



International Labour Organization

SDG 1.3. Social Protection Systems for all, including and Floors, Key to Eradicating Poverty and Promoting Prosperity

- Monitoring SDG 1.3: ILO Data
- Rolling-out One-UN Work and Partnerships for SDG 1.3
- Trends and policy recommendations

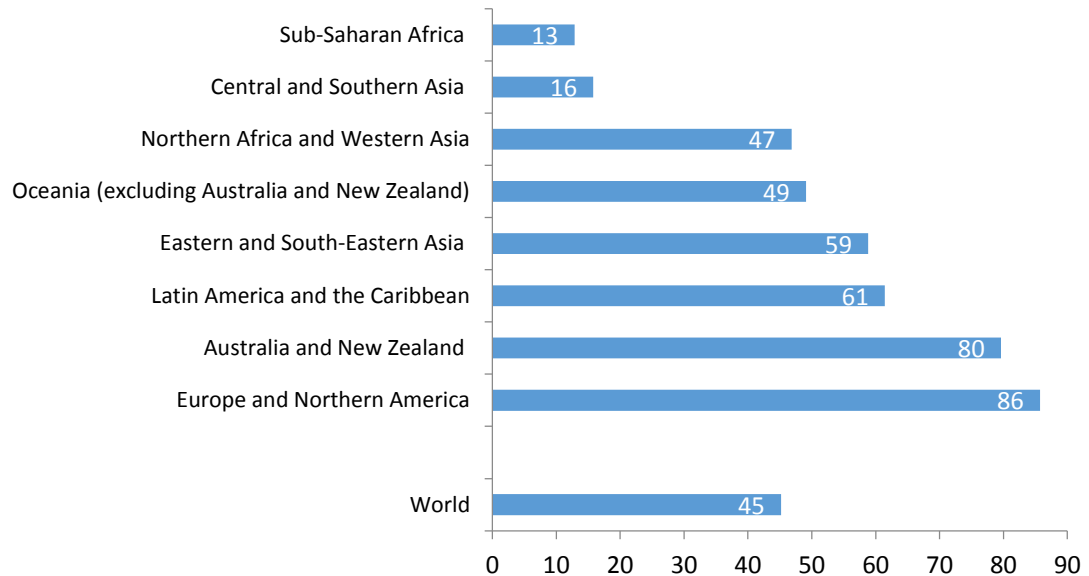
1. Social protection systems, including floors, are essential to ensure that no one is left behind. They are fundamental to prevent and reduce poverty across the life cycle, including cash transfers for children, mothers with newborns, for persons with disabilities, for those poor or without jobs, and for older persons. This brief will describe ILO contributions to SDG 1.3 and progress in implementation in terms of (i) monitoring SDG 1.3 through the ILO World Social Protection Database, (ii) rolling-out One-UN work and partnerships for SDG 1.3, and (iii) trends and recommendations.

Monitoring social protection: ILO country data

2. Global trends in social protection show significant progress over time. Contrary to the situation that existed several decades ago, today there is practically no country where at least basic measures of social protection have not been implemented. But the current situation is far from optimal. The ILO monitoring system on social protection, based on the ILO World Social Protection Database (ILO/WSPDB), indicates that approximately 55 per cent of the world's population does not have access to at least one social protection cash transfer.
3. Social protection systems and floors ensure protection through contributory social insurance, tax-funded social assistance and other schemes providing basic income security.
4. For decades since the 1950s, the ILO has developed extensive experience collecting information on the configuration and development of social protection systems in the world. The Social Security Inquiry (SSI) is the ILO tool for collecting administrative information on social protection at country level, which feeds into the World Social Protection Database. This is a comprehensive database on social protection systems, which includes national data on programs, coverage, beneficiaries, poverty and spending on social protection. It also maintains a summary of indicators on the major recent progress at the global level in extending social protection. Main gaps in coverage are also identified.
5. **Aggregate coverage of total population.** Preliminary data show that, in 2016, only 45 per cent of the world's population were covered by at least one social protection cash benefit,

and that the proportion varied widely across countries and regions. Sub-Saharan Africa has the lowest coverage, with about 13 per cent of its population covered by at least one social protection benefit, versus 86 per cent of the population in Northern America and Europe.

Figure 1: Proportion of population covered by at least one social protection benefit, 2016 (percentage)

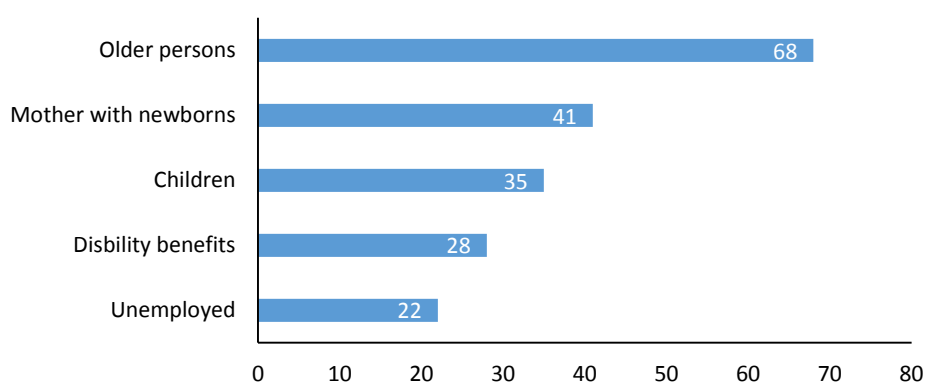


Note: Coverage corresponds to the sum of persons protected by contributory schemes and recipients of contributory and non-contributory benefits expressed as a percentage of the total population.

Source: ILO World Social Protection Database, based on ILO Social Security Inquiry.

6. **Social protection for children.** Social protection is a human right, further supported by the UN Convention on the Rights of the Child of 1989, and yet many children do not receive the essential cash transfers that could make a real difference to their chances of realizing their full potential in terms of nutrition, health, education and care services. Social protection also has a key role in preventing child labour. Despite a large expansion of social protection schemes covering children, preliminary data from the ILO indicate that in 2016 only 35 per cent of children worldwide were receiving cash benefits.
7. **Maternity protection.** Effective maternity protection ensures income security for pregnant women and mothers of newborns children and their families, and ensures effective access to quality maternal health care. As a result of the ineffective enforcement and implementation of laws in some regions (Asia and the Pacific, Latin America and Africa, in particular), effective coverage of maternity protection is still low. According to the ILO World Social Protection Database, worldwide only 41 per cent of women between 15 and 49 years old are effectively protected through maternity cash benefits.
8. **Unemployment protection.** Where they exist, unemployment benefit schemes play a key role in providing income security to workers and their families in the event of temporary unemployment, thereby contributing to poverty prevention. Data from ILO World Social Protection Database shows that in 2016 only 22 per cent of the unemployed received unemployment benefits.

Figure 2: Proportion of the world's population covered by social protection systems/floors, 2016 (percentage)



Source: ILO World Social Protection Database, based on ILO Social Security Inquiry.

9. ***Social protection for persons with disabilities.*** The situation of people with severe disabilities, in terms of their access to social protection, is also challenging. The ILO estimates that, worldwide, 28 per cent of persons with severe disabilities received disability benefits in 2016. This seems rather positive, but coverage of people living with severe disabilities varies enormously between regions and countries.
10. ***Old-age pensions.*** The right to income security in old age, as grounded in human rights instruments and international labour standards, includes the right to an adequate pension. At the global level, 68 per cent of people above retirement age received a pension, either contributory or non-contributory. This means that nearly 32 per cent of all people over retirement age do not receive a pension. For many of those who receive a pension benefit, pension levels are not adequate. As a result, the majority of the world's older women and men have no income security, have no right to retire and have to continue working as long as they can – often badly paid and in precarious conditions.

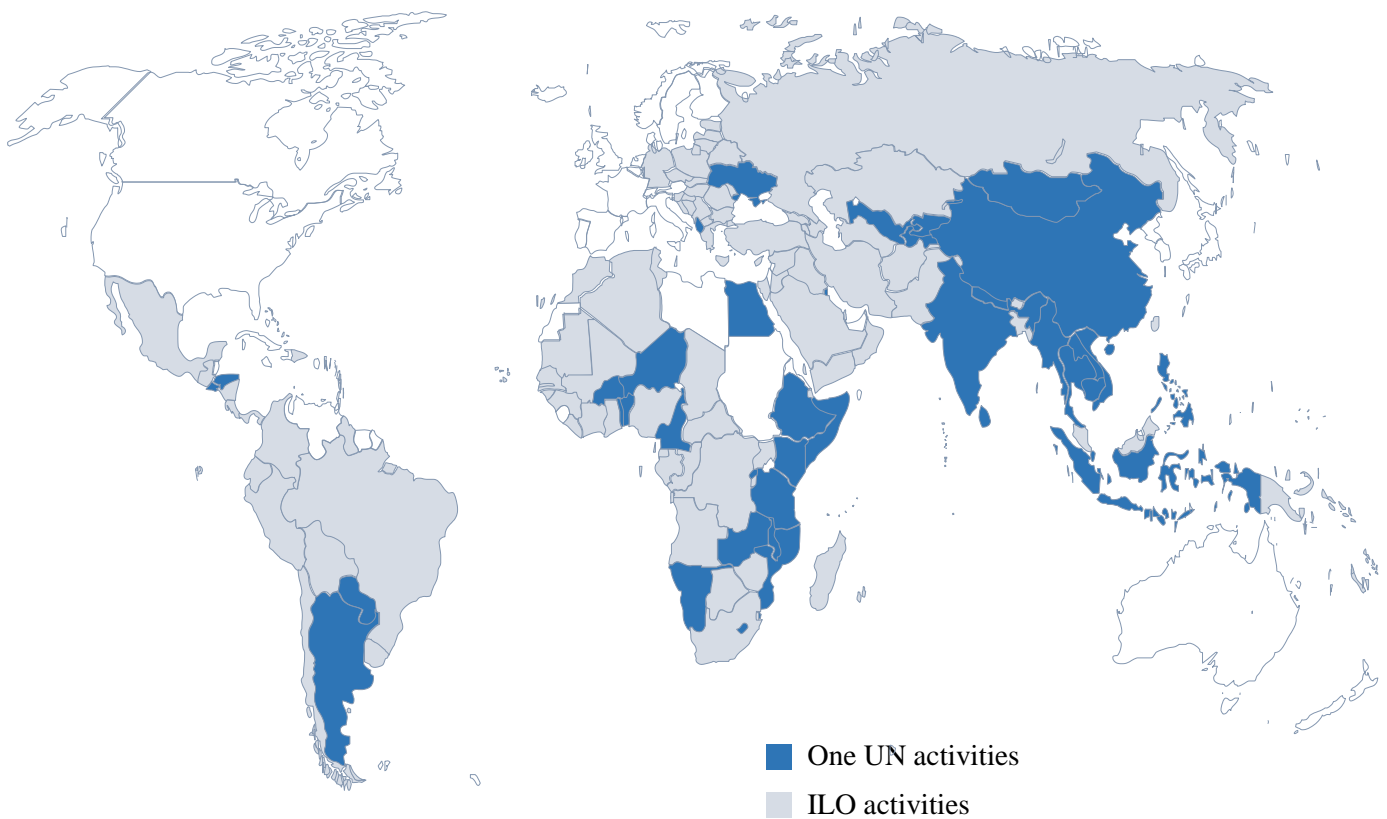
Working as One for SDG 1.3 - Extending Social Protection Systems and Floors

11. Social protection systems, including floors are both a social and an economic necessity. Well-designed social protection systems support incomes and domestic consumption, build human capital and increase productivity. The efforts in extending social protection in many developing countries have underlined its key role in reducing poverty and vulnerability, redressing inequality and boosting inclusive growth. Social protection is, therefore, a crucial instrument for poverty eradication and the promotion of prosperity. Considered a human right, social protection goes hand in hand with the idea that no one should be left behind. The idea of building societies based on the objective of guaranteeing a dignified life for all individuals, without exception, is adequately reflected in the Recommendation No. 202 on national social protection floors adopted by member countries of the ILO in 2012.
12. The objective of creating and extending national social protection floors can only be achieved through the joint efforts of the United Nations agencies, at different levels. “Working as One” to promote social protection floors is an important priority for the UNDG and the ILO ¹, and

¹ Since 2009, UN country teams have been working together to implement social protection floors as a crisis response initiative (http://archive.undg.org/wp-content/uploads/2015/04/SPF-I_2015.pdf) guidelines issued by the UNDG, as well a call to all UN country teams in 2014 by the UNDG Chair and ILO Director General (<http://www.social-protection.org/gimi/gess/RessourcePDF.action?ressource.ressourceId=44138>).

mobilizes the collective support of UN agencies and development partners through “One UN” SPF-I teams in order to design and implement social protection systems and floors through broad-based national dialogue. Since 2009, social protection systems, including floors, have been designed as “One UN” in many countries in the Asia, Latin America and Africa regions. Joint work on social protection issues with other United Nations agencies in countries such as Cape Verde and Mozambique is particularly noteworthy². A concrete example of the ILO’s interest in such joint work is the call from the UNDG Chair, Helen Clark, and ILO Director General, Guy Ryder, requesting all UN Resident Coordinators and UN Country Teams to consider a number of specific steps to advance the work on social protection. Since then, working groups that operate under regional UNDG auspices have been created in the Asia-Pacific, Europe and Central Asia and Arab States regions to increase cooperation and promote joint in-country activities.

Figure 3: Working as One-UN on Social Protection Systems for All and Floors³



Source: ILO see <http://un.social-protection.org>

13. In order to accomplish the objectives of the Agenda 2030, it is fundamental to achieve increased long-term investments for development. As pointed in the 2017 report of the Inter-agency Task Force on Financing for Development, “long-term investments need to be complemented by measures to directly ameliorate the living conditions of the poor and vulnerable, such as social protection floors. Economic growth will not suffice to eradicate

² See 2015. ILO, WPF and UNICEF. Capitalising on UN Experience: The Development of a Social Protection Floor in Mozambique. Maputo, Mozambique.

³ For a full detailed and up-to-date list of One UN activities on social protection, consult the interactive world map available at <http://un.social-protection.org>

extreme poverty. In the Addis Agenda, the world's governments agreed to address this challenge, at least in part, through a "new social compact". Under that compact, Governments agreed to provide "fiscally sustainable and nationally appropriate social protection systems and measures for all, including floors..." Member States also committed to "strong international support for these efforts" and to explore "coherent funding modalities to mobilize additional resources, building on country-led experiences" (Para 12).

Partnerships for SDG 1.3 – Social Protection Systems for All and Floors

- 14.** In recent years, a number of partnerships have been established to extend social protection systems and floors, complementing One-UN work. This includes the Social Protection Inter-Agency Cooperation Board (SPIAC-B), the NGO global coalition for Social Protection Floors; the Global Business Network for Social Protection Floors, the Social Protection for Freedom and Justice for Workers Initiative with trade unions, training with ITC and UN Staff College, and the Global Partnership for Universal Social Protection.
- 15.** The [Social Protection Inter-Agency Cooperation Board \(SPIAC-B\)](#) is a light inter-agency coordination mechanism, composed of representatives of international organizations and bilateral donors, to enhance global coordination and advocacy on social protection issues and to coordinate international cooperation in country demand-driven actions. The establishment of the Board responds to a request from the G20 Development Working Group. The SPIAC-B is co-chaired by the World Bank and the ILO.
- 16.** The NGO Global Coalition for the Social Protection Floors, led by civil society organizations; this and terms of references guiding the coalition's activities can be found here: <http://www.socialprotectionfloorscoalition.org/about/>
- 17.** The Social Protection, Freedom and Justice For Workers Initiative, led by trade unions under the *ILO Global Flagship Programme on Building Social Protection Floors for All*. See <http://www.social-protection.org/gimi/gess/ShowProject.action?id=3048>
- 18.** The Global Business Network For Social Protection Floors was created in 2015, it is governed through annual meetings. The terms of references and the workplan further define ambitions and activities, can be found here: <http://www.social-protection.org/gimi/gess/ShowProject.action?id=3030>
- 19.** The International Training Centre (ITC) in TURIN and UN Staff College: The annual ITC Social Security Academy is an executive training course on the governance and financing, reform and extension of social protection systems, including floors. The ILO and the UN Staff College are developing a course on social protection for sustainable development in the 2030 Development Agenda. There are also partnerships with Universities such as the Social Security School in Algiers, with the Naresuan University (Thailand), the University of Maastricht (Netherlands), the University of Mauritius. ILO has also supported South-South exchanges such as the [ILO–China–ASEAN High-level Seminar to Achieve the Sustainable Development Goals on Universal Social Protection through South–South and Triangular Cooperation](#) was hosted by the Government of China in Beijing, after the G20 summit.
- 20.** The [Global Partnership for Universal Social Protection](#), co-lead by the ILO and the World Bank, was launched in New York during the 71st UN General Assembly on 21 September 2016, showcasing 23 country cases that had achieved universal social protection, evidencing that universal social protection is feasible in developing countries.

Lessons learnt on eradicating poverty and promoting prosperity

21. Based on the ILO's experience in implementing social protection systems worldwide, the following contains a brief reference of the main lessons learned in terms of the role of social protection in poverty eradication:

- (a) There is a need for the provision of universal and comprehensive systems with a minimum protection. The provision of universal social protection floors is included in the 2030 Agenda for Sustainable Development and was also adopted by the Member States of the ILO in 2012.⁴

Based on experiences, something important to consider when designing comprehensive social protection systems is that "safety net approaches" are not conducive to the establishment of coherent social protection systems, but rather tend to consist of isolated programmes, often temporary and fragmented. This makes it more difficult for individual rights-holders to identify who is accountable for a programme's implementation, and may lead to gaps in coverage including exclusion errors, or create risks of activities in one sector creating negative unforeseen effects in another.

- (b) Social protection floors have important economic benefits and promote prosperity. They expand a nation's "production possibility frontiers" as floor protections increases the availability of healthy, educated and productive workers who might otherwise be excluded from the economy. It also economically empowers poor people and thereby enlarges their potential contributions to the economy, raising productivity and growth along with their incomes. This ultimately expands tax revenues and the fiscal sustainability of public services. A social protection floor acts as an "automatic stabilizer" that lessens the contraction phase of macroeconomic cycles. Further, social protection floors are fundamental to prevent social conflict, support political stability and social cohesion, which are important state functions in our times.
- (c) Social protection floors have great potential in facilitating the enjoyment of several economic and social rights, including the rights to social security, health, food, housing, education and water, in accordance with the obligations of States under international human rights law.
- (d) Social protection systems have successfully reduced poverty in Africa, Asia, Europe, and Latin America, delivering much faster results than those expected from the "trickle-down" effects of supply-side economic policies.
- (e) Social protection or social security is a human right. The success of national social protection floors in achieving gender equality, respect for the minimum core of economic, social and cultural rights and protecting marginalized groups, such as children, older persons, persons with disabilities, informal workers and non-nationals, will depend on whether they are established and implemented according to human rights standards and principles.
- (f) There are essential financing requirements for social protection floors. Countries need to plan the implementation and financing of social protection floors well, in order to ensure that financing is available in all economic cycles, including economic slowdowns. Therefore, a strong international commitment for financing social protection is needed,

⁴ "National social protection floors should be financed by national resources. Members whose economic and fiscal capacities are insufficient to implement the guarantees may seek international cooperation and support that complement their own efforts." ILO Social Protection Floors Recommendation, 2012 (No. 202), adopted by 187 world countries, paragraph 12.

one that includes exploring coherent funding modalities to mobilize additional resources, building on country-led experiences.

- (g) There is an important role for social dialogue. Building consensus around reforms, including across government ministries and among different stakeholders is an important consideration. In most countries, where national social protection strategies and policies have been agreed through tripartite national dialogues, social dialogue has covered not only social protection benefits but also the costs and financing. This has led to increased buy-in and stronger consensus on the implementation of social protection floors and systems, thereby increasing their sustainability.

Policy recommendations on ways to accelerate progress in poverty eradication

22. The following policies are recommended to meet the objectives of Agenda 2030 and to accelerate progress towards poverty eradication:

- (a) Working as One-UN teams: United Nations agencies should make maximum efforts to work together on the common goal of eradicating poverty. Isolated efforts, lacking adequate coherence in terms of social protection policy approaches, will only slow the process down and prolong the waiting and suffering of millions of people.
- (b) A human rights-based approach and universal systems: In order to maximize the impact of social protection on poverty eradication, countries should adopt an approach based on realizing the human right to social security or social protection, in order to guarantee coverage to all persons, without exception, rather than adopting targeting policies based on safety nets approaches which usually only reach very limited segments of the population, and therefore, have a very limited impact. The ILO Recommendation 202 on National Social Protection Floors provides a framework to move in the right direction.
- (c) In line with a comprehensive approach to social protection, countries should make efforts to progressively extend systems beyond social protection floors, through social insurance programs based on social contributions. Formalization strategies play a critical role in extending coverage to groups traditionally excluded from protection, such as rural populations, domestic workers, workers of the informal economy and migrants, among others.
- (d) The fundamental issue of fiscal space: Social protection floors are affordable for most developing countries. But to meet financing needs, countries must put more efforts into identifying strategies for creating the necessary fiscal space. Recent joint work by ILO, UNICEF and UNWOMEN is advancing the exploration of fiscal space in developing countries.⁵
- (e) Strengthening social protection floors through deeper international cooperation: While the recurrent costs of social protection floors are affordable in the majority of developing countries, many need support in order to build and scale-up the national system and, thus, reduce poverty, vulnerability and social conflict. The design and implementation of social protection floors requires initial start-up investments to finance technical advisory services for the formulation of policies and strategies, the development of legal

⁵ See ILO, UNICEF and UNWOMEN, 2017: [Fiscal Space for Social Protection and the SDGs: Options to Expand Social Investments in 187 Countries](#).

frameworks, the identification of sustainable financing mechanisms, the introduction or upgrading of management information systems, and the building of administrative, actuarial and statistical capacities, including training for government officials.

- (f) The level of benefits (adequacy) matters. Some countries have already achieved fairly high coverage in terms of the percentage of the population covered, but additional effort is needed to improve the level of benefits. Otherwise, the impact on poverty reduction will be very slow and limited.
- (g) Filling knowledge gaps is strategic for policy formulation. In order to improve the policy framework to be implemented at the national level, more effort should be made to improve national capacity for diagnosis, gap identification and costing. In particular, the generation of sufficient statistics on vulnerability, poverty and the scope of social protection should be encouraged.

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Web pages references:

One-UN Social Protection Floor Initiative: <http://un.social-protection.org>

ILO Global Business Network on Social Protection Floors: http://www.ilo.ch/pardev/partnerships/public-private-partnerships/factsheets/WCMS_459585/lang--en/index.htm

NGO Global Coalition for Social Protection Floors: <http://www.socialprotectionfloorscoalition.org/> .

The Global Partnership for Universal Social Protection USP2030, and 23 developing country experiences of universal social protection: <http://www.social-protection.org/gimi/gess/NewYork.action?id=34> .