

# Integrating Public Works and Transfers in Ethiopia: An Innovative Approach to Social Protection, Employment and Decent Work

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**What is the relevance** of the Productive Safety Net Programme (PSNP) in Ethiopia for other countries implementing or considering public works or transfer (cash and/or food) programmes? PSNP integrates income and employment through public works, with transfers to labour-constrained households in a programme that has more than 8 million beneficiaries. Presumably it holds important lessons and implications for other countries.<sup>1</sup>

The integration of these two commonly used social protection instruments enables PSNP to address a number of gaps that each of these instruments, when used separately, are unable to cover. It allows labour-constrained households to be covered by the safety net, which public works programmes on their own cannot do. At the same, it time employs rural labour to contribute to much-needed natural-resource rehabilitation and rural infrastructure, which transfer programmes are unable to do.

A key feature of the programme is that it explicitly recognises that some households have labour constraints and that these constraints can vary. Constraints can stem from a number of factors such as sickness, old-age, maternity, household size, permanent or temporary disability, or death. PSNP households facing such constraints have the right to switch either partially or completely to the direct-transfer component of the programme. Whether they switch partially or completely depends on the extent of the labour constraint.

Furthermore, the switch is also either permanent or temporary depending on the nature of this constraint. This has enabled the programme to address a significant, potential gap in coverage found in many social protection programmes that have only a public works component.

A recent review (Lieuw-Kie-Song, 2011) found that the combination of these two instruments has resulted in a more coherent framework of enhancing productivity and providing social protection. Analysis of PSNP from the perspective of the

International Labour Organization's Decent Work Agenda revealed that PSNP is making significant contributions to the creation of decent work in Ethiopia by providing regular and predictable income and employment; introducing a limited form of maternity benefits for women in public works by transferring them temporarily to the direct-transfers component; introducing a formal set of rights for households participating in the programme, accompanied by an appeals process to address grievances when these rights are not being realised; allowing flexible working hours for women, to enable them to attend to other household duties; and integrating a high degree of local and participative decision making.

To date, many countries have acted as if they have had to choose between these two social protection instruments, and PSNP clearly demonstrates that this is a false choice. Not only can these be programmes be implemented simultaneously, they can also be highly complementary, thus creating a number of benefits that are not realisable with the use of such instruments separately.

Countries that have chosen one or the other of these instruments could therefore consider complementing their existing programmes. And countries that have both such programmes running in parallel should consider closer integration. Finally, those that are introducing basic social protection measures should carefully consider PSNP and ask themselves whether such an integrated approach would be relevant in their context.

#### References:

Lieuw-Kie-Song M. (2011). 'Integrating Public Works and Transfers in Ethiopia: Implications for Social Protection, Employment and Decent Work', *IPC-IG/ILO Working Paper No. 84* Brasilia and Geneva, International Policy Centre for Inclusive Growth and International Labour Organization.

World Bank (2010). *Designing and Implementing a Rural Safety Net in a Low Income Setting: Lessons Learned from Ethiopia's Productive Safety Net Program 2005-2009*, Washington, DC, World Bank. Available at: [www.worldbank.org/safetynets](http://www.worldbank.org/safetynets).

#### Note:

1. For a detailed overview of lessons learned, see also World Bank (2010).