

HUMAN RIGHTS WATCH

350 Fifth Avenue, 34th Floor
New York, NY 10118-3299
Tel: 212-290-4700
Fax: 212-736-1300
Email: hrwnyc@hrw.org

Kenneth Roth, *Executive Director*
Michele Alexander, *Deputy Executive Director, Development & Outreach*
Carroll Bogert, *Deputy Executive Director, External Relations*
Iain Levine, *Deputy Executive Director, Program*

Emma Daly, *Communications Director*
Barbara Guglielmo, *Finance & Administration Director*
Peggy Hicks, *Global Advocacy Director*
Dinah PoKempner, *General Counsel*
James Ross, *Legal & Policy Director*
Joe Saunders, *Deputy Program Director*

PROGRAM DIRECTORS

Brad Adams, *Asia*
Rachel Denber, *Europe & Central Asia (Acting)*
Rona Peligal, *Africa (Acting)*
José Miguel Vivanco, *Americas*
Sarah Leah Whitson, *Middle East & North Africa*
Joseph Amon, *Health and Human Rights*
John Biaggi, *Film Festival*
Peter Bouckaert, *Emergencies*
Richard Dicker, *International Justice*
Bill Frelick, *Refugees*
Arvind Ganesan, *Business & Human Rights*
Steve Goose, *Arms*
Liesl Gerntholtz, *Women's Rights*
Boris Dittrich, *Lesbian, Gay, Bisexual & Transgender Rights (Acting)*
Joanne Mariner, *Terrorism & Counterterrorism*
Alison Parker, *United States*
Lois Whitman, *Children's Rights*

ADVOCACY DIRECTORS

Juliette de Rivero, *Geneva*
Jean-Marie Fardeau, *France*
Lotte Leicht, *European Union*
Tom Malinowski, *Washington DC*
Tom Porteous, *United Kingdom*

BOARD OF DIRECTORS

Jane Olson, *Chair*
Bruce J. Klatsky, *Vice-Chair*
Sid Sheinberg, *Vice-Chair*
John J. Studzinski, *Vice-Chair*
Karen Ackman
Jorge Castañeda
Geoffrey Cowan
Tony Elliott
Hassan Elmasry
Michael G. Fisch
Michael E. Gellert
James F. Hoge, Jr.
Betsy Karel
Wendy Keys
Robert Kissane
Joanne Leedom-Ackerman
Susan Manilow
Kati Marton
Barry Meyer
Pat Mitchell
Joel Motley
Joan R. Platt
Amy Rao
Neil Rimer
Victoria Riskin
Amy L. Robbins
Shelley Rubin
Kevin P. Ryan
Jean-Louis Servan-Schreiber
Darian W. Swig
John R. Taylor
Catherine Zennström

Robert L. Bernstein, *Founding Chair, (1979-1997)*
Jonathan F. Fanton, *Chair (1998-2003)*
Bruce Rabb, *Secretary*

HUMAN
RIGHTS
WATCH

www.hrw.org

December 16, 2010

Mr. Kenichi Ohashi
Country Director
World Bank
P.O. Box 5515
Addis Ababa, Ethiopia
(On behalf of the Development Assistance Group)

RE: Development Assistance and Human Rights in Ethiopia

Dear Mr. Ohashi,

I am writing to respond to the October 21, 2010 statement of the Development Assistance Group (DAG) in Addis Ababa regarding Human Rights Watch's recent report, *Development without Freedom: How Aid Underwrites Repression in Ethiopia*.

Our report presented serious allegations about the misuse of donor-supported programs for repressive purposes by the government of Ethiopia and recommended that Ethiopia's donor partners insist on a credible, independent and international investigation into the abuses.

To date, the DAG has failed to undertake a proper investigation into the allegations. We urge you to initiate a credible and independent inquiry into these concerns. If you are unable to do so for any reason, including because of the difficulties of gathering such sensitive information in Ethiopia, then we would request you to make that fact public and take the necessary steps to modify your programs in Ethiopia accordingly.

Beyond undertaking the necessary investigations and improving technical monitoring of your programs, Human Rights Watch urges you also to consider the broader human rights concerns in our report.

Among other recommendations, we urge donors to suspend the Democratic Institutions Program – a program which aims to build domestic accountability by funding government institutions – until the government amends its repressive Charities and Societies

Proclamation and meets other key benchmarks for human rights progress in the coming months.

Donor partners have a critical role to play in asserting the importance of human rights concerns and accountability in Ethiopia. These steps, among others, would show that donors are cognizant of the need for serious and urgent progress in Ethiopia's human rights record and are actively seeking that improvement.

Limitations of the DAG Study

The donor community's response, as represented by the DAG statement of October 21 and the July 2010 study, "Aid Management and Utilisation in Ethiopia," leaves a number of serious allegations presented in our report unanswered.

The DAG statement states that "We take allegations of misuse of development assistance very seriously," and concludes that "[the July 2010 DAG] study did not generate any evidence of systematic or widespread distortion."¹

As you are aware, the DAG study was a limited, desk-based analysis of available reporting on a few selected program monitoring mechanisms, not an investigation into the patterns of abuses that we documented in our report. The DAG study never claimed to be a proper investigation and it begins with a disclaimer that "This study focuses on the systems and safeguards that donor-supported programmes have in place. It is not an investigation. It does not seek to prove or disprove allegations of distortion" (para. 18).

Moreover, the study stresses that, to move beyond a purely theoretical assessment of how program monitoring functions, it would be necessary to conduct field investigations:

In order to understand how the programmes, the systems and their safeguards work in practice it would be necessary to go beyond reviewing documentation and to gather additional evidence from the field. As such, the current study—while having made use of the best available evidence—remains exploratory. (n.22)

Flaws in Existing Monitoring Mechanisms

The DAG statement of October 21 misrepresents the facts and analysis contained in the body of the DAG study. The study concluded that all four of the programs it examined should "give more attention to the generation and dissemination of information, to independent monitoring and to the incentives that are needed to drive improved performance" (p. vi). It also noted that two of the programs "face

¹ Development Assistance Group, "DAG Statement – Human Rights Watch (HRW) report: Development without Freedom: How Aid Underwrites Repression in Ethiopia," October 21, 2010, Addis Ababa, <http://www.dagethiopia.org/>.

important challenges in their accountability systems, in terms of safeguards and monitoring processes” (p. iv).

The study also points out weaknesses even in the two programs with “good” safeguards and monitoring processes, particularly when it comes to detecting the manipulation or politicization of aid programs of exactly the kind that Human Rights Watch has documented. For instance it notes that the Protection of Basic Services (PBS) program’s “safeguards would not pick up on access to employment or access to goods and services being shaped by political affiliation, or on PBS funds being misused for political trainings and education” (para. 66).

These are precisely the problems identified by Human Rights Watch’s research which we believe merit further investigation for the purpose of bringing an end to the abuse of donor assistance, and putting in place necessary safeguards to prevent further human rights abuses linked to international development aid.

The DAG report’s conclusion, that its existing monitoring would not capture the type of abuses documented by Human Rights Watch, mirrors the private comments of several donor officials to Human Rights Watch about the limitations of existing monitoring mechanisms. Donor officials from DfID (UK), CIDA (Canada), USAID (US), the World Bank, and the European Commission told our researchers that politicization was “not a criteria for monitoring.” As one official told us, “if people were excluded for political reasons I don’t think the rapid response teams would pick it up.” In June 2010, *IRIN News* quoted you as saying, “Unless you go and do some undercover investigation you’re not likely to find it.”²

Finally, the DAG report does not address all of the donor-funded aid programs that are scrutinized in the Human Rights Watch report, such as the Public Sector Capacity Building Programme (PSCAP), or the General Education Quality Improvement Project (GEQIP). We thus find it both troubling and unhelpful for the Development Assistance Group to dismiss our findings without having investigated any of the specific allegations documented in our report.

The Challenge of Independent Information Gathering in Ethiopia

The DAG study of July 2010 states that the responsibility for investigating specific allegations of politicization lies with the Ethiopian government, not donors, for whom it would be “overstepping our responsibilities and remit” (para. 16). The DAG study also notes repeatedly that many of the monitoring mechanisms rely on Ethiopian government ministries and capacity, data, or on collaborative processes.

² “Ethiopia: Government Denies Food Aid ‘Manipulated’ for Political Gain,” *IRIN News*, June 7, 2010.

The DAG study refers obliquely to the extremely repressive environment for freedom of speech in Ethiopia when it notes a concern that “those who seek to bring forward their complaints may fear to be at risk of detention and punishment” (para. 27).

Yet both the October 21 DAG statement and the July 2010 report fail to address the central dilemma facing donors: that today it is extraordinarily difficult to undertake independent investigations into human rights abuses in Ethiopia due to the government’s widespread repression of freedom of speech, association, and assembly; repressive legislation; and the country’s growing, pervasive climate of fear.

Beyond the primary concern that the human rights situation presents for the immediate lives, safety, and livelihoods of millions of Ethiopian citizens, the human rights environment and the conduct of the state also directly and indirectly affect the ability of donors to provide aid in a transparent and accountable manner.

Humanitarian actors, development and human rights groups, as well as journalists in Ethiopia, who would normally have important functions monitoring government conduct and accountability, have effectively been silenced and are under sustained pressure through a mix of actual government intimidation, persecution and legal repression.

Some of our concerns with the abuse of aid programs in Ethiopia can be addressed by technical improvements to the monitoring of aid programs, but there are broader policy concerns that go well beyond these technical issues and should be addressed by policymakers. As was amply demonstrated by the May 2010 elections, Ethiopia has become an authoritarian, de facto single-party state where human rights violations routinely go unpunished. This means that donors cannot rely on the state’s willingness to seriously address human rights abuses.

In addition, the repressive legal environment created by the 2009 Charities and Societies Proclamation and the Anti-Terrorism Proclamation creates a serious challenge to donors’ ability to rely on independent civil society and the media to monitor and report on abuses. Finally, the persistent impunity enjoyed by government officials and state agents means that even when abuses are brought to light, they are unlikely to be investigated or prosecuted. In this context, it is vital that donors regularly and strategically raise the broader human rights concerns that inevitably affect the beneficiaries of their aid, and take steps to ensure that their aid is not contributing to human rights violations.

Human Rights Watch calls on the World Bank, the European Commission and individual donor government agencies with responsibility for development programs in Ethiopia to provide a thorough and comprehensive response to the allegations contained in Human Rights Watch’s report. To be credible, such a response should address the following questions:

1. Given the challenge of gathering credible evidence and the acknowledgement by the World Bank's director that an undercover operation would be needed to ascertain the extent of political manipulation of aid, how do donors intend to investigate the allegations?
2. Given that the monitoring mechanisms in the Protection of Basic Services program "would not pick up on access to employment or access to goods and services being shaped by political affiliation or on PBS funds being misused for political training and education," what changes do donors intend to make to monitor this kind of abuse?
3. How can donors square their responsibility to their taxpayers to ensure that aid is not misused by the Ethiopian government and their claim that the lead responsibility for investigating specific allegations of political manipulation of aid is the Ethiopian government itself?
4. How do donors intend to address the effects on civil society activity of the Charities and Societies Proclamation which has stifled most independent human rights and advocacy activity by Ethiopian nongovernmental organizations, including the effects on the social accountability component of the Protection of Basic Services program?

I look forward to your response.

Sincerely,



Kenneth Roth
Executive Director

CC:

Embassy of France to Ethiopia
Embassy of the Kingdom of the Netherlands to Ethiopia
Royal Danish Embassy to Ethiopia
Embassy of Norway to Ethiopia
Embassy of the Federal Republic of Germany to Ethiopia
Embassy of Canada to Ethiopia
Embassy of the United Kingdom to Ethiopia
Embassy of Italy to Ethiopia
Embassy of Ireland to Ethiopia
Embassy of Sweden to Ethiopia
Embassy of Finland to Ethiopia

Embassy of Spain to Ethiopia
Delegation of the European Commission to Ethiopia
Embassy of the United States to Ethiopia
Italian Ministry of Foreign Affairs
Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ)
Netherlands Development Organization (SNV)
European Commission
Spanish Agency for International Development (AECID)
Swedish International Development Cooperation Agency (SIDA)
Canadian International Development Agency (CIDA)
Norwegian Agency for Development Cooperation (NORAD)
Danish Ministry of Foreign Affairs-DANIDA
Irish Aid
US Agency for International Development (USAID)
Finnish Ministry for Foreign Affairs
UK Department for International Development (DFID)
Agence Française de Développement (AFD)
Mrs. Obiageli Katryn Ezekwesili, Vice President for Africa Region, World Bank