 21: The Ring Road solves many traffic congestion even though little has been thought about the pedestrian necessities



Figure 22: Many constructions are being done currently in Addis Ababa. The road constructions are basically done by Chinese companies. China is investing in many countries in Africa and is helping them to develop big infrastructures

Drainage

A major plight of Sub-Saharan African roads is a poor drainage system, which allows storm water to seep through newly tarred surfaces and prematurely to riddle them with potholes. As one of the rainiest places in the country Addis Ababa is a case in point. Faced with a problem of this magnitude, municipal authorities have been doing their level best and stepped up timely and effective road maintenance. The main challenge in this regard remains Addis Ababa's poorly developed drainage system. Only 615 kilometres, or only about 29 percent of the city's road mileage, are equipped with drainage lines, with non-asphalted roads the main victims. According to research published in 2002, of the city's 395 kilometres of asphalted roads only 193 kilometres had storm drainage lines, and out of 960 kilometres of non-asphalted roads only about 143 kilometres had drainage channels. More often than not, unlined channels are to be found in areas where ground profiles are steep, which exposes those areas to erosion through high velocities of flow.

No up-to-date data is available as regards the proportion of housing units that are connected to drainage lines. According to the PADCO study, this was the case for only about 33 percent of them in 1996. As mentioned below, a community-based infrastructure upgrading program has done a lot to improve drainage in the city during the last 10 years. However, the difference made by the program is dwarfed by the sheer size of the problem. Thus, the fact remains that the drainage system of Addis Ababa is woefully underdeveloped by any standard.

To make matters worse, household refuse blocks the existing drainage channels, especially in and around the inner-city slums. As a result, it is common to see streets that are significantly damaged by overflowing runoff. Some of the floods that accompanied hours of torrential rainfall in the recent past, as for instance in August 1978 and August 1994, have inflicted considerable damage to human life and property. Even in years when major floods affecting thousands do not occur, the streams that cross the city in a north-south direction tend suddenly to swell

after heavy downpours, a significant threat to the lives of the people and animals that attempt to cross them.

Electricity

Of all the housing-related infrastructure and services, electricity is perhaps the one area where the city is doing relatively very well. About 47 percent of the electricity consumed in Addis Ababa went to households between 1999 and 2004. Industrial sector consumption was only about half as much electricity as households during the same period. Today, some 95 percent of the housing units in the city have electricity as their main source of light.

Even though most dwelling units are connected to power grids, it is well known that poor and low-income households do not enjoy the full benefits of electricity. In some parts of the city the electric power that reaches residential units is simply too weak to enable households to use major electrical appliances or even to bake the traditional pancake known as 'enjera' during peak electricity consumption hours. The problem is worst in the squatter settlements, where the sharing of a single electric meter by several households is widespread. Added to this is the fact that streets in such neighbourhoods are often without any streetlights. Here, it is apposite to note that even tarred roads lack adequate street lighting in many parts of the city. Streetlights were, on average, consuming only 0.76 percent of the electric power used in Addis Ababa between 1999 and 2004 (UN-Habitat, 2007).

Potable water production, distribution and consumption

Addis Ababa today is suffering from a significant shortage of potable water. The city's water production capacity has never kept up with demand. For instance in the year 2000, while the projected demand for potable water was 293,000 m³ per day, the city was able to supply only 173,000 m³. By the year 2003, the city's supply of treated water stood at about 188,000 m³ per day. This suggests that well over one-third of the city's demand for potable water remains unmet. There is very little doubt if any that the poorer parts of the city are hit the hardest by this water shortage.

Table 8: Water Production, Distribution and Consumption, 1998-2004. UN-Habitat, 2007

Indicators	Unit	Year						
		1998	1999	2000	2001	2002	2003	2004
Annual water production	mill. M3	53.9	64	65.8	63	68.8	67.5	75.8
Water distribution	mill. M3	37.7	44.8	50	42.8	45.2	47.3	55.4
Growth rater of water dist.	%		18.03	11.61	-14.4	5.61	4.65	17.12
Leakage	%	30	30	24	32	34	30	27
Water production capacity	000 m3	147.67	175.34	180.27	172.6	180.49	184.93	207.67
Growth rater of water prod. Cap.	%		18.7	2.8	-4.3	4.6	2.5	12.3
Per capita water supply	Liters / person		72.15	72.05	67.01	71.02	65.79	71.6
Per capita water consumption	Liters / person		43.87	48.08	34.46	42	20.09	34.15

Still, as shown in Table 8, municipal authorities have significantly improved potable water production capacities between 1998 and 2004. Annual water production has increased from 53.8 million m³ in 1998 to 75.8 million m³ in 2004. Average daily water production has also risen from 147.670 m³ to 207.67 m³ during the same period.

For all these efforts, though, the city's per capita water consumption has fallen from 43.87 liters per person to 34.15 liters per person during the 1998-2004 period. Thus, the rate of improvement in the production and distribution of potable water is falling far behind increased demand due to population growth and the rising standard of living of the wealthier segments of the society. To make things worse and as shown in Table 8, on average some 30 percent of the potable water produced in the city is lost due to leakage. Table 8 also shows that the city has not done much by way of correcting this problem between 1998 and 2004, UN-Habitat, 2007).

Environmental and Waste Management

The rapid and mostly uncontrolled demographic growth and spatial expansion of large cities in developing countries often results in considerable damage to the environment. This is particularly true in the case of Addis Ababa, which today is suffering from high levels of water and air pollution, soil degradation and contamination.

Among other indicators of environmental quality, the city has a very low density of public parks: only 0.66 m² per capita, against expectations of at least 6 m² per capita. But then Addis Ababa's environmental protection expenditure amounts only to 1% of GRDP (gross regional domestic product).

With regard to solid waste management, Addis Ababa's performance has improved slightly in the recent past. The overall rate of solid waste collection stood at about 50 percent in 1996. More recently, the citywide municipal solid waste collection rate has risen to about 65 percent. The rate of municipal solid waste generation for the city is currently estimated to be about 0.252 kg. per capita per day. This figure is relatively low when compared to those for most cities of similar status where the solid waste generation per capita per day is estimated to be somewhere in the range of 0.4 to 0.6 kg. per capita per day.

Addis Ababa generates a daily 2,297 m³ of solid waste on average. This is significantly below the capacities of the Solid Waste Management Department of the city, which can collect, and dispose of, as much as 3000 m³ of solid waste per day. Unless the estimated per capita generation of solid waste in the city is far below reality, the Department seems to be operating way below capacity. If that is the case, it appears that its performance is seriously constrained by two main factors: (1) shortcomings in its own management; and (2) a substantial portion of the city remains outside its scope, owing either to poor access to some neighbourhoods, or to inadequate cooperation by households, or both. Growing traffic congestion also hinders waste collection truck ability to make as many round trips as desirable between city streets and the dumping grounds (UN-Habitat, 2007).