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Social Protection

Panel on Eradicating poverty as a foremost objective of institutions and policies across the SDGs

Expert meeting for HLPF 2017

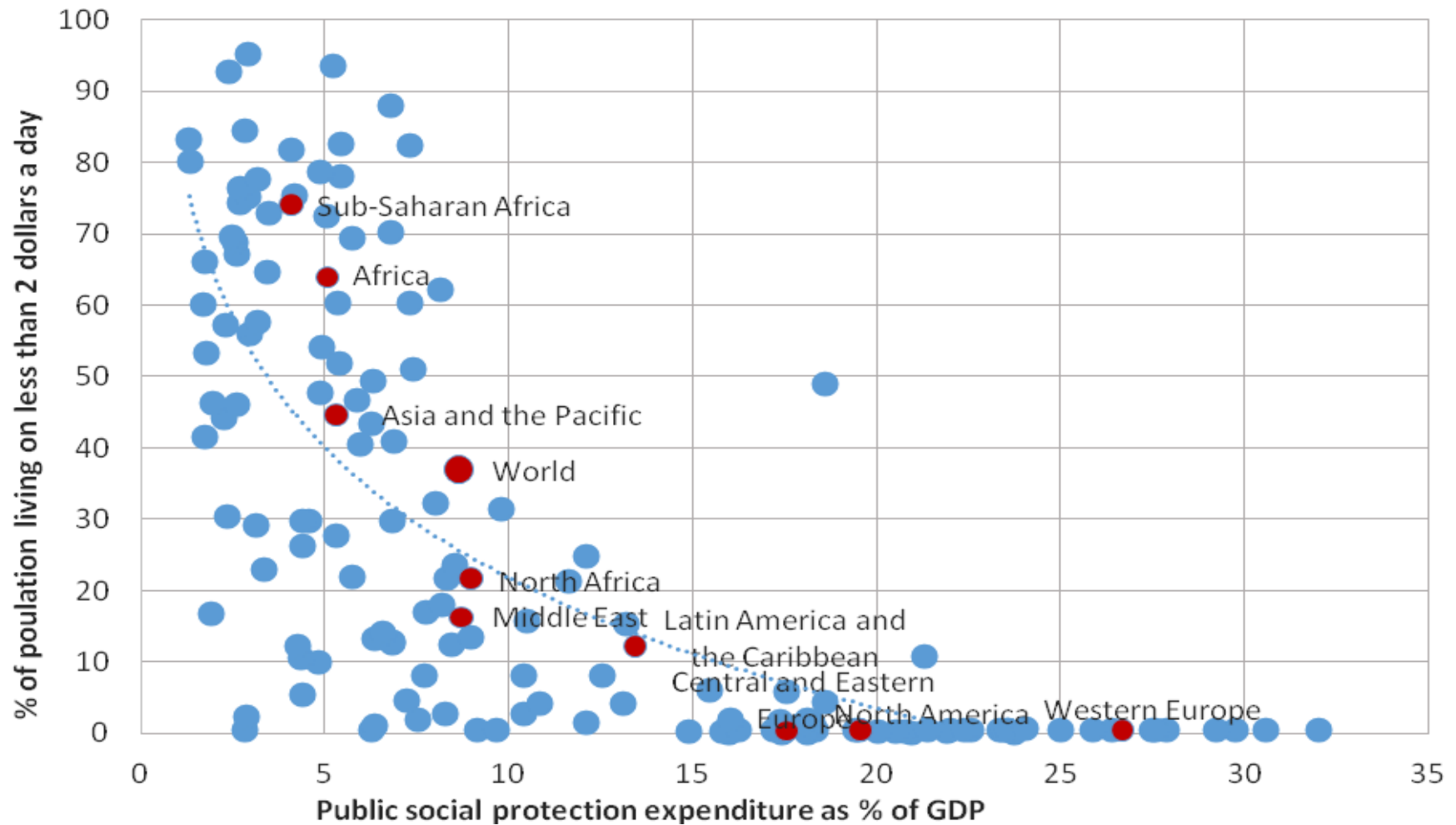
United Nations, Vienna, 14 December 2016

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Social Protection Reduces Poverty

Strong correlation: Public social protection expenditure (%GDP) and proportion of the population in poverty, 2014



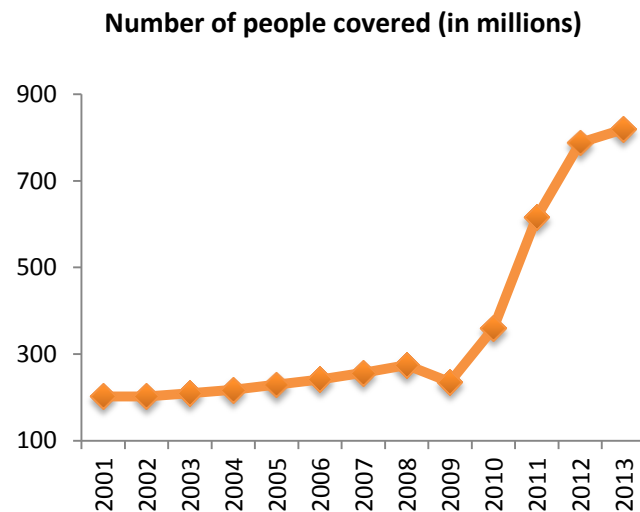
Source: [World Social Protection Report 2014-15](#), ILO

Developing countries rapidly expanding social protection

Many achieved universal social protection schemes:

- Argentina
- Armenia
- Azerbaijan
- Belarus
- Bolivia
- Botswana
- Brazil
- Brunei
- Cabo Verde
- Chile
- China
- Cook Islands
- Georgia
- Guyana
- India
- Kazakhstan
- Kiribati
- Kosovo
- Kyrgyz Republic
- Lesotho
- Maldives
- Mauritius
- Mongolia
- Namibia
- Nepal
- Samoa
- Seychelles
- South Africa
- Swaziland
- Tanzania (Zanzibar)
- Thailand
- Timor-Leste
- Trinidad Tobago
- Ukraine
- Uruguay
- Uzbekistan

Example: China Expansion of old-age pension coverage over 2001-2013



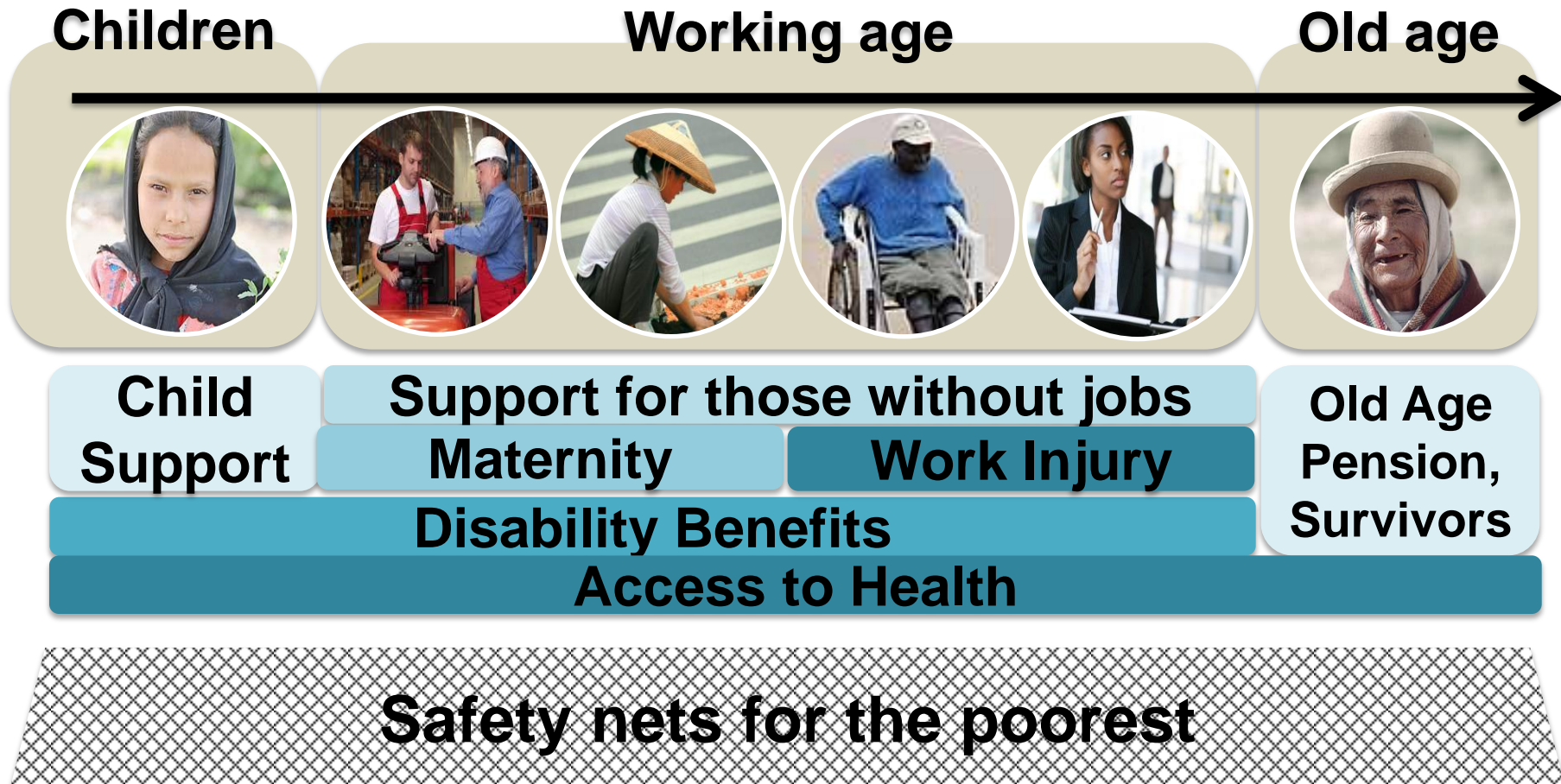
Source: universal.social-protection.org

On Poverty Lines and Social Protection Benefits

- **Measuring poverty has become a political issue. Governments sometimes underestimate the existence of poverty as it evidences public policy failures.**
- **Absolute poverty lines - often based on the per capita expenditure necessary to attain 2000-2500 calories per day, plus a small allowance for non-food consumption**
- **Poverty measures often do not adequately reflect other expenses necessary to cover basic needs - clothing, drinking water, housing, access to basic education and health...**
- **This is why multidimensional poverty – an attempt to better reflect all basic needs - it can be estimated in different manners**
- **How effective social protection is as a policy to reduce poverty depends on the coverage and adequacy of benefits**
- **Social protection can reduce poverty FAST if adequate benefits**

Poverty is Dynamic – Social Protection Reduces and Prevents Poverty by Tackling Vulnerabilities across the Lifecycle

- Poverty not an static concept: People fall in and out of poverty in their lives
- ILO Recommendation 202 Social Protection Floors (2012)



This is reflected in Target 1.3 and its possible indicator

Goal 1: End poverty in all its forms everywhere

Target 1.3: Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable

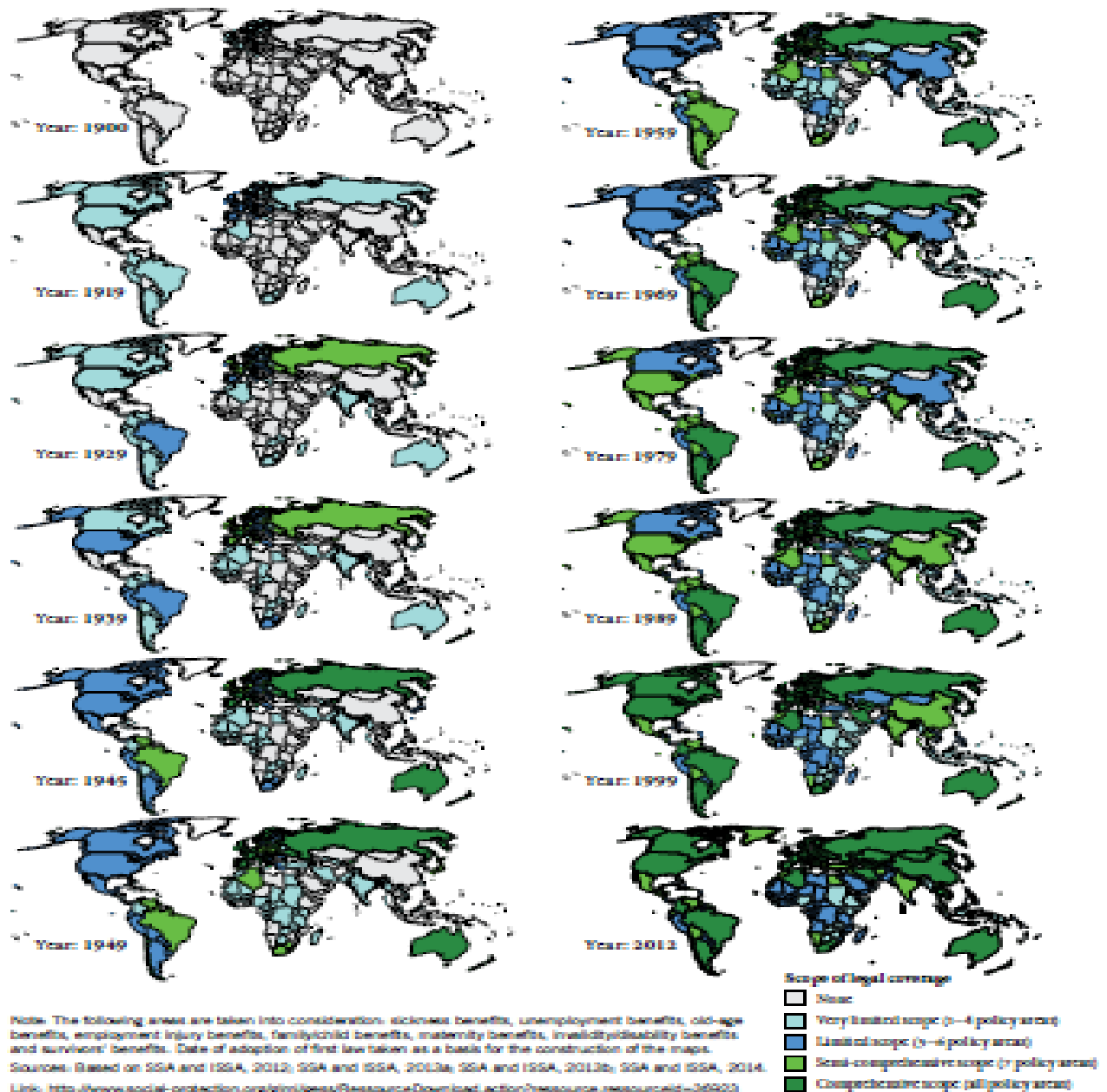
Suggested Indicator 1.3: Proportion of population covered by social protection floors/systems, by sex, distinguishing children, persons without jobs, older persons, persons with disabilities, pregnant women, newborns, work-injury victims, the poor and the vulnerable

The 2030 Agenda will monitor coverage... but not benefit adequacy



Institutions: A Story of More than 100 Years Building Social Security Systems

Figure 1.1 Towards comprehensive social security systems: Number of areas covered in social protection programmes anchored in national legislation, 1900–2012



Source: [World Social Protection Report 2014-15](#), ILO

National Social Protection Strategies, part of National Development Policies

In many countries, UN national Social Protection Floors Teams are working on national dialogue and assessments – participation (including tripartite dialogue) is fundamental to expand/improve social protection systems



- (a) **Start national dialogue**: what **objectives** reflect national priorities?

- (b) **identify gaps** in social protection;

- (c) determine **appropriate social protection schemes**, as well as the time frame and sequencing for the progressive achievement of the objectives

- (d) **Cost** selected schemes, identify potential **fiscal space**

- (e) Discuss **financial and human resources** with Ministry of Finance

- (f) **Agree national strategy through social dialogue**

Common Problems of National Development Strategies

Lack of information results in misdiagnosis:

- ✓ Diagnosis is done without adequate statistical information and analysis, e.g., failure to consider some social group in a country, or ignoring sources of conflict.

Lack of coherence between diagnosis, priorities and budgets:

- ✓ Diagnosis is correct, but strategies and action plans do not follow from it; national priorities are not based on the diagnosis.
- ✓ Strategies/Action Plans say the correct things but do not have targets or deadlines.
- ✓ Diagnosis, strategies and action plans are fine, but priorities are not backed by adequate budgetary allocations. Many strategies and plans are not properly translated into public investment pipelines.

Lack of participation:

- ✓ Diagnosis, strategies, plans and/or budgets done with limited or non-representative public consultations, resulting in poor policy design and/or rejection.

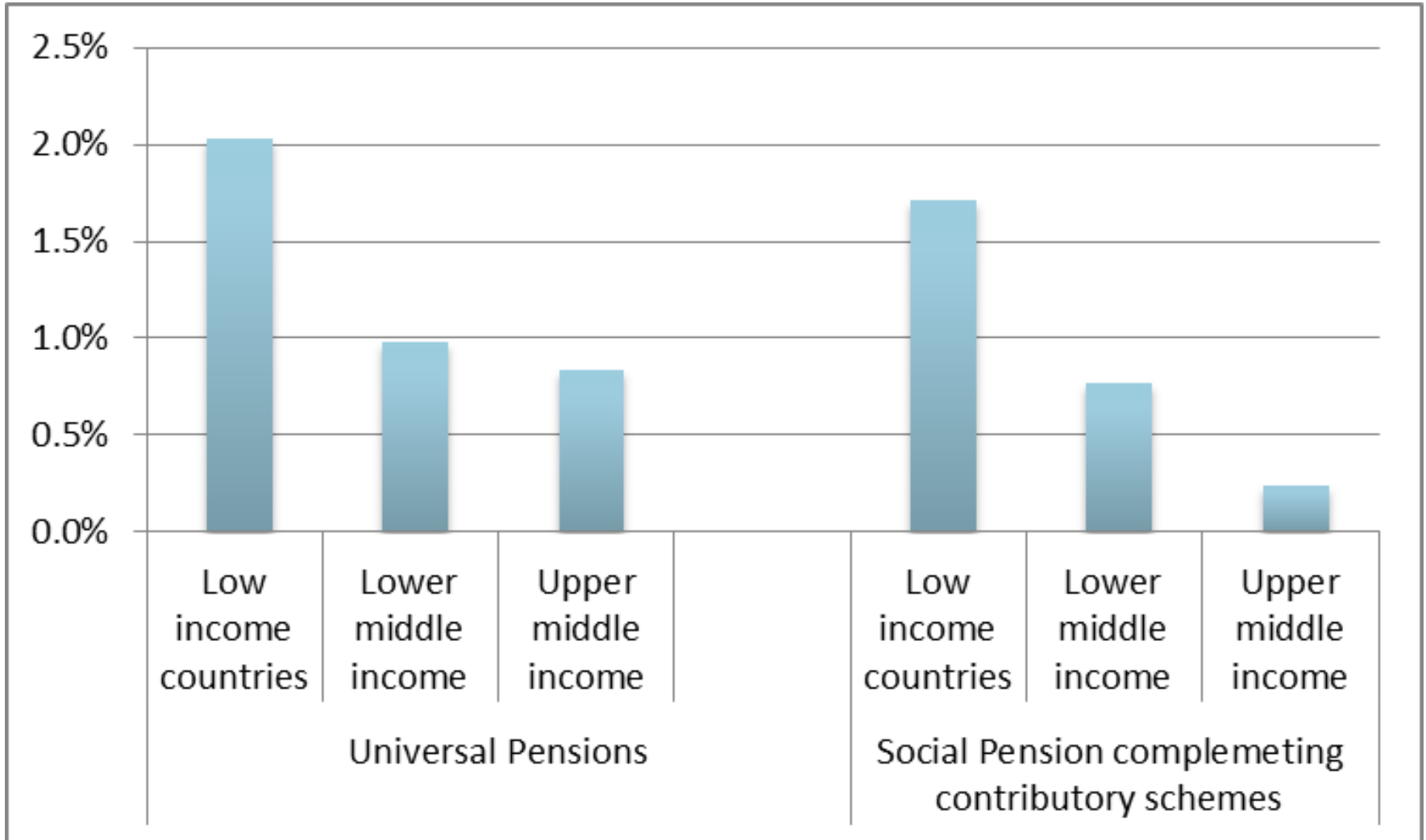
Lack of understanding of the interaction between different policies:

- ✓ Linkages between economic and social policies not clear to many, e.g. education does not result in employment; education raises productivity, but employment is mostly a result of adequate economic and labour policies
- ✓ Linkages between social policies: if public free education, health and others (no out of pocket payments), lesser social protection benefits needed
- ✓ Poverty reduction does not happen only because of targeted micro-interventions at the local level, but because of equitable policies macro and sector levels.

Source: "Social Policy" in [National Development Strategies Policy Notes](#). UNDESA

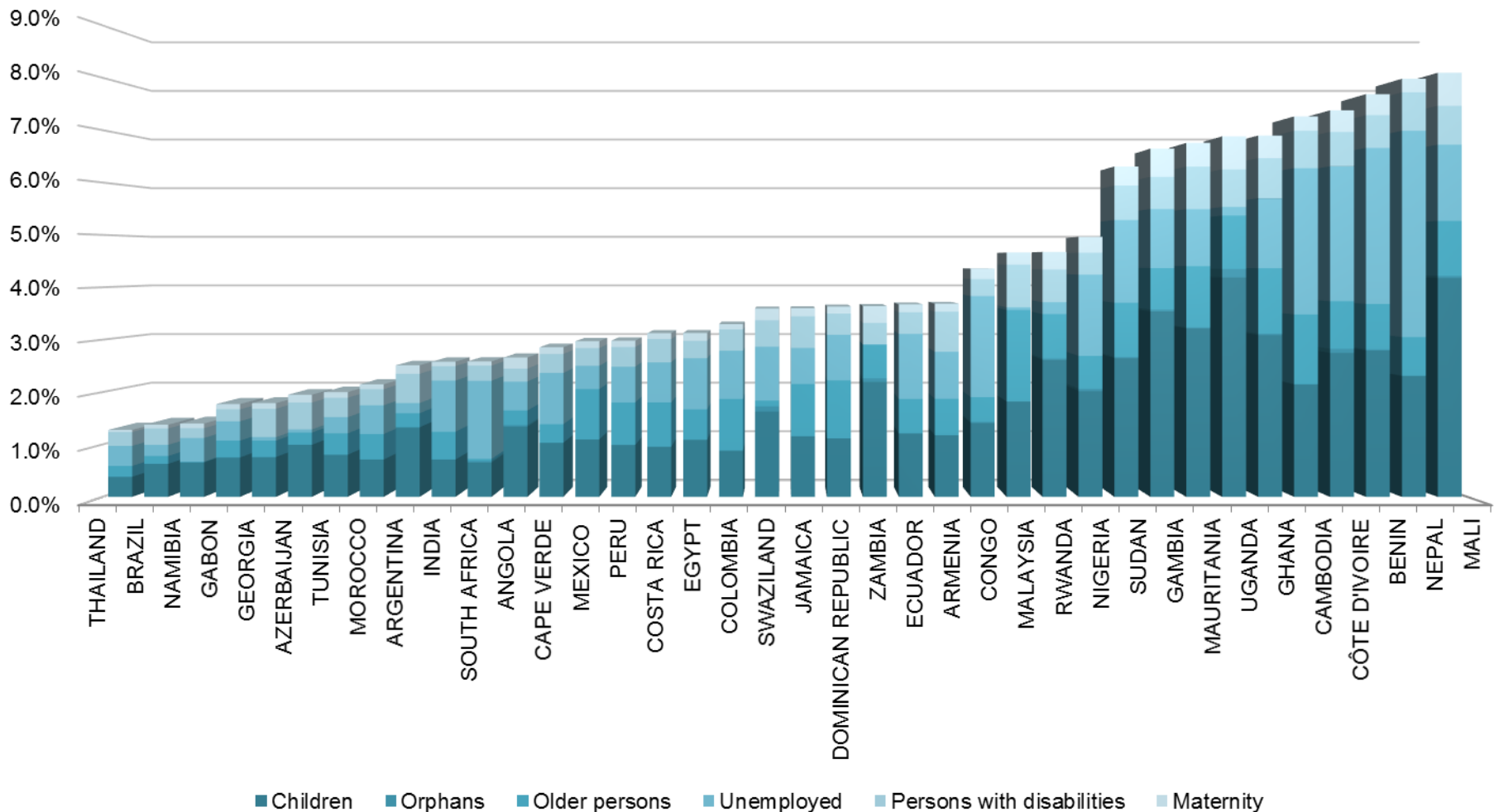
Is Universal Social Protection Affordable in Developing Countries? YES

Cost of universal pension coverage, national poverty line, %GDP



... Lower Income Countries Can Take a Progressive Approach

Cost of all universal schemes of social protection floors in %GDP



The universal social protection floor package has been estimated as follows: (i) a universal child benefit of 20% of a country's national poverty line to all children 0-14 years old; (ii) a benefit of 100% of a country's national poverty line to all orphans, (iii) a universal pension of 100% of a country's national poverty line, excluding those that have contributory pensions; (iv) unemployment support of 100% of a country's national poverty line to one person per vulnerable household during 100 days; (v) a benefit of 100% of a country's national poverty line to all persons with severe disabilities and (vi) a maternity benefit during 4 months of 100% of a country's national poverty line to all mothers with newborns. All of these schemes include administrative costs (ILO calculations)

Social Protection in the SDGs



Target 1.3 - Implement nationally appropriate **social protection systems and measures for all, including floors**, and by 2030 achieve substantial coverage of the poor and the vulnerable



3.8 achieve universal health coverage (UHC), including financial risk protection, access to quality essential health care services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all



Target 5.4 - Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and **social protection policies** and the promotion of shared responsibility within the household and the family as nationally appropriate.



8.5 by 2030 achieve full and productive employment **and decent work for all** women and men, including for young people and persons with disabilities, and equal pay for work of equal value



Target 10.4 - Adopt policies, especially fiscal, wage and **social protection policies**, and progressively achieve greater equality



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Thank you

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