



Non-State Social Protection in Ethiopia: Characteristics and Dimensions

Abstract

Non-State Social Protection (NSSP) has a long history in Ethiopia. However, its contribution has not been systematically researched and recognized. The main objective of this study is, therefore, to investigate the characteristics and dimensions of NSSP in Ethiopia. The characteristics are explained by forms and functions of NSSP and dimensions are explained by the organizational and accountability mechanisms and interaction with the state actors and relevance to policy formulation. Overall, the study found that non-state social protection (NSSP) in Ethiopia continues to play a critical role in supporting the vulnerable people in both rural and urban areas of the country. Therefore, the government and donor agencies should recognize this contribution and provide the necessary technical support to enhance their contribution to social protection policy and programming.

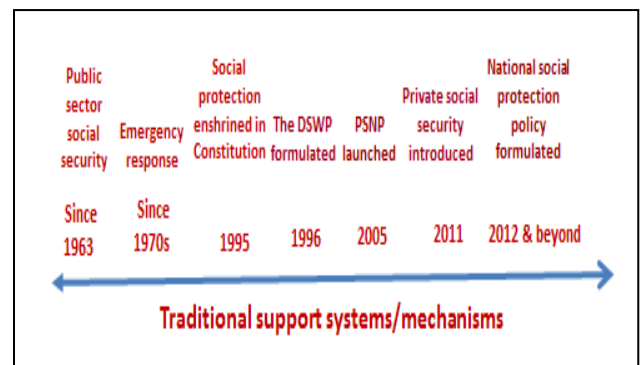
Research Objectives and Methodology

The specific research objectives are to (i) identify the types of services and target population (ii) analyze organizational and accountability mechanisms and (iii) examine the non-state actors interaction with the state actors and their relevance to policy formulation. The study adopted an exploratory and descriptive mixed method design that combines both quantitative and qualitative approaches. It was carried out in two phases– institutional mapping and in-depth beneficiary level study. The mapping was carried out in four sites namely Addis Ketema sub-city (from Addis Ababa); Dire Dawa City Administration, Welmera Woreda (Oromiya Region) and Shinile Woreda (Somali Region). These areas were selected using criteria such as vulnerability, agro-ecology, and purposely designed to give urban and rural perspectives. For the second phase, the research sites were reduced to two (Welmera and Dire Dawa) for the in-depth study and 762 beneficiaries were randomly selected using the mapping results as sample frame.

Background

In Ethiopia, the policy discourse on social protection is relatively new. However, in practice formal social protection of one form or another has been going on since the early 1960s (Fig 1). The informal non-state support mechanisms such as Buussa Gonofaa, Dabare, Gudifecha, Iddir and Iqqiub have a longer history and as a matter of fact they remain the first line of response to shocks and vulnerabilities. The role of Non-State Actors (NSA), NGOs in particular, in the seemingly state programs such as emergency response and the safety net program is immense either through direct financing and/or technical and managerial support to implementation. The number of formal NSAs is estimated to be as high as 4,000 (NGO Law Monitor, 2013) but given the latest registration process, this figure cannot serve as indicative of the exact number. There is no national record of the informal NSAs.

Figure 1: The Evolution of Social Protection in Ethiopia



Source: Devereux and Teshome (2013)

Although many organizations and researchers have defined social protection, the most widely quoted and comprehensive definition is as follows: Social protection describes all public and private initiatives that provide income or consumption transfers to the poor, protect the vulnerable against livelihood risks, and enhance the social status and rights of the marginalized; with the overall objective of reducing the economic and social vulnerability of poor, vulnerable and marginalized groups (Sabates-Wheeler and Devereux, 2008).

Table 1: NSA year of establishment (n=1094)

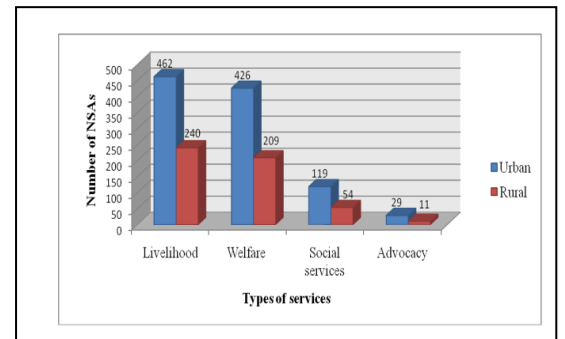
Year	No. of NSAs	% of total
1919-1950	8	0.7
1951-1970	39	3.6
1971-1990	100	9.1
1991-2012	947	86.6
Total	1094	100.0

iii. Beneficiaries

The study identified 13 types of vulnerable groups. Although there are overlaps between these categories, the data shows the poor and destitute account for about 70% of the beneficiaries. As far as gender is concerned, all types of beneficiary groups included both men and women. Overall, women beneficiaries accounted for 51.6%. This is a good indicator for NSAs giving attention to women in service delivery.

Selected beneficiaries were asked if they benefit from a single NSA or multiple NSAs. Accordingly, 59.3% of the beneficiaries in Dire Dawa (urban) received social protection service from a single NSA while the equivalent in Welmera (rural) is 6.6%. That means, 93.4% of beneficiaries in the rural district and 41% in the urban areas are accessing social protection services from more than one NSA (see Table 2).

Figure 3: NSAs Services Delivery (Urban Vs Rural)



¹In the literature social protection interventions play four major roles: (i) protective (food and income transfers to stop people from starvation); (ii) promotive (developing human capital through education, training and health provisions); (iii) preventive (preparing vulnerable groups for future shocks through savings, insurance schemes) and (iv) transformative (enhance the social status and rights of vulnerable groups).



EEA Head Office Building

Economic Knowledge for Optimal Decision!

For the purpose of this study, the social services provided by NSAs are grouped into four groups¹: (i) livelihood promotion, (ii) welfare, (iii) social services and (iv) advocacy. Following this brief background, the paper presents the key findings, conclusions and policy relevance of the study.

Key Findings

i. Characteristic

NSAs in Ethiopia have long history going back as far as 1919. However, the number increased following the severe drought and famine of the 1970s (see Table 1). Over 86% of the NSAs in the study areas were established after 1991 which coincides with regime change.

The distribution of NSAs by study sites shows that about 67% were generated from the urban centres (Dire Dawa and Addis Ketema) and the remaining from the rural centres (Fig. 2). This indicates the concentration of NSAs in urban areas partly because of the degree of vulnerability but also availability infrastructure and social services such as water, and electricity.

ii. Services

Fig. 3 shows that NSAs provide a wide range of social protection services. In both urban and rural areas the majority of NSAs provide livelihood promotion services. This is followed by welfare, social and advocacy services. Very few NSAs reported being engaged in advocacy related services largely because of the constraint imposed by the 2009 CSO regulation (FDRE, 2009).

Further analysis of the distribution of services by NSA type shows that both formal and informal NSAs provide livelihood and welfare services but formal NSAs tend to provide more livelihood services and informal NSAs provide more welfare services. This has strong implication for policy makers.

Figure 2: NSA Distribution by study sites (n=1094)

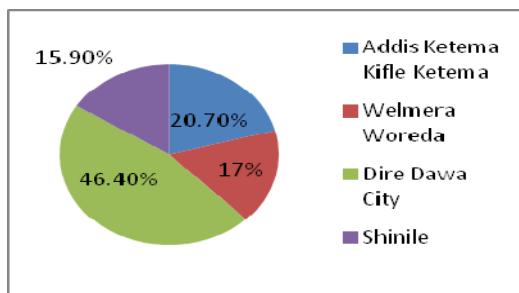


Table 2: Number of beneficiaries receiving services from single or multiples NSAs

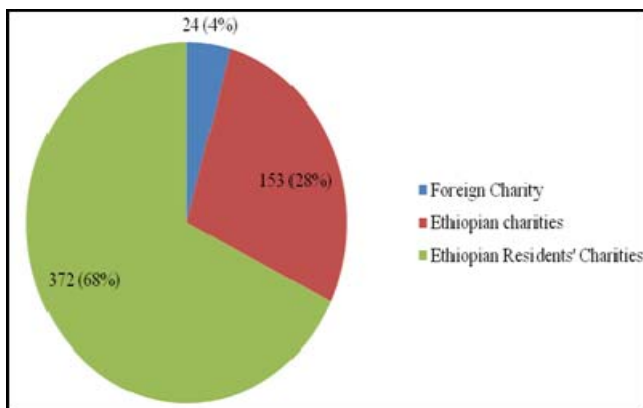
Number of NSAs	Dire Dawa (N=381)		Welmera (N=381)	
	Frequency	%	Frequency	%
1	226	59.3	25	6.6
2	121	31.8	63	16.5
3	21	5.5	122	32.0
4	8	2.1	85	22.3
>4	5	1.3	86	22.6
Total	381	100	381	100

Source: In-depth Study Field survey, 2013

iv. Registration status

The CSO proclamation puts the registered NSAs into three categories, namely Ethiopian charities, Ethiopian residents’ charities and foreign charities. Article 2 of the Proclamation defines Ethiopian Charities (EC) as charities formed and managed by Ethiopians and receives not more than 10% of their total fund from foreign sources. Foreign Charities (FC) are formed under the laws of foreign countries; formed and managed/controlled by foreign nationals or receive funds from foreign sources. The Ethiopian Resident Charities (ERC) are formed under the laws of Ethiopia, formed and managed by residents of Ethiopia and could receive more than 10% of their funds from foreign sources. In the study areas, it was found that among the registered NSAs, 28% are ECs; 68% ERCs and 4% are FCs (Figure 4). The informal NSAs such as *iddirs*, *iqquibs* and *mahibers* are not subject to this classification and continue to function more or less as they used to function for years.

Figure 4: Registration types (n=618)

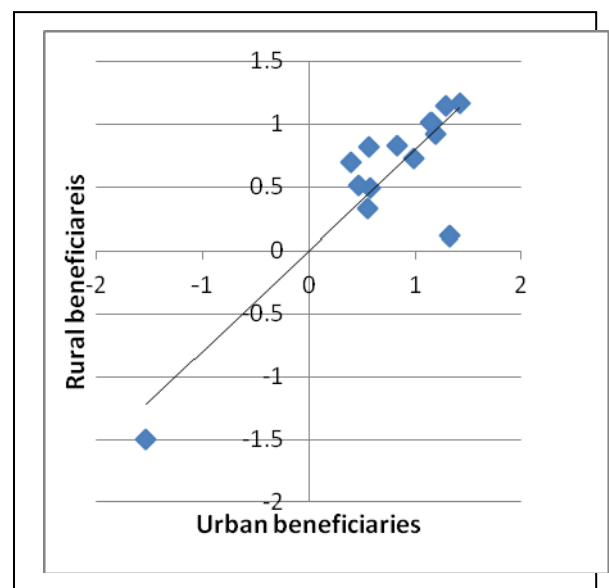


v. Accountability mechanisms

NSAs use various mechanisms to ensure accountability to government, beneficiaries and donors. These include having operating rule and procedures, monitoring and evaluation system, auditing and reporting mechanisms. The data shows that 87% of NSAs (i.e. all international, national and local NGOs) have operational rule and procedures and 81.3% have monitoring and evaluation mechanisms. Regarding reporting mechanisms, 73.5% of the NSAs said that they report their performance periodically to the concerned bodies/institutions.

From beneficiary perspectives, they were asked to indicate degree of agreement with 13 accountability statements including (i) presence of clear eligibility rules; (ii) program rules and compliant handling mechanisms; (iii) voice to beneficiaries in the targeting process; and (iv) the use of clear and simple targeting criteria. Figure 5 is a summary of the responses. It shows that both urban and rural beneficiaries are in agreement with almost all the accountability statements (positive responses found in the top right corner). This is an indication that NSAs in the study areas are accountable to their beneficiaries.

Figure 5: Beneficiary assessment of accountability (n=762)



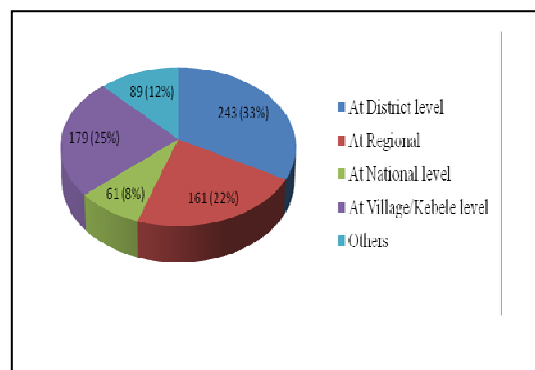
² The research team consisted of Amdissa Teshome, Adanech Dutu, Kassa Teshager, and Terefe Zeleke. The team would like to thank the Ethiopian Economics Association/EEA/ for the management and technical support and the Partnership for African Social and Governance Research/PASGR/ for financial support. The views expressed in this brief remain those of the authors

vi. NSAs interaction with state actors

Interaction with state and non-state actors is an important aspect of accountability. Accordingly, it was found that 607 (55.5%) of the NSAs surveyed collaborate/interact with one or more state institutions, while 487 (44.5%) indicated that they do not have any form of interaction with state institution. Majority of informal NSAs (348 or 70.9 %) revealed that they do not have any interaction with state institutions.

Administratively, 243 (33 %) and 179 (25%) of NSAs interact with state institutions at district and kebele (village) levels respectively. These NSAs are mainly (not exclusively) CBOs, cooperatives, associations, business organizations, and self-help groups. Only 61 (8 percent) and 161 (22%) are interacting with state institutions at regional and national levels, respectively (Fig. 6). Presently, the most important state institution with which NSAs are interacting is the Federal Charities and Societies Agency, during their registration for new license or renew existing licence. These NSAs also interact with sectoral bureaus that follow up their performance. These include Health, Finance and Economic Development, Labour and Social Affairs, Education, and Water.

Figure 6: Administrative levels of NSA interaction



vii. NSA policy engagement

The research examined policy engagement at two levels: Institutional engagement in policy design and advocacy; and beneficiary participation in policy design. Institutionally speaking, only 6% of the NSAs in the study areas are engaged in some form of policy advocacy and rights issues. This is due to the regulation issued in 2009 governing the work of formal NSAs and their fund raising strategies. Having said that, the government and some selected non-state actors have established a National Social Protection Platform (NSPP) that provides technical support to the formulation of national social protection policy and strategy. This process has been praised as exemplary and innovative way of accessing the rich knowledge and expertise on social protection among NSAs. However, the members have been limited to very few formal NSAs predominantly the bigger international organisations. The community-based organisations to which the majority of citizens belong are completely missing from such platforms.

At individual beneficiary level, attempts were made to find out the extent to which beneficiaries are consulted on social protection issues that affect their lives. Accordingly, 70% of the respondents indicated that they have not been consulted on social protection policy process. For those who said they have been consulted, local government officials are the most likely to consult them.



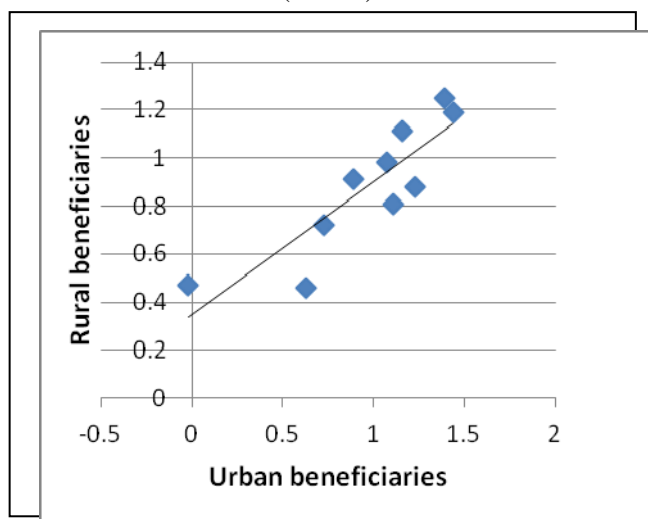
**Economic
Knowledge
for
Optimal
Decision!**

viii. Beneficiaries satisfaction with NSA social protection provision

On whether or not the social protection services are adequate, 45% of respondents from Dire Dawa and 58% from Welmera indicated that the services are adequate to meet the needs of vulnerable groups in their respective areas. The majority of respondents also indicated that NSAs are operating to benefit the vulnerable groups rather than maximizing their interests (66% from Dire Dawa and 82.2% from Welmera).

Ten specific indicators/statements were also used to 'measure' beneficiary satisfaction (Fig. 7). Some of the statements included (i) I was satisfied with the length of time I had to wait for the service (ii) the facility is at a convenient distance from my home (iii) the staff were readily available (iv) one stop shop; and (v) service fees and costs [if any] were reasonable. In this regard, the satisfaction level of beneficiaries in Dire Dawa (urban constituency) is positive in all but one factor. Beneficiaries in Welmera (rural constituency) showed positive satisfaction with all the stated factors.

Figure 7: Beneficiary satisfaction with NSSP (n=762)



Summary and Policy Relevance

NSAs are important in terms of number and scope of operation in both rural and urban areas. These NSAs provide livelihood, welfare, social and to a limited extent advocacy services. Most vulnerable groups benefit from one or more NSAs. NSAs show cordial relations with the local authorities which is crucial for the sustainable provision of social protection.

Given their contribution to social protection provision, there is a need to create conducive environment for the development of NSAs so as to provide social protection services for all vulnerable groups in the country. The informal NSAs need technical support to enable them engage at the highest level. A special agency may be needed for transforming and supporting these institutions. Furthermore, there is a need to facilitate and support the networking and engagement processes of NSAs at national and local level to enable them share experiences and cooperate and complement each other in the process of social protection policy formulation.

References

- African Union (2008) Social Policy Framework for Africa. Addis Ababa: African Union.
- Devereux, S. and Amdissa Teshome (2013) *From Safety Nets to Social Protection: Options for Direct Support Beneficiaries of the Productive Safety Net Programme*. In *Food Security, Safety Nets and Social Protection in Ethiopia*. Edited by Alula Pankhurst, Dessalegn Rahmato and Gerrit-Jan Van Uffelen, Forum for Social Studies, (pp 69-112), Addis Ababa.
- FDRE (2009) Charities and Societies Proclamation No. 621/2009, Federal Negarit Gazeta, Addis Ababa.
- Mares I, Carnes ME. (2009) Social policy in developing countries. *Annual Rev Pol Sci*. 2009;12:93–113.
- McGuire J. (2010) *Wealth, health and democracy in East Asia and Latin America*. Cambridge: Cambridge University Press.
- Sabates-Wheeler, R. and S. Devereux. (2007) Social Protection for Transformation. *IDS Bulletin*, 38 (3), pp 23-28.

EEA Research Brief

Issue No. 4, May 2014

Vision:

“To become the premier Economic association in Africa renowned for its excellence in membership services and economic policy research.”

Mission:

“ To represent the professional interests of our members, advance the discipline of economics and contribute to the development of the Ethiopian Economy”



Physical Address:

Ethiopian Economics Association

Yeka Sub - City, Kebele 19

On the Road from
Megenagna to CMC

Adjacent to St. Michael Church

Addis Ababa ,

Ethiopia

Telephone and Fax

Tel: 251-(0)11-6453200

Fax: 251-(0)11-6453020

Postal Address

Ethiopian Economics
Association

P.O.Box 34282

Addis Ababa

Ethiopia

Email and Website

Email: eea@ethionet.et

Website: www.eaecon.org

Ethiopian Economics Association (EEA) is a non-profit, non-political and non-religious professional Association established in 1991. The objectives of EEA are:

- to contribute to the economic policy formulation capability and broadly to the economic advancement of Ethiopia ;
- to promote the professional interest of Economists;
- to promote the study of economics in the country's educational institutions;
- to promote economic research and assist in the dissemination of the findings of such research in Ethiopia ;
- to provide forum for the discussion of economic issues, and
- to promote professional contacts between Ethiopian economists and those of other countries.

Funder of the project



((\$ # ~ ° , # - 1 ~ #

