



EU/ILO/UNICEF Project: Improving Synergies between Social Protection and Public Finance Management for Ethiopia

A Fact-Finding Report based on ILO-Social Security Inquiry (SSI) For Ethiopia

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1. The Social Protection Situation of Ethiopia

1.1. Background/Country Information

Ethiopia is the second most populous country in Sub-Saharan Africa, with an estimated population of about 112 million. With an estimated per capita income of US\$790 in 2019 (WB, 2020 Report) Ethiopia remains one of the poorest countries in the world but has achieved substantial progress in economic, social, and human development over the past decade. Between 2011 and 2019, Ethiopia's economy continued to grow rapidly, with an annual gross domestic product (GDP) growth rate of around 9 percent. The national poverty rate decreased from 30 percent in 2011 to 24 percent in 2016 (National Planning Commission, 2017). Low levels of inequality have largely been maintained but vulnerability to poverty remains high, especially for those engaged in rain-fed agriculture and pastoralism. The natural resource base remains the foundation for most livelihoods and is subject to considerable environmental and climate risks.

Millions of people remain vulnerable to poverty, including because of increasingly frequent climate shocks such as drought. COVID-19 has affected the livelihoods of millions of Ethiopia in particular people employed in the informal sector. This could exacerbate the poverty level in the country. Over the next three months, an estimated 1.4 million jobs, accounting for 19 percent of current employment, are threatened due to the crisis.

Ethiopia is undergoing significant demographic and spatial transitions with large projected increases in working-age population combined with rural-to-urban migration, and sustainable job creation has emerged as a key policy challenge. On the demographic side, the working-age population is projected to grow from 54.7 million in 2015 to 74.8 million by 2025 and 85.3 million by 2030, an average increase of over 2 million a year (World Bank/UPSNP PAD, 2020). These twin transitions will significantly affect labor markets already characterized by high levels of unemployment currently at 19.1%.

Ethiopia has the third largest refugee population in Africa, hosting 766,563 refugees and has a high number of internally displaced people estimated at more than 1.8 million (UNICEF report, 2020). Ethiopia has a long-standing history of hosting refugees and asylum seekers over several decades. Refugees are mainly from South Sudan, Somalia, Eritrea, and Sudan.

1.2. Social Protection Policy and Strategy of Ethiopia

The Government of Ethiopia promulgated the ‘National Social Protection Policy’ (NSPP) in November 2014 and National Social Protection Strategy in 2016 envisioning “to see all Ethiopians enjoy social and economic wellbeing, security and social justice”. The policy defines social protection as being a set of ‘formal and informal interventions that aim to reduce social and economic risks, vulnerabilities and deprivations for all people and facilitates equitable growth’. The policy recognizes the contribution of social protection to the development goals of the country and promises that the Government will commit human and financial resources to reduce poverty and maximize the provision of social protection to its poorest and most vulnerable citizens.

The policy identified five but interrelated priority focus areas for its strategic directions, which include; 1) Promotion of Productive Safety Nets, 2) Promotion of employment opportunities and livelihoods, 3) Promotion of social insurance, 4) Enhancement of equitable access to and use of basic services, 5) Provision of legal protection and support services for those vulnerable to violence and abuse. It is expected that the policy will have considerable impacts on establishing a social protection system in the country.

The objectives of the policy are to:

- Protect poor and vulnerable individuals, households, and communities from the adverse effects of shocks and destitution;
- Increase the scope of social insurance;
- Increase access to equitable and quality health, education and social welfare services to build human capital thus breaking the intergenerational transmission of poverty;
- Guarantee a minimum level of employment for the long term unemployed and under-employed;
- Enhance the social status and progressively realize the social and economic rights of the excluded and marginalized;
- Ensure different levels of society to take appropriate responsibility for the implementation of social protection measures;

Extending social protection coverage to all is a fundamental part of the UN’s 2030 Agenda as articulated in the Sustainable Development Goals (SDGs) under target 1.3: “implement nationally appropriate social protection systems and measures for all, including floors and by 2030 achieve

substantial coverage of the poor and the vulnerable”. Timely, reliable, accurate and comparable data are crucial for the formulation, implementation, monitoring, evaluation and impact assessment of social protection policies and programs at the national and global levels. Accordingly, social protection statistics as well as other information and monitoring indicators, in particular SDG Indicator 1.3.1 on social protection floors were identified as a critical area for national capacity development.

ILO is the guardian of SDG 1.3 and in charge of monitoring its progress at the global level. The Social Security Inquiry (SSI) is ILO’s main tool for collecting data on social protection, including on expenditure, revenue and coverage trends of national social protection systems. The SSI tool consists of excel spreadsheet questionnaires that are filled in collaboration with social partners in all UN member states. Particularly, the SSI questionnaire is tailored for the Ministries of Labor and/or Social Development in the recognition that thorough and consistent completion is critical to fulfilling national level SDG 1.3.1 monitoring responsibility.

For this purpose, ILO commissioned a study applying the SSI tool to contribute to the social protection mapping exercise. The SSI application in the assessment of social protection aims at capturing disaggregated data on existing schemes and benefits, including coverage and expenditure. The SSI data serves MoLSA as a social protection monitoring and coordination tool including an instrument of policy advice to improve social protection coverage, adequacy and sustainable financing in Ethiopia. This assignment, therefore, will be useful for monitoring progress in social protection, for Ethiopia and for the Sustainable Development Goals.

1.3. Main Objective of SSI

The SSI aims to provide information on coverage and gap that for ILO and the Ethiopian Government to monitor progress in social protection in the country and for the Sustainable Development Goals.

1.4. Methodology

The methodology applied to carry out the SSI exercise include:

- Identifying key partners and focal points for data collection among Ethiopian social protection institutions.
- Mapping of existing flagship social protection programmes by communicating with relevant implementing agencies.
- Organizing bilateral meetings with focal persons virtually as well as physical.

- Coaching MoLSA's focal person to coordinate and link with relevant institutional for sustainable usage of SSI tool.
- Organizing and facilitating a virtually webinar to build capacity of focal points of implementing agencies and validate data on SSI in consultation with ILO and MoLSA

1.5. Legal grounds for social protection in Ethiopia

Ethiopia has promulgated various laws and adopted international legal instruments as well as conventions, which serve as binding legal forces behind the design and implementation of the various components of the National Social Protection Policy and Action Plan. This section briefly examines the legal frameworks which are relevant to social protection policy and programming.

1.5.1. The Constitution of FDRE and Its Implication for Social Protection

The Constitution of the FDRE (Proc. No. 1/1995) has enshrined several rights on social protection benefits for all citizens, in general, and for vulnerable groups of citizens, in particular. These range from more individual and/or civil rights such as right to 'dignified' life (Article 15), right to security of person (Article 16), freedom against trafficking (Article 18), right to equality (Article 25), right of access to justice (Article 37), to rights of particularly vulnerable groups such as women (Article 35) and children (Article 36), all the way to group-related rights such as economic and social rights (Article 41), right to development (Article 43) and environmental rights (Article 44). Many of these rights can be linked to the recently devised social protection policy.

Another provision of the Constitution that support social protection is Article 37, which provides for a fundamental right of access to justice, whether civil, criminal or administrative justice. This right is especially important for vulnerable segments of the society. It can be taken as a legal embodiment (and realizable through the instrumentality) of the Action Plan pertaining to Focus Area 5 of the NSPP - Providing Legal Protection and Support for Citizens Exposed to Abuse, Exploitation and Violence. Protection against trafficking of persons (especially the most vulnerable ones), provided under Article 18, can be taken as providing legal basis for this focus area.

1.5.2. International Agreements/Conventions Ratified by Ethiopia

According to Article 9/4 of the FDRE Constitution, "international agreements ratified by Ethiopia are an integral part of the law of the land." Besides, in accordance with Article 13/2, ratified international agreements relating to human rights serve as a guideline for the interpretation of the 'Fundamental Rights and Freedoms' chapter of the Constitution. Thus, such basic human rights instruments as the Universal Declaration of Human Rights, International Covenant on Civil and Political Rights and

International Covenant on Economic, Social and Cultural Rights, provide basic legal framework for social protection in some areas. Besides, international conventions bearing more direct relevance for social protection such as UN Convention on the Rights of the Child (CRC), Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), and Convention on the Rights of Persons with Disabilities (CRPD), all ratified by Ethiopia, carry greater prominence than statutory mechanisms and would provide strong legal basis for the respective target groups and interventions sought by the NSPP and the Action Plan proposed in this report.

The Constitutive Act of the African Union adopted by the thirty-sixth ordinary session of the Assembly of Heads of State and Government on 11 July 2000 in Lome, Togo reinforces the need to promote a common agenda to address issues affecting the people of the continent. Articles 3 and 4 of the Constitutive Act emphasize the promotion and protection of human and people's rights in accordance with the African Charter on Human and People's Rights in which Ethiopia is a signatory. Explicit mention is made of the intent to promote sustainable development at the economic, social and cultural levels as well as promoting co-operation in all fields of human activity to raise the living standards of African peoples (African Union Constitutive Act, 2000). The Constitutive Act provides the overall framework within which subsequent discussions on poverty, unemployment and vulnerability are put on the agenda. The African Charter on Human and Peoples' Rights (Banjul Treaty), being the basic treaty on the continent, one way or another implicates all the five focus areas. The African Charter on the Rights and Welfare of the Child strongly implicates focus areas 1, 4, and 5. Similarly, the Protocol to the African Charter on Human and Peoples' Rights on the Rights of Women in Africa, often called Maputo Protocol for short, more or less embodies actions and interventions sought under virtually all focus areas of the NSPP of Ethiopia in respect of one vulnerable group - women. All these instruments are ratified by Ethiopia and are part of the country's laws by virtue of Articles 9/4 and 13/2 of the Constitution.

Social protection as a means of combating poverty and enhancing social development was agreed in the Ouagadougou Declaration and Plan of Action (2004), where African governments committed themselves to improve the living conditions of vulnerable people through better social protection services including improved pensions, health and other social security schemes. The Declaration was further consolidated by the Inter-Governmental Regional Conferences on Social Protection held in Zambia and Cameroon in 2006. The outcomes of these meetings were the Livingstone Call for Action and Yaounde Declaration which called on Governments, among others, to include social protection programmes in their national development plans and budgets.

1.5.3. Laws Related to Social Protection for Persons with Disabilities:

Proclamation No. 568/2008 provides the right to employment of Persons with Disabilities. Federal Civil Servants Proclamation No. 515/2007 provides for preferential treatment of Persons with disabilities (PWD) in civil service employment (Art. 13). These statutory instruments can provide a firm legal basis for the realization of Focus Area 2 of the NSPP- Expanding Employment Opportunities and Improving Livelihoods.

The Ethiopian Building Proclamation (Proclamation No. 624/2009) likewise contains provision (Article 36) for ensuring access to public buildings (as well as their toilet facilities) for people with physical and vision impairments. Directive 36/98 (updated as directive 41/2008) provides for tax-free import of Motorize Bicycle, Automobile, wheelchairs & crutches for persons with mobility problems. Both are important laws to be considered under 'Focus Area 4 of NSPP-Increase Equitable Access to Health, Education and "other Social Services"

Another currently enforceable law with relevance for social protection with respect to persons with disabilities is the Higher Education Proclamation No. 650/2009. This law requires, for example, that education for students with hearing disabilities must be provided in or supplemented by appropriate sign language (Article 20/3). The NSPP pillar this legal provision is associated with is Focus Area 4.

The Labor Proclamation No. 377/2003, as amended, in its Article 107/1/b provides for a scheme of disablement benefits paid to employees permanently disabled as a result of employment injury. The same kind of benefit is available under the Civil Servants Proclamation (Art. (54). Payment of disablement benefits is one component of social protection policy (an insurance scheme) and is related to Focus Area 3 of the NSPP (Provide Social Insurance.)

1.5.4. Other Laws and Regulation that Enforce Social Protection

- a) *Definition of Powers and Duties of Executive Organs of the FDRE (Proclamation No. 916/2015):* Article 10/4 of this law provides for common obligation of all ministerial offices to create conditions whereby the target groups under their respective competence benefit from equal opportunities and full participation. The implicated measures cover all focus areas and the target groups include PWDs, elderly, HIV positive people, and those segments of the society vulnerable to social and economic problems.
- b) *Social Health Insurance Proclamation No. 690/2010.* This proclamation has openly recognized that "social health insurance is one of the sustainable health care financing

- mechanisms which enhances equitable access to improved health services through cross-subsidization." This law embodies pillar 4 - Promoting Social Insurance - of the NSPP.
- c) ***Public Servants' Pension Proclamation No. 714/2011, as amended by Proclamation 907/2015.*** This proclamation declares that expanding social security system to reach citizens step by step is part of the country's social policy. The beneficiaries are employees in the public service, both civilian and military. This law can be said to embody Pillars 3 and 4 of the NSPP.
 - d) ***Private Organization Employees' Proclamation No. 715/2011, as amended by Proclamation 908/2015:*** This law also declares that expanding social security system to reach citizens step by step is part of the country's social policy. The beneficiaries, as the name of the proclamation clearly tells, are employees in the private sector. The law can be said to embody Focus Areas 3 and 4 of the NSPP.
 - e) ***Third Party Vehicle Insurance Proclamation No. 799/2013:*** Under this law, victims of road traffic accident and their families are entitled to automatic compensation for death or bodily injury and provided with emergency medical services free of charge (Preamble, Arts. 3/1, 4). The law embodies Focus Area 3.
 - f) ***Prevention and Suppression of Trafficking in Persons and Smuggling of Migrants (Proclamation No. 909/2015):*** It is intended to give appropriate protection, support and rehabilitation to most vulnerable groups of society such as women, children and migrants. This legislation provides legal basis for intervention sought under Focus Area 5.
 - g) ***Laws and Policies related to Citizens Affected by HIV and AIDS.*** Multi-sectoral HIV/AIDS policy (2012) of the Federal Democratic Republic of Ethiopia calls for Multi-sectoral Plan of Action for Universal Access to HIV Prevention, Treatment, Care and Support.
 - h) ***Health Policy (1993):*** It is indicated that equitable health service shall be developed with assurance of accessibility for all segments of the population. The policy also calls for contribution-based and non-contribution-based health care, which is one component of Social Insurance.

Education and Training Policy (1994): Special education and training will be provided for people with special needs. Special attention will be given to the participation of women in the recruitment, training and assignment of teachers. Ensuring access to formal education through use of local language is also one component of the policy. These elements emphasize Focus Area 4 in the education sector.

National Policy and Strategy on Disaster Risk Management (2013): It aims, during times of disasters, to save lives, protect livelihoods, and ensure all disaster affected population are provided with recovery and rehabilitation assistances. The implicated interventions relate to

Focus Area 1.

Policy on HIV/AIDS of the FDRE (1998): It considers an inter-sectoral and holistic approach in the provision of care and services to people living with HIV and AIDS. It also recognizes the human rights of persons living with the virus to prevent discrimination against them. It specifically calls for home and community-based health care and psychosocial support for people living with the virus, orphans and surviving dependents. It also seeks to empower women, youth and other vulnerable groups to take action to protect themselves against HIV and AIDS. Overall, the components of the policy can be linked to interventions under Focus Areas 4 and 5.

2. Social Protection Mapping of social protection schemes

The major flagship schemes are mapped based on national social protection Policy and strategy.

Focus 1: Promotion of Productive Safety Nets,

- Rural Productive Safety Net Programme (PSNP)
- Urban Productive Safety Net Program (UPSNP)

Focus 2: Promotion of employment opportunities and livelihoods,

- Livelihood Component of PSNP
- Livelihood Component of UPSNP

Focus 3: Promotion of social insurance,

- Public Servant Social Security Scheme
- Private Organization's Employees Social Security Scheme

Focus 4: Enhancement of equitable access to and use of basic services,

- Community Based Social Health Insurance
- School Feeding

Focus 5: Provision of legal protection and support services for those vulnerable to violence and abuse.

2.1. Social Protection Programs Coverage and Context in Ethiopia

2.1.1. Scheme 1: Public Servants' Social Security Scheme

Legal Coverage

The Social Security (Minimum Standards) Convention, 1952 (No. 102), the Old-Age, Invalidity and Survivors' Benefits Convention, 1967 (No. 128), and its accompanying Recommendation No. 131, and the Social Protection Floors Recommendation, 2012 (No. 202), provide an international reference framework setting out the range and levels of social security benefits that are necessary and adequate for ensuring income maintenance and income security, as well as access to health care, in old age. The extension of coverage to all older persons is an underlying objective of these standards, with the aim of achieving universality of protection, as explicitly stated in Recommendation No. 202. Conventions Nos 102 and 128.

Ethiopia first introduced Public Servants' Pension Proclamation in 1963 and the revised existing law was amended and endorsed in 2011 (Proclamation No. 714/2011, as amended by Proclamation 907/2015). This proclamation declares that expanding social security system to reach citizens step by step is part of the country's social policy. The beneficiaries are employees in the public service, both civilian and military.

Effective coverage of the Public Servants' Social Security Scheme

The function covered by the scheme are old age, invalidity, survivors and sickness benefit for working age people in public sectors.

The scheme covers around 2.49 Million active employees in public sector including Military. Out of the active contributory of public servants, 30% of them are female employees. while female beneficiary is 45%. Employers contribute (11% of payroll (civilian) or 25% of payroll (Military) while employee contribute 7%.

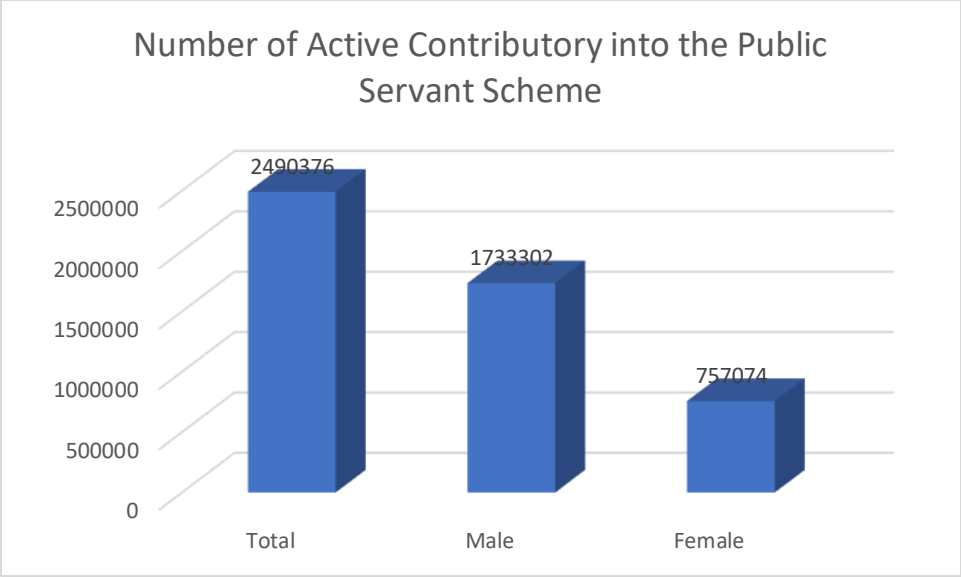


Figure 1: Number of people paying contributions into the scheme (PSSSA)

The number of beneficiaries of public servant scheme is currently 640,733 while 46% are female among persons who receive benefits. PSSSA currently provides pensions in the form of a periodic/ monthly benefit to beneficiaries.

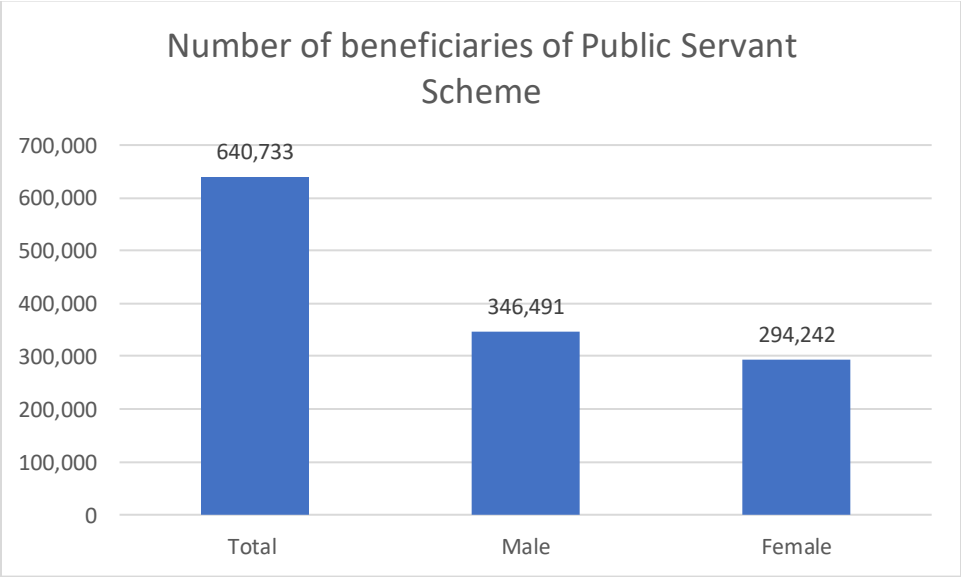


Figure 2 Number of beneficiaries of Public Servant Scheme

Table 1: ¹Types of benefit for Public Servant Social Security Scheme

Number of beneficiaries by benefits				The minimum monthly in EB
Benefit	Total	male	female	
Old Age Pension	199,275	165,266	34,009	1258
Survivors	317,490	60,393	257,097	
Invalidity	11,115	9,482	1,633	
Employment injury	112,853	111,350	1,503	
Maternity				
Total	640,733	346,491	294,242	All female employees in public servants are eligible for full paid leave for four months,

Financing

Public Servant Social Security Agency (PSSSA) collected contribution of Birr 30,540,000,000.00 (30 Billion) the public social security scheme and spend annually Birr 8,331,732,008.00 for 2019/20 to cover cost of beneficiary including administration.

2.1.2. Scheme 2: Private Organization’s Employees Social Security Scheme

Legal Coverage

Ethiopia first introduced Private Organization’s Employees’ Pension Proclamation in 2011 (Proclamation No.202/2011). This proclamation declares that expanding social security system to reach citizens in private sectors step by step is part of the country's social policy. The beneficiaries are from private organization’s employees and Non-Governmental Organizations (NGOs/CSOs) and other sectors which are not under public servant scheme.

Effective coverage

The function covered by the scheme are old age, invalidity, survivors and sickness benefit for people working in private organization and Civil Service Organizations (CSOs).

The scheme covers 1.67 Million active employees in private organization and CSOs. Out of the active contributory of private organization employees 39% of them are female employees. Employers contribute (11% of payroll) while employee contribute 7% of their income.

¹ Maternity

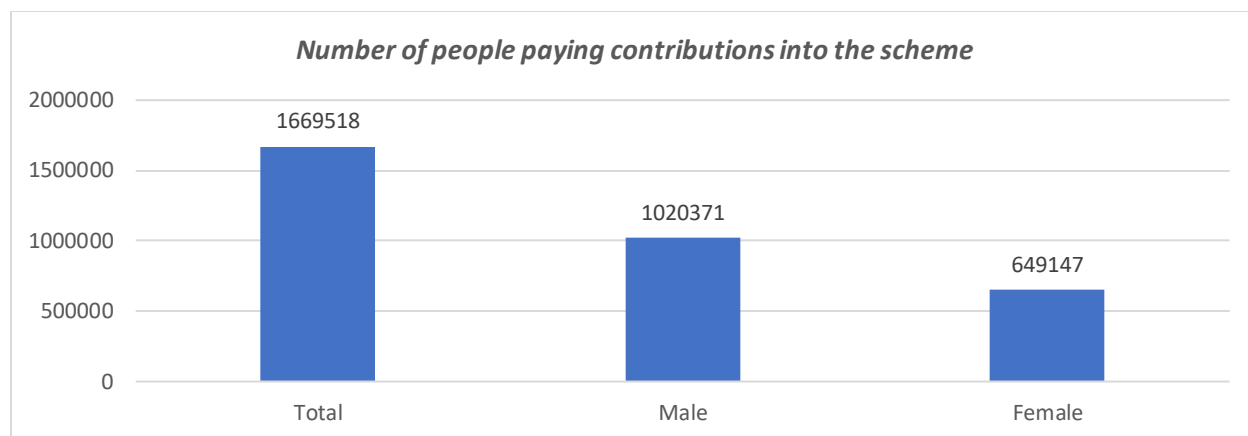


Figure 3 Number of people paying contributions into the Private Organization's Employee Social Security scheme (POESSA)

This scheme is currently benefiting 31,386 beneficiaries out of this 27% are female among beneficiaries who receive the benefits. POESSA currently provides pensions in the form of a periodic/monthly benefit to beneficiary. Maternity and sickness are not covered by pension proclamations. However, employers are required to pay full salary for four (4) months for female employees delivering babies

Table 2: Number of Beneficiaries by Types of benefit for Private Organization's Employees Social Security Agency Scheme

Number of beneficiaries by benefits				The minimum monthly in EB
Benefit	Total	male	female	
Old Age Pension	24314	18582	5732	1258
Survivors	3006	1031	1975	
Invalidity	4059	3424	635	
Employment injury	7	7	0	
Maternity				All female employees in private sector are eligible for full paid leave for four months, which is legally endorsed
Total	31,386	23,044	8,342	

Figure 4 Number of beneficiaries of Public Servant Scheme

Financing

Private Organization's Employees Social Security Agency (POESSA) collected contribution of Birr 10,492,697,889 for the scheme and spend annually Birr 733,811,201 for 2019/20 to cover cost of beneficiary including administration.

Effective coverage of Social Security Schemes

SDG indicator 1.3.1 on effective coverage for older persons: Percentage of population above statutory Social protection effective coverage (SDG indicator 1.3.1), latest available year. The two pension schemes cover 12.1% % of older person calculated as Percentage of population above statutory pensionable age in Africa receiving an old-age pension in 2020.

PSSSA is sufficiently staffed at central and regional level, but POESSA still has problem of capacity especially at regional level in delivering quality disaggregated data on beneficiaries.

3. Rural Productive Safety Net Program (PSNP)

The launch of the PSNP in 2005 represented a pivotal departure from the cycle of annual emergency food aid appeals in rural areas. The PSNP provided cash transfers and/or food to food insecure households in chronically food insecure woredas/districts in exchange for labour-intensive public works, while labour- constrained poor households received unconditional "direct support" transfers or called Permanent Direct Support. The programme covers 40% of the country's districts (Woredas). Pregnant and lactating mothers are exempted from public work until the child is one year old. From the time pregnant is detected until a child is one year the woman transit from Public Work benefits to unconditional cash transfer.

Legal Coverage

The National Social Protection Policy includes Promotive Safety Net as one of the its focus areas. Rural Productive Safety Net (RPSNP) has been implemented based on programme implementation manual but not anchored in national legislation.

The unconditional "direct support" transfers for labour-poor households has targeting criteria which includes households without labour such as Person with Disabilities, old age, child headed households etc.

Effective coverage

The non-contributory scheme (PSNP) covers about 8 Million rural food insecure people while 51.7% are female beneficiaries at this point in time. This program is managed by Ministry of Agriculture

and Ministry of Labor and Social affairs jointly. Ministry of Agriculture is leading the Public work activity while MOLSA is managing the Permanent Direct Support sub-component.

Figure 4: Rural PSNP Beneficiaries

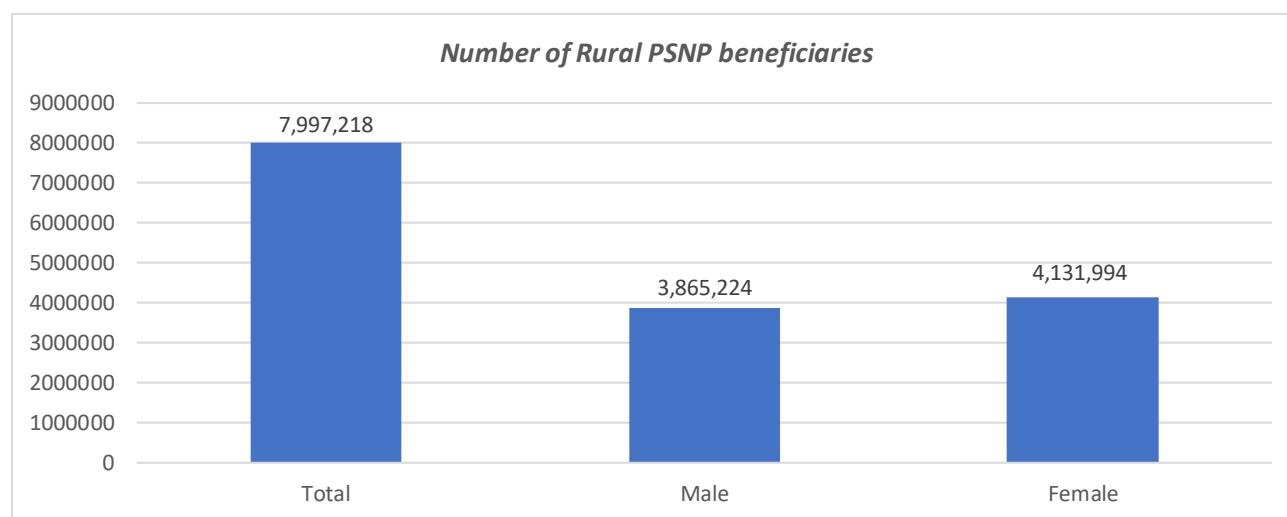


Figure 4 Number of PSNP beneficiaries

Rural Productive Safety Net (RPSNP) provides monthly transfer to Public work beneficiaries and 12 months of support to Permanent direct support (direct cash transfer). From the time pregnant is detected until a child is one year the woman will be exempted from participating into Public Work (PW). This is paid maternity benefit. About 15% of the programme beneficiaries are under Permanent direct support and receives unconditional cash transfer on a monthly transfer basis for 12 months. Similarly, Temporary direct support beneficiaries that transited from Public Work either for pregnancy or breastfeeding until a child is one year are 2% of total beneficiaries of Public Work. This a type of maternity benefit for female beneficiaries engaged in public works. Beneficiaries that receive livelihood transfer is also % of total PSNP clients.

Table 3: Types PSNP beneficiaries

Benefit	Total	M	F	Average monthly payment in Birr
Permanent Direct Support	1192014			280/per prs per month
Public Work	6683890			280/per prs per month
Temporary Direct Support transited from PW	121314		121314	280/per prs per month
Livelihood	141883	71589	70294	8000 Birr lump sum

Financing

PSNP is mainly a donor-based financing program though Government of Ethiopia has been increasing financing every year by recognizing its benefits for the ultra-poor in the country. On average PSNP has a budget of USD 500,000 annually and yet the Government has invested only 2.5 million USD for the past five years. For instance, for 2019/20, the Government has contributed 33% of the total budget allocated for PSNP.

4. Urban Productive Safety Net Program (UPSNP)

Ethiopian Government has introduced UPSNP in 2016 to provide support to urban poor in 11 major cities of the country now already expanded to 83 cities and launched in October 2020 and implementation will began as of January 2021. The project supports the Government of Ethiopia (GoE) in improving the incomes of the urban poor through public work and cash transfer and the labor market inclusion of disadvantaged urban youth through Livelihood. Similarly, the UPSNP provides cash transfers for poor households in selected cities in exchange for labour-intensive public works, while labour-poor (labour constrained) households received unconditional “direct support” transfers. Pregnant, lactating and sickness are exempted from the public work until the child is one year old. From the time pregnant mothers are detected until a child is one year the woman will transit from PW to unconditional transfer. This type of maternity benefit for female beneficiaries engaged in public works.

Legal Coverage

The National Social Protection Policy includes Promotive Safety Net as one of the its focus areas. Urban food security strategy has an objective to expand UPSNP to 972 cities to benefit 4.2Million within 10-year. UPSNP has been implemented based on project implementation manual but not anchored in national legislation. The unconditional “direct support” transfers for labour-poor households targeting criteria includes households without labour such as Person with Disabilities, old age, child headed etc. This project has an urban destitute component to benefit homeless people such as children living on street. The programme is implemented by Urban Job Creation and Food Security Agency, under the leadership of Ministry of Urban Development and Construction and Ministry of Labor and Social Affairs.

Effective coverage

581,990 urban poor people are covered through UPSNP and an additional 22,000 homeless people such as children in street situation are being benefited through service provides. Out of the total, 59%

of the beneficiaries are female.

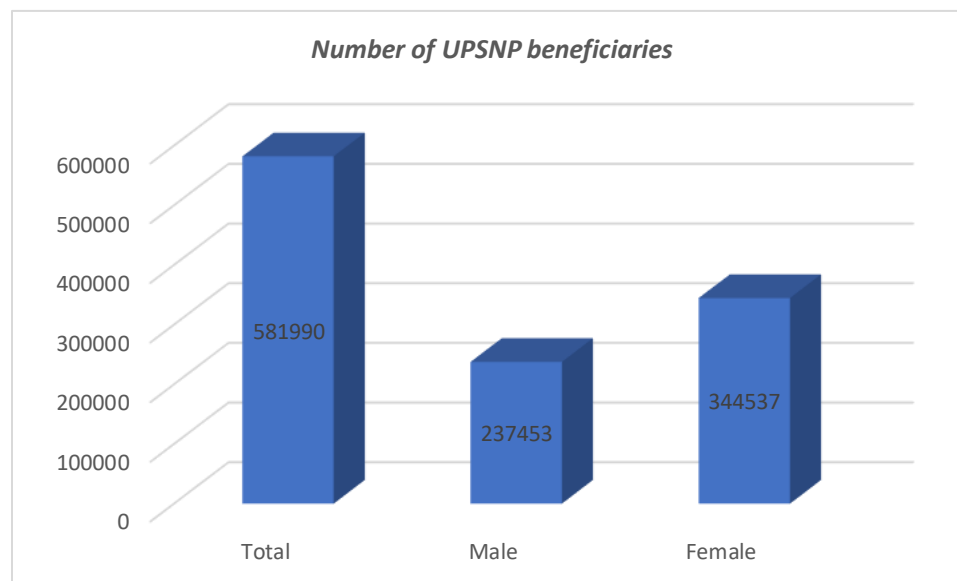


Figure 5 Urban PSNP beneficiaries

UPSNP provides monthly cash transfer to targeted urban poor. Both public work and Permanent direct beneficiaries receive 12 months of support. From the time pregnant is detected until a child is one year the woman will be exempted from participating into PW. This is paid maternity benefit. For UPSNP, 16% of the program beneficiaries are Permanent direct support and receives unconditional monthly transfer for 12 months/315Birr. Similarly, Temporary direct support beneficiaries that transited from PW either for pregnancy or breasting feeding until a child is one year are 3.6% of total beneficiaries of PW. Beneficiaries that receive livelihood transfer is also 30% of total Public work beneficiary.

Table4: UPSNP beneficiaries by types of benefits and amounts of payments

Benefit	Total	male	female	Average monthly payment in Birr
Permanent Direct Support (Unconditional cash transfer)	93120	37993	55127	315/per prs per month
Public Work	471410	199460	271950	450/per prs per month
Temporary Direct Support	17460		17460	450/per prs per month
Urban Destitute	22,000	-	-	Contracted out to service providers
Livelihood	146054	40557	105497	14470/per HHs/lumpsum

Financing

UPSNP is financed by The World Bank (300 Million USD) and the Government of Ethiopia (150 Million USD) for five years. The Government of Ethiopia contributes to 33% of the existing UPSNP

fund of USD 450 Million and committed to finance the next phase of Urban productive Safety Net and Job Project (UPSJP).

SDG Indicators 1.3.1

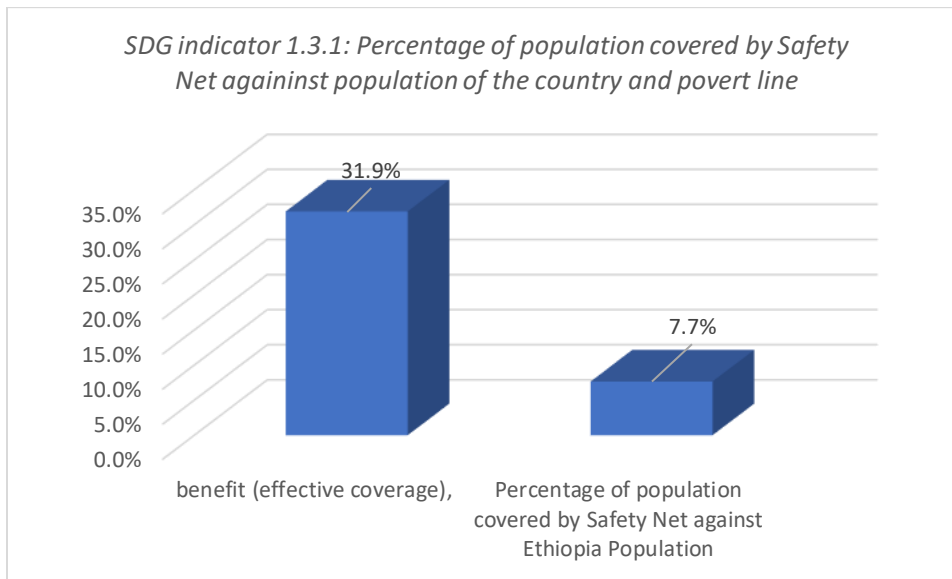


Figure 6 Percentage of population in Ethiopia covered by both Safety Net programmes 2019/2020

5. Promoting Safety Net Programmes in Ethiopia

Together, the two programs (Urban and Rural Safety Net Programs) have provided a solid foundation for the national safety net system, including core administrative systems to improve effectiveness, efficiency, and accountability of service delivery. While the two programs have many commonalities in design and implementation, given the different nature of poverty and vulnerability in urban and rural areas of the country. Steps are being made to integrate the existing information systems in the short and medium term. The two PSNP programs are wage rates for Public Works are set marginally lower than market wages to discourage better paid laborer's from participating in Safety Net Program.

6. Health Insurance

While Social Health insurance legal framework endorsed by government, it is not implemented yet due to the challenge the programme faced from public servant willingness to contribution to the fund.

The Federal Proclamation on CBHI – as a main policy guideline and legal framework for this social health insurance scheme – is expected to be endorsed in near future. The revised draft proclamation has incorporates and determines key policy issues, e.g. designating the Ethiopian Health Insurance Agency (EHIA) as the responsible body and oversight mechanism of the CBHI, determining the adequate proportion of *indigents* to equate poverty proportions in different regions, a mandatory

element of the CBHI as well as providing a legal framework for centralized pooling and alternative ways of funding the existing pools for comprehensive subsidy and indigent provisions of the CBHI.

As a coverage of CBHI, the health insurance program for the informal-sector households in Ethiopia, expanded to a total of more than 700 Districts (woredas) in the country. Currently, there are about 770 rural and about 100 urban woredas in Ethiopia. The CBHI scale-up has used a phased approach; first in 13 pilot woredas in Amhara, Oromia, SNNP and Tigray regions (during 2011-2013) and then expanded to most of the woredas in the country.

Effectiveness of Coverage

CBHI scheme covers 31.9 Million or 6.9 Million informal sector households in Ethiopia. Out of this 21% are poor and vulnerable households which are covered by indigent part and this is beyond the expectation of CBHI directive that government committed to covers only 10% of the non-paying beneficiaries to be enrolled into CBHI.

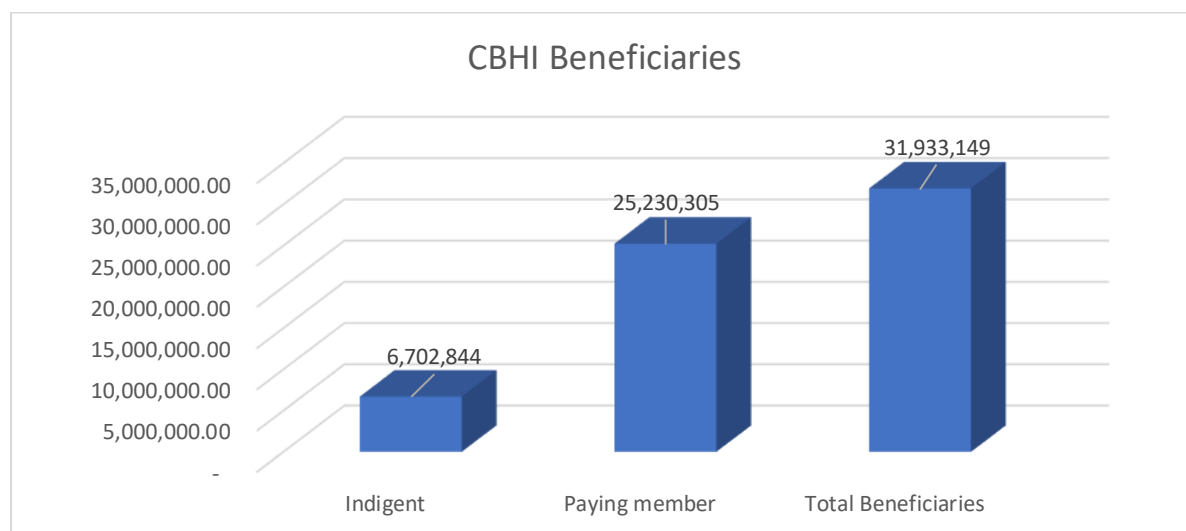


Figure 7 CBHI Beneficiaries

CBHI Component	CBHI Beneficiaries	Percentage
Indigent	6,702,844.00	21%
Paying member	25230305.4	79%
Total Beneficiaries	31,933,149	100%

Financing

Ethiopia Health Insurance Agency collected contribution of Birr 1,659,092,358 CBHI scheme and spend annually Birr 1,136,687,197 for 2019/20.

7. School Feeding

Government in collaboration with Developmental Partners being implemented Emergency school feeding program (ESFP) to reduce school dropout and absenteeism in areas that are affected by a disaster, poverty and other emergency situations. The Ethiopian Ministry of Education has been provided school meals in all drought affected regions and currently this has been expanded to Addis Ababa city Administration in 2019/20 for public primary school children.

The program had provided emergency school meal for 2,055,623 primary and pre-primary school children in all regions of the country. Schools have been targeted on the basis of national hot-spot priority classification exercise done by National Disaster Risk Management Commission (NDRMC) as well as on the analysis of education performance data report.

Table 5: Number Children covered by School Feeding

Type of Program	Number beneficiaries (not disaggregated by sex yet)
Children received school Meal	2,055,623

Financing

For the year 2017/18, Federal Government of Ethiopia has budgeted 10.72 million \$USD (Eth 289,425,983) in addition what has been allocated by the pull fund of donors.

8. Summary of Country Social Protection Expenditure and % GDP

Table 6. Summary Country Social protection expenditure in 2020 per program (in local currency and % GDP)

<i>Benefit Type/Program</i>	<i>Number of beneficiaries</i>	<i>Total projected spending</i>	<i>% GDP</i>	<i>% GDP (considering 5% reduction due to COVID-19)</i>
Old Age Pension	223589	5285884289	0.21%	0.22%
Survivors	320496	1767134551	0.07%	0.07%
Invalidity	15174	234417886.3	0.01%	0.01%
Employment injury	112860	1778106481	0.07%	0.07%
RPSNP	7997218	15,612,849,426.00	0.62%	0.65%
UPSNP	581990	2650036796	0.10%	0.11%
CBHI	32004840	1136687197	0.04%	0.05%
School Feeding	2055623	289425983	0.01%	0.01%
Total		28754542610	1.14%	1.20%

9. Challenges

- Ministry of Labour and Social Affairs (MoLSA) lacking data system to track the information on social protection programmes in the country. This hinders MoLSA mandates to coordinate and implement national social protection policy in the country. MOLSA is discussing and working with donors on data base systems and there the possibility of developing nation-wide Social registry.
- There is no disaggregated data and information exist in some implementing agencies. For instance, there is no detailed and processed disaggregated data by type of benefits for Urban and Rural safety net programs which needs due attention for future action. Private Organization's Social Security Agency doesn't have disaggregation of data based on social protection function areas
- Ethiopia Health insurance agencies only have households' beneficiary's data.

10. Recommendation for future

- The consultant has discussed and provided support and coaching to Planning, Monitoring and Evaluation Directorate and Social Welfare Directorate team members at MOLSA to collect relevant information from implementing agencies on quarterly on a timely basis. They already discussed with Private Organizational Social Security agency and others to organize disaggregated data-based information on social protection functional areas regularly based on the SSI key items provided to them.
- There is a need to establish committee drawn from Monitoring and Evaluation teams to have disaggregated data by types of benefits, sex, functions and other information to strengthen the social protection system in the country.
- The SSI tool needs be installed at MoLSA level for future reference and updates under two directorates namely; Planning, Monitoring and Evaluation Directorate and Social Welfare Directorate).
- Some social programs are under process to develop registry and Management information system (MIS) such as PSNP and UPSNP MIS that will help implementing agencies to collect and organize information on beneficiaries.
- The next Urban Productive Safety Net and Job Project being started providing cash transfer to Refugees. In this case, ILO needs to collaborate with The World Bank, MoLSA and UJCFSA and other development partners in using the SSI tool for effective data utilization.

Source Documents

1. CSA-Central Statistics projection, 2019, Addis Ababa, Ethiopia
2. Ethiopian National Planning Commission Annual Report,2017, Addis Ababa
3. Ministry of Labour and Social Affairs Report on Safety Net Programs, 2019, Addis Ababa
4. National Social Protection Strategy of Ethiopia, 2016, AA
5. Sustainable Development Goals (SDG), 2015.
6. The World Bank Urban Safety Net and Jobs Project, 2020 Addis Ababa, Ethiopia