

# Local Government in Ethiopia: Practices and Challenges

Tilahun Meshesha Fenta

Public Administration and Development Management, College of Business and Economics, Wollega University

Nekemte, Ethiopia

mtilish@gmail.com

**Abstract**-Local government is crucial to develop democratic structure in federal systems by addressing the grass root society. Accordingly, the importance of local government is increasing in service provision, poverty alleviation and facilitating development. However, developing countries give much emphasis to institutional arrangement of local governments than the operational aspects of them. As a result, local governments are not mandated effectively as expected in delivering services. This study, therefore aims to assess the extent that local governments in Ethiopia realized their mandates. The research is confined to literature survey, including federal constitution, regional constitutions and other laws. Moreover, various books, articles, journals, government policies, reports and websites are used. The study finds that almost in all regions, local governments provide public services to the residents in a better way though their authority on revenue and spending are very limited, which results in an inconsistency of constitutional mandate and an actual performance. This in return, affects the quality and quantity of the public services provision. Furthermore, the block grants are not enough for the responsibilities assigned by regional governments. Overriding of powers in civil service administration by the regional states and zone administrations is take place as well. Therefore, the researcher recommends that local governments need to be granted actual power to administer their jurisdiction.

**Key terms**-Decentralization; City administration; Local Government; Woreda

## I. INTRODUCTION

One of the world's oldest civilizations [1] Ethiopia is the land of many contrasts [2]. The country shocked the world in 1974 when photographs of the country's horrible famines were published. Many people got the mistaken notion that Ethiopia was nothing but a vast, dry desert where food was unavailable for either people or beasts. It is true that large areas of Africa suffer from scant and often unreliable rainfall, resulting in frequent drought. Ethiopia is no exception. It is also one of the poor nations in the world. The country's per capita income of US\$380 is much lower than the sub-Saharan African average of US\$1,165 [3]. Nevertheless, Ethiopia has a rich history and an amazing diversity of people, climates, land features, and ecosystems. Human history may have begun in or around where now Ethiopia [2] is, which has never been colonized in history. And the country recorded impressive economic growth over the last decade and is ranked among the ten fastest growing economies in Africa [4] and among the world fastest movers of human development (United Nations Development Programme) [5].

Ethiopia's origin as a state goes back to the Aksumite civilization [6]. The Aksumite Empire rose during the first century B.C. and flourished for about one thousand years [2]. From the time of the Axumite civilization to the 1850s, the decentralized rule was the dominant feature of the country's political system, which was manifested in the existence of triple authorities [6]. An emperor served as a central authority, while regional/provincial and local nobilities exercised autonomous power within their respective realms [6].

According to [7], from around 1855, a plodding centralization of power was initiated in the country. Until 1974, Ethiopia had an unbroken line of kings and emperors dating back to biblical times [2]. The process of centralization reached its peak during the Derg government [7]. The process of centralization, as he argued, was accompanied by the policy and practice of using local authorities for purposes of "control", in the "control" means using local authorities as political and administrative extensions of the political centre to repress the opposition against the political center, which extracts free labor and revenue in the form of taxation and tribute

With the removal of Derg government by Ethiopian People's Revolutionary Democratic Front (EPRDF), the government began decentralization in 1991. The Federal Constitution of 1995 established member states of the Federal Democratic Republic of Ethiopia, namely Tigray, Afar, Amhara, Oromia, Somali, Benishangul Gumuz, Southern Nations, Nationalities and Peoples, Gambela and Harari; the two city administrations Addis Ababa and Dire-Dawa are considered the equivalent of regions. The constitution underlines that an adequate power shall be granted to the lowest units of government to enable people's participation in the administration of such units. As a result, the Regional States have established lower administrative levels such as zones, and Woredas and Kebeles are found necessary. Thus, Woreda and Kebele level administrative units are given special focus by every region's administration [8] especially since 2001 of District Level Decentralization Program (DLDP) implementation. Consequently, Woredas and urban administrations, have primary responsibility in allocation of resources, decision making, management and delivery of basic services. Kebeles and municipalities are placed under the Woreda administration and are accountable to the Woreda Council.

## II. CONCEPT AND LEGAL STATUS OF LOCAL GOVERNMENT

According to what Adeyemo cited in [9], local government is defined as a system of local administration under local communities that are organized to maintain law and order; it provides some limited ranges of social amenities, and encourages cooperation and participation of inhabitants towards the improvement of their living conditions. Local Government is an agency organized to provide and supervise administrative, fiscal, and other services to the people who reside within its territorial boundaries [10]. It is a sub-unit of government controlled by a local council which is authorized by the central government to pass ordinances having a local application, levy taxes or exact labour and to vary centrally decided policy to apply it locally within limit specified by the central government [11]. Therefore, the crucial part of the definition of local government is that it is a democratically elected authority that exercises political choices within denoted boundaries, though of course, local governments co-operate across boundaries and ally in quasi-federal bodies, such as urban communities [12].

The legal status of local governments varies across countries [13, 14]. In countries like Denmark, France, Germany, the Netherlands, Sweden, Brazil, Chile, India, South Africa, and Uganda, local governments derived their powers from national constitution, whereas, in United Kingdom, New Zealand Bangladesh, Indonesia, Kazakhstan and Poland, they derived their power from national legislation. In Australia, Switzerland, the United States, and Ethiopia, the local governments are created by the states' constitutions, while the local governments are created by provincial legislation in Canada and Argentina. Nevertheless, in countries like China, the executive order of the central government creates local governments [13, 14].

## III. ROLES AND FUNCTIONS OF LOCAL GOVERNMENT

In most cases, local governments are responsible for the management and delivery of key public. The functions mainly include garbage collection, cleaning the streets, education, health, policing, water and sanitation, and elders and vulnerable care [15, 16]. Whereas, some researchers like in [14] argued that local governments vary in their responsibilities across countries, especially developing countries. He further explained that:

In developing countries, in China for instance, local governments are responsible for social security (primarily pensions and unemployment allowances) in addition to traditional local and municipal services. They have a much larger role in local economic development than local governments in other countries. In India and South Africa their functions are limited to delivering local services and largely focused on delivery of municipal services. In other countries like Kazakhstan, all local services are shared central-local responsibilities; local governments do not have independent budgets and have no fiscal autonomy. Concerning the local government expenditure related to the services, nearly half of local government expenditures in Argentina, Brazil, Chile, Indonesia, Kazakhstan, Poland, and Uganda allocated to education and health. In Uganda, education alone accounts for about 40 percent of local expenditures. In India and South Africa, municipal services (e.g., water, sewer, and garbage) and municipal administration dominate local expenditures. In China, education, municipal administration, justice, and police account for nearly half of local expenditures.

Nevertheless, [12] argued that except for a few countries, a number of functions of local government across Europe are similar. Local government tends to provide the public goods, such as parks, but the extent that it provides private goods or welfare services varies. His comparative analysis shows that local government in the Denmark, Finland, Ireland, the Netherlands, Norway, Sweden and the UK systems tends to provide the welfare services whereas the regional or central governments provide those in Belgium, France, Greece, Italy, Portugal and Spain. However, while this distinction would have been very clear twenty years ago, the transfer of functions to sub-national authorities lessens the contrast. He further argued that Denmark, Finland, Ireland, the Netherlands, Norway, Sweden and the UK tends to have few levels of government, smaller numbers of local authorities, and larger average size of local authority, and these differences are quite large if the averages of each group are considered.

## IV. METHODOLOGY AND OBJECTIVES OF THE STUDY

Local governments are only significant administrative and political entities to the extent that they actually carry out their responsibilities. This requires that local governments have authority, that is, a set of functions, powers, and resources of their own. But many studies have shown that local governments in Ethiopia are devoid of this authority. Hence, this study aims at assessing the extent to which the local government practices the responsibilities given by the constitutions and the challenges faced during implementation. Accordingly, the study employed descriptive approach. It could have been better if it were supported by data collected through questionnaire and interview. But due to its nature; it is confined to literature survey, including federal constitution, regional constitutions and other laws. Besides, different textbooks, articles, journals, government policies and websites are consulted.

## V. STRUCTURE OF LOCAL GOVERNMENT IN ETHIOPIA

The Federal Democratic Republic of Ethiopia is composed of nine national regional states, as well as Addis Ababa City Administration and Dire Dawa City council [17]. Regional constitutions transfer power to local authorities. A general survey of local government in the country made by [18] would, however, reveal that a multilayered local government is established across the country. The regional states are divided into zones. The powers and functions of zones vary from regions to regions.

Mainly in SNNP and Amhara regional states, zones play intermediary roles, whereas over sighting role in other regional states. The two cities administrative councils are also further divided in-to sub-cities and woredas. Currently, it is estimated that there are eight hundred woredas and about 5000 urban and 10,000 rural kebeles [19]. The local government structure and their numbers in the country are depicted in the following Figure.

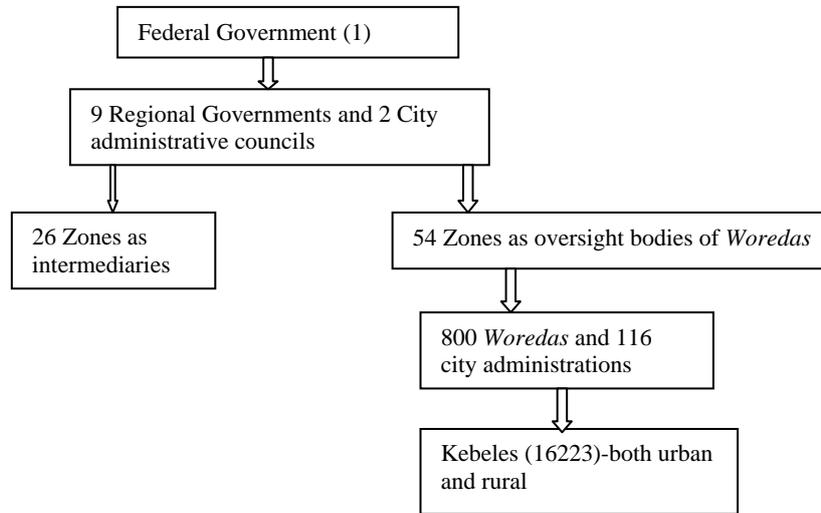


Fig. 1 Local Government Structure of Ethiopia

The Woreda Administration have all the powers within the jurisdiction to prepare and decide on the economic development and social service plans as well as to implement policies, laws, regulations and directives issued by the regional state organs. And the Kebele Administration, while being the lowest hierarchy of the Regional State, is accountable to its embracing urban and or Woreda Administration, as the case may require. The Kebele administration shall have the principal organs include the Kebele council, the Kebele administrative council and the social court.

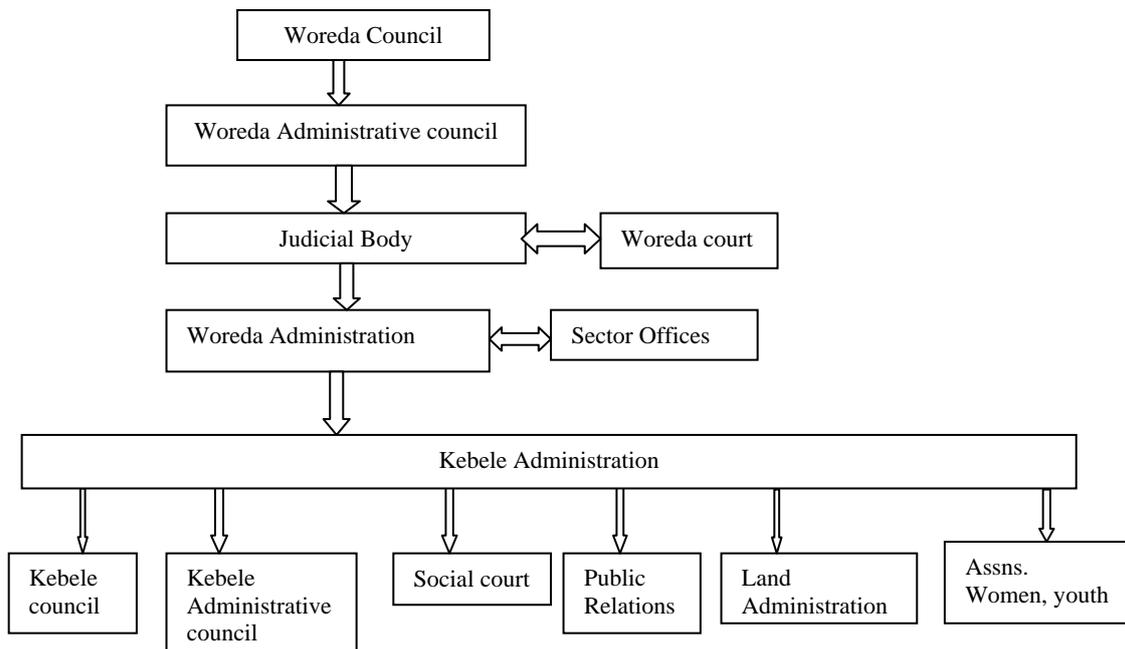


Fig. 2 The Structure of the Woreda Administration [20]

However, as self government administration, Nationality Zones are established for Regional ethnic minority groups that cover a territorial size as large as a number of Woredas. Nevertheless, nationality zones that established as institutions of self-government, for regional ethnic minority groups that occupy a territorial area cover a number of Woredas. A liyu Woreda (special district), in contrast, is a subdivision of regions which in terms of territorial and population size is comparable to a Woreda administration. It is established for the particular ethnic groups that inhabits in the area. Nationality zones and liyu Woredas are established only in five regions: Afar, Amhara, SNNPR, Benishangul-Gumuz, and Gambella regions. Both nationality zones and liyu Woredas differ from the rest of local governments established in the country in the respects of:

“First, unlike the other local government units, the establishment of these local governments is limited to circumstances where a territorial accommodation of ethnic groups is deemed important. Second, largely owing to the objective that underlies their establishment, the territorial demarcation of both a nationality zone and a liyu Woreda follows the territorial settlement of the ethnic group on whose behalf they are established” [18].

## VI. THE ROLES OF LOCAL GOVERNMENT IN ETHIOPIA

### A. *The Role of Local Government in Development*

According to [21], Ethiopia is one of several African countries that made notable progress over the last decade in meeting Millennium Development Goals (MDGs). [22] also note that Ethiopia has achieved high economic growth over the past decade with, averaging 10.7 percent per year. Hence, the Bank ranked the country the 12th fastest growing economy in the world in 2012. Correspondingly, United Nations Development Programme [5] in its Human Development Report of 2010 ranked the country first in Sub-Saharan Africa and 11th in the world based on the progress achieved in the areas of primary education, primary health care, agricultural extension services and the like.

Ethiopia launched a massive decentralization program to Regions and subsequently to *Woreda* administration during those years of development progress. These improvements happened at a time of massive decentralization in Ethiopia first from the federal to region, and subsequently into *Woredas* (districts). As a result of decentralization, *Woredas* are in a position to provide services like health and education in the most efficient and effective way. Hence, [21] work provides evidence to the observation that the devolution of power and resources from the federal and regional governments to the *woredas* contributes to the improvements in the delivery of basic services particularly in education. Similarly, UNDP evidences that the access and provision of public goods have been increased due to local mechanisms [5].

Increasing crop production is crucial for attaining food security, providing inputs for the industrial sector, and boosting export earnings [23]. In 2011/12, a total of 232.44 million quintals of major food crops (Cereals, pulses and oil seeds) have been produced by small farmers and commercial farms [23]. On the other hand, it means that the number of agriculture extension service beneficiaries increases by more than 10 percent per year. According to the ministry, the improvement has been achieved to the advancement of agricultural extension service. Figuratively, the total number of smallholder farmers, pastoralists and semi-pastoralists who have benefited from agricultural extension service reached 10.5 million in 2012. Of the total beneficiaries, 30 percent are women while 10 percent are youth [23]. On the other hand, it means that the number of agriculture extension service beneficiaries increases by more than 10 percent per year. Even though remarkable achievement has been made in agriculture sector, yet there are problems in enhancing the skills of farmers and institutions to strengthen the overall structure of the sector.

Moreover, participation of the private sector plays significant roles to agricultural development in particular and economic growth in general. So far, massive efforts have been put to boost the export of flowers, vegetables, fruits and herbs through identifying and cultivating suitable land [23]. These efforts can be supported by local governments by maintaining peace and security and protecting and guarantying property rights for local investors. Yet, the limitation of local governments especially in the areas of human resource inhibits them properly to perform as expected. Considerable performances also achieved in relation to natural resource conservation and utilization, such as water and soil conservation activities, infrastructure development, and afforestation programs by participating farmers. The encouragement of local community participation demonstrates the change in the mindset of people towards development in the country. This implicates the achievement of country's development objective and sustainable development.

Agricultural Development Led Industrialization is the fundamental building block of industrial development in Ethiopia. To support the key policy, the development of micro and small scale enterprises (MSEs) play a significant role in achieving this strategy. This directly contributes to reducing poverty, the overall economic growth, and job opportunities, especially in urban areas. For instance, according to MoFED report, temporary and permanent job opportunities were created for more than a million citizens in 2012, among which 40 percent are women [23]. Various documents show the progress made in this concern. Consequently, MSEs are also promoted to support industrial development. This directly contributes to the overall economic growth as well as job opportunities, especially in urban areas. For instance, according to MoFED report, temporary and permanent job opportunities have been created for more than a million citizens in 2012, among which 40 percent are women [23].

### B. *The Role of Local Government in Service Delivery*

Ethiopia has opted to deliver services such as basic education, primary health care, agricultural extension advice, water, and rural roads through a highly decentralized system [24]. The country primarily manages the delivery of basic services at the *Woreda* level. *Woredas* (sub-districts) play key roles in prioritizing the provision of public services since they are elected government of local units [25]. Since then, many achievements have been registered. With respect to health service, there has been massive expansion of health services, especially primary health services, over the past two decades [26]. It has been evidenced that Ethiopia has made substantial progress in improving health outcomes during the last decade and is on track to achieve some of the health Millennium Development Goals. To increase the level of awareness to improve their behaviours,

innovative strategies have been employed. The coverage of basic health care services contributes to the achievements of the nation as well. The Health Extension Program (HEP) remains the core of such innovations and provides a model for countries struggling to improve health outcomes in a resource-constrained setting [27].

The Health Extension Program (HEP) emphasizes on the expansion of basic health infrastructure and local human resources with required skills to scale-up delivery of high-impact interventions focusing on improving the supply of and enhancing demand for a well-defined package of essential promotive, preventive, and curative health services [27]. As a result, particular improvement has been observed on child health and malaria in recent years. These improvements can be attributed to strong government commitment towards health results, reflected in a number of notable policies and programs related to Human Resources for Health (HRH), in particular the health extension worker program. However, indicators related to maternal health remain problematic [28]. The study made by [29] also revealed that the construction of health posts and health centres at rural *Kebele* administrations and the hiring of nurses and health extension workers at grassroots level have increased for the last six years. Consequently, it becomes clear that there is a progress of health services in the *Woreda* at the grassroots level and communities are getting moderate health services. However, there are limitations in supplying of medical equipments for each health post and health centre. Moreover, the number of nurses and health extension workers are not enough to address adequate health services for each sub-*Kebeles* (Gott) especially in far off *Kebeles* at the *Woreda* town [29]. Generally, the primary health service coverage increased from 45% in 1996/97 to 92% in 2010/11. As of 2011/12, there were 15,668 health posts compared to only 76 in 1996/97. Over the same period, health centers increased in numbers from 412 to 2,999, and hospitals increased from 87 to 125 [26].

Ethiopian government realized that education is a key for development and believed that every human being has the right to get basic education. To attain this, the Government has made massive movement through successive Educational Sector Development Programmes (ESDP) which have been launched along with Education and Training Policy (ETP) with much emphasis to primary education [30]. The reason is that primary education is very crucial to national development since it provides the highest average public return to the investment of the state as well as the foundation of education and economic growth. In Ethiopia, primary education (grade 1-8) is divided in to two cycles, the first cycle (1-4) and the second cycle (5-8) [31]. The country has made huge strides in increasing access to education. For instance, the enrolment at the primary level (grade 1) over the decade has been increased from less than 5 million to over 16.7 million [32].

In 2005, nearly 75 percent of children enrolled in primary schools, as the result of an impressive 9 percent annual growth in enrolment since 1993 [21]. In 2013, the national enrolment of primary education increased by 2.9 percent. In Somali, Afar and Gambella, the enrolments rates are 32.4 percent, 15.3 percent and 7.3 percent respectively, which are higher than average annual growth. However, the average annual growth rate of Harari, Amhara and Addis Ababa has slightly decreased. This progress is attained through sustainable investment, and strong commitment in reducing poverty. As a result, schools become closer to the children and the Alternative Basic Education has been introduced [32]. In relation to gender disparity, Education Statistics Annual Abstract of MoE shows that the gender disparity in Tigra, Amhara, Addis Ababa and Somali is minimized in 2013. While in Oromiya Benishangul-Gumuz, Harari, SNNP and Gambella, it remains large. This shows that the commitment of local government can determine the accessibility and equity of education among citizens.

The percentage of Ethiopians with access to clean water rose from 19 percent in 1995 to 36 percent in 2005 [21]. It even increased to access 92 percent in 2014 [33]. Whereas, the sustainability of water service in some of urban areas is under question. Hence, government expected to give equal emphasis to the quality of services like to the expansion of coverage.

## VII. CHALLENGES OF LOCAL GOVERNMENTS IN ETHIOPIA

### A. *Financial Challenges: Revenue and Expenditure*

Local governments may lack clearly distinguished tax revenue sources [16]. In Ethiopia, woredas have the power to set certain tax rates and collect local taxes. This principal local government administration can levies, mainly land use taxes, agricultural income taxes, sales taxes, and user fees. This is also substantiated via the study made by [7] on four regions (Oromia, Amhara, SNNP and Tigray). The study proves that Woreda administrations in all the four regions have the power to collect rural land use fees and agricultural income taxes. Whereas, the rate of tax is determined by the regional government and they also expected to remit a portion of the local tax collected to the zone administration. Moreover, the woreda impose and collect service charges. The Woreda administration has the power to make use of any revenue source within the Woreda which is not administered by the regional governments. Similarly, the research made by [18] shows that adequate taxing power has not been transferred to local governments. Some other studies made by [34] on Oromia region and [35] on Tigray region reveal a similar result as the local governments in both regional national states have limited revenue sources to discharge different functions. This significantly contributed to the financial problems that they are currently facing to manage their priorities.

On the other hand, local governments are, in principle, free to spend the block grants as they see fit. However, two points should be highlighted here. First, local governments do not have a constitutionally entrenched claim for regional block grants: the allocation of regional block grants begins only with a policy shift from the ruling party, which decides to allow a degree of

autonomy to Woredas and city administrations. Second, the regions often influence local government financial decisions through guidelines. For instance, the guidelines often stipulate minimum capital spending [18]. In practice, intergovernmental block grants, which are unconditional regional grants, are the most important source of income for Woredas, nationality zones, liyu Woredas, and city administrations. Block grants account for more than 70 percent of the average annual budget of a Woreda [21]. In some regional states, city administrations, although they raise sufficient revenue to discharge their expenditure responsibilities, receive grants to finance their so-called state functions. Yet, except in the SNNPR, the intergovernmental grant for city administration is not formula based; nor does it take the form of a block grant: rather, the grant is "determined on ad hoc basis" to "finance the recurrent costs" of the state functions of the city administrations. City administrations do not receive any grants to finance their municipal functions [18].

The money from donors also does not directly go to local governments. As with the block grants that regional governments transfer to local governments, the financial assistance hardly covers the recurrent expenses of local governments, much less than the financing of capital investments. Even the amount exceeds 90 percent of the block grants cover the salary of local government employees [21]. Therefore, the block grant and the assignments of responsibilities to Woredas are mismatching, which indicates that the Woreda administrations faces the paradox. On the one hand, citizens demand better services in terms of both quality and quantity ever before. On the other hand, local governments lack necessary finance (tax source and block grants) to administer those services.

### *B. Lack of Autonomy*

Given a long tradition of centralized administrative experience, this has not helped Woredas and municipalities to be independent and responsible for many functions and responsibilities at the local level. In this regard, inadequate capacity in terms of trained personnel, financial resources and the absence of in-country training programmes that local governments need cannot help the development of independent and viable local government administrations and municipalities [25]. For instance, in the administration of civil service, the authority of Woreda is overridden by zone. One of the aims of DLDP program is to fulfil the required Woreda manpower for the public institution, and it has been 12 years since its inception. Yet, Woredas are under the command shadow of zone administration.

According to [25], Municipal/urban management and governance were generally neglected area until recent years in the present federal structure in Ethiopia, which is more problematic since urban growth is rapid. The government initiated its focus on Ethiopia's cities and towns after 2000. The focus was on developing institutional and organizational frameworks and on capacity building (Ministry of Works and Urban Development) [36]. According to the assessment made by UN-HABITAT in 2002, the government has adopted a draft urban development strategy which is implemented to support rapid urban development. The strategy is aimed at improving the legal status, governance structure and management system of municipalities and townships in Ethiopia for effective service delivery and infrastructure provision. Whereas, the real focus was started soon in 2005. In October 2005, the Ministry of Works and Urban Development was created to bring a stronger focus to urban development, by transferring the responsibility from the Ministry of Federal Affairs. Similarly, the urban agenda was also included in Accelerated and Sustained Development to End Poverty (PASDEP)-2005/06 to 2009/10 as a key component development (Ministry of Works and Urban Development) [36].

The national Urban Development Policy was approved by the Council of Ministers in March 2005. By mid-2007, all nine Regional States had passed proclamations establishing urban local government authorities with decentralized powers. These "City Proclamations" have provided the institutional and organizational framework that has been adopted by about 84 cities in Ethiopia, including all those that are large or medium-sized [36]. This is to renew emphasis to move away from an entirely rural based development strategy to a more balanced and integrated development of both the urban and rural/agricultural economy- Agricultural Development Led Industrialization (ADLI).

From then, various cities actively initiated development programs in the PASDEP period. For instance, Awassa city launched an initiative to develop a local economic development strategy as part of a Cities Alliance funded proposal. Yet, Regional constitutions did not treat Woredas and city administrations equally as well. Unlike Woredas, city administrations are the creations of ordinary regional statutes rather than regional constitutions. This is the fact that the federal constitution does not distinguish between the statuses of local governments in rural and urban areas. This differential treatment of urban and rural local governments has placed the existence of cities and municipalities as autonomous local government units in a precarious position. Similarly, [34] said that the constitution of Oromia has given constitutional status to rural local governments, whereas, urban local governments are recognized by the regional proclamation. Hence, for instance, the revised City Proclamation of the region 116/2006 abolished all municipalities by a single proclamation. The proclamation also transferred the authority to appoint the mayor of a city from a city council to a regional chief administrator. This shows the people mandate through their representatives to select the mayor of their cities is taken by regional appointment.

The institutional structure and constitutional status of the cities are not clearly stipulated in the constitutions of some regions (for instance Somali National Regional State Constitution Article 88). Nevertheless, others constitution like Oromia National Regional State kept silent about the status of cities. According to the argument of Even Heymans and Mussa cited in [18], cities and municipalities were considered important only to the extent that they contribute to the agricultural development.

It is believed cities should support the rural development for the realization of shifting from Agricultural Development Led Industrializations to Expert Led Industrialization. To the contrary, others argue that the regions should less consider the role of city administrations and municipalities in the regional development in particular and national development in general.

In addition, as a result of a lack of explicit recognition in the constitution, the regional constitutions and statutes maintain the old hierarchical relationship between regional states and local governments. The regional constitutions explicitly positioned that a Woreda, even if it has the power to decide on its internal affairs, remains “a body hierarchically subordinate to the regional government”. The constitution of the Benishangul-Gumuz regional state specifically provides that a Woreda is subordinate to the regional executive branch of government (BGRS Constitution 2002: art. 85(2). Despite not given equal position with woreda, urban local government administrations have state functions including health, education, and agricultural services.

### C. Lack of Capacity

The level and quality of public service delivery is positively influenced by institutional capability. Reference [3] findings show larger variation in the relative efficiency in service delivery than access across Woredas. Woredas in pastoralist areas are lagging behind in expanding primary health and primary education services compared to Woredas in the highlands. The study made in [37] revealed that inadequate administrative personnel capacity, poor revenue base to carry out socio-economic functions for financial allocation as well as limited space for political competition and participation of civil society at the Woreda level. Similarly, [29] on Gozamin Woreda of East Gojam of Amhara Regional State noted that the kind of services provided to each Kebele is unbalanced and it differs from Kebele to Kebele due to the capacity of Kebele leaders in mobilizing human and financial resources.

Reference [38] also indicated that Woreda administrations, especially in Gambella regional state challenged by lack of legal and institutional framework, have poor inter-governmental relations and weak coordination with different stakeholders, upward accountability and absence of transparency in the operation of local governments, shortage of resources (skilled human power and material), limited administrative, institutional and technical local capacities, weak budgeting and expenditure administration. More to the point, the study made by [39] on Woreda Educational Office of Afar National Regional State identified the following Human Resource Development Problems:

- Capacity problem on the part of the majority of officials and professionals at various levels of the regional education structure to execute their respective jobs efficiently
- High turn-over of officials
- Shortage of qualified manpower at regional, *Woreda* and school levels
- Improper utilization of scarce regional resources
- Weak supervision, planning, monitoring and evaluation system and training deficiencies on the part of the professionals assigned for the activities.
- Shortage of teachers and unsatisfactory level of commitment on the part of teachers who are currently serving
- Absence of incentives that could be instrumental to employ teachers and other professionals in sufficient number and retain them in their work for sufficiently long period of time

## VIII. CONCLUSION AND RECOMMENDATIONS

Local Governments in Ethiopia are those entities at their powers and functions determined by Regional constitutions. These mainly include Woredas and city administrations. Whereas, Nationality Zones and Liyu Woredas (special districts) are established in five regions including Afar, Amhara, SNNPR, Benishangul-Gumuz, and Gambella regions.

Almost in all regions, Woreda administrations have the power to collect taxes on rural land use fees and agricultural income, whereas, the rate is decided by the regional government. They also impose and collect service charges. However, they are not autonomous to use the income they collect because the revenue is transferred to the treasury of the regional governments. This shows that currently, the Woredas are not in a position to manage their own financial matters as indicated in their respective regional constitutions.

The federal constitution provides the power for regional states that they may borrow money from internal sources under terms and conditions that federal government determines by law. However, nothing is provided both in the federal and regional constitutions whether local governments can borrow money.

The Woreda administration is authorized to run its own civil service. But the power is currently overridden by zones because it is said to skilled manpower at Woreda level. Nevertheless, the block grant which is transferred to Woredas does not match their mandates. This has direct impact on the responsiveness of Woredas to their priorities. Hence, regional governments

need to consider the following issues to make more effective the services of local governments that can address the grass roots level:

- Local government have to be granted appropriate fiscal powers to further facilitate the development of the nation
- Woredas have to form association to promote their interests and to keep minimal zonal administration interference
- Local governments need to have administrative autonomy through clearly set rules
- Local government should have the real functions on its civil service

#### ACKNOWLEDGEMENTS

My love, Elsabet Mamo thanks for staying in touch, encouragement and editing the paper.

#### REFERENCES

- [1] (2012)USAID. Health Facility Governance in the Ethiopian Health System. [Online] available at: [www.healthsystems2020.org](http://www.healthsystems2020.org).
- [2] Gillespie, C. and Gritzner, C., *Modern World Nations: Ethiopia*, New York: Chelsea House Publishers, 2003.
- [3] World Bank. (2010) *Ethiopia : Public Finance Review*, Washington, DC: World Bank.
- [4] African Economic Outlook. (2011) African Union. [Online] available at: <http://www.afdb.org>.
- [5] United Nations Development Programme. (2010) *Building Bridges between the State & the people: An overview of UNDP's Recent and Current Interventions in Public Administration and Local Governance in Africa*. [Online] available at: [www.undp.org/governance](http://www.undp.org/governance).
- [6] Zemelak. (2011) *Local Government in Ethiopia: Still an apparatus of control?* <http://www.saflii.org/za/journals/LDD/2011/8.pdf>.
- [7] Zemelak Ayele. (2008) [Online]. Available at: *Local Government in Ethiopia: Adequately empowered?* [www.uwc.ac.za](http://www.uwc.ac.za).
- [8] MoFED. (2009) *Layperson's Guide to the Public Budget Process at Regional Level*. [Online]. Available at: <http://www.mofed.gov.et/English/Resources/Documents/Laypersons%20Guide%20%28Regional%20and%20Woreda%20Level%29.pdf>.
- [9] Mzee, M. (2008) *Local Government in Tanzania: Does the Local Government law in Tanzania give Autonomy to local Government*. Master Thesis in LLM at the University of the Western Cape. Multi-level Government Initiative. [Online]. Available at: [www.etd.uwc.ac.za](http://www.etd.uwc.ac.za).
- [10] Microsoft Encarta. (2009) *Local Government*. Microsoft® Encarta® 2009 [DVD]. Redmond, WA: Microsoft Corporation.
- [11] Maddick, H. (1963) *Decentralization and Development*. Bombay: Asia Publishing House.
- [12] John, Peter. (2001) *Local Governance in Western Europe*. London: SAGE publications.
- [13] Shah, Anwar (ed). (2006) *Local Governance in Developed Countries*. Washington DC: World Bank.
- [14] Shah, Anwar (ed). (2006) *Local Governance in Developing Countries*. Washington DC: World Bank.
- [15] (2013)Walker, R and Andrews, R., "Local Government Management and Performance: A Review of Evidence," *Journal of Public Administration Research and Theory*. [Online]. Available: <http://jpart.oxfordjournals.org>.
- [16] (2013)The Hunger Project. 2013 State of Participatory Democracy Report. [Online] available at: [www.thp.org](http://www.thp.org)
- [17] The Constitution of Federal Democratic Republic of Ethiopia No. 1, 1995.
- [18] Zemelak Ayele and Yonatan Tesfaye. 2012. *The Constitutional Status of Local Government in Federal Systems: The Case of Ethiopia*. [Online]. Available at: <http://www.iupress.indiana.edu>.
- [19] Ethiopian Government portal. [Online]. Available at: <http://www.ethiopia.gov.et/>.
- [20] Meskerem Shiferaw, *Status of Local Governance at Woreda/District Level in Ethiopia*. 4th International Conference on Ethiopian studies, organized by Western Michigan University, USA, August 2007.
- [21] Garcia, Marito and Rajkumar, Andrew Sunil, *Achieving Better Service Delivery through Decentralization in Ethiopia*, Washington DC: World Bank, 2008.
- [22] World Bank, *Second Ethiopia Economic Update: Laying the Foundation for Achieving Middle Income Status*. Washington, DC: World Bank, 2013.
- [23] MoFED, *Annual Progress Report for F.Y. 2011/12 Growth and Transformation Plan*, Addis Ababa, 2013.
- [24] Khan, Qaiser M.; Faguet, Jean-Paul; Gaukler, Christopher; Mekasha, Wendmsyamregne. 2014. *Improving Basic Services for the Bottom Forty Percent: Lessons from Ethiopia*. Washington, DC: World Bank.
- [25] UN-HABITAT, *Local Democracy and Decentralization in East and Southern Africa: Experiences from Uganda, Kenya, Botswana, Tanzania and Ethiopia*: Nairobi: UN-HABITAT, 2002.
- [26] Ministry of Health, *National Health Account (NHA V): Household Health Service Utilization and Expenditure Survey*. Addis Ababa: Ministry of Health, 2014.
- [27] Netsanet Workie and Ramana, Gandham, *The Health Extension Program in Ethiopia*. Washington, DC: World Bank, 2013.
- [28] Feysia, Berhanu, Herbst, Christopher H., Lemma, Wuleta, and Soucat, Agnes, *The Health Workforce in Ethiopia: Addressing the Remaining Challenges*. Washington DC: World Bank, 2012.
- [29] Alemu Yimer, *An Investigation of Decentralization and Development in Gozamin Wereda of East Gojjam-Amhara Regional State*, Master's Thesis in Public Administration at Addis Ababa University,2011.

- [30] Ministry of Education, National Education Strategy, Addis Ababa: Ministry of Education, 2008.
- [31] Ministry of Education, Educational Statistics Annual Abstract. Addis Ababa: Ministry of Education, 2013.
- [32] Jennings, Mary and Robert Poppe, Education Management Information System Dropout Study 1999-2003 E.C. (2006/07-2010/11 G.C.), Addis Ababa: Ministry of Education, 2012.
- [33] World Bank, Local Service Delivery in Nepal., Washington, DC, 2014.
- [34] Zerihun Yimer, "The Status, Powers and Functions of Local Governments" In Ethiopian Federalism Principle, Process and Practice edited by Alem Habtu Prepared for the 5th International Conference on Federalism Addis Ababa, 2010.
- [35] Yemane Hailu, "The Powers and Functions of Local Government in Ethiopia: A Case Study of Tigray regional State." In Ethiopian Federalism Principle, Process and Practice edited by Alem Habtu Prepared for the 5th International Conference on Federalism Addis Ababa, 2010.
- [36] Ministry of Works and Urban Development, Plan for Urban Development and Urban Good Governance. Addis Ababa: Ministry of Works and Urban Development, 2007.
- [37] Meheret Ayenew, Preliminary Observation on Institutional and Administrative Gaps in Ethiopia's Decentralization Processes, RLDS Working Paper No.1, Regional and Local Development Studies (RLDS), Addis Ababa University, Addis Ababa, Ethiopia, 1998.
- [38] Abrham G/Selassie, "Assessment on the Implementation of Woreda Decentralization in Gambella Regional State: The Case of Abobo and Lare Woredas," Master's Thesis in Public Administration at Addis Ababa University.
- [39] Thomas Haile, "Assessment of Decentralized Education Service Delivery: A Case Study of Dubti Woreda Afar National Regional State," Master's Thesis in Public Administration at Addis Ababa University, 2011.

**Tilahun Meshesha Fenta** is a lecturer in Public Administration and Development Management at College of Business and Economics, Wollega University, Ethiopia. He is also head of the Department of Public Administration and Development Management. He also served as Coordinator of Research and Community Service of Faculty of Business and Economics, and Project and Planning Officer of the University. His current research interests include public sector reform, performance of public services, and local development.