

# Improving synergies between Social Protection and Public Finance Management (SPPFM) Project

4<sup>th</sup> Reference Group Meeting 7<sup>th</sup> April, 2022











# **Objectives**

- Understand the employment status and situation of workers and economic units in the informal economy, along a gender analysis.
- Identify possible barriers to social protection coverage and formalization (legal, administrative, financial barriers, information barriers etc.)
- Analyse the role of social protection in recovery actions, and lessons learnt from the COVID-19 crisis
- Identify policy options for the extension of coverage based on a review of international and national experiences











## **Methods & Challenges**

### **Methods**

- Comprehensive review of national and international literature
- Key informant interviews and/or written response to questions PSSA, POESSA, AA Chamber of Commerce, Bole Sub-city, MoLSA, EFPD
- Small scale survey (not representative) of informal workers in selected 'hot spots' in Addis Ababa











## Key findings from the study











#### Recommendations

## 1. Revise/implement the social protection policy and strategy:

- Improve coordination and synergies between non-contributory and contributory social protection
- It is transformative and has the potential to lead a universal, adequate and sustainable social protection system.
- 2. Make social protection a political agenda
- 3. Fiscal space











### Recommendations ....

#### 4. Remove administrative barriers

It is not absolutely necessary to establish yet another agency to extend social protection to informal workers and MSEs.

Consider the following:

- Adapt the CBHI model: strong formal institution working with community structures
- Adapt the POESSA to accommodate all workers
- Partnrships: Modernize and strengthen community structures (e.g. idirs)
- Technological solutions
- A coordinating/governing body made up of CBHI, POESSA and community structures











## **Recommendations** ...

All these options need further and deeper analysis.

Other important issues that need addressing include:

- 1) Formulating strategies
- Awareness raising: remove the misconceptions/standardize definitions
- 3) Legal framework: amendments to existing proclamations
- 4) Incentives: what is in it for us?
- 5) Contribution collection and financing mechanisms











### **Feedback from Validation Workshop**

- Concise policy brief on extension of coverage
- Establish a platform on coverage extension
- Create alliances with key stakeholders including social partners
- Schedule stakeholders' engagement with view of raising awareness and advocacy on social protection extension
- Strengthen the National Social Protection Platform chaired by MoWSA
- Conduct more follow-up research
- ✓ Formation of Working Group











# Thank you!!







