









# REPORT ON SOCIAL PROTECTION CONSULTATIVE WORKSHOP AS PART OF

# EU/ILO/UNICEF/GCSPF PROGRAM: IMPROVING SYNERGIES BETWEEN SOCIAL PROTECTION AND PUBLIC FINANCE MANAGEMENT





11-13 MARCH 2021

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# **Introduction**

The EU has allocated budget for a project on "**Improving synergies between social protection and Public Finance Management**" to be jointly implemented by the ILO and UNICEF. The objective of the project is to strengthen the social protection system (contributory & non-contributory schemes) as a contribution to the all-round efforts of rolling out of the National Social Protection Policy (NSPP).

As specified in the country document of the project, one of the outputs is "Extending social security to informal economy workers and supporting wage legislation related to social protection, "under which the sub2.3 "Tripartite consultation among government, workers' and employers' representatives on minimum wage and related social protection schemes."

The Ministry of Labour and Social Affairs has organized a consultative and conducted a workshop from 11-13 March 2021 on the above project with the financial support transferred from the ILO to MoLSA.

The objective of the workshop was to consult with different relevant, mainly government, stakeholders on the different social protection programs as per the NSPP with the main focus of how to build the social protection system Ethiopia.

# 1. Expected Outcomes

The expected outcomes of the project were:

- To raise awareness of participants on social protection in general and the social protection land scape of Ethiopia with more focus on the National Social Protection Policy of Ethiopia
- To reach consensus and generate some recommendations on how to progressively extend social protection coverage and how improve the social protection system in Ethiopia
- To share ideas on how MoLSA and other stakeholders can improve their coordination to lead the social protection programs in Ethiopia

# 2. Main activities of the workshop on the agenda

The workshop was conducted according to the following agenda items/programs:

- Welcoming, briefing the objective of the workshop to the audience, reviewing of the agenda items
- Opening Speech by H.E. Ato Getahcew Bedane- State Minister of Social Affairs Sector-MoLSA

- > Presentation on the National Social Protection Policy and strategy and discussions
- Presentation on Safety Nets mainly on the Rural- and Urban- Productive Safety Net Programs (RPSNP & UPSNP) and discussion
- Presentation on the Private Organizations Employees' Social Security Agency and discussion
- Presentation on Ethiopian Health Insurance mainly the Community Based Health Insurance – CBHI and discussion
- A representative could not come from the Public Servants' Social Security Agency-PSSSA, despite the official invitation extended to attend the workshop and deliver a presentation-
- Group discussion and presentations

# 3. <u>Welcoming, introduction, opening speech</u> and presentations





# Ato Abebe welcoming, briefing on objectives, agenda items and finally invited H.E. Ato Getachew to deliver the opening speech

Ato. Abebe G.Medhin welcomed the guest of honor, H.E. Ato Getachew Bedane, Sate Minister of the Ministry of Labour and Social Affairs and the participants of the workshop. He explained the objective and the expected deliverables of the consultative workshop. He briefly explained also the following agenda items namely: (1) National Social Protection Policy & Strategy, (2) Rural- and Urban-Productive Safety Net Program, (3) Private Organizations Employees' Social Security Agency-POESSA, (4) Community Based Health Insurance (CBHI), (5) the Public Servants' Social Security Agency-PSSSA was invited to deliver a presentation but could not come with their presentation. He finally invited H.E. Ato Getachew to deliver the opening speech where he officially opened the workshop.



H.E. ATo Getcahew Bedane delivering the opening speech







After the opening speech, participants made a brief round of introductions to each other.



#### Participants introducing each other

Following the opening speech and the introduction of participants to each other, Ato Feleke Jember, Director of Social Protection of MoLSA has delivered his presentation on social protection, the Ethiopian social protection landscape and the Ethiopian National Social protection Policy. He highlighted the paramount importance of social protection in Ethiopia where the National Social Protection Policy-NSPP was crafted and endorsed following the revision of the long time served and outdated Developmental Social Welfare Policy of 1996. He explained the entire NSPP very clearly including and with due emphasis to address the needs of the informal sector with regard to the extension of sustainable social protection coverage.



Ato Feleke Jember presenting on social protection and the NSPP



Ato Abebe G.Medhin from MoLSA delivered presentation in Rural- and Urban Productive Safety Net Programs. The presentation was on the social protection floors, the definition and the general principles of safety nets, the Rural Productive Safety Nets (RPSNP) and the Urban Productive Safety Net Project (UPSNP) which is to the informal sector poor and vulnerable population of the country.



Ato Abebe G.Medhin presenting on Rural- and Urban-PSNPSs



Ato Girma Sisay from POESSA delivered his presentation on social security. He stated that the Ethiopian social security has two tasks which are extending social security coverage on the (a) kinds of contingencies – where he explained the 9 contingencies and (b) coverage to more people. The traditional social security was to formal government civil servants, to the military and the police. The POESSA came in to being based on the 1948 Universal Declaration of Human Rights Article 22, the Ethiopian Constitution, and the National Social Protection Policy. The need for private sector social security was studied in 1996 but not transformed in to action and delayed due to unknown reasons. However, it was recognized that due to increased private sector investment accompanied by many employees. As a result, the POESSA was established in 2011. Employees under work contract for more than 45 days of work have social security coverage under POESSA's scheme. It also provides the right to portability. The POESSA is under reform to accommodate dynamism and ensure its sustainability. A study has been conducted in order to review and adjust its sustainability. The findings of the study indicate that the scheme should look for investment to keep its sustainability. The country has fulfilled five out of the nine contingencies. In order to enhance social security coverage to the informal

sector, there has to be intensive work in creating and expanding employment opportunities. Provident Fund users are demanding to have social security coverage by the POESSA. POESSA is trying to reach the informal sector including the self-employed and casual workers to give social security coverage. However, since the informal sectors workers don't have fixed places mostly, the employer and employee relation is sustainable and long lasting, no regular salary, no management system that sometimes it becomes not impossible to truck their existence when employment relation breaks and they change work places, but POESSA has a plan to pursue working to give coverage for informal workers.



Ato Girma Sisay presenting on POESSA



Ato Mulat Tegegn from Ethiopian Health Insurance presented on the status of Community Based Health Insurance (CBHI). Social Health Insurance (SHI) is for the formal sector and CBHI for the CBHI. SHI is a scheme proclaimed by law in 2010 for the formal sector economy which is not transformed in to action. The CBHI is a scheme for the informal sector based on flat rate contribution from beneficiaries. There is an increase of contributors and users in the CBHI which positive health outcomes that will be further strengthened to give more horizontal (to more people) and vertical (more health service packages) coverage. However, there is a high challenge with regard to health quality because doctors are not willing to work extra hours and to perform extra works.



Ato Mulat Tegegn presenting on POESSA



# 4. Panel discussion

Immediately after presentations, participants demanded to have the presentations, read them over night and come up with questions after reading. Accordingly, all presentations were emailed to every participant.

The participants came with several opinions and questions on;

- How to work expand the social protection system-on different programs to all citizens,
- How to extend the social security to the informal workers including seasonal who are no covered
- How to extend the CBHI to increase horizontal- and vertical-coverage that is related to the supply side on public- private service providers as well as regulatory issues
- How to improve the targeting mechanisms of the PSNPs to ensure equity among citizens

The presenters reflected on the above other detail technical questions addressed to each of them.



The four presenters leading the panel discussion

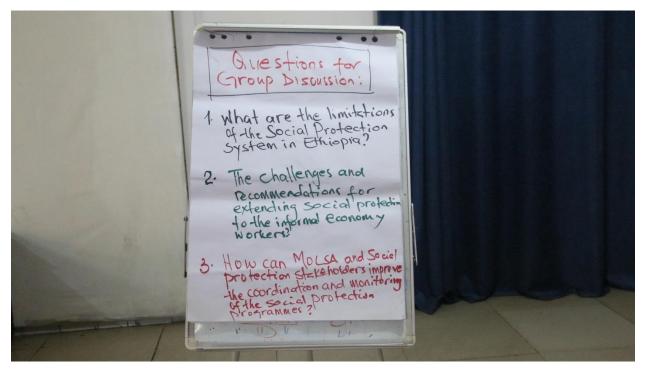


Panel discussion participants

# 5. Group discussion

Three main questions were drafted for group discussion and presentation in order to generate ideas from the discussions that came out as collective position from the participants.

The questions are:



Q1. What are the limitations of the Social Protection system in Ethiopia?

Q2. What the challenges in extending social protection to the informal economy workers and what possible recommendations do you suggest?

Q3. How can the Ministry of Labour and Social Affairs and other social protection stakeholders improve the coordination and monitoring and evaluation of the social protection programs in Ethiopia?

The participants were divided in to small groups and discussed the above three questions finally presented their suggestions agreed at each group's discussion.

The summary of the discussions from the groups came out as follows:

## Q1. What are the limitations of the Social Protection system in Ethiopia?

The limitations identified under this question were:

- 4 Absence of Joint Social Protection Steering Committee
- Weak structure especially for MoLSA at lower levels
- Loose accountability & lose power to run the social protection
- Lack of sustainable financing as well as management of available finance
- Limited awareness on issues related to social protection schemes
- Problems related to structure and coordination among key stakeholders and unskilled social workforce

- problems related to inclusiveness of the various target groups
- Lack of strong data management /MIS/

# Q2. What the challenges in extending social protection to the informal economy workers and what possible recommendations do you suggest?

The challenges and recommendations under this question were:

## Challenges:

- > Lack of well-organized data and information about the informal sector
- Problems related to attitude and behavior of informal sector workers which ha difficulties to convince them to enroll in social protection programs
- > Absence of clear legal framework and gaps in formalization

## **Recommendations:**

- Establish strong data management system
- Awareness creation
- Identify the existing barriers
- Work on behavioral and attitudinal changes to create awareness about social protection to the informal sector

# Q3. How can the Ministry of Labour and Social Affairs and other social protection stakeholders improve the coordination and monitoring and evaluation of the social protection programs in Ethiopia?

Suggestions to improve coordination were:

- Establish Joint Steering Committees at all levels of structures
- Empower MoLSA more at lower level structures
- Build strong availability and accountability mechanisms
- Introduce enforcement mechanisms for the implementation of the National social Protection Policy
- Strengthen the MIS/data management systems
- Train adequate social service workforce
- Establish/strengthen social protection platforms from federal to kebele level
- Strengthen Monitoring and evaluation mechanisms



During group discussion session



Presenters reflecting in the joint group discussion after group work presentations

# 6. Wrap up and concluding remarks

The consultative workshop with the key stakeholders was concluded with closing remarks by Ato Feleke KJember, Director of Social Welfare Development promotion of MoLSA. He stated that the workshop was very help full and fruitful with the recognition of active participation. He noted with satisfaction that the expected outcomes were accomplished that participants got good awareness from the presentations and discussions, ideas were exchanged and participants forwarded their recommendations for the extension of social protection and on the coordination mechanisms, and other related issues. He expressed his hope that the deliberations and outcomes of the workshop will help social protection implementing organizations to enhance their understanding and capacity to implement their social protection programs and look forward to strengthen joint commitment and collaboration with other concerned stakeholders.

Finally, he extended his appreciation and thanks to all the participants for having attended and their active participation in the workshop that generated valuable ideas; and the presenters for their hard work and excellent presentations.

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Prepared by Abebe G.Medhin

MoLSA

15 March 2021