CHAPTER NINE

SOCIAL PROTECTION

Introduction

Provisions for social protection are made in Articles 21(2), 22(1,3), 23(1), 25(1) and Article 26(1) of the Universal Declaration of Human Rights (UDHR) and Articles 2(1), 6, 9-11, 13 of United National Convention on Economic, Social and Cultural Rights (UNCESCR). Article 9(4) of the Ethiopian Constitution endorses these UN agreements in addition to providing a specific provision for SP issues in its Article, 41. Among relevant rights enshrined in these legal documents are the right to standard of living adequate for the health and well-being of human beings and their families including to food, clothing, housing and medical care and free primary education; the right of women and children to special care; the rights of everyone to security against unemployment, employment benefits, old age and disability pensions and widow grants; and the right of everyone to work. They require state parties to undertake “legislative measures” and “all appropriate means” to ensure progressive realization of these rights.

The Africa Union Social Policy Framework for Africa (2009) says the purpose of social protection is “to ensure minimum standards of well-being among people in dire situations to live a life with dignity and to enhance human capabilities”. It goes on to say that “Social protection includes responses by the state and society to protect citizens from risks, vulnerabilities and deprivations. It also includes strategies and programmes aimed at ensuring a minimum standard of livelihood for all people in a given country. This entails measures to secure education and health care, social welfare, livelihood, access to stable income, as well as employment. In effect, social protection measures are comprehensive, and are not limited to traditional measures of social security.” So social protection comprises a set of actions including policies, legislation, social services, and social insurance designed to reduce either the risk of experiencing an economic or social shock, or to reduce the welfare loss after such a shock has occurred combined with actions aimed at alleviating extreme or chronic poverty. Thus social protection is as much about limiting fluctuations in welfare (social and economic shocks) as it is about addressing structural ‘stresses’ associated with chronic poverty.

The Africa Union spells out that social protection measures include (a) extending social insurance (including subsidies for those unable fully to contribute), (b) building up community-based or occupation-based insurance, (c) social welfare services, (d) employment-guarantee schemes, and (e) introduction and extension of publicly financed, non-contributory cash transfers. Social protection minimum packages should cover essential health care and benefits for children, informal workers, the unemployed, old persons and persons with disabilities.

Social protection actions can be grouped into four broad categories. Transformative interventions aim to protect the rights and interests of people exposed to social risks and vulnerabilities by addressing power imbalances and structural causes that perpetuate economic inequality and social exclusion. Protective interventions aim to provide relief from economic deprivation, abolish barriers, such as user fees, that prevent vulnerable groups from having access to basic social services or provide alternative care to vulnerable populations who need special care. Preventive interventions are formal or informal systems of pensions, health insurance, maternity benefit, child benefits and unemployment benefits aimed at preventing risks and consequences of livelihood shocks. Promotive interventions are those that have income stabilization or consumption smoothing at least as one objective.

Apart from Ethiopia, several sub-Saharan countries have or are in the process of adopting SP policies including Cape Verde, Democratic Republic of Congo, Ghana, Kenya, Lesotho, Mali, South Africa, Senegal, Swaziland, Tanzania and Uganda.

Existing social protection actions in Ethiopia

The foundations of social protection in Ethiopia, as elsewhere, are those structures that have evolved at the family and extended family level and more widely at community level. The Busa Gonofa in Oromia support families in crisis; similar systems exist in other regions; Gudifecha is a tradi-

Box 9.1

What Articles 41 and 90 of the Ethiopia Constitution say about Social Protection

“Every Ethiopian citizen shall have the right to equal access to social services run with state funds. The State shall allocate progressively increasing funds for the purposes of promoting the people’s access to health, education and other social services. The State shall, within the limits permitted by the economic capability of the country, care for and rehabilitate the physically and mentally handicapped, the aged, and children deprived of their parents or guardians. The State shall devise policies designed to create employment of the poor and unemployed;

Article 90 ... “policies shall aim to provide all Ethiopians access to public health and education, clean water, housing, food and social security.”
tion by which better off relatives look after the children of poorer relatives. The Idirs, originally set-up so that people could pay in advance for their own funerals have been branching-out to become micro credit agencies.

It is a long time since the entire burden of social protection has fallen on the community alone as Table 9.1 illustrates. It is easy to over romanticise the efficacy of traditional social protection. It must have failed many times over the years in common with community social protection the world over. The starkest example in recent memory in Ethiopia has been the 1984/86 famine. Since that time the annual estimates of numbers of people who do not have the resources to guarantee their own household food security gained either from the extended household or from community support has fluctuated up and down but the numbers, if one excludes PSNP beneficiaries (chapter two describes the PSNP in more detail), has rarely gone below 2 million and sometimes in recent years has been higher than 10 million. On the other hand, regional, federal and international support for social protection has provided essential help to communities struggling to protect their most vulnerable. The most recent example in the drought of 2010/11. Where the various safety net actions described in Table 9.1 have come together to ensure no major famine has occurred.

Since the early 1980s social protection actions combined with increases in productivity and economic growth have resulted in many formally vulnerable families and communities becoming more resilient once again. In some regions kebele level committees’ set-up to manage social protection have been more successful.

New legislation, policies, and actions have transformed the social protection families can expect to get from the state over the last two decades; federal and regional government investment in free basic social services have expanded hugely over the last ten years; the system to monitor requirements and deliver humanitarian emergency responses has become more effective. It remains an important element of social protection with more than 4 million people requiring this support in 2011, but this kind of protection has contract-ed as an overall proportion of total spending as families have built resilience and through support from other actions notably the productive safety net and the risk financing being put in place that allows the numbers on the PSNP to expand in woredas that are recognised to have had a poor harvest. The scope of micro finance and credit support for people to become self-employed or come together in cooperatives and trade associations has also grown as have support services to help people set-up businesses.

As the legislative and strategic underpinnings of social protection mature and the proportion of the economy that is collected by the state in taxes increases, the fiscal space will grow to allow for a firmer predictable foundation for social protection actions by the state.

**Box 9.2**

**Impact of pensions and cash transfers for vulnerable children on poverty, fertility, nutrition, education and child labour**

The Africa Union calls for member states to start thinking about adding non-contributory pensions and cash transfers for vulnerable children to social protection strategies. What is known about their impact on the lives of children? The following are some examples of impact. In developed countries pensions alone account for between half and two-thirds of observed fertility differences. Reducing fertility is one of the top three interventions for reducing under-five mortality in developing countries, along with control of pneumonia and treatment of diarrhoea. In Mozambique, the urban cash transfer programme has increased the income of the urban poor in small towns by more than 40 per cent. The overall impact of the South African social security system on poverty has been to reduce the poverty gap by 47 per cent and the destitution gap by 67 per cent. Mexico’s PROGRESA reduced the poverty gap by 36 per cent and data suggest that the growth of children aged 12–36 months in beneficiary households has increased by 1 centimetre per year. Birth weight increased by 127.3 grams, and low birth weight was reduced by 4.6 per cent. Height increased by 1.1 centimetres. In Colombia, children under 2 years old in households receiving cash transfers displayed an average increase of 0.164 in the z-score of height (translating into a 7 per cent reduction in stunting) and an 11 per cent reduction in the incidence of diarrhoea. Birth weight, perhaps the most important predictor of future nutritional status, showed improvements of 578 and 176 grams in urban and rural areas of the programme, respectively. In Nicaragua, the pass rates among children in households receiving cash transfers in school Grades 1–4 increased by 6 percentage points, and transition to upper primary school (Grades 5 and 6) increased by 11 points, even though children at that level were no longer eligible for programme benefits. In Mexico, the cash transfers for children had the largest impact on school transition rates to middle school, and these impacts were higher for girls (9 percentage points) than for boys (6 points). In Jamaica, families with children enrolled in the state cash transfer programme receive cash and social assistance conditional on regular school attendance and preventive visits to health centres. After one year, the programme had a positive impact on school attendance and preventive health-care usage by children. Participants’ school attendance increased from 11.1 per cent to 45.5 per cent. The Kenya cash transfer programme for vulnerable children showed that the transfers have an impact in reducing child labour allowing children to attend school more often.
Table 9.1: Summary of transformative, protective, preventive and promotive social protective actions in Ethiopia

<table>
<thead>
<tr>
<th>Category</th>
<th>Intervention</th>
<th>Managing agency</th>
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<tbody>
<tr>
<td><strong>1. TRANSFORMATIVE</strong></td>
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<td></td>
<td>Revised Family Code</td>
<td>Parliament</td>
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<td>Revised Civil Code</td>
<td>Parliament</td>
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<td>Revised Labour Proclamation and its three directives.</td>
<td>Parliament</td>
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<td></td>
<td>Decent Work Country Programme (DWCP)</td>
<td>MoLSA</td>
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<td></td>
<td>Establishment of Kebele level Social Protection Committees (Community Care Coalitions) and children’s rights committees</td>
<td>Regional Government with MoWCY, MoLSA, MoLSA/MoA, MoA</td>
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<td></td>
<td>Drafting of the National Social Protection Policy</td>
<td>MoA</td>
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<td>Drafting of the Disaster Risk Management Policy</td>
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<td><strong>2. PROTECTIVE</strong></td>
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<td>a. Transfers</td>
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<td>Conditional</td>
<td>• Emergency Humanitarian relief</td>
<td>MoA</td>
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<tr>
<td>Unconditional</td>
<td>• Food security programme - PSNP (public work component)</td>
<td>MoA</td>
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<td></td>
<td>• Food security programme - PSNP (direct transfer component)</td>
<td>MoA</td>
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<td></td>
<td>• At small scale, social cash transfers including non-contributory pensions and disability grants and cash grants to very poor families with children and low interest loansaimed at poor households with able bodied workers</td>
<td>MoLSA, MoWCY, MoA</td>
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<tr>
<td></td>
<td>• Extended outreach strategy providing resources transfers to moderately malnourished children</td>
<td>MoA, MoH</td>
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<tr>
<td>b. Services</td>
<td></td>
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<tr>
<td>Education</td>
<td>• School fee waiver and school feeding in some areas</td>
<td>MoE</td>
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<tr>
<td>Health</td>
<td>• Waiver of medical fee and a free package of health services provided by HEWsor mobile clinics in pastoralist areas including therapeutic feeding of severely malnourished children, family planning, bed nets and treatment for malaria and treatment of pneumonia</td>
<td>MoH</td>
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<tr>
<td>Water</td>
<td>• Water supplied at subsidised or free rates</td>
<td>MoWR</td>
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<tr>
<td>Grains</td>
<td>• Occasional grain subsidies in urban areas</td>
<td>MoT</td>
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<tr>
<td>Housing</td>
<td>• Low cost urban housing</td>
<td>MoWAD</td>
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<tr>
<td>Alternative Care</td>
<td>• Alternative care services to unaccompanied children, the elderly and the disabled</td>
<td>MoLSA, MoWCY</td>
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<td><strong>3. PREVENTIVE</strong></td>
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<tr>
<td>a. Contributory</td>
<td>• Social Security for public sector employees</td>
<td>SSA</td>
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<td>b. Non-contributory</td>
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<td><strong>4. PROMOTIVE</strong></td>
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<td></td>
<td>• Food security programme; Household Asset Building and resettlement components</td>
<td>MoA, MoISB</td>
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<tr>
<td></td>
<td>• The Youth and Women Development Packages</td>
<td>MoWCY, MoLSA, MoISB</td>
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Existing policies and strategies and gaps with respect to social protection

Several existing policies and strategies underpin the actions described in Table 9.1. An overview of what exists helps to illuminate what is still missing. First the GTP aims to continue to reduce the proportion of Ethiopian’s that are poor through economic growth and job creation; over time this will reduce the numbers of people that will require social protection.

A more efficient and productive agricultural sector is the aim of the agricultural development policy, a major plank of the GTP. It aims to increase agricultural production amongst small holders and through encouraging large scale agricultural production. The former will reduce the numbers of people requiring social protection through increasing per capita incomes for small scale farmers. The latter will provide job opportunities for unde-employed able bodied people willing to migrate. Overall the policy should reduce the prospects for food price inflation while creating jobs and thus contribute to reducing the numbers of people requiring protection. All the elements of the Food Security Programme contain important linkages to this policy. The PSNP provides an employment guarantee to many vulnerable households and supports many households where there are no able-bodied persons, the direct support beneficiaries. The household asset building programme channelling micro credit to vulnerable households is an important element of social protection also with an anticipated impact of promoting households out of a requirement for social protection. The voluntary resettlement programme has an important role to play in helping households that might otherwise not succeed in helping to grow out of vulnerability via a more productive life in other parts of the country; effective voluntary resettlement will play its part in reducing the numbers of people needing social protection. The policy for accelerating development in the developing regional states will result in a faster economic growth than would otherwise occur in these states thus also contributing to a reduced need for social protection in these areas. The disaster risk management policy is important in reducing the burden on protecting people by anticipating and responding to disasters more effectively and efficiently than in the past thus reducing the numbers of people requiring social protection. This includes actions such as risk financing of the PSNP which will help more vulnerable families protect their assets and thus reduce the numbers requiring social protection over the medium term.

The health sector development programme contains many social protection elements. The package of sixteen free services provided mainly by health extension workers constitutes key elements of social protection. Parts of these packages are noteworthy including outpatient therapeutic feeding of severely malnourished children. The provision of free family planning will have an impact on the social protection requirements reducing the numbers of vulnerable children that will need protecting; the impact of expanded family planning has recently been documented by the 2011 EDHS (Chapter 3). The piloting and potential scale-up of community-based health insurance is a key element of the Africa Union social protection vision. Several actions of the health sector will result in reducing the numbers of people with disabilities requiring social protection. Disease control actions have this effect including immunisation programmes reducing the numbers of people going blind as a result of measles or the numbers of people affected by polio; HIV programmes are reducing the numbers of people being infected and treatment programmes help to maintain those infected in economically active endeavours. Micronutrient supplementation, for example iodisation of salt reduces the numbers of people with mental disabilities.

The education policy will have an impact on reducing social protection requirements by making people more employable and helping them to gain a higher lifetime per capita income than in the past thus reducing the demand for social protection. The women’s economic empowerment policy, targeted at the most vulnerable women will also act to reduce the numbers of vulnerable female headed households requiring social protection. The children’s policy will reduce the need for social protection by identifying at an early stage vulnerable children and helping them to grow through increasing the numbers receiving early childhood development support and formal education thus putting them on a path where they are less likely to require social protection.

In terms of social protection policy gaps while the support communities receive from federal and regional government have increased markedly in recent years it is not clear what proportion of budget is allocated and the extent to which proportions have changed. And allocations are made in the

Box 9.3

The economic rationale for social protection

In addition to the human right rationale for SP, the AU-SFP rationalizes SP on grounds of “poverty alleviation, improvement of living standards, reduction of inequalities and promotion of economic growth”. SP can “reduce the growing inequalities that constrain Africa’s economic and social development” and improve living standard of vulnerable people through the redistributive role that it can play to reduce poverty, thereby meeting the MDGs (with an indirect benefit of increasing social cohesion) while at the same time encouraging growth. Studies have found that redistribution raises the income and wellbeing of the poor, which increases domestic demand and expands the domestic market ultimately to encourage economic growth. For example, in Mexico, targeted households have been found to be more likely to engage in business investments relative to the control group (Gerler, Martinez & Rubio-Codina, 2006). In Namibia purchases with pension payments are noted to be the main stimulants of local markets (Cichon and Knop in DIFD 2005). In India, the Employment Guarantee Scheme has increased the confidence of targeted farmers to plant more high-yielding crops varieties unlike their fellow farmers in neighbouring states who preferred more drought-tolerant ones (Devereux, 2002).
Box 9.4

How Roman Zewdu’s micro loan is helping her lift her family out of poverty

Twenty-two year old Roman Zewdu styles hair in the salon she opened in the front half of the one room home she shares with her two younger sisters in Gondar. “Our father passed away 11 years ago. Our mother used to sell tea to take care of us. Then she got sick and died, and the responsibility became mine.” There are an estimated five and a half million orphans in Ethiopia. Of these, around 16 per cent are estimated to be orphaned due to AIDS. Over two million orphans are living below the poverty line while 42 per cent live in female-headed households. School attendance is affected, especially for children who have lost both mother and father. Roman dropped out of school to take care of her siblings. The State, supported by international and national partners, is responding to the challenges faced by orphans like Roman and her two sisters by piloting a social cash transfer micro-credit facility combined with vocational training. A community taskforce identifies the most vulnerable orphans and households with children to support through the programme. The beneficiaries are helped to set-up small businesses.

“I was braiding children’s hair for a little money,” says Roman. “Then I was selected to receive beauty salon training and was given financial support and equipment. I now work as a hairdresser. I like my work very much. I get satisfaction from doing it. In a week I earn 120 birr. Before that I was earning 20 or 30 birr a week. We used that to make ends meet. The three of us would eat one meal a day. We never ate until we were full. Now it’s different. Since I got this support and started working, we have not gone hungry and my sisters have had no problems going to school.”

“Since 2008 we have covered 1900 children living in 365 families,” says GetahunSeyoum Head of the Culture, Tourism, Labour and Social Affairs Office of Gondar Town. “The beneficiaries say, ‘it has saved our lives – we are now considered human beings in society – we have been able to send our children to school – we have been able to stand up like other people,’ and this programme has been critical in enabling that. We have seen that it is possible to grow with a small amount of money, where a loan of 1,000 or 2,000 has enabled families to transform their lives. We have learnt as a city administration that if you have the determination there are simple ways to work.”

“My dream for the future is to expand and open up a modern hairdressing salon, where I would hire three or four staff – a big place, nice and modern,” says Roman. “That would make me happy – that is what I want.”

The challenge for government is to look in more detail at the pilot social cash transfer and micro credit programmes targeted towards society’s most vulnerable in urban areas, look at its efficiency and effectiveness and decide if it will invest more resources in the programme for to date the allocations have been very small and mainly supported by international partners.
context of an incomplete domestic legislative framework defining accountabilities. An overarching social policy framework does not exist. Policy interpretations can vary from place to place. For example, woreda government determines the extent to which the woreda budget can be used to waive health sector user fees; some give the kebele a quota and others give guidelines to be interpreted by kebele councils. Some key actions are not nationwide, for example, the PSNP does not cover all woredas. And forward looking budget estimates for the existing actions could be stronger.

There is a growing awareness about the legal, economic, social and political rationale for SP within the legislature, the civil service, and civil society. The policy dialogue at regional and federal levels facilitated by the MoA and MoLSA around the disaster risk management and the national social protection policies have helped to awaken a sense of solidarity between citizens regarding SP and the recognition that as society becomes more complex there is a need to review the interplay between bottom-up managed SP community-by-community with the top down actions managed by the federal, regional and woreda state structures with funding from the exchequer.

This dialogue will eventually result in an updating of the legislative and policy framework resulting in revised patterns of accountabilities and claims on resources between federal, regional, woreda and kebele level.

**Financing Social Protection**

Key missing elements from the current range of interventions are pensions (both contributory for those working in the private sector and non-contributory), child grants targeted at the most vulnerable children, and disability grants. Health insurance, greater access to micro-credit, and government work guarantee schemes all need to expand to fulfil the Africa Union vision. Where will the resources come from to finance an expanded vision of social protection?

The cost will depend, in part, on decisions regarding the values of transfers and targeting (e.g. the cost of a pension to the state depends on the level of the pension and the age at which entitlement begins). These decisions will hinge on the consensus regarding affordability and the cost of building and maintaining the systems that need to be put in place to manage the state’s accountabilities. And in the private sector there will likely be increasing demand to support the social protection of employees through expanded contributory health insurance and pensions.

The extent to which those resources will be derived from community contributions, resources under woreda council, regional council or federal council control need to be agreed. There is scope for communities to build-up their existing community-based social protection structures to provide the foundation of more systematic social protection actions; such actions are being demonstrated in many communities around the country today encouraged by regional councils.

If society agrees that the role of the state is to help even-out the quality of community-managed social protection with a view to ensuring equitable social protection nationwide, the implication is the need for a system to manage a degree of redistribution of resources from the productive parts of the state to the less productive. The broad outlines need more discussion before a consensus can be reached. What is clear is that systems all the way down to kebele level will need to be strengthened if the state is to add on the missing elements from the Africa Union vision, and these systems will need financial resources to manage to justify their creation.

Freeing up such resources will require fiscal space. The extent to which increasing fiscal space can be found for social protection and the pace with which allocations are increased requires further discussion, demonstrations of effectiveness, efficiency and impact and political agreement. There are several ways to find more space. Through reallocation of existing expenditure, by increasing the efficiency of existing actions so that results can be achieved with less inputs, increasing economic growth, through increasing the proportion of the economy that is taxed, through increasing the money supply and by running an increased fiscal deficit.

With respect to reallocations there is probably little scope in the medium term. Ethiopia already has a sizable social protection portfolio (Table 9.1). While a thorough analysis of the current expenditures being incurred does not exist in terms of proportion of GDP it is likely that it is not less than 3 per cent with PSNP alone costing around 1.7 per cent of GDP in 2010. A considerable element of these programmes is financed internationally. Eventually, to ensure sustainability a greater portion will have to be funded from domestic sources. Also, if the economy continues to grow there will be a lesser need for the scale of social protection seen today as families and communities become more resilient.

With respect to economic growth, the economy has been growing at a fast pace since 2003; in no year since has growth been less than seven per cent and in the 2010/11 fiscal year economic growth was estimated at 11.4 per cent. Thus the good performance here is one source of increased fiscal space, a portion of which could be invested in social protection.

Federal, regional, and woreda government will need more resources if they are to help expand societies’ social protection portfolio and to do this government will require more tax revenue. As chapter two shows, after several years of decline, in the 2009/10 financial year, taxes collected as a proportion of GDP started increasing once again with approximately 10 per cent of GDP collected in taxes; in 2010/11 there was a further increase to 11.4 per cent. The trend is on track therefore to reach the GTP target of 15 per cent of GDP collected in taxes. Thus good performance here is another source of fiscal space. Noting that even with 15 per cent of GDP taxed this would still leave Ethiopia at the lower end of taxation rates for sub-Saharan Africa one can expect that...
Community care coalitions provide community-based social protection in Ethiopia

In Tigray, as in many other parts of Ethiopia there is a long tradition of community-organised support for the most vulnerable. In 2010 the regional government asked communities to formalise this support by creating kebele committees, called Community Care Coalitions (CCCs), chaired by the kebele council chairperson. Their purpose is to serve as home-grown social protection committees accountable for putting in place community managed care for those who are unable or should not work, such as orphans, the elderly, disabled, or those who are sick. The regional government helps kebeles’ strength and formalise the coalitions. By the middle of 2011 Tigray has around 600 CCCs, each made up of some 20 to 30 men and women, usually a mix of health extension workers, merchants, police officers and those representing the elderly, youth, orphans, those with HIV/AIDS and the disabled. To the extent possible within their means, the coalitions’ raise funds from their communities, and identify and coordinate protection of their most vulnerable members who can receive cash or in-kind support – such as grain, a uniform for school, help taking care of the sick, or the ploughing weeding and harvesting. Some coalitions have charts on their office wall indicating the number and background of beneficiaries, along with photographs to help manage follow-up.

The family of Goitom in the village of Maynebri is one such household. Five years ago, at the age of 32, Goitom worked as a labourer earning some 400 birr per month. Then disaster struck. When chipping stone for a house, splinters pierced his eyes and blinded him for life. Without work, he feared that his three girls would never be able to attend school and that he might be forced to send them away as maids. Through the Maynebri Coalition, the family receives 260 birr (US$16) a month and 50 kilograms of grain. They have enough to keep them together and the girls in school. Goitom’s wife, Tara, who suffers from epilepsy, said that the help is not only improving lives but also saving them. “Without the money and grain, we would surely face starvation,” she says.

The photo shows Goitom with his family. Mehret Mehari says she is able to feed her two children thanks to the grain and $15 she receives from the Maynebri Coalition.

The Regional President’s Office, supported by a steering committee with secretariat support provided by the Bureau of Labour and Social Affairs and development partners is thinking of ways to further support community-led social protection. One element of this support is a pilot cash transfer programme launched in 2011 in two woredas, one rural and one urban, receiving cash transfers, and one each serving as reference points so that the impact of the transfers on development outcomes can be measured. In the pilot, funds provided by the Bureau of Labour and Social Affairs are given to beneficiaries identified by the CCC in the form of pensions, child grants and disability grants. The grants are modest and in line with the resources productive safety-net beneficiaries receive – ranging from 80 to 160 birr ($4.80 to $9.70) per month. About 70 per cent of the targeted households in the rural pilot area used to be PSNP direct support beneficiaries. Now that they are enrolled in the cash transfer programme they have been taken off the books of the PSNP. A key learning point for the pilot is to understand the operational costs involved in handing over responsibility for such households from the Ministry of Agriculture who manage PNSP to the ministry responsible for social protection (The Ministry of Labour and Social Affairs).

The pilot will take three years to mature and the regional government is determined to roll out some version of regional support to communities once lessons have been learned from the pilot. Expanding the resources being delivered in the pilot woredas to the entire region would cost around $1US 20 million per year. How much of this bill would come from community contributions and how much from the woreda budget needs more discussion. The amount the regional council will be able to allocate depends on future economic growth, the extent to which the national targets for increasing tax collection are met and the degree of priority given to social protection. The CCCs are supported by professional social workers based at the woreda level. The are university graduates with extra training. The University of Addis Abeba has recently introduced a masters degree for social workers; it may come to pass that in the medium-term most kebele’s in the country will have a professional social worker with a degree who supports kebele social protection committees on which sit para-social workers, secondary school graduates who have received extra training along the lines of what the health sector has done with it’s cadre of health extension workers. Fielding professional social workers at woreda level supporting para social workers at kebele level will represent an extra cost that must ultimately be borne by the taxpayer. The challenge for now is to test models, collect information on their efficiency and effectiveness and allow society to decide how they want to scale-up social protection with basic minimum standards.
over the medium term, beyond the GTP period, it is probable that the rate of taxation will increase again, thus increases in taxes are likely to be a major future source of government support to community action.

With respect to creating more fiscal space through monetary expansion this is probably not an option in the medium term since this tool is already being used to cover the costs of existing priorities and if anything will likely be scaled-back as tax receipts increase to help keep inflation in check bearing in mind that inflation hurts the most vulnerable disproportionately.

Thus over the next five to ten years the changing scope of social protection actions and their cost, the capacity of communities to cover these costs and the capacity of the state to supplement community action will depend on a number of factors whose influence is hard to predict.

These unknowns include: a) The proportion of able-bodied persons currently dependent in part on finding work courtesy of the PSNP and how these numbers will change over time; this is linked to economic growth and job creation and the extent of voluntary migration; b) The cost of emergency humanitarian actions and how these vary from year-to-year; c) The changes in the proportion of GDP collected in taxes; d) The average rate of inflation; e) The time it will take to build a social worker cadre, the costs of maintaining them, and their efficiency and effectiveness at, for example, managing the targeting of cash transfers; f) The pace with which contributory pensions and health insurance can increase; g) Over the longer term, trends in birth rates, particularly amongst the most vulnerable, as these will affect the numbers of children requiring protection, death rates amongst those entitled to non-contributory pensions, and the factors affecting disability rates such as trends in micronutrient deficiencies and HIV/AIDS. Given this formidable list of unknowns the changes in the proportion of finance society decides to allocate to social protection over the medium-term is something that will require further dialogue.

To help make a start towards answering these questions for the case of Tigray, the Regional Government launched a pilot social cash transfer programme in 2011 that adds elements to existing social protection actions, recommended by the Africa Union, that are not currently mainstream in the Ethiopian social protection landscape. The new additions include non-contributory pensions, disability grants and child grants for the most vulnerable members of society. The definition of who those most vulnerable people are is mainly in the hands of kebele level social protection committees that report to the kebele council called community care coalitions. They work together with professional social workers employed by the Bureau of Labour and Social Affairs based at Woreda level. Other regions are also starting to experiment with social workers and are thinking of devising their own pilots to add the new social protection features to the existing landscape.

**Action Points**

**Mapping**

Eventually an overarching social sector policy might be needed that would lead to a firmer demarcation of responsibilities for all actions contributing to social outcomes. In the meantime it has already been agreed that Ethiopia needs to work towards a national social protection policy and from there put in place detailed strategies and action plans adapted by each region. To help finalise this policy it would be useful to map more clearly than is the case today the range and costs of current social protection efforts as well as review legislation to clarify and accountabilities for social protection. This could lead to dialogue and agreements on how to improve current organisation around social protection and allow the federal and regional legislatures to make choices regarding accountabilities, budget requirements and who in society is responsible for raising the finances required to fund social protection in the context of increasing fiscal space in the nation as a whole.

**Piloting**

Following-on from the Tigray Regional Government, other regions may wish to pilot test more complex social protection programmes to build the evidence regarding impact on national development targets, whether creation of dependency is a real concern or not based on evidence, and the degree to which existing capacities need to be built efficiently and effectively to manage social protection.

**Creating a social worker cadre**

The creation of a formal social worker cadre with presence at woreda and kebele level will be needed to help manage more sophisticated state support to community-led social protection and plans are taking shape to make this happen. It is likely that woreda level social workers will be required to have an advanced degree in social work and hence the capacity of the university system to produce sufficient qualified graduates will need attention.

**Finalizing new policies**

Related to a social protection policy some subsidiary policies such as the disaster risk management policy, occupational health and safety policy and the employment policy need to be finalised indicating where accountabilities for preparing and responding to disasters lie allowing better planning for the allocation of resources to implement the policy including the capacity building elements that will be required to sustain good implementation.