

THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

# NATIONAL SOCIAL PROTECTION POLICY OF ETHIOPIA

FINAL DRAFT

MINISTRY OF LABOUR AND SOCIAL AFFAIRS

26 March,  
2012

ADDIS ABABA, ETHIOPIA

## TABLE OF CONTENTS

|   |           |
|---|-----------|
| <b>1. Introduction</b>  | <b>1</b>  |
| <b>2. Context and background</b>  | <b>2</b>  |
| <b>2.1 Situational analysis, poverty and vulnerability profile</b>      | <b>2</b>  |
| <b>2.2 National policy context</b>                                      | <b>4</b>  |
| <b>2.3 Constitutional, national and international legal context</b>     | <b>5</b>  |
| <b>2.4. Overview of social protection interventions in Ethiopia</b>     | <b>7</b>  |
| 2.4.1. Social insurance programme (pension)                             | 7         |
| 2.4.2 Food security programme   | 7         |
| 2.4.3 Provision of basic social services                                | 8         |
| 2.4.4 National nutrition programme                                      | 9         |
| 2.4.5 Support to vulnerable children                                    | 9         |
| 2.4.6 Health Insurance  | 10        |
| 2.4.7 Disaster risk management  | 10        |
| 2.4.8 Support to persons with disabilities                              | 10        |
| 2.4.9 Support to older persons  | 11        |
| 2.4.10 Urban housing and grain subsidies                                | 11        |
| 2.4.11 Employment promotion   | 11        |
| 2.4.12 Community based social support                                   | 12        |
| <b>2.5 Main gaps in social protection interventions</b>                 | <b>12</b> |
| 2.5.1 Gaps in policy framework  | 12        |
| 2.5.2 Gaps in programme planning and implementation                     | 12        |
| 2.5.3 Gaps in institutional arrangement and capacity                    | 13        |
| <b>3. General Policy Intent, Vision and Mission of the Policy</b>       | <b>13</b> |
| 3.1 Policy Intent   | 13        |
| 3.2 Vision  | 14        |
| 3.3 Mission   | 14        |
| <b>4. Objectives</b>  | <b>15</b> |
| <b>5. Principles for Social Protection</b>                              | <b>15</b> |
| <b>6. Scope and Priorities of the National Social Protection Policy</b> | <b>16</b> |
| <b>7. Policy Measures and Strategies</b>                                | <b>16</b> |
| Focus area 1. Social safety net   | 17        |
| Focus area 2. Livelihood and employment schemes                         | 18        |
| Focus area 3. Social Insurance  | 19        |

|   |           |
|---|-----------|
| Focus area 4. Addressing inequalities of access to basic services | 20        |
| <b>8. Monitoring and evaluation system</b>                        | <b>21</b> |
| <b>9. Financing of the social protection policy</b>               | <b>21</b> |
| <b>10. Institutional arrangement &amp; overall Coordination</b>   | <b>22</b> |
| <b>Annex : Glossary of key concepts</b>                           | <b>1</b>  |

FINAL DRAFT

## LIST OF ACRONYMS

|          |   |        |  |
|----------|---|--------|--|
| AIDS     | Acquired immune Deficiency Syndrome                                 | MIS    | Management Information System  |
| AU       | African Union   | MOA    | Ministry of Agriculture  |
| AUrSPF   | African Union Social Policy Framework                               | MOE    | Ministry of Education  |
| BOLSA    | Bureau of Labour and Social Affairs                                 | MOFED  | Ministry of Finance and Economic Development                         |
| CBHI     | Community Based Health Insurance                                    | MOH    | Ministry of Health   |
| CBOs     | Community Based Organizations                                       | MOJ    | Ministry of Justice  |
| CRC      | Child Rights convention   | MOLSA  | Ministry of Labour and Social Affairs                                |
| CSA      | Central Statistical Authority                                       | MoWCYA | Ministry of Women, Children and Youth Affairs                        |
| CSOs     | Civil Society Organizations   | NGOs   | NonrGovernment Organizations   |
| CSWs     | Commercial Sex Workers  | NPA    | National Plan of Action  |
| DHS      | Demographic and Health Survey                                       | NSAs   | NonrState Actors   |
| DRM      | Disaster Risk Management  | PASDEP | Plan for Accelerated and Sustained Development to End Poverty        |
| DSWP     | Developmental Social Welfare Policy                                 | PLWHAs | People Living with HIV/AIDS  |
| EOS /TSF | Enhanced Outreach Strategy/targeted Supplementary Feeding Programme | PSNP   | Productive Safety Net Programme                                      |
| ESDP     | Education Sector Development Program                                | PWDs   | Persons with Disabilities  |
| FSP      | Food Security Programme   | PWs    | Public Works   |
| GER      | Gross Enrolment Rate  | SHI    | Social Health Insurance  |
| GTP      | Growth and Transformation Plan                                      | SP     | Social Protection  |
| HABP     | Household Asset Building Programme                                  | SSA    | Social Security Agency   |
| HAPCO    | HIV/AIDS Prevention, Control Office                                 | TFP    | Therapeutic Feeding Programme  |
| HICES    | Household income, consumption and expenditure survey                | UN     | United Nations   |
| HEWs     | Health Extension Workers  | UNCRPD | United Nations Convention on the Rights of Persons with Disabilities |
| HIV      | Human Immunodeficiency Virus  | UNICEF | United Nations Children's Fund                                       |
| HSDPs    | Health Sector Development Programmes                                | WFP    | World Food Programme   |
| LFS      | Labour Force Survey   |        |  |
| MDGs     | Millennium Development Goals  |        |  |

## 1. INTRODUCTION

Social protection is a central public policy component for countries addressing poverty, vulnerability and inequality. Social Protection improves the effectiveness and efficiency of investments in agriculture, hygiene and health, education, and water thus accelerating the attainment of the development goals of the country, especially for the most vulnerable members of society. Investing in social protection reduces the vulnerabilities of poor people to external shocks such as aggregate income shocks, instability in the price of essential commodities, and the effect of climate change. Financial resources spent on social protection recirculate in the economy enhancing demand and supply thus contributing to growth. Effective social protection contributes to social cohesion resulting in accelerated achievement of socioeconomic development including improved security, sustained peace and greater social stability.

Establishing Ethiopia's social protection framework is part and parcel of an integrated approach to the progressive realization of social and economic rights noted in article 41 of the constitution. This policy introduces a shift from the social welfare approach of the developmental social welfare policy to a complete framework leading to coordinated actions to protect citizens from economic and social deprivation through emergency interventions and targeted cash transfers, preventive actions designed to avert deprivation or to mitigate the impact of adverse shocks including health and unemployment insurance, promotive actions that aim to enhance assets and human capital and income earning capacity, and transformative actions including legal and judicial reforms, budget analysis and policy evaluations to help the nation better manage social protection.

Implementation will require the introduction of mechanisms that address the limitations of the developmental social welfare policy whose implementation has been characterized by limited geographical coverage, inadequate intersectoral linkages and coordination, weak institutional capacity and lack of clarity regarding accountability for delivering social protection outputs. The shift reflects the increased priority being placed on social protection service provision without which reaching the targets of both the short and longterm development goals of the country for the most vulnerable will not be met.

This 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 definition stems from the African Union Social Policy Framework (AURSPF) which emphasizes the need for development, building human capital, breaking of the intergenerational poverty cycle and reduction of inequalities.

It provides the framework for the coordination and provision of social protection services in Ethiopia defining the roles and responsibilities of the Government of Ethiopia, at federal, regional and local level to manage a social protection system to fulfil the constitutional rights of citizens.

The next section describes the situational analysis, poverty and vulnerability profile, policy and legal context and the prevailing social protection landscape in Ethiopia. The third and subsequent sections present the vision, mission and objectives as well as the different policy measures and focus areas of the policy. Guiding principles, financing, monitoring and evaluation and institutional arrangements of the policy are presented in the last four sections.

To translate the policy into practice, implementation strategies, investment frameworks, institutional arrangements, national action plans, guidelines and directives will be issued to guide its implementation.

## **2. CONTEXT AND BACKGROUND**

### **2.1 SITUATIONAL ANALYSIS, POVERTY AND VULNERABILITY PROFILE**

The 2007 Population and Housing Census indicated that the population of Ethiopia would surpass 80 million in 2010 with an average growth rate of 2.6 per cent per annum. 83 per cent of people live in rural areas. The greatest proportion is below the age of 24 years. Those people who are under the age of 15 years are 44 per cent, while those who are between 15 and 65 years old are 52 per cent. Those who are over 65 years old are 4.15 per cent; 24 per cent of the women are of reproductive age.

According to the 2010/11 household income, consumption and expenditure survey (HICES), the proportion of poor people (poverty head count index) in the country is estimated to be 29.6% in 2010/11. In 2010/11, while the proportion of the population below the poverty line stood at 30.4% in rural areas, it is estimated to be 25.7% in urban areas. The poverty gap index is estimated to be 7.8% while it is 8.0% for rural areas and 6.9% for urban areas. Similarly, the national level poverty severity index stood at 0.031 with rural poverty severity index (0.032) being slightly higher than that of urban areas (0.027). Between 2004/05 and 2010/11, income (consumption) inequality measured by Gini Coefficient has shown a slight decline from 0.3 in 2004/05 to 0.298 in 2010/11. Inequality as measured by the coefficient in urban areas is 0.37, while rural inequality increased from 0.26 to 0.27 though inequality is still higher in urban than in rural areas.

The proportion of food poor people (food poverty head count index) in the country is estimated to be 33.6% in 2010/11 while it stood at 34.7% in rural areas and 27.9% in urban areas. The food poverty gap index is estimated to be 10.5 % while it is 11.1 % for rural areas and 7.3 % for urban areas. Similarly, the national food poverty severity index stood at 0.046 with rural food poverty severity index (0.05) being slightly higher than that of urban areas (0.029). The overall result indicates that all kinds food poverty indices (incidence, depth and severity) is higher in rural than in urban areas.

The under-five mortality rate was measured as 88 deaths per 1000 live births by the EDHS 2011, a substantive decline from the 123 recorded by the 2005 EDHS. Almost half of those deaths take place in the first month. The Health Sector Development Plan IV (MOH 2010) estimates life expectancy at birth in Ethiopia at 54 years (53.4 years for male and 55.4 for female).

The types of vulnerability prevalent in Ethiopia include agricultural vulnerability, natural calamities, economic shocks, health and nutrition risks and demographic vulnerability/population explosion. Environmental degradation and the dependence on rain fed agriculture contribute to chronic food insecurity.

People over age sixty make up around five per cent (3.6 million in the 2007 census) of Ethiopians (1.5 million people over age 70 were counted). Most have no reliable income sources; currently only 500,000 older people have regular public sector pension.

Epidemics including of HIV and AIDS and malaria have adversely affected lives and livelihoods. While the adult HIV prevalence rate, estimated to be between 1.4-2.8, is lower in Ethiopia (the 2011 EDHS measures 1.9 per cent of women and 1.0 per cent of men 15-49 as positive) than in much of Africa, the number of orphans and the proportion of AIDS-related orphaning continue to grow. According to projections produced by CSA based on the 2007 census there were 3.8 million orphans in Ethiopia in 2009.

The 2007 census counted 864,218 people with disabilities (PWDs). PWDs in Ethiopia face a number of economic, social and attituderelated problems. They have limited opportunity for education, health, training, employment, and accessibility. Their potential to lead normal lives is constrained by an absence of friendly physical environments, stigma and discriminative views.

Unemployment and underemployment is a major concern for Ethiopian society. The 2005 Labour Survey indicated that the rate of unemployment in Ethiopia declined from 8.2 per cent in 1999 to 5.4 per cent in 2005. The rate of unemployment is higher in urban areas. Unemployment is higher amongst women both in urban and rural areas. According the 2011 urban employment and unemployment survey, the overall unemployment rate in urban areas is 18.0 per cent of which 11.4 per cent are male and 25.3 per cent are female. The survey indicated a high youth unemployment rate, 27.9 per cent and 18.3 per cent for age group 20-24 and 25-29 respectively. Compounded by a sizable number of new entrants joining the labour market every year, unemployment represents a barrier in terms of fulfilling rights of individual youth as well as for fulfilling the vision of national development. Conversely, the 2011 EDHS measured 27 per cent of children aged 5-14 as being involved in child labour, defined as being so much work that the hours involved interfere with their education and right to have some play time.

The labour market is not well developed. This is reflected by the low rate of wage workers, undeveloped transaction systems, high transaction fees, and outdated information on the labour market. In general, the functions of the labour market institutions are to assist employment relations, labour protection and provision of labour market information services. The available regulatory institutions mostly serve the formal and wage sector. Thus lack of protection of job security, social dialogues, and poor labour market services against imperfect labour market are major capacity gaps in stimulating the market.

Despite these challenges, Ethiopia has achieved a remarkable economic growth during 2005-2010. The Ethiopian gross domestic product grew at an average rate of 11 per cent over the last five years. The ratio of people living below the poverty line has declined from 44.2 per cent (MDG base) in 1999/00 to 39 per cent in 2005 and to 29.6 per cent in 2010/11. Growth in the quantity and quality of social services, communications, and roads has been significant. For instance, primary education gross enrolment rate rose from 79.8 per cent in 2005 to 94.2 per cent in 2010, and primary health service coverage grew from 30 to 68 per cent. Access to safe water coverage rose from 36 to 69 per cent during the same period according to sector estimates.

## 2.2 NATIONAL POLICY CONTEXT

The Government of Ethiopia has developed several policies, plans and strategies with a view to progressively fulfil constitutional rights. The Rural Development Policy and the Agricultural Development Led Industrialization (ADLI) Strategy, which set regulatory, trade and market policies, drive Ethiopia's approach to promoting development and improving the lives of rural people. The main goal of the strategy is to promote fast, broad-based development and increase productivity within the agricultural sector so that surplus production enhances economic growth.

Following the successful implementation of Ethiopia's first generation Poverty Reduction Strategy Programme (PRSP) and the Development and Poverty Reduction Programme (SDPRP), government implemented the Plan for Accelerated and Sustained Development to End Poverty (PASDEP) conceived as the medium-term plan to attain the MDGs. The GTP continues the PASDEP strategy of reducing poverty through economic growth in all areas of the economy. The themes of the Growth and Transformation Plan (GTP) are the foundation on which the social protection policy rests. Implementing the GTP depends on sector policies, strategies and programmes and improved social protection actions will enhance the impact of them on the most vulnerable members of society.

An efficient and productive agricultural sector is the aim of the agricultural development policy. It aims to increase agricultural production amongst smallholders and through encouraging large scale agricultural production. The National Food Security Strategy and Programmes have strong linkages with this policy.



The Education Policy has implemented four sector development programmes including the current 4th Education Sector Development Programme (ESDP) which is providing specific provisions for special needs and adult education. Based on the National Health Policy (1993) government is implementing the IV health sector development programme (HSDP). The focus includes extending health insurance schemes for the formal sector and community based insurance for the community at large. The Social Security Framework (2011) provides retirement, survivors, invalidity and employment injury benefits for citizens.

The national women's policy (2001) and the National Youth Policy (2004) target women and youth with objectives of expanding the economic and social role of women and the youth. The Urban and Rural Youth Development Packages provide preferential treatment to the youth in several areas including knowledge and skills. The Micro and Small Enterprises development strategy (1997) serves as an important vehicle to address the challenges of unemployment, economic growth and equity in the country. A Child Policy has recently been drafted.

The National Policy on Urban Development (NPUD) makes housing a component of urban development one of the priorities of which is improving urban low cost housing. Employment and Occupational Safety and Health Policy are being drafted with a focus on labourwork place protection, employment generation, improvement in labour productivity and labour market institutions and addressing other crosscutting issues.

## 2.3 CONSTITUTIONAL, NATIONAL AND INTERNATIONAL LEGAL CONTEXT

The Ethiopian State has a constitutional and legal framework that requires a National Social Protection Policy to underpin actions necessary to fulfil constitutional requirements. Article 41/5 of the FDRE Constitution states

‘The State shall, within available means, allocate resources to provide rehabilitation and assistance to the physically and mentally disabled, the aged, and to children who are left without parents or guardian.’

Article 41/6 states

‘The state shall pursue policies which aim to expand job opportunities for the unemployed and the poor and shall accordingly undertake programmes and public work projects’.

Article 41(7) states that

‘The state shall undertake all measures necessary to increase opportunities for citizens to the find gainful employment’.

Article 90 also states

'to the extent the country's resources permit, policies shall aim to provide all Ethiopians access to public health and education, clean water, housing, food and social security.'

Other articles of the constitution contain provisions that the National Social Protection Policy aims to help fulfil. Article 25 prohibits any discrimination on the grounds of sex. Article 35 establishes the principles of equality of access to economic opportunities, employment and land ownership.

Ethiopia has ratified international conventions and instruments, including the Universal Declaration of Human Rights (1948), the African Charter on Human and Peoples' Rights (1981) the United Nations Convention on the Rights of the Child (1989), The Convention on the Elimination of all forms of Discrimination Against Women (1995) and the African Charter on Rights and Welfare of the Child (1999) and ILO Declaration on Fundamental Principles and Rights at Work (1998).

Legal reforms with the aim of revisiting discriminatory laws to protect the rights of vulnerable groups have been enacted. These are the Revised Family Code, the Labour Proclamation, the Revised Criminal Code, Vehicle Insurance Against Third Party Risks Proclamation No. 559/2008), Proclamation to Provide for Social Health Insurance (Proclamation No. 690/2010), Public Servants Pension Proclamation and (Proclamation No. 714/2011) and Private Organization Employees Pension Proclamation (Proclamation No. 715/2011), brought into force in 2000, 2004, 2005, 2008, 2010 and 2011, respectively.

The Revised Family Code addresses gaps and inconsistencies inherent in the 1960 Civil Code. The Criminal Code proscribed several harmful traditional practices inimical and prejudicial to the rights and welfare of children and women.

The Labour Proclamation No. 377/2003 sets the labour administration system as a whole, occupational safety and health & work environment, industrial relations, employment conditions through setting and enforcing minimum workplace standards to address workplace vulnerabilities. The Labour Proclamation prohibits employment of children below the age of 14 years of age and the engagement of young workers (i.e. between ages 14 and 18 years) in types of employment which are considered 'hazardous'.

The Vehicle Insurance against Third Party Risks Proclamation provides injury and death insurance coverage including provision of emergency medical treatments for victims of vehicle accidents. The Social Health Insurance scheme shall contribute to expansion of health service.

The promulgation of the Private Organization Employees Pension Proclamation is expected significantly to increase the social security coverage of the private sector employees. This scheme will ensure the maintenance of a certain standard of living in the event of the loss of

earned income due to specific contingencies, such as old age, disability, survivorship and employment injury mainly as part and parcel of a pension scheme.

## 2.4. OVERVIEW OF SOCIAL PROTECTION INTERVENTIONS IN ETHIOPIA

Ethiopia does not have a comprehensive and integrated social protection system. Nonetheless the country has an array of support mechanisms, programmes, action plans and interventions that serve a variety of social protection purposes. This section describes the actions that make up the current social protection landscape.

### 2.4.1. SOCIAL INSURANCE PROGRAMME (PENSION)

The Social Security Agency has managed a social insurance scheme since 1963. Coverage was limited to civil servants, the police and military. The Social Insurance Scheme, which is a contributory pension scheme, provides benefits in old age, invalidity, survivors and employment injury for 1 per cent of Ethiopians. The CSA estimated (2007) a total of 1.8 million persons engaged in gainful employment in government, parastatal and the private sector. This constitutes 7.2 per cent of the total workforce engaged in urban and rural areas. Thus, even the 7.2 per cent of workers who have social security coverage is limited to the employees of government and parastatal institutions.

The private and charitable organizations, which employ less than one per cent of people of working age, provide some employment benefits including a contributory provident fund that employees are paid, usually at termination of employment. They may cover part or all of health fees that employees may incur. Other than the above schemes, almost all self-employed and unemployed people have no access to any kind of formal social insurance.

### 2.4.2 FOOD SECURITY PROGRAMME

The Food Security Programme consists of the Productive Safety Net Programme (PSNP), Household Asset Building Programme (HABP), the Voluntary Resettlement Programme and the Complementary Community Investment Programme (CCI). The PSNP provides 8.3 million chronically food insecure households in 319 woredas with predictable cash and/or food transfers during lean months to smooth consumption in these households, protect and help them grow their assets thus improving their resilience to shocks and resulting in their graduation from the programme. The PSNP helps to create productive assets as outputs of public works (PWs), with the aim of contributing to enhancing sustainable livelihoods. The direct support beneficiaries of PSNP, those persons in target woredas who require social protection that live in households without persons able to contribute work in return for food or cash, constitute 20 per cent (about 1.3 million) of total beneficiaries; most of this group are not expected to graduate. The HABP promotes the skills and income of food insecure households; often these families have accumulated sufficient assets to

graduate from PSNP. Thus PSNP and HABP complement each other to help chronically poor households increase their asset base and thus become sustainably food secure. Voluntary resettlement has the objective to enable chronically food insecure households attain food security through migration and settlement with access to enough land to become food secure through farming. So far out of 224,021 households who were voluntarily resettled during the period 2003/04 – 2010/2011, 220,801 households (98 per cent) have now become food self-sufficient (MOFED/MoA 2011).

CCI focuses on capital intensive community infrastructure development with the objective of benefiting groups of food insecure people living in chronically food insecure woredas of pastoral, semi pastoral and moisture stressed highland areas.

---

#### 2.4.3 PROVISION OF BASIC SOCIAL SERVICES

The constitution states all Ethiopians have the right to social services including health care, education and good nutrition.

In the health sector, fee waivers, approved by woreda government, are granted to many of the most vulnerable to allow access to health services. Services related to communicable diseases such as TB, HIV/AIDS, and services such as immunization, maternal and neonatal health care are provided free of charge. The Health Extension Programme (HEP) and the associated National Nutrition Programme provide free services on a range of basic health interventions, including EPI, free impregnated bed nets, free treatment for malaria, severe malnutrition and pneumonia amongst young children; over 90 per cent of people have reasonably good access

Recently the fees associated with child birth in government facilities have been removed. Thus the health sector has been expanding geographically and its menu of free services resulting in a reduced burden of disease, making people more productive and ultimately reducing the numbers of people requiring social protection.

In the education sector, apart from the expansion in schools, other strategies are being rolled out to attract children into the free service. School feeding support is provided to 605,538 students in 1,187 schools of six regions chosen based on low enrolment in chronically food insecure areas and budget limitations. Alternative basic education services have expanded in pastoralist areas and child to child learning is expanding to encourage all children to attend school. Improving quality of education is a major concern. Improved social protection will most likely have an impact in reducing the rate of child labour. Inclusive and special needs education needs more attention.

Ethiopia's water supply coverage has improved from 19 per cent in 1990 to 66 per cent in 2010 (comprising 62 per cent rural and 92 per cent urban); increasing use of clean water and improved hygiene contributes to a reduced burden of disease

---

#### 2.4.4 NATIONAL NUTRITION PROGRAMME

Since 2004 the Enhanced Outreach Strategy/Targeted Supplementary Feeding programme (EOS/TSF) is a free service that aims to reduce morbidity and mortality amongst children and lactating mothers screened for acute malnutrition. In six-month intervals in targeted areas free food is distributed to malnourished children and lactating mothers. The EOS reaches 2.9 million children and 0.6 million pregnant and lactating mothers. Since 2008 community therapeutic feeding of severely malnourished children has been implemented by HEWs. 20,000-40,000 children received ready-to-eat therapeutic food at health posts per month since the beginning of 2010 with numbers served depending on requirements.

The National Nutrition Programme and Action Plan for the period of 2008 – 2013 aims to improve the nutritional status of the most vulnerable mothers and children by merging, to the extent possible, the EOS activities into the responsibilities of HEWs.

The focus is on strengthening existing community structures to reach mothers and children through health posts, health extension workers, kebeles and community-based organizations. The targets are about 1.2 million pregnant and lactating mothers. In 2011 600,000 were being reached. Children under five years old in seven regions are targeted, mostly in chronically food insecure woredas. Currently 2.9 million children are screened twice a year. The programme refocused in 2011 on reducing stunting amongst children and women and on delaying social norms around the right age for first births, improved intake of micronutrients including for young women and mothers in preparation for pregnancy, and increasing birth spacing (through introduction of pensions and greater use of contraceptives) all have an impact on stunting reduction. The aim is to accelerate further reductions in stunting amongst children under age five which have gone down from 52 per cent in 2005 to 44 per cent in 2011 according to EDHS data.

---

#### 2.4.5 SUPPORT TO VULNERABLE CHILDREN

While the actions described elsewhere in this section have an impact on protecting children the Bureaus of Labour and Social Affairs, often together with Bureaus of Women, Children and Youth and with Women's Associations also manage programmes that target households with children who are defined as vulnerable with micro credit or grants often together with training aimed at improving the livelihoods of their households.

In some regions these bureaus are helping kebeles set up community care coalitions, kebele level social protection committees that raise resources communally to implement the

kebele social protection plan of action which often focus on supporting the most vulnerable children.

The 2007 census counted 3.8 million orphans. The 2010 HAPCO Annual Performance Report shows that it was planned to provide 444,648 children with school materials; 325,201 (73 per cent) were provided. 229,287 children (72 per cent) out of the planned 371,949 were provided food and shelter; 43,843 (48 per cent) out of the planned 91,264 children were provided with IGAs and 40,872 (36 per cent) out of the planned 114,844 with IGA training. Thus about 8.5 per cent (325,201) of orphans received support for buying school material and 6 per cent (229,287) received food and shelter.

---

#### 2.4.6 HEALTH INSURANCE

Measures are being taken to expand health insurance with the objective of achieving universal access thus reducing outofpocket payment for health services which constitute 37 per cent of the health expenditures. Community based health insurance (CBHI) will be piloted & then scaledup based on the lessons drawn during piloting. Preparatory activities for piloting in 13 districts (covers 1.45 million population) have been finalized and the schemes services are now being provided to its members. Starting in the year 2013/14, CBHI will be scaledup expecting to cover about 40 per cent of people (35 million) by the end of 2014/15 financial year.

In summary, both the communitybased health insurance & social health insurance aim to cover about 50 per cent of people by the end of the HSDP IV period.

---

#### 2.4.7 DISASTER RISK MANAGEMENT

Over the last ten years, the number of people that have required support through disaster risk management actions has ranged from 1.36 – 13.2 million people.

The actions involve food and nonfood emergency resource transfers. The food ensures that affected people receive more predictable and timely relief in the event of shocks. Health and nutrition, water and environmental sanitation, and agriculture and livestock services makerup the nonfood component of the DRM actions. DRM also supports early warning, contingency planning and financing, and strengthening institutional arrangements and capacity. There has been a recent shift in approaches from managing disaster to a multir sectoral and multirhazard focused disaster risk reduction strategy.

---

#### 2.4.8 SUPPORT TO PERSONS WITH DISABILITIES

Over the last ten years, the government has expanded prosthetic and orthotic services including physical rehabilitation centres infrastructure, machineries, and trained manpower.

Interventions performed in this area mainly focused on creating an enabling environment for PWDs to access physical rehabilitation services.

To promote the rights, equal opportunities and participation of PWDs a proclamation for the Right to Employment of Persons with Disabilities was issued. A National Physical Rehabilitation Strategy has also been developed. A more specific directive (36/98), for tax free import of wheelchairs & crutches for PWDs has been issued and implemented. The enactment of the Building Proclamation is resulting in better access for PWDs to buildings. Financial and technical support is also provided to various associations of PWDs but yet the numbers of beneficiaries is minimal compared to the total number of PWDs.

---

#### 2.4.9 SUPPORT TO OLDER PERSONS

MoLSA coordinates the National Plan of Action for Older Persons, which aims to mainstream the crosscutting issues of older persons in sectoral plans. Based on this, efforts have been made to coordinate the concerned actors to contribute to the wellbeing of older persons in their respective sectors. However, since the action plan was not budgeted, satisfactory services were not delivered to address the cross cutting issues and needs of older persons.

---

#### 2.4.10 URBAN HOUSING AND GRAIN SUBSIDIES

The National Policy on Urban Development (NPUD) includes housing as a component. Government has adopted several programmes to improve access to urban housing for poor people by replacing slums with condominiums. City administrations are improving urban slum areas by building access roads, providing public toilets and improving the public tap water supply. There is still a shortage of housing in urban areas.

Government has taken measures to stabilize food price inflation. These include subsidizing grain costs for low income households, reducing taxes on grains, and regulating grain export.

---

#### 2.4.11 EMPLOYMENT PROMOTION

Employment creation is at the centre of the country's development strategy. ADLI and the GTP focus on adequately using labour resources. Enhancing productivity through building human capital is a key strategy to promote employment. As part of employment creation programmes, the government has introduced micro and small enterprise (MSE) schemes to support unemployed persons to start their own businesses. Foreign direct investment in businesses is also being facilitated thus expanding employment opportunities, and the channeling of capital to large scale infrastructure schemes is also resulting in job creation. Micro and small enterprise (MSE) development are being supported by Technical and Vocational Education Training (TVET). In the past five years about 1.5 million new jobs were created by MSEs.

---

#### 2.4.12 COMMUNITY-BASED SOCIAL SUPPORT

In Ethiopia, there are a wide range of support mechanisms in the extended family and other social institutions. During the lean season, it is customary either to transfer resources (usually grains) to people who are not managing to cope or to take up temporary lodging with better-off family members or relatives. Remittances from relatives living abroad are increasingly important. Labour pooling institutions ensure households against labour deficits such as in harvest times and house construction. Idirs provide resources of different types when problems occur amongst members. Primarily financial institutions, ikubs are pooled revolving funds often invested in building assets to support members. In some regions community care coalitions, kebele level social protection committees, collect voluntary contributions that are allocated for social protection actions. These informal mechanisms are important social support mechanisms in Ethiopia that form the bedrock of social protection in the country. Their ability to protect people is sometimes overwhelmed for a variety of reasons and this is a key rationale for why a policy is required to guide the wider society in maintaining social protection standards when community-based actions alone are insufficient.

### 2.5 MAIN GAPS IN SOCIAL PROTECTION INTERVENTIONS

Even though a wide range of social protection actions are being implemented across the country as described above, these interventions have gaps in their design, implementation, budget allocation, scope, and coverage and service quality resulting in people not being protected. The key gaps are the following:

---

#### 2.5.1 GAPS IN POLICY FRAMEWORK

Although, the country has an array of traditions, policies, legislations, strategies, programmes and interventions that serve a variety of social protection purposes, it does not have a comprehensive and integrated social protection framework. The DSWP has a number of limitations. The policy indicates that the responsibility for welfare provision is the community's alone. Regional and federal government are limited to paying the salaries of social welfare employees in federal ministries and regional bureaus. The result has been weak budgetary allocation, weakness in national and regional partnership forums, limited scope and a lack of implementation guidelines and action plans. As a result the policy has not led to a harmonized and integrated social protection intervention response at national level.

---

#### 2.5.2 GAPS IN PROGRAMME PLANNING AND IMPLEMENTATION

The existing SP programmes and initiatives lack comprehensive standards and are not implemented equitably. There are limitations in public participation in their design,



implementation, monitoring and evaluation. Synergy, integration and scope among SP interventions are limited.

The food security programme focuses only on chronically food insecure rural households in drought-prone woredas; current coverage does not address people with a right to social protection amongst vulnerable households in other woredas. While access to social services has been increasing, targeted interventions which aim to remove social and economic barriers that prevent vulnerable people from accessing services are limited. For example, though education is free for all children, vulnerable children could not attend classes because of family's inability to purchase school uniforms and books, because many do not get adequate food and because a sizable proportion of children are working such long hours that this interferes with their ability to focus on their formal education. There is also limited access to education for children with special needs.

Until recently, the Social Security Programme, which is the only social insurance scheme in existence, covered only 1 per cent of people. The majority of Ethiopians who are self-employed or underemployed, together with their family members and their dependants have no access to formal social insurance.

---

### 2.5.3 GAPS IN INSTITUTIONAL ARRANGEMENT AND CAPACITY

There is limited understanding and consensus on the legal, economic, social and political rationale for SP, and its specific instruments and approaches among the legislature, the civil service and civil society. There are gaps in legal authority to enforce requirements for sector-wide engagement and accountability. The vertical and horizontal interfaces between federal and regional structures of people-focused institutions are weak. The social welfare system and structure in the country is not strong; few social workers specialize in SP policy development, programming, monitoring and evaluation. Government structures established to have oversight and serve the claims of persons with disabilities, the elderly, women, children and other vulnerable groups are weak. Capacity effectively to design, implement and coordinate social protection interventions is constrained. Social Protection information systems are weak and fragmented; coordination and exchange of information among concerned stakeholders is limited.

Thus since state capacities have grown as a result of the successes of recent development plans over the last decade there is a need to restructure the social protection policy framework in a way that creates a legal, institutional and fiscal frame delivering more effective, efficient and sustained social protection outcomes based on current state capacities.

## 3. GENERAL POLICY INTENT, VISION AND MISSION OF THE POLICY

### 3.1 POLICY INTENT

The Government of Ethiopia, recognizing the contribution of social protection to the development goals of the country and recognizing its duties and obligations under the constitution and international and regional conventions to protect and promote the well-being of its citizens, will commit human and financial resources to reducing poverty and provide social protection to its poorest and most vulnerable citizens.

Effective social protection services contribute to social cohesion and the achievement of broader national socioeconomic development and security making growth more efficient and equitable. It addresses the imbalance by sex in access to basic social services and facilitates investment in human capital for poor households and communities.

Government acknowledges social rights as defined in the constitution and reaffirms its intent to continue to expand the progressive realization of those rights according to the availability of resources.

In addition, the Government of Ethiopia will offer support and services to strengthen the capacities of families and communities to protect themselves from poverty and vulnerability. There can be no poverty eradication without the sincere commitment to gender equality in general and addressing the problem of women in particular. Moreover, this must be viewed from the angle and the position that women occupy in the society.

Some of the core strategies to be employed in addressing gender balance in the design, implementation and monitoring and evaluation of social protection action plans and service delivery shall be economic empowerment of women, gender parity in access to education, health and other basic services, strengthening the capacity of the public sector for gender mainstreaming, strengthening efforts to replace discriminatory norms, attitudes and practices and monitoring trends and disparities in gender parity .

Thus the strategy and action plan that will be developed to implement this policy will, in a gradual and sustained manner, aim further to accelerate the realization of equitable social protection outcomes. This will include putting in place an institutional setup that will include a professional social worker cadre at woreda and kebele level and will include increasing the clarity regarding responsibility and accountability for social protection at federal, regional, woreda and kebele level. This will require enhancements to legislation and more resources than are currently allocated with a more effective monitoring and evaluation systems in place.

### 3.2 VISION

To see all Ethiopians enjoy social and economic wellbeing, security and social justice.

### 3.3 MISSION

Reduce vulnerability and poverty by providing social assistance and social insurance, promote employment opportunities, enhance productive capacity and ensure citizens understand their responsibilities for the progressive realization of social protection rights.

#### 4. OBJECTIVES

The main objectives of Social Protection Policy of Ethiopia are the following:

- (i) Protect poor and vulnerable individuals, households, and communities from the adverse effects of shocks and destitution;
- (ii) Increase the scope of social insurance;
- (iii) Increase access to equitable and quality health, education and social welfare services to build human capital thus breaking the intergenerational transmission of poverty;
- (iv) Guarantee a minimum level of employment for the long term unemployed and underemployed;
- (v) Enhance the social status and progressively realize the social and economic rights of the excluded and marginalized;
- (vi) Ensure the different levels of society are taking appropriate responsibility for the implementation of social protection policy.

#### 5. PRINCIPLES FOR SOCIAL PROTECTION

**Government leadership:** The Government assumes the primary responsibility and authority for social protection and thus it shall provide leadership including establishing the legal and fiscal framework for the planning, coordination and implementation of social protection;

**Sustainability:** The government shall ensure that the state's role in SP reflects an adequate level of public support. Moreover the support given to the poor shall strengthen the livelihoods of the beneficiaries and the community to lift them sustainably out of poverty by avoiding dependency and stigma;

**Gender sensitivity:** The Social Protection policy and strategy shall be implemented with the principle of distributing the benefits of growth among the different groups' i.e. females and males of the society. Social protection actions shall be gender neutral; this may require affirmative action's further to empower women; gender focused mainstreamed interventions shall be encouraged;

**Effectiveness, efficiency, predictability and reliability:** Actions will be taken to measure the affordability, predictability, efficiency and effectiveness of social protection actions and to take measures to improve these parameters;

**Participation:** Civil society in general, and beneficiaries in particular, shall be consulted and involved in the design, planning and implementation of social protection;

**Human Rights:** Social protection services shall progressively realise the human rights of all citizens and others members of the society;

**Inclusiveness:** Social protection measures shall be implemented in a manner to address social as well as economic vulnerabilities by protecting citizens against discrimination and exclusion;

**Accountability and Transparency:** Social protection actions shall be implemented transparently and accountably;

**Partnership:** Crosssectoral coordination shall be a pillar of action plan design. This includes harmonisation among stakeholders and alignment of activities.

## 6. SCOPE AND PRIORITIES OF THE NATIONAL SOCIAL PROTECTION POLICY

The Policy envisages providing coverage to broad categories of society that are in need of social protection focusing on the protective, preventive, promotive and transformative actions necessary progressively to fulfil the constitutional requirement of social protection. Protective interventions will 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 in need of special care. Preventive interventions will aim to expand formal and informal systems of pensions, health insurance, maternity benefits, child benefits and unemployment benefits aimed at preventing risks and consequences of livelihood shocks. Promotive interventions will enhance income and capabilities, skills development and provision of credits. Transformative interventions will 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 and coordinate a dialogue in society that aims to reach a consensus on how accountabilities for social protection are to be shared.

Social protection actions will focus on the elderly, labour constrained individuals and households, people with disabilities, pregnant and lactating women, persons living with or directly affected by HIV and AIDS and other chronic debilitating diseases, vulnerable children, the unemployed, people affected by natural and manmade calamities and victims of social problems (such as drug use, beggars, victims of trafficking and commercial sex workers) and people having difficulties in accessing basic social services.

## 7. POLICY MEASURES AND STRATEGIES

Implementing the Social Protection Policy will require the establishment of a social protection system that will reduce vulnerability and poverty and promote more productive livelihoods. This is a longterm agenda that requires investments in social assistance (safety nets), social insurance, health insurance, livelihood and employment schemes (skills development and support to entrepreneurship and household enterprise development) and improving the coverage and quality of basic services, including social welfare services for people in especially difficult circumstances.

As a first step towards the establishment of a national social protection system, this policy aims to prioritize a set of interventions to address vulnerabilities, as this will make a significant contribution to poverty reduction and will promote more productive livelihoods.

This policy identifies four areas of focus.

## FOCUS AREA 1. SOCIAL SAFETY NET

### GENERAL DESCRIPTION

Many rural people in Ethiopia are vulnerable to shocks, such as drought and floods. People in urban areas are vulnerable to food price inflation and other economic shocks. The Disaster Risk Management Programme is the main vehicle through which government responds to such vulnerability in rural areas. The establishment of a scalable safety net that can expand in coverage, including to urban areas, and value of transfer, is a measure to protect vulnerable people from the negative effects of shocks. This instrument prevents poor and vulnerable households from further sliding into poverty and is thus a key element of a more comprehensive social protection policy.

Despite the high rates of economic growth over the last decades, child malnutrition is still a challenge. It has long term cost to society, lowering GDP growth by 2 to 3 per cent, on average, because these children incur higher health costs and, due to their poor cognitive functioning, find it difficult to learn and contribute less than their full potential to society over their life spans. Since childhood malnutrition begins in the womb, this policy identifies mothers and children under the age of two as being a key target for social protection. Children who are risking the quality of their involvement in formal education due to their work requirements are also a key target.

People with disabilities do not have equal access to education, training institutions, hospitals and other social services compared to those who are not disabled. As a result they do not have equal opportunities to employment.

Older people make up around five per cent (3.6 million) of the population of Ethiopia. Most of them have no form of secure income apart from that provided through their own families or money earned from their own labour. Only 500,000 older people have a regular public sector pension. To expand the coverage of the formal pension system, the government will introduce a noncontributory universal social pension for all men and women over the age of 70 years who have not paid into a contributory pension scheme.

Hence, social safety net measures will be implemented depending upon the actual context of urban and rural settings.

### OBJECTIVES

- Expand predictable social transfers (conditional and nonconditional) and protect vulnerable groups from falling in to extreme poverty, food insecurity and malnutrition ;
- Contribute to the building of human capital of poor individuals and households to stop intergenerational poverty;
- Promote public works programme to enhance community assets;
- Introduce social pension schemes for older and other vulnerable persons ;

---

#### IMPLEMENTATION STRATEGIES

- Build on the productive safety net experiences and expand to urban and other rural areas of the country ;
- Establish mechanisms to include a core caseload of chronically vulnerable people that is provided with regular support ;
- Provide micro finance services and skill training for vulnerable groups;
- Provide a social pension depending on the degree of vulnerability and age.
- Use scalable safety instruments to respond to disaster shocks in line with the DRM policy.

### FOCUS AREA 2. LIVELIHOOD AND EMPLOYMENT SCHEMES

---

#### GENERAL DESCRIPTION

The wellbeing of the majority of the people of Ethiopia depends on their employability. Improving individuals' livelihoods and earnings opportunities is, to a large extent, about improving their work opportunities – either by helping them to increase the returns from their current work or to move from inactivity or low return jobs into higher productivity jobs. The promotion of employment, particularly focusing on skills development, and continued investments in entrepreneurship and household enterprises is thus an important element of this policy.

---

#### OBJECTIVES

- Promote employment opportunities and income generating activities for the unemployed and other vulnerable groups.
- Increase the capacity of rural people through economic measures such as provision of inputs, seed fairs, and inputforwork.

---

#### IMPLEMENTATION STRATEGIES

- Introduce and expand offfarm income generating opportunities ;
- Expand public works programmes and other employment generation interventions;

- Establish a labour market information system ;
- Expand credits, grants and other facilities and support to generate income and promote market linkages.

### FOCUS AREA 3. SOCIAL INSURANCE

#### GENERAL DESCRIPTION

Social insurance is based on the principle of risksharing and involves the pooling of contributions by individuals to state or private providers in return for a payout if a setback or change in circumstances happens.

Ill health is recognized to be a main source of poverty; poor people are more likely to suffer from ill health than the betteroff. In response to this finding, government has issued a proclamation on social health insurance for the formal sector employees and pensioners with the aim of providing quality and sustainable universal health care coverage to beneficiaries through pooling risks and reducing financial barriers at the point of service delivery. Communitybased health insurance for the poor in the informal sector will support the expansion of health care coverage to all people

Contributory social schemes aim to replace certain percentages of the beneficiary's previous income in the event of the loss of earned or reduced income due to specified contingencies such as old age, invalidity survivorship and employment injury. The contributory social insurance scheme covers only a small fraction of people. Formal public and private sector workers tend to have access to a contributory pension and provident fund that provides some protection against destitution in old age, invalidity survivorship and employment injury depending on company regulations. In this regard, the government has issued a proclamation to provide a pension of private organization employees which expands the social security system.

The vehicle insurance against third party risks proclamation provides injury and death insurance coverage including provision of emergency medical treatments for victims of vehicle accidents.

The potential for weatherr indexed crop insurance in Ethiopia where farmers need protection for their crops is being investigated. The informal social insurance and saving mechanisms (Idirs and ikubs) insure the community against shocks.

Government will progressively expand the social security scheme, social health insurance, communitybased health insurance, vehicle insurance against third party risks and weatherr indexed crop insurance and a well regulated contributory pension system that covers both the formal and informal sectors.

---

## OBJECTIVES

- Expand and encourage the social insurance system;
- Support informal social protection mechanisms and facilitate their linkages to the formal system.

---

## IMPLEMENTATION STRATEGIES

- Expand the existing public and private pension schemes to cover all persons engaged in any gainful employment;
- Introduce private health insurance and community based health insurance system;
- Expand weather-indexed crop and property insurance schemes;
- Build the capacity of the informal sector social insurance mechanisms;
- Expand the coverage of insurance against third party risks;

---

## FOCUS AREA 4. ADDRESSING INEQUALITIES OF ACCESS TO BASIC SERVICES

---

### GENERAL DESCRIPTION

The coverage of health and education services has expanded considerably, resulting in higher levels especially of primary school enrolment and greater use of health services. Despite these gains, inequalities in access to these services remain and efforts are required to further improve their coverage and quality. The provision of quality health and education is key to building human capital which in turn will improve productivity and economic growth and to breaking intergenerational poverty transmission. Government will continue to invest in health and education services to improve their coverage and quality. The extension of health services to all people is expected to address constraints to access, especially amongst the poor. Government will invest in setting standards for and regulating the provision of social welfare services, with delivery through a combination of service provided by the state and nonstate actors.

---

### OBJECTIVES

- Increase access to health, education and other social welfare services

---

### IMPLEMENTATION STRATEGIES

- Expand and standardise fee-waiver schemes and conditional transfers of basic services for the vulnerable group;
- Provide services for persons with special needs education and physical rehabilitation;
- Adapting physical infrastructure to the need of the physically challenged;
- Strengthen training institutions, expand and build the capacity of the social welfare workforce;



- Scaler up school feeding programmes.

## 8. MONITORING AND EVALUATION SYSTEM

Monitoring and evaluation systems will include monitoring of inputs and outputs, process evaluation examining efficiency and effectiveness including targeting, and impact evaluation. A management information system will be established making linkages to other sector strategies, for targeting, monitoring and for auditing.

Data collection will include administrative data, qualitative and quantitative information that will provide input, process, and output data and effectiveness and efficiency information. Information about programme outcomes and coverage requires survey data. The source of information will be available administrative data and surveys including household surveys and public expenditures tracking. Qualitative data collection will include key informant interviews, direct observations and focus group or community group discussions.

A management information system (MIS) focussed on tracking support for people that need social protection shall include all databases kept by different programmes generating reports on resources used, outputs achieved, and productivity levels, comparing indicators across programme units, by client characteristics, and over time.

The Social Affairs Standing Committee of the House of Peoples' Representative will initiate external evaluation of the policy implementation. The Ministry of Labour and Social Affairs will be the responsible ministry to create, pilot and scalerup this management information system.

## 9. FINANCING OF THE SOCIAL PROTECTION POLICY

Government regards social protection implementation and monitoring as a key element of its national development agenda. Thus the policy will be financed under several sector programmes.

Allocating financial resources for social protection is about the betteroff parts of society protecting the most vulnerable elements. This policy is designed on the premise that the state shall take responsibility for financing social protection. The Government will allocate between 2r3 per cent of GDP to finance social protection and will provide, on an incremental basis, resources from the national budget to finance the National Social Protection Strategy and Action Plan.

There are several ways available for the government to find more fiscal space for financing social protection. These are, through increasing economic growth, expanding tax collection as a proportion of GDP, reallocation of existing expenditure, by increasing the efficiency of

existing investments and by increasing the fiscal deficit through loans, and through spending grants.

Civil society plays a key role in supporting and providing care for its vulnerable elements. Communities have a variety of ways of supporting poor and vulnerable members. Private businesses can also play a role in improving the working environment and in promoting occupational safety and health. Contributions from businesses in the form of provisions for corporate Social Responsibility (CSR) can be one source of finance.

Social assistance fund shall be established to encourage the role of the community to address vulnerability and pave the way for community based social protection initiatives.

## 10. INSTITUTIONAL ARRANGEMENT & OVERALL COORDINATION

The Government shall establish a system that will coordinate social protection programmes across the country. The implementation strategy will be multisectoral involving several ministries with specific accountabilities. Support the standardization and development of community care structures and expansion of publicprivate partnerships through communities and service providers shall be encouraged.

The Council of Ministers shall establish a National Social Protection Steering Committee (NSPSC) the members of which will be drawn from all relevant ministries and institutions. The Federal Social Protection Steering Committee chair shall be assigned by the Council of Ministers.

Members of the Federal social protection steering committee shall be drawn from Ministry of Labour and Social Affairs, Ministry of Agriculture, Ministry of Women, Children and Youth Affairs, Ministry of Education, Ministry of Health, the HIV/AIDS Prevention and Control Office, Ministry of Justice, Public and Private Employees Social Security Agencies, representatives of employers, workers and CSOs. The coordination and implementation shall be decentralized. The Federal Social Protection Steering Committee shall have the following responsibilities:

- Guide the secretariat in legislation issues, the coordination of revisions as necessary ;
- Build and strengthen the capacities of implementing partners for effective implementation of the policy;
- Oversee and coordinate the implementation of the policy at a national level;
- Establish appropriate monitoring mechanisms for effective functioning of social protection programmes;

- Provide feedback to the Council of Ministers with respect to the efficiency, effectiveness and impact of SP actions with a view to helping the council decide what resource envelopes are required to fulfil their accountabilities with respect to resourcing social protection;
- Guide, coordinate and oversee the implementation of the national policy and related programmes;
- Oversee the integration of social protection issues into sectoral development strategies and programmes;
- Coordinate evaluations of social protection systems to provide in-depth information regarding impact, efficiency, effectiveness and sustainability.

The NSPSC shall meet twice annually to review the implementation of the policy, strategies and action plans. At the federal level, MoLSA in collaboration with relevant ministries and institutions shall be responsible to coordinate and undertake the following duties and responsibilities:

- Serve as the secretariat for the national social protection steering committee;
- Ensure proper and effective coordination of relevant institutions at the federal and regional levels for implementation of the policy;
- Ensure necessary resource mobilization and allocation;
- Coordinate the generation of information gathering that will provide information on the effectiveness, efficiency and impact of social protection actions
- Seek consensus amongst the key ministries on the design of national action plans, implementation strategies and guidelines for implementation of social protection programmes;
- Provide feedback to the council with respect to the efficiency, effectiveness and impact of social protection actions being put in place to implement legislation with a view to helping the social protection steering committee report to the Council of Ministers with respect to resource envelopes required to fulfil state accountabilities.
- Propose proper legislation related to social protection to the council, coordinate revisions as necessary and manage capacity building required to implement new legislation once enacted;
- Create partnership networks with and coordinate activities of key partners and stakeholders;
- Ensure that the rights of beneficiaries are protected through existing protection mechanisms;

- Establish an information management system;

Similar institutional arrangements and accountability mechanisms shall also be established at regional, zonal and wereda levels. Detailed institutional arrangements and responsibilities shall be defined in the social protection implementation strategy.

FINAL DRAFT

## ANNEX : GLOSSARY OF KEY CONCEPTS

**Access to health care:** is measured by the percentage of the population for whom treatment of common diseases and injuries, including essential drugs on the national list is available within a one hour walk or travel.

**Access to safe water:** is measured by the percentage of the population with access/reach to adequate amounts of safe water (i.e. treated surface waters or uncontaminated water from springs, wells, and protected holes).

**Basic needs:** People need to be well fed, properly clothed, and adequately housed. They also need satisfying human relationships and access to economic, educational, recreational and spiritual opportunities, all of which are important for physical, mental, and spiritual growth and wellbeing.

**Contributory benefit:** A financial or 'in-kind' benefit payment of which is conditional on the beneficiary having paid into the benefit scheme

**Depth of poverty (poverty gap):** This provides information regarding how far households are from the poverty line. This measure captures the mean aggregate income or consumption shortfall relative to the poverty line across the whole population.

**Disaster Risk Reduction:** The concept and practice of reducing disaster risk through systematic efforts to analyze and manage the causal factors of disasters, including through reduced exposure to hazards, lessened vulnerability of people and property, wise management of land and the environment, and improved preparedness for adverse events.

**Basic Services:** means water, sanitation, food and adequate nutrition, health, education, housing and other social services such as life and asset saving information.

**Incidence of poverty (headcount index):** This is the share of the population whose income or consumption is below the poverty line; that is, the share of the population that cannot afford to buy a basic basket of goods

**Non-contributory benefit:** A financial or 'in-kind' benefit payment of which is not conditional on the beneficiary having paid into the benefit scheme.

**Non-Formal education:** refers to organized and sustained educational activities of various durations that do not correspond to the definition of formal education (organized learning through the country's system of schools, colleges and institutes). It can take place both within and outside educational institutions & caters to all ages.

**Poverty Line:** is defined as the amount of money needed to buy a 'basket of food' yielding 2,100 kilocalories, considered the minimum food requirement per adult per day, as well as essential nonfood expenditures. According to official documents, the headcount index in

2010/11 is 29.6 at national level. Poverty gap index is 7.8 and poverty severity index 0.031 at national level making it slightly higher than urban areas which is (0.027).

**Poverty severity (squared poverty gap):** This takes into account not only the distance separating the poor; from the poverty line (the poverty gap), but also the inequality among the poor, that is, a higher weight is placed on those households further away from the poverty line.

**School Feeding Programmes:** are social safety net instruments that target children in chronically food insecure areas and protect them against the worst consequences of household food insecurity and contribute to better learning and educational outcomes as well as to better nutrition and ultimately building resilience and livelihood opportunities for the future.

**Social Assistance:** noncontributory transfers to poor people by the government and others. This would include cash or food transfers, remittances and gifts, fee waivers and provision

**Social grant:** amount payable from public funds for the maintenance of a person or his or her dependants who qualify in accordance with legislation.

**Social pensions:** are regular, noncontributory and unconditional cash grants made to older people.

**Social Insurance:** Defined and employment related solidarity based scheme mainly financed by employee and employer contributions that provide benefits in cases of old age, invalidity, death and work injury and also includes health insurance

**Social security:** includes instruments of social insurance and social assistance.

**Social Services:** free or subsidized education, health, and food provision services

**Health insurance:** provision of quality and sustainable universal health care coverage to the beneficiary through pooling of risks and reducing financial barriers at the point of service delivery;

**Social Welfare:** Organized public or private social services for the assistance of disadvantaged groups;

- ❖ Governmental provision of economic assistance to persons in need; - Actions or procedures, striving to promote the basic wellbeing of individuals in need.
- ❖ Is about how people, communities and institutions in a society take action to provide certain minimum standards and certain opportunities.
- ❖ The social protection of society, especially of those segments of society that are underprivileged or disadvantaged because of poverty, poor education, unemployment, etc.

**Social protection:** is 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.

**Vulnerability:** is a set of conditions and processes resulting from physical, social, economical and environmental factors which increases the susceptibility of a community to the impact of hazards.

FINAL DRAFT