Selected Aspects of Social Protection in 2018

WIDE Series III Discussion Brief No. 6 of 7[1]

Key messages

- Social protection is broadly divided into two categories – informal and formal. In the WIDE Bridge communities the three formal social protection programmes were Emergency Food Aid (EFA) and Productive Safety Net Programme (PSNP), implemented in the two more vulnerable communities, and Community Based Health Insurance (CBHI) implemented in all four. Community Care Coalitions (CCCs) were implemented in one vulnerable and one better-off site.
- Sufficient EFA was delivered in a timely manner during the drought in 2008 EC, protecting people from food insecurity and reducing pressure on selling assets or borrowing money.
- PSNP had an important role in protecting vulnerable people from food insecurity. However, the reduced quotas significantly constrained coverage. Selection of beneficiaries was performed by kebele administrations helped by the development agents, but gaps in inclusivity were reported.
    - Ensuring better involvement of trusted community members such as elders and religious leaders, and of local customary institutions, could strengthen inclusivity.
- The PSNP/EFA appeals mechanism allowing citizens to submit complaints worked less well than desirable. This was partly caused by the lack of sufficient resources to address all needs, knowledge gaps about and confidence in the appeal process on the beneficiaries' side, as well as insufficient communication between levels of government, and with communities.
    - An effective complaints system requires that citizens are aware of and trust the appeals system and adequately understand the inclusion criteria and benefits; and that programme implementers are open to feedback and have resources to respond.
- The picture with regard to PSNP sufficiency and timeliness was mixed, with delays of transfers and a decrease in PSNP transfer amounts, which were not adequately communicated. This undermined predictability and reliability of the support.
    - Strengthening communication channels between wereda-kebele-community could help build beneficiaries' knowledge and confidence in the programme.
- In the most vulnerable and remote community, Harresaw, the shift from in-kind to cash transfers undermined the effectiveness of the support, because of the high prices of grain on the local market.
    - More emphasis on a gradual change may be considered in shifting PSNP support from a food and cash mix to cash transfers so as to ensure that the programme addresses people's needs in both well functioning and less well functioning market contexts.
- The PSNP was an important buffer against food shortage. However, the level of livelihood support was insufficient to enable most households to escape from poverty and graduate; and there was no evidence that PSNP alone enabled large numbers of households to do so.
    - To complement PSNP with livelihood strengthening options, links between food insecurity and 'regular' livelihood promotion interventions could be improved.
- In all four sites CBHI is an important recent initiative. Members appreciated the fact that they avoided high out-of-pocket spending when they had to seek care at hospital or buy drugs.

- However, there was a lack of proper understanding among potential beneficiaries about the purpose of the programme, how health insurance is supposed to work and the modalities of its implementation.
- There were also constraints on CBHI premium affordability. Distrust of the health insurance system, and actual problems with its implementation as well as with the health services more generally, deterred some people from enrolling.
    - As CBHI relies on premiums from risk pool members, further enhancing community mobilisation and involvement including through community institutions, and better education on the concept of insurance might help to increase citizens' understanding and consequently, the size of the risk pool.
    - After the first few years of implementation at scale, a wealth-sensitive review of the affordability of the CBHI premium may be useful, especially if there is an intention to introduce differentiated premium levels in some areas/for certain groups.
- Possible synergies between PSNP and CBHI which are managed by different sectors, e.g. in beneficiary selection, were not operationalised. Moreover, there were instances of other interventions undermining their potential effects, such as cases where beneficiary households were obliged to take fertiliser to receive the PSNP transfers.
    - Expediting establishment and integration of information systems about beneficiaries and accelerating the deployment of social workers could strengthen identification of beneficiaries and delivery of social protection services across various programmes.
    - There is need to identify and address cases in which other interventions can undermine social protection.
- The relative importance of, and trust in, *iddir,* among all community-based organizations providing social protection, remained high. In some instances their roles went beyond funerary insurance to provide support during other emergencies and social events as well as loans.
    - As the concept of death insurance is not new to *iddir's* members, *iddirs* could be used to promote better understanding of insurance principles and enrolment in CBHI.
    - The role of *iddir* could be expanded in other ways, for instance *iddir* leaders could be part of CBHI selection and appeals committees and implement some of the activities, such as registering and monitoring CBHI members. Eventually coalitions of *iddir* could go beyond death insurance to implement CBHI locally on behalf of the Government.
- The support from CCCs for vulnerable people and their relative significance in communities' social protection systems was rather limited.
- Overall, formal social protection programmes, through external interventions, tended to be much more visible in the WIDE communities than informal mechanisms operating at a micro level. However, while formal programmes targeted specific shocks, informal support from family or community-based institutions was the first line of help in case of emergencies and provided broader social support – even though life was said by some to have become more individualistic.
    - Enhancing collaboration between formal and informal mechanisms could help achieve social protection goals across the range of shocks and vulnerabilities in rural Ethiopia.

Introduction

The aim of this discussion brief is to explore the intended and actual contribution of formal and informal social protection systems in WIDE Bridge communities in 2010 EC[2], focusing on their relative importance as well as the balance between them in the communities under study.

The National Social Protection Policy recognises five focus areas[3]. This Discussion Brief focuses on promoting development safety nets and promoting social security and health insurance coverage, with special attention paid to the health insurance. The issues of improving employment opportunities and living conditions are analysed in other companion briefs on young people's economic experiences and farming and non-farming activities (see DBIII: 04 Young People's economic experiences, DBIII: 02 Modernising smallholder farming and DBIII: 03 Non-farm livelihoods). Promoting the accessibility of basic services is discussed the discussion briefs on service delivery and modernisation and inequalities (See DBI:04 Equitable service delivery and DBIII:05 Modernisation and inequalities). The data on providing legal protection and support for citizens exposed to violence and oppression was less explored, and therefore was left for further analysis in the future.

The formal social protection has different goals: protection, prevention, promotion and transformation. Social protection measures protect the most vulnerable members of the society from economic and social deprivation that result from poverty, including food insecurity and a lack of access to essential services. Protection is important during critical stages in the lifecycle, especially during pregnancy, early childhood, and adolescence. Individuals also need protection when they are unable to work due to old age and or disability. Emergency Food Aid (EFA) is used in cases of unexpected food insecurity, while the Productive Safety Net Programme (PSNP), either through Public Works (PW) or Direct Support (DS), is used as a measure against predictable chronic food insecurity, by filling food gaps and smoothing consumption over a long period. Community Based Health Insurance (CBHI) protects households against out-of-pocket health expenditures (Lavers, 2016) . Indirectly, the insurance can reduce the need for reallocation of resources meant for productive purposes (Bossuyt 2017).

Social protection programmes also prevent poor and vulnerable households from adopting harmful strategies such as reducing food intake, withdrawing children from schools or selling assets in times of shocks. The availability of transfers (through PSNP) and insurance (such as CBHI through pooled contributions) can prevent these actions by enabling households to plan spending as well as access food, income or health services (Devereux & Getu 2013; MoLSA 2016) .

By supporting livelihoods and employment opportunities, social protection measures promote accumulation of assets and skills, enabling households to improve their livelihood situation. This can be achieved both through the PSNP Livelihood Support component, and CBHI, as member households and individuals, with a greater likelihood to remain healthy, are potentially more able to improve themselves economically. Finally, the transformative goal of social protection is by fostering the economic empowerment of vulnerable and marginalised people and protecting their rights and by responding to abuse and violence (MoLSA 2016).

The National Social Protection Policy lists twelve different social protection programmes MoSLA 2014); two of these – PSNP and CBHI were most prominent in WIDE communities.

In order to be effective, social protection programmes should include certain features. They should be inclusive i.e. implemented in a manner that protects citizens against discrimination and exclusion. PSNP transfers should be sufficient in terms of quantity to prevent households from depleting their assets in times of crisis and smoothing consumption, and in longer term promoting graduation out of poverty. To build people's confidence and prevent them from adopting negative coping strategies, transfers should be also reliable so that beneficiaries are able to factor available resources into expenditures planning, and they should be predictable in the sense that beneficiaries are aware of

the type of measures and their availability under specific conditions. Transfers should be delivered on time, as well at an appropriate point of time, not competing with other obligations. As Emergency Food Aid (EFA) is delivered only in emergencies, it should be timely and sufficient to prevent people from facing food gaps, selling assets or borrowing money. Health insurance should be affordable in terms of premium so that beneficiaries can pay for it, but also ensure a reliable access to quality health services. Finally, both implementers and beneficiaries should be aware of how these programmes work.

While formal programmes are designed to respond to specific issues, informal social protection in rural Ethiopia covered traditionally a wide set of shocks and vulnerabilities. Vulnerable groups are largely supported through informal social protection mechanisms. These mechanisms also have protective, preventive and promotive dimensions (Devereux & Sabates-Wheeler 2004). Private initiatives concern support provided by families, neighbours, friends, community organizations. The WIDE data suggest that these forms of support, which have been shown to be important in Ethiopia generally (see for instance, Amdissa Teshome et al. 2015; Daniel Hailu et al. 2012), were present and crucial for some of their beneficiaries, in the different community local contexts.

Vulnerability in WIDE communities

Recipients of the above mentioned programmes are vulnerable or very poor individuals. In the Ethiopian context, vulnerability and poverty are intertwined, even if analytically these two terms denote different concepts. In three of the four WIDE Bridge sites, inequalities and differentiation seem to have increased since 2012/13; in the fourth, drought was said to have caused the convergence of economic status (DBIII:05 Modernisation and inequalities). In the WIDE sites respondents did not always differentiate poor, extremely poor and vulnerable people. Here, vulnerability is taken to mean both that people experience high risk of events that can have adverse impacts on their livelihoods, and that their ability to deal with risky events is constrained. Wealthier households are more able to withstand shocks notably drought, as they have more assets and options to choose from, whereas poorer households are less able to deal with shocks (DBII:02 Inequalities).

There are different types of vulnerable people whose problems social protection schemes attempt to address. These categories are determined by a mix of gender, age, wealth and residence. In the case of WIDE, disabled adults and children, orphans and People Living with HIV/AIDS were identified as vulnerable in all four communities; mentally ill people, old people needing support, female headed households in three; and children-headed households in two. There were also new types of vulnerability such as families that stay behind when a member migrates: although remittances can ease family budget constraints, migration of an active family member can place a greater burden on those who stay (DBII:08 Moving for work). In the Kambata community (Aze Debo), there were allegations that clanship was one of the factors influencing decisions made by the kebele administration with regard to inclusion in government programmes; clanship and church affiliation were important with regard to including in the community life more broadly[4].

There are different kinds of shocks: livelihood and reproductive asset shocks, health shocks, and social shocks (Pankhurst & Bevan, 2007). In 2018, WIDE Bridge communities faced all three types of shocks. Livelihood shocks caused largely by adverse weather conditions were the most common in the more drought prone sites (Harresaw to the greatest extent, and Aze Debo). These shocks were present to a lesser extent in Yetmen and Sirba/Ude, where unexpected frost and irregular rainfall caused problems for some households to access food throughout the year. In Aze Debo, coffee diseases which extension services were not able to treat were also causing shocks, given the importance of coffee as a traditional cash crop. Health-related and social shocks were noted in all four communities.

Often it is a combination of shocks, not a single shock that results in household impoverishment. The shocks can be related, with one leading to the next, resulting in a spiral of impoverishment (Pankhurst & Bevan 2007). Covering the costs of illness can lead to debts and inability to work. In this context, social protection modalities can, firstly, offer a cushion that reduces the effects of shocks, and secondly, address some of the factors causing vulnerability, although to be effective these need to be combined with actions that improve livelihoods. In the WIDE sites there were different consequences of shocks. Drought led to considerable losses in livestock. In Harresaw, people were forced to sell livestock in a depressed market, to get money to buy food for themselves or livestock, and to avoid losing more livestock due to shortage of water and fodder. Production losses attributed to changing climatic conditions occurred in all other communities. Health- and social shocks could have severe consequences for households (e.g. for the remaining spouse in the case of death, both spouses in the case of divorce, and often for the children). All types of shocks led to setbacks for most households, but poorer households were particularly affected, and had more difficulty recuperating.

Inclusiveness of formal social protection

Emergency Food Aid and Productive Safety Net Programme

The picture with regard to inclusiveness of PSNP in Harresaw and Aze Debo and EFA in Harresaw was mixed. On one hand, there was a sense, especially in Harresaw, that this support was critical for the poorest members of the community. On the other hand, in the case of both EFA and PSNP, there were challenges related to ex/inclusion.

A first such challenge was related to the smaller amount of support known to be available in 2010 EC when compared to earlier years, notably to the recent drought in 2008 EC, and the drought in 2000 EC (Millennium drought). In Harresaw, the amount of EFA since 2008 EC was reported to have decreased. In 2008 EC support was provided in grain for 10 months and was delivered to a very large group of beneficiaries: all members of the community apart from 5 households were said to have been included. In contrast, there was no information on any EFA provision in 2010 EC, even though it was considered to be a drought year by many people. Some of the respondents recalled the Millennium drought as the time when sufficient food aid and fodder was provided in a timely manner.

In the case of PSNP, the mixed picture of inclusiveness resulted from the insufficient quotas as well selection criteria which were unclear not only for citizens, but also sometimes for implementers themselves, compounded by the lack of time for the kebele administration to explain changes in the programme to the beneficiaries (such as the decrease in PSNP transfer amounts, see below). This resulted in perceptions of unreliability and unpredictability of the support as expressed by a man in Harresaw, whose household had graduated at the last PSNP retargeting in 2016 then was reintegrated, who said: "*I can be excluded again from PSNP any time in the future*". Insufficient quotas also undermined the protective and preventive goals of PSNP. Although transfers closed food gaps for many households, the lack of confidence regarding the amount and duration of support undermined long-term planning.

These factors also led to significant disappointment in the community. However, the appeals system both for EFA and PSNP seemed to be less effective than desirable, even if households knew they could appeal. Sometimes PSNP beneficiaries were not aware that appeals committees existed or did not trust they would be effective Those who knew tended to turn to the appeal committees verbally, and only as a second step, in writing. Appeal processes were generally ineffective even when brought up to wereda level, as happened in Harresaw. In Aze Debo, the wereda seemed to treat appeals very briefly, even if appeals were serious from the point of view of people. Appeals concerned the desire to be included in the PSNP or in another category – with people appealing to be included under Direct Support (DS); or to be included in the PSNP rather than the EFA as the

latter is provided only at drought times. There were also complaints that not all family members were included, which was a result of a gap in knowledge about the recently reintroduced cap of five members to be supported (also see below)[5]. The wereda officials felt that the quota available was not sufficient, which in turn affected both the community and programme performance.

Community-Based Health Insurance

Affordability of the premium was sometimes constrained especially in case of poorer households which did not have PSNP support. This was even more severe as the membership premium increased from 140 birr in 2008 EC up to around 240 birr per household in 2010 EC. In Harresaw, this increase, compounded by the payment for every person above 18 years old, significantly reduced people's motivation to enrol. A further problem in Yetmen, was the introduction of differential rates where traders had to pay 800 birr for one year for 4 household members whereas farmers paid the same amount as elsewhere - suggesting that there might be an intention to introduce differentiated premium levels. The pressure to enrol was highest in Yetmen, with some coercion aspects unlike in other communities: richer people explained that they contribute to the programme only to maintain good relations with the kebele administration, which is said to link CBHI membership with access to other services, like sugar, oil, kebele ID card or land certificates. In other communities, there were also some instances of households who faced pressure by the local administration to enrol.

To enhance equity, the government is expected to cover the costs of providing free access to CBHI to the 10 percent poorest or the so called "indigents" (Bossuyt, 2017). These people are very broadly defined by the National Social Protection Strategy as 'households who have no land, no house, and no valuable assets'. In Aze Debo, there was conflicting information about whether there were any non-paying members of CBHI. In other communities, indigents were said to be the bottom ten percent of all households identified as the poorest. However, the quota for non-paying members did not seem to be sufficient to cover all those in need. Struggling/very poor households not included among CBHI non-paying members had limited knowledge of the functioning of the programme, the selection process, or the reasons for which they were not selected (Yetmen and Harresaw). There also were allegations that some better-off people were wrongly selected instead of the poorest of the poor; and reportedly, there were instances of very poor households who did not feel they could appeal because of their social status (lower clans in Aze Debo) or generally lower economic status, which constrained their ability to claim their rights within the community. Moreover, there was no link between selection of PSNP beneficiaries, especially the permanent DS ones (who are structurally vulnerable), and CBHI indigent supposed to be the poorest of the poor.

Sufficiency, timeliness, reliability and predictability

Emergency Food Aid and Productive Safety Net Programme

In general, there was evidence of decreasing 'food aid' support (EFA and PSNP) in Harresaw, although community respondents generally perceived that the community was far more vulnerable than in 2011/12 (WIDE3 fieldwork), notably due to repeat drought years since then. Distinction between EFA and PSNP DS was blurred, as support provided through both programmes was very similar, e.g. neither PSNP DS nor EFA beneficiaries had to work: EFA was provided for longer than PSNP in 2008 EC (10-12 months according to different respondents), followed by a year when PSNP DS was provided for 12 months.

There were differences in views on timeliness of the EFA support provided in 2008 EC. In Aze Debo World Vision provided the support as the first organisation in the response to the drought. In Harresaw, beneficiaries compared the support in 2008 EC with the support extended for the Millennium drought, and their perceptions were mixed: there were suggestions, especially among women, that support was not as timely and/or regular in 2008 EC whereas in 2000 EC it was

provided regularly every month. In contrast, most men thought the support in 2008 EC was timely and/or that there was no difference with the Millennium drought.

The amount of PSNP support also decreased in both communities. In Aze Debo, the proportion of households under the programme appeared to have decreased, according to some from 30% in 2003 EC to about 10% in 2010 EC[6]. All transfers were provided in cash. In Harresaw, while the proportion of households under DS had not changed, the number of PSNP PW beneficiaries since 2008 EC was 60% lower than in 2003 EC. Support used to be provided as a mix of cash and in-kind for the past two years, but in 2009/10 EC there was information that it would now be given only in cash. The livelihood component, which is supposed to be one of the core characteristics of PSNP, was present neither in Harresaw nor in Aze Debo, which raises questions about the ability of PSNP beneficiaries to 'graduate' towards food security.

There were several changes in PSNP which did not seem to be well communicated and therefore could undermine reliability and predictability. Firstly (as evoked earlier), a cap of five as maximum number of household members to be supported regardless of the actual size of the household, was reintroduced. Secondly, there were changes in the amount paid per household member (120 birr per household member, where only 1 household member could be a DS beneficiary). Thirdly, in Harresaw, there was the shift mentioned above from mixed support to cash support only, which was not greeted with great enthusiasm due to high prices of food on the local markets. On the positive side, in Harresaw pregnant women were allowed to be transferred to PSNP DS as soon as they presented laboratory tests, and lactating mothers to stay longer under DS, but it remains unclear the extent to which the community was informed about this.

Timeliness of PSNP was said to be problematic. Delay of transfers ranged from fifteen days in Aze Debo to up to six months in Harresaw. In the latter community, some respondents talked about the very long payment delays of several months, even suggesting that they might have worked on Public Works for free. The consequences on beneficiaries are illustrated by this quote from a young man, a Saudi returnee from Harresaw:

> *The timeliness of the PSNP is getting worse each year. Worst is this year with a delay of six months. It was also better in 2008 EC than in 2009 EC. No one told the community about the reasons for the delay; we are just told when some transfers are about to be provided. So, community members are forced to sell assets such as livestock in order to buy food for their households during the delay and they borrow money from individuals as well as the government. We also gave up on involving effectively in the public works because we did not get the payment for what we did.*

In Aze Debo, one of the explanations of delays was the introduction of M-Birr payment[7] which was said to have made PSNP payments less reliable and predictable. Beneficiaries were told that funds would be processed through M-Birr payment and managed by the richest person in the community who was also a person trusted by the wereda administration.

The major consequence of serious delays was to undermine the protective and preventive goals of social protection: many beneficiaries suffered from food gaps at times and had to borrow money, or sell livestock. In Harresaw, people had to resort to migration to cope with the difficult situation. The link between PSNP and migration as a coping strategy was described by a young woman, whose husband migrated to Saudi, in the following way:

> *What should the government do (about migration)? The first thing is that PSNP has not been paid for 8 months. People in Harresaw were paid in June/July 2017 (end 2009 EC), then they worked 8 months without payment. Only last week we were paid, and only for one month; and in addition, the amount of payment was reduced from 220 birr to 170 birr per person. The media is full of false reports, that people are happy and changing their life etc. but this is completely false, and with things like this non-payment we suffer even more"*

The combination of implementation difficulties, low coverage of livelihood support and impact of the 2015/16 drought meant that there had been no sustained graduation; the process of graduation in many cases was unclear and its outcomes unpredictable. In general, the data on graduation denoted confusion, in both communities. In Harresaw, those who migrated or died were replaced by other people around the time of the drought in 2008 EC. Some people had graduated earlier on but with the 2008 EC drought they had been re-integrated either under PSNP or EFA. In Aze Debo, there were cases of people who left the programme in 2008 EC. Although the proportion of beneficiaries was said to have decreased, respondents did not mention anything about official graduation in the community. In both sites graduation was announced suddenly and not very well communicated (e.g. one man in Harresaw explained he had learned about his graduation through a conversation with other community members in a *tella* house). Overall, it appears that graduation was often confused with the annual process of adjusting targeting to quotas, and because of the lack of adequate communication between wereda, kebele and community, neither kebele officials nor community members had a clear understanding of the process.

Community-Based Health Insurance

Those who decided to join the programme appreciated the fact that they could benefit from hospitalization or they received reimbursement for drugs. In Sirba/Ude, poorer community members appreciated CBHI since *"illness is sudden and can happen at times when people do not have money or savings at all*". The payment was evaluated as relatively fair and incomparable with the prices at private health centers. For example, a household receiving a service in Addis Ababa spent around 800 birr and another household spent 200 birr at private clinic in Bishoftu.

On the other hand, in all communities there were clear indications of the lack of reliability in terms of access to quality services and allegations of instance of unprofessional service by health staff. In Sirba/Ude, a woman who resigned from the programme said:

> *Firstly, quality of services was below expectations, and secondly, health center personnel prescribed drugs without conducting proper diagnosis, which was a serious negligence.*

In Yetmen a household resigned from membership because of the lack of drugs at the health center. In general, richer households were less willing to join CBHI and preferred going to private clinics rather than the government services. The problem of service quality and drug availability can be related to the agreements between weredas and hospitals and/or pharmacies and pooling funds at wereda level. Pharmacies, health centers and hospitals were said to prefer providing services to those who could pay immediately, presumably to avoid delays in getting refunds from the wereda for those they treat as CBHI members. As a result, CBHI clients were allegedly given lower priority than those who paid immediately.

Despite awareness raising activities in all four WIDE Bridge communities, there were different levels of knowledge about the programme, which contributed to different opinions about it. In Harresaw and Yetmen, some people were not convinced by the idea of the protective aspect of insurance, with a frequent argument mentioned being "*why should I pay for the service which I have never used?"* Such an approach was one of the frequent reasons given for resignation – that is, households not paying the next annual premium and opting out of the scheme. Gaps in knowledge also concerned the scope of the insurance, such as the fact that it does not cover reimbursement of glasses or dental services. Another misunderstanding was people thinking that they were expected to make one payment for a lifetime, or that the wereda would cover half of the costs. Some people were not aware that they were expected to collect receipts (e.g. when buying drugs in private pharmacies) in order to be refunded, which made reimbursement impossible.

Constraints on financial resources and implementation weaknesses

In the case of all three programmes, constraints on available financial resources is at the root of many problems. This challenge is compounded by instances in which interventions in other sectors, with the aim of achieving ambitious targets, lead to actions that are likely to undermine the social protection programmes' effects; and even instances of such 'contradictions' between social protection programmes.

In the case of PSNP, insufficient resources provided by the government made it impossible for grassroots implementers to be inclusive, and forced them to resort to coping strategies such as reducing support to beneficiaries below the policy-intended level to be able to spread the resources across a higher number of households.

A serious challenge was posed by measures arising from other interventions and leading to PSNP resources having to be used by households for items they might not otherwise prioritise, hence potentially undermining the PSNP protective and preventive effects. For example, in Aze Debo provision of PSNP transfers was said to be dependent on whether a household bought fertilizer from the kebele. Likewise, In Harresaw, the kebele was said to link the provision of EFA grain delivered by the wereda to the prior purchase of fertilizer. Even more strikingly, a few respondents suggested that people receiving PSNP transfers were in a position to pay the CBHI premium and should therefore not be among those identified as 'indigents'. This may lead to the situation where implementing one social protection programme (in this case CBHI) may undermine the protective and preventive effects of another (in this case PSNP).

For CBHI, which is a typical contributory scheme requiring beneficiaries to pay into the risk pool in order to benefit from it, financial constraints were caused by several inter-related factors. People were reluctant to enrol partly due to the costs of the premium, and partly due to perceived lack of reliability of the CBHI related to insufficient quality of health services (see above). The lower enrolment level reduces the actual size of the wereda-level risk pool. This, in turn, poses a risk of high administrative costs and limited ability of the pooled fund to cope with high health expenditures, undermining financial sustainability of the scheme.

Implementation challenges at different levels of government and the insufficient knowledge among local implementers and beneficiaries were additional challenges. Delays of PSNP and EFA transfers, as well as poor communication about the changes not only to beneficiaries, but even to the local administration decreased predictability and reliability. Gaps in knowledge about the access to insurance, scope of services, and other information about how the programme functions discouraged people from enrolling. For health facilities, long periods to get back refunds from the wereda for the CBHI patients was said to make them prefer people who are able to pay in cash rather than CBHI patients. This and sometimes poor quality services undermined reliability of the insurance.

The consequences of these weaknesses can be serious. In the case of PSNP, insufficient resources negatively affected inclusiveness, as it was not possible to include everyone in need. Even for those included, the decrease in PSNP payments limited their ability to cover all needs, with repercussions on the protective dimension of PSNP. Insufficient livelihood development support, barely available in Harresaw and not-existent in Aze Debo, undermined the possibility of graduation, hence affecting the promotive dimension of the programme. Delays in PSNP and EFA led to food gaps and to the adoption of negative coping strategies, such as selling assets or borrowing money, which undermined the protective and preventive goals of PSNP and protective goal of EFA. The lack of reliability in terms of access to health services, accompanied by the increase of payment and gaps in knowledge discouraged people from enrolling to CBHI, affecting its protective and preventive goal.

These weaknesses also led to cases of allegations of nepotism and inclusion of richer people – usually said to happen because of their better connection to decision-makers. For example in Aze

Debo, one of the PSNP beneficiaries was a man who was relatively better-off: he received a military pension and thanks to PSNP transfers and his own savings, was able to become involved in bull fattening activities. In Harresaw, there was a case of a relatively rich ex- Women's Association leader, who was promised to be included in EFA in 2010 EC even though her sons worked as government employees and supported her household.

In general, the perception of fairness was complex in Aze Debo, where the proportion of people under any kind of support was much lower than in Harresaw, especially during the 2008 EC drought, and therefore more people could consider themselves to have been omitted. From the kebele administration's perspective in Harresaw this perception resulted from people in the community not realising or not wanting to accept that the main issue was about quotas being too small to accommodate all those who would in principle qualify for support. In Aze Debo, there was a confusion over annual re-targeting, which was said to happen even two times per year. Kebele officials argued that this was caused by insufficient amount of support at their disposal, which forced them to remove some of households and include others in need. Data on the proportion of households supported by PSNP indicates that 40% of households received support, whereas less than 20% of individuals were beneficiaries, suggesting a strong trend in spreading the support to more households but not all members of each supported household, as explained earlier.

Community Care Coalitions

Community Care Coalitions (CCCs) were present in two communities (Yetmen and Harresaw). These government-promoted community-based support mechanisms seek to mobilise support from various community stakeholders and institutions. In general, this scheme was able to generate some support for vulnerable members of the community. However, funds were rather small, benefited very few individuals and came exclusively from household contributions, which ranged from a mandatory 10 birr per year per household in Yetmen to a voluntary 24 birr in Harresaw. In the latter community, beneficiaries included one PLWHA, three destitute and some parents of ex-fighters who died. Each person was provided with 530 birr. In Yetmen, 30 people, including orphans and older people, were supported with cash: they received 350 birr each. The CCC selection had no link with the selection of PSNP DS beneficiaries or of CBHI non-paying members.

Overall, the CCCs have limited significance for the communities in which the scheme was implemented, especially when compared to informal social protection mechanisms, such as support from family or kin. Although people understand the goal of the CCCs, they considered the contribution to be yet another additional payment among numerous other contributions. Moreover, the support was considered to be too small anyway, and not all contributors felt that they had satisfactory information about where the money was going.

Informal community social protection

As already described in DBII:02 Inequalities, alongside formal social protection interventions, vulnerable people were supported by a range of informal social protection mechanisms, which were often the first source of help in the case of shocks. While most of these mechanisms have protective and preventive functions, some of them can also serve promotive goals.

Family, kin, neighbours and friends and community-based organisations, notably *iddir*s with their protective function are the most important sources of support. In one community, Aze Debo, Protestant churches played an important role. Some forms of NGO social protection, complementary to informal social protection measures, were found in all communities.

With regard to support provided by kin, family, friends and neighbours, there were two general trends. Firstly, relatives seemed to help each other more often than people not linked through family ties. This support took different forms: provision of money when somebody started a business, taking care of children if parents passed away, social support as well as work exchanges

during harvest. Secondly, support among individuals not linked by family ties was more based on reciprocity, meaning that usually if a person gets support in time of need from, for instance, a neighbour, some kind of return is expected when the neighbour becomes needy.

The traditional pattern of grown-up established children supporting elderly parents was evolving. It seems that due to a combination of decreasing land availability, limited alternative livelihood options and difficulties in making the best of existing ones, the younger generation needed parental support for a relatively longer period of time before reaching economic independence. As a result, it increases the likelihood of intergenerational transmission of poverty, as poorer parents have less assets to help their children (also see DBIII:04 Young people's economic experiences and DBIII:05 Modernisation and inequalities).

A number of voluntary community-initiated associations had social protection functions on top of their key role in social organisation, but *iddirs* and *eqqub*s were the most widespread. In general, *iddirs* provided social insurance for those who were able to contribute, customarily only in relation to death of household members, and sometimes for weddings and *tezkar,* commemorations of death. Sometimes they were involved in providing credit for business, as in the case of Sirba/Ude. *Eqqubs* were present in Aze Debo and Yetmen and had a more limited significance in Harresaw; they are not direct support mechanism but can play a promotive role as savings groups. Moreover, it was not uncommon for *eqqubs* to provide the monthly lot to a member facing a difficulty. They also provided some assistance at weddings.

Religious organisations were the most active non-government institutions involved in in social protection in Aze Debo. In this community, almost all people are members of the Kale Hiwot or Mekane Yesus churches. Churches not only provided school materials for children and offered food for destitute people during *Meskel,* but also played a developmental role by establishing projects for young people, such as grain mills, or wood workshops. The churches and their activities are often financed by remittances from migrants, especially those in South Africa. Similar support is offered in Sirba/Ude by the one Protestant church which was recently established there. In Harresaw, Orthodox churches organize feasts for holidays to feed homeless people, but this kind of help depends on community members' support, as the church itself is poor. In Yetmen, the Orthodox church provides some food as alms for the destitute people who gather around the church compound.

Conclusions and policy considerations

The Government recognises the importance of social protection for promoting inclusive and pro-poor growth and development. In the WIDE Bridge communities, the EFA, PSNP and CBHI which are the main formal social protection programmes, brought about positive changes for the beneficiaries, protecting them from food insecurity and its consequences, and decreasing high out-of-pocket health expenditures. They were complemented by numerous initiatives led by individuals, community-based organisations, government-promoted CCCs, as well as measures taken by NGOs. All of them aim at different kinds of vulnerabilities and have potential to complement each other.

However, there were a number of serious challenges with regard to the formal social protection programmes. In particular, constraints on resources prevailed; moreover, there were cases in which competing priorities from other sectors, with ambitious targets, led to actions likely to undermine the effects of these programmes. In the case of PSNP, the insufficient quotas, selection criteria that were unclear both for citizens and sometimes for implementers, insufficient communication between government levels and with the communities, and a number of other implementation challenges outlined in earlier sections, resulted in perceptions of unreliability and unpredictability.

Although constraints on resources are difficult to overcome, several other measures could be considered to address these perceptions, including:

- Involving trusted community members such as elders and religious leaders, and local customary institutions in the selection process
- Improving beneficiaries' knowledge about the inclusion criteria and benefits
- Ensuring that the kebele officials provide feedback, as an important part of the appeals process
- Strengthening communication between wereda, kebele and community, with a view to building beneficiaries' knowledge of and confidence in the programme.

Also, low coverage of livelihood support and the effects of the 2015/16 drought meant that there had been no sustained graduation. There was no evidence that the provision of PSNP transfers, by itself, enabled large numbers of households to significantly transform their livelihoods. Options for consideration in order to achieve the promotive goal of PSNP include:

- Enhancing PSNP beneficiaries' access to existing non-social protection schemes such as, in particular, agricultural extension (cf. suggestion of reorienting agricultural extension services towards the poorer farmers in DBIII:05 Modernisation and inequalities) and the youth livelihood development support schemes (DBIII:04 Young people's economic experiences)
- Expanding and deepening support to non-farm activities and balancing support to both farm and nonfarm sectors in ways tailored to the specific situation of each community (see DBIII:03 Rural nonfarm livelihoods).

The level of resources available for the CBHI, which depends members' contributions, is limited by (perceived and actual) unaffordability of the premium, insufficient knowledge about the scheme among beneficiaries, and actual problems with the quality of health services. Possible ways forward would include:

- Carrying out a wealth-sensitive review of the affordability of the CBHI premium, especially if there is an intention to introduce differentiated premium levels in some areas or for certain groups
- Enhancing enrolment through providing more education on the concept and scope of insurance; one of the possible ways to do so would be using community-based organisations, notably *iddir*, to increase understanding of the CBHI.

There are possible synergies between PSNP and CBHI, for instance with regards to beneficiary selection, which could be better harnessed. On the other hand, there were instances of other interventions undermining their potential effects, such as cases where beneficiary households were obliged to take fertiliser to receive the PSNP transfers. Ideas for consideration include:

- Expediting the development and integration of information systems about beneficiaries of each programme
- Accelerating the deployment of social workers to strengthen identification of beneficiaries and delivery of social protection services across various programmes
- Identifying and addressing cases in which other interventions can undermine social protection.

Finally, although formal social protection programmes were much more visible in the WIDE communities, there is also evidence suggesting that transfers from kin, neighbours, community-based organisations are crucial in the cases of emergencies. However, these traditional forms of solidarity may be eroded in situation where life in the communities is becoming more and more individualistic. Such forms of assistance may also exclude some of the poorest.

Ethiopia also has a rich variety of informal institutions with social protection functions. There is significant potential in engaging with them with a view to strengthening ways in which formal and

informal social protection systems complement one another, for the greater benefit of the communities. Among all community-based organizations providing social protection *iddir* was considered to be one of the most important. In some instances their roles went beyond funeral insurance to provide support during other emergencies and social events as well as loans.

- The formal system should link with the community based-organisations and engage them more in the implementation of the formal social protection programmes. For instance, *iddirs* could be used to promote better understanding of insurance principles and enrolment in CBHI.
- The role of *iddir* could be expanded in other ways. For instance, *iddir* leaders could be part of CBHI selection and appeals committees and implement various activities, such as registering and monitoring CBHI members. Eventually coalitions of *iddir* could go beyond death insurance to implement CBHI locally on behalf of the Government.

Overall, achieving social protection objectives calls for taking a holistic approach, by aligning the various interventions focusing on improving households' economic and social status. In particular, there appears to be a case for greater emphasis to be put on the promotive and transformative dimensions of social protection by harnessing existing opportunities in other sectors.

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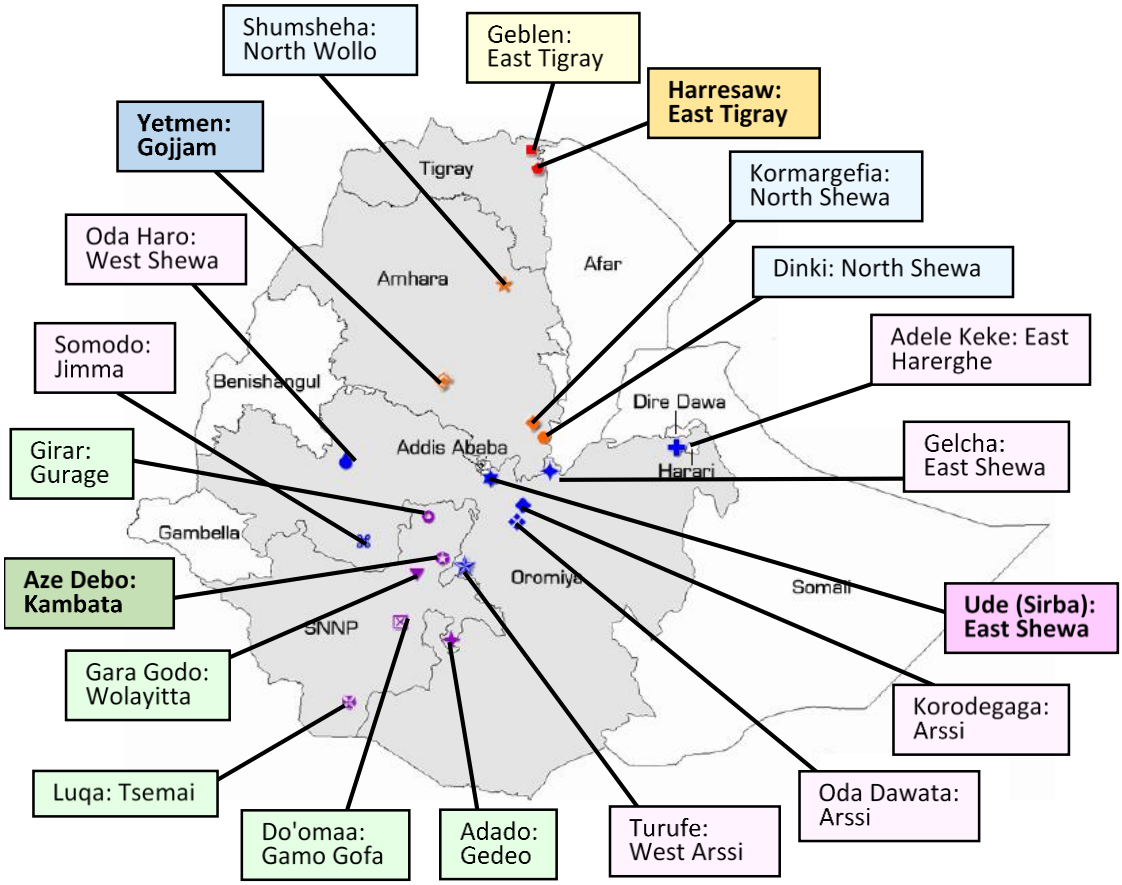
Note: Discussion briefs from the Ethiopia WIDE research

This brief is part of a series of seven produced by the Ethiopia WIDE team on the topics of land, farming systems, non-farming systems, youth economic experiences, social protection, inequalities and local government, based on research carried out in four communities between January and March 2018.

Ethiopia WIDE is a rigorous independent longitudinal study of 20 sites in Amhara, Oromia, Southern Nations, Nationalities and Peoples, and Tigray regions, selected in 1994 by researchers from Addis Ababa and Oxford Universities, as exemplars of different types of rural communities in Ethiopia. They represent wide variations in a range of key parameters notably livelihoods (including surplus producing, drought prone, cash-crop and agro-pastoralist sites), remoteness or ease of access, cultural institutions, and religious and ethnic composition. The team has recently published a book entitled Changing Rural Ethiopia: Community Transformations, as well as a compilation of an earlier series of discussion briefs under the title: Twenty Rural Communities in Ethiopia: Selected discussion briefs on change and transformation. Further reports and data are available at www.ethiopiawide.net.

In the current Bridge Phase, 4 sites were selected one from each of the 4 regions for a fourth round of research. (In the map below, the names of the Bridge sites are in bold and darker colours have been used for the boxes). Links have been established with 4 universities (Ambo, Bahir Dar, Hawassa, and Mekele), paving the way for these institutions to take on an increasing role in continuing to track change in communities across the country.

Map of the 20 WIDE communities (with WIDE Bridge sites shaded)



[1] This brief was prepared by Agata Frankowska (agata.frankowska@yahoo.pl). The author is grateful for comments from Catherine Dom, Alula Pankhurst, Philippa Bevan, Sarah Vaughan, and Mulugeta Gashaw.

[2] The WIDE Bridge communities were: Aze Debo, in Kambata, SNNP; Harresaw, in Eastern Tigray; Ude/Sirba in East Shewa, Oromia (the site's name changed from Sirba in 2013 to Ude in 2018) and Yetmen in East Gojjam, Amhara. Aze Debo and Harresaw are food-insecure, although Harresaw considerably more than Aze Debo; Yetmen and Ude are surplus production. Three of the sites (Aze Debo, Ude and Yetmen) did well over the past five-seven years, for various reasons related to increased commercialisation of agricultural products and urbanisation/intensified rural-urban links, whilst in contrast, Harresaw in 2018 was struggling after a series of recurrent droughts in the past five years.

[3] The five Focus Areas are: 1) Promoting development safety net; 2) Improving employment opportunities and living conditions; 3) Promoting social security and health insurance coverage; 4) Promoting the accessibility of basic services; 5) Providing legal protection and support for citizens exposed to violence and oppression.

[4] An ex-soldier and a model farmer expressed strong dissatisfaction with the administration during an informal discussion with the research officer. One of them said that he "did not ever want to contact with the kebele, as they prefer to include to PSNP or farming interventions their relatives and officials who are also members of their clans". They also said that the kebele administrators send their relatives for trainings, and omit more relevant people. Additionally, a PSNP "graduate" gave an example of the situation when the wereda had quota for 300 households, the kebele recruited 200 of them, and the rest was allocated to the cabinet members and people in their networks informally. Although these perceptions can result from the fact that the quota is insufficient to cover all those in need, similar views on kebele officials' nepotism were shared by other community members. Specifically, farmers in a Focus Group Discussion also mentioned that the kebele administration was 'giving less' to members of 'lower clans'.

[5] The 'cap' first appeared as a 'de facto' practice in the early years of implementation of PSNP as local officials were keen to support more households than the quotas allowed. When this was found, it was strongly discouraged in the federal policy, supporting 'full family targeting' to ensure that resources would concentrate on the most vulnerable to better enable them to overcome their vulnerability. The cap was recently reintroduced due to budget constraints.

[6] However, data on the proportion of households supported by PSNP obtained from the Health Extension Worker indicates that 40% of households received support, whereas less than 20% of individuals were beneficiaries in 2010EC.

[7] M-Birr is the first mobile money platform in Ethiopia introduced in 2009 and managed by MOSS ICT. The National Bank of Ethiopia allowed M-Birr to offer its services by partnering with the five largest Ethiopian MFI - Amhara Credit and Savings Institution - ACSI, Dedebit Credit and Savings Institution - DECSI, Addis Credit and Savings Institution - ADCSI, Omo Microfinance - OMO and Oromia Credit and Savings - OCSSCO) via a technology company called Ethiopian Inclusive Finance Technology (ETIFT), which is owned by and acting on behalf of the MFIs. MOSS signed contracts with ETIFT, who in turn signed with Ethio Telecom. M-Birr has been introduced to deliver electronic payments for PSNP cash transfers in order to overcome difficulties faced by beneficiaries such as payment points being far away from their homes, high transportations costs, long queues and waiting times at distribution points. This works through local M-Birr agents located in the community or nearby, who get every month the list of beneficiaries and amounts due to each and effectuate the payments accordingly. They are usually well-established traders who already were using M-Birr for other kinds of transactions.