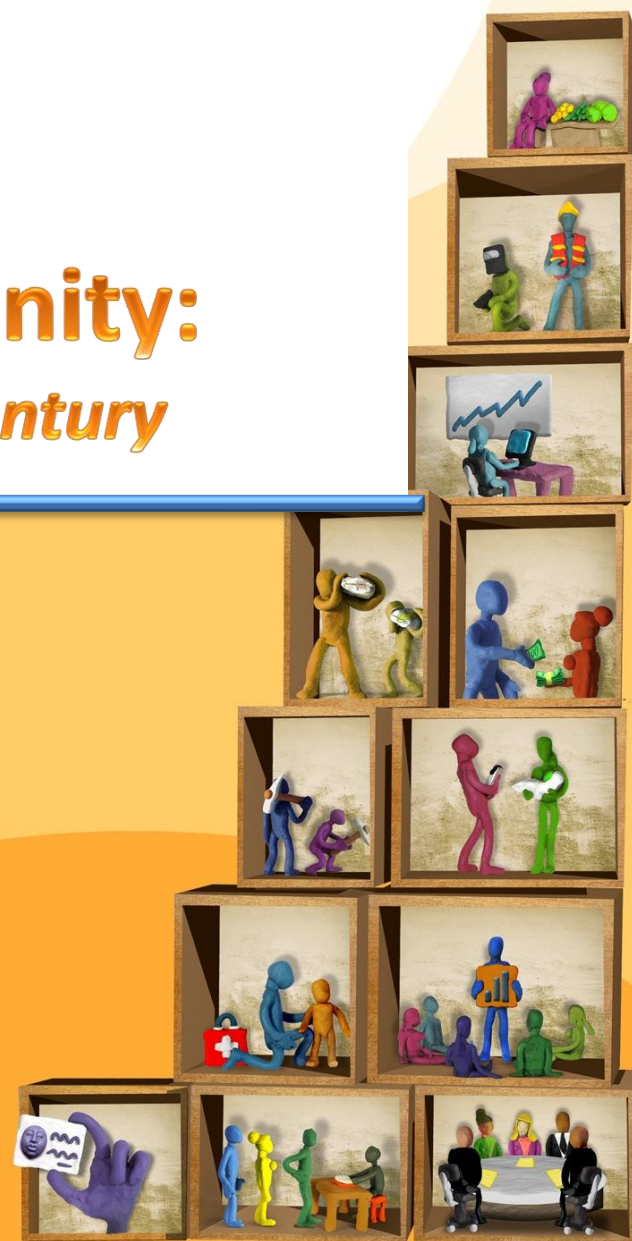


Building Resilience and Opportunity: *Better livelihoods for the 21st century*

Emerging ideas for the World Bank's 2012 - 2022
Social Protection and Labor Strategy

For Consultation

Draft



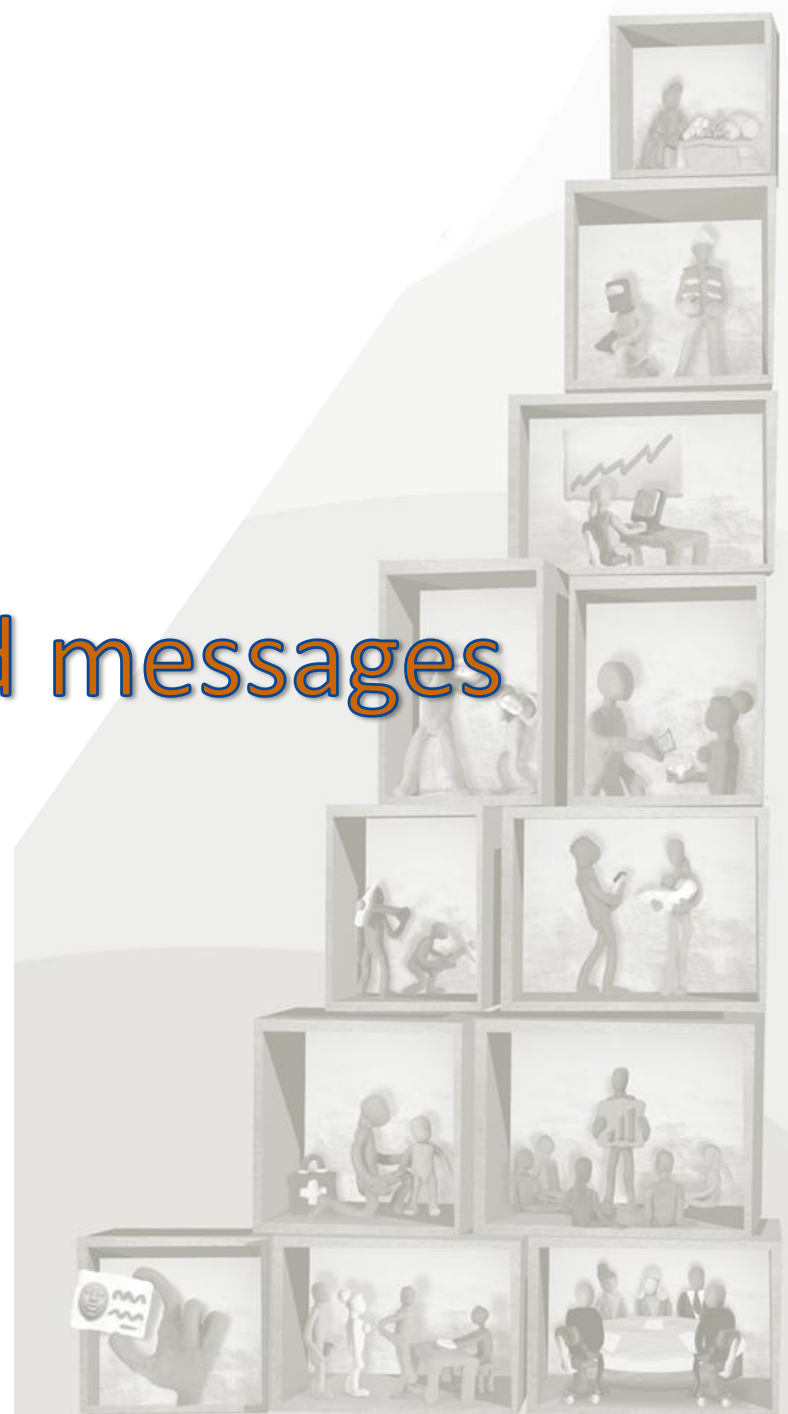
THE WORLD BANK



Human Development Network

Introduction and messages

Draft



The Centrality of Social Protection: A Recurrent Theme



“Although the current crisis has proved to be [hard] to remedy, it has taught us that ... while the policy mix will vary according to each country's particular circumstances, social protection needs to be at its centre.”

1998

Joseph Stiglitz

“The crisis lends new urgency to measures advocated in the original Growth Report, which argued that [for long-term growth] policy makers should endeavor to protect people, even as they resist calls to protect industries, firms, or jobs... The exact form of these [social protection measures] must vary from country to country.”

2010

Growth Commission



Main messages

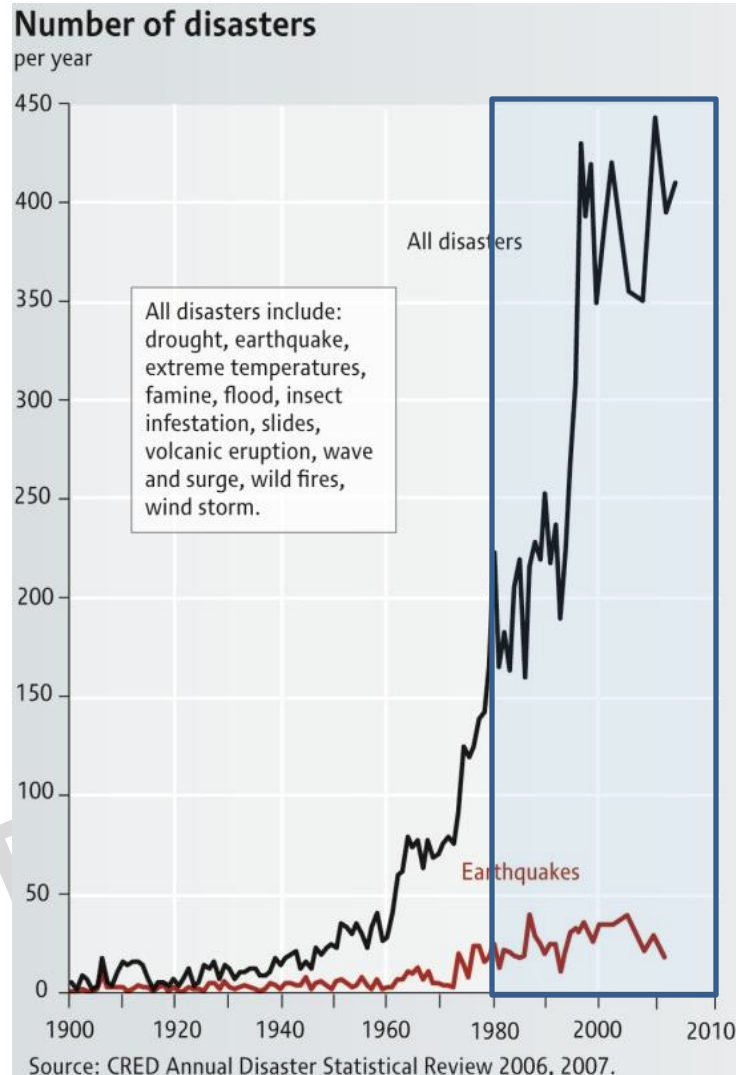
- Social protection and labor policies and programs are critical to **build resilience and opportunity**
 - Crisis response
 - Risk reduction and mitigation
 - Poverty alleviation
 - **Economic growth**
- Today, there are **four global gaps** in social protection and labor:
 - Integration: *fragmented and unharmonized programs*
 - Coverage: *major programs are mostly in middle-income countries*
 - Weak connection to productivity: *insufficient links to human capital accumulation, skills formation and labor market insertion*
 - Global knowledge: *inadequate data, results-focus and transmission of good practice*
- To address these gaps, the World Bank needs to **deepen work in four areas**:
 1. Build appropriate, context-specific **social protection & labor systems**
 2. Expand coverage, especially in **lower-income and fragile states**
 3. Promote **links to human capital, skills and labor market insertion**
 4. Expand investment in **results and knowledge**

Draft

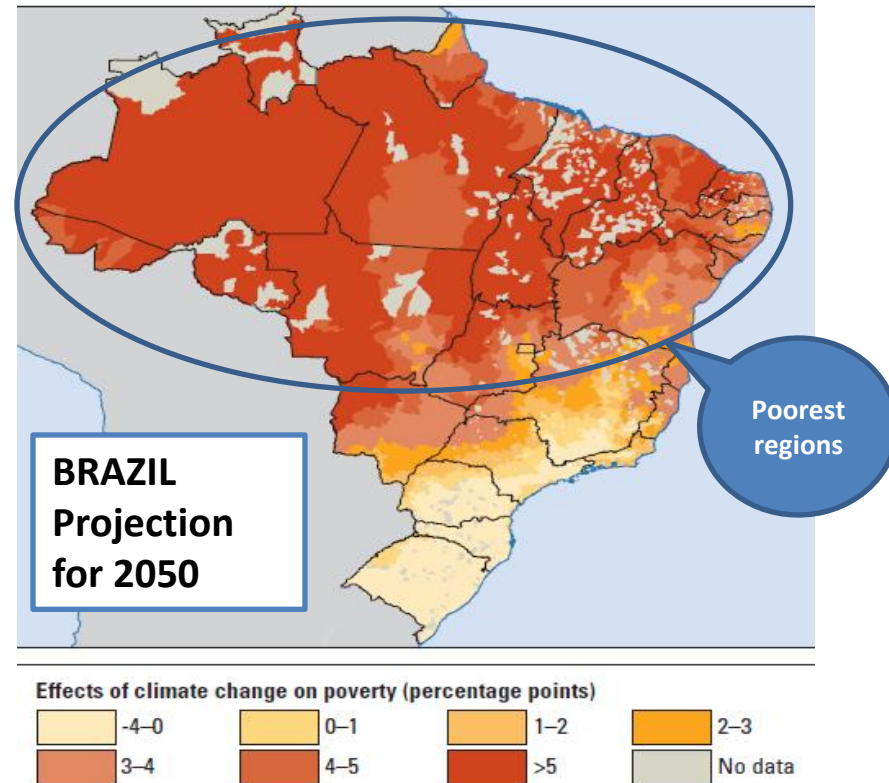
Challenge: Increasing Risk: Need for mitigation



Increasing frequency of disasters ...



... that will hurt the poorest disproportionately



Source: World Bank, World
Development Report 2010

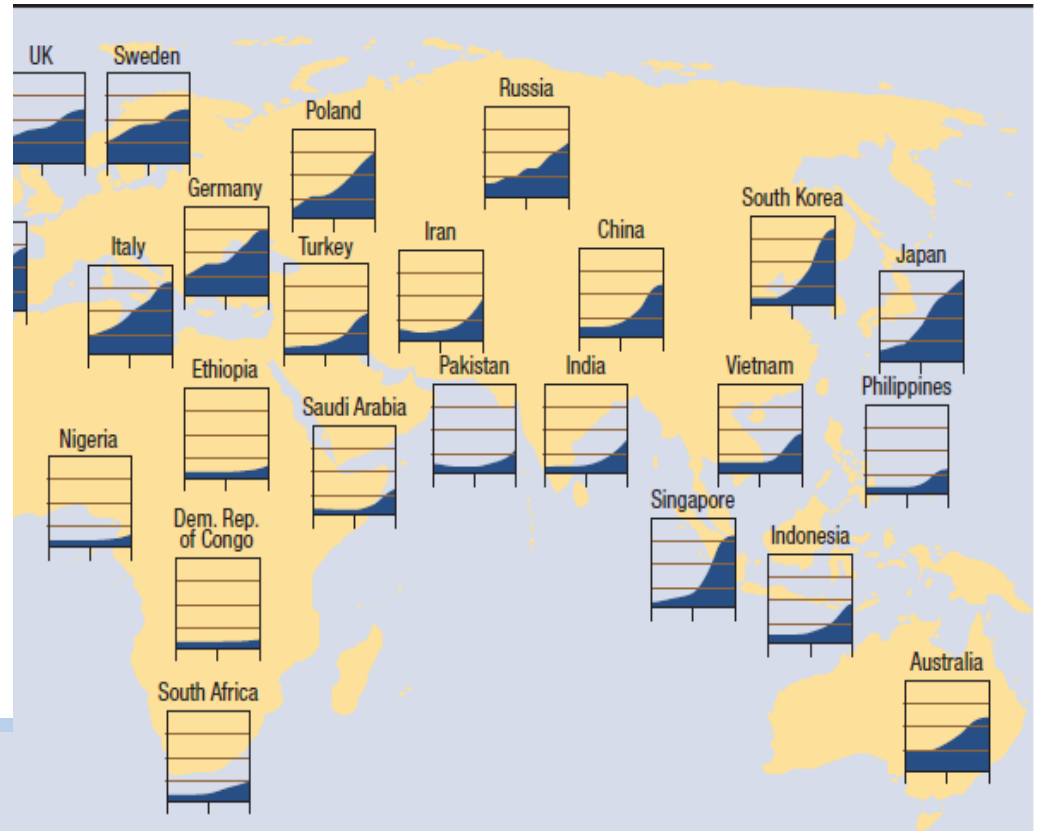
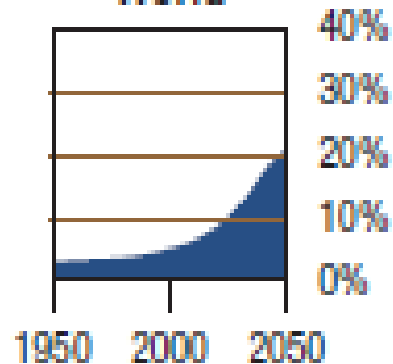


Challenge: Aging populations: Need for old-age protection

% 65+, 1950-2050

The worldwide share of population age 65 and older is projected to more than double to over 16% by 2050.

World

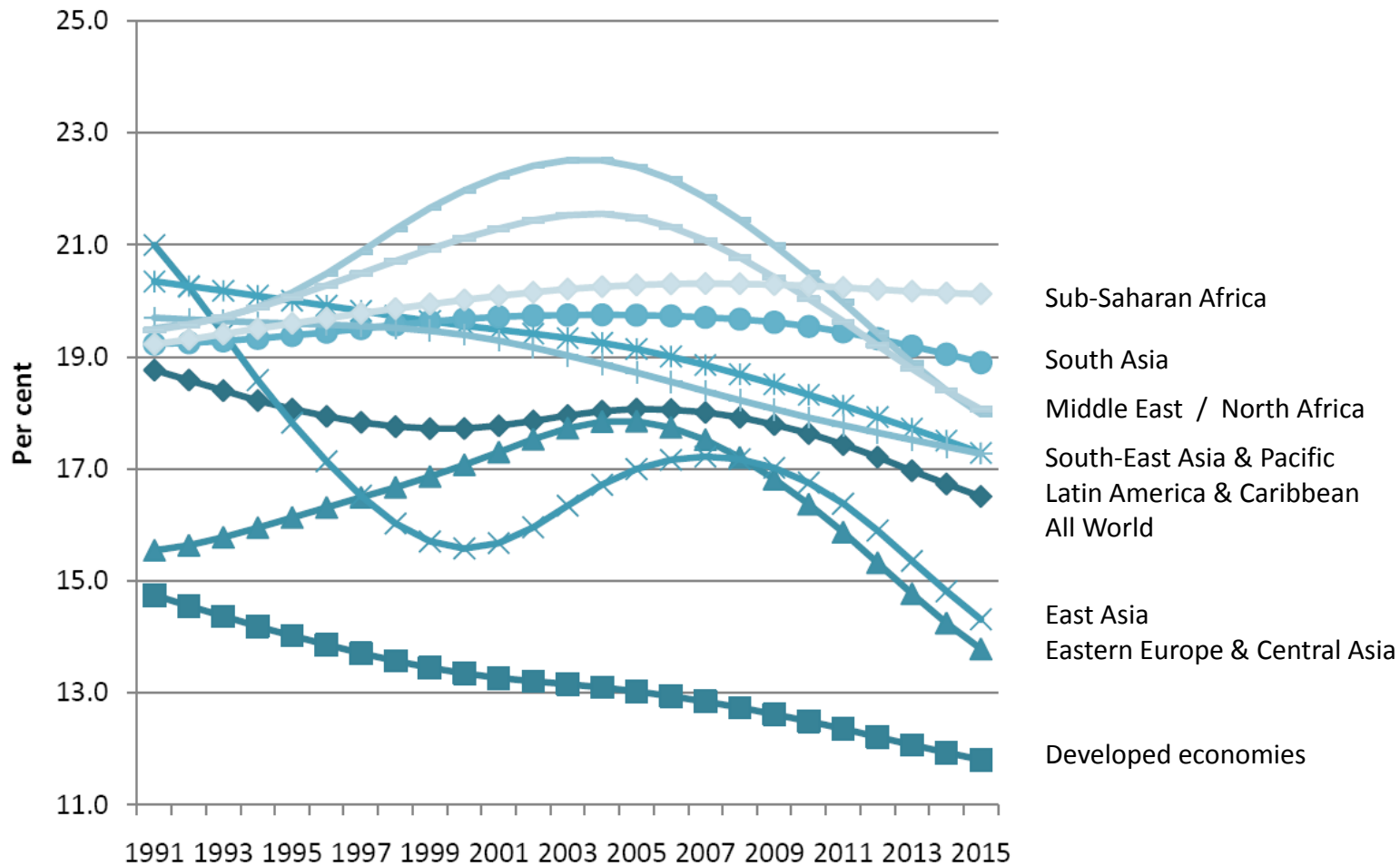


Source: Hayashi and others (2009)

Challenge: Youth Bulge: Need for productive youth employment



Share of youth in the total population, by region, 1991 to 2015



Source: United Nations, World Population Prospects 2008 Revision Database.

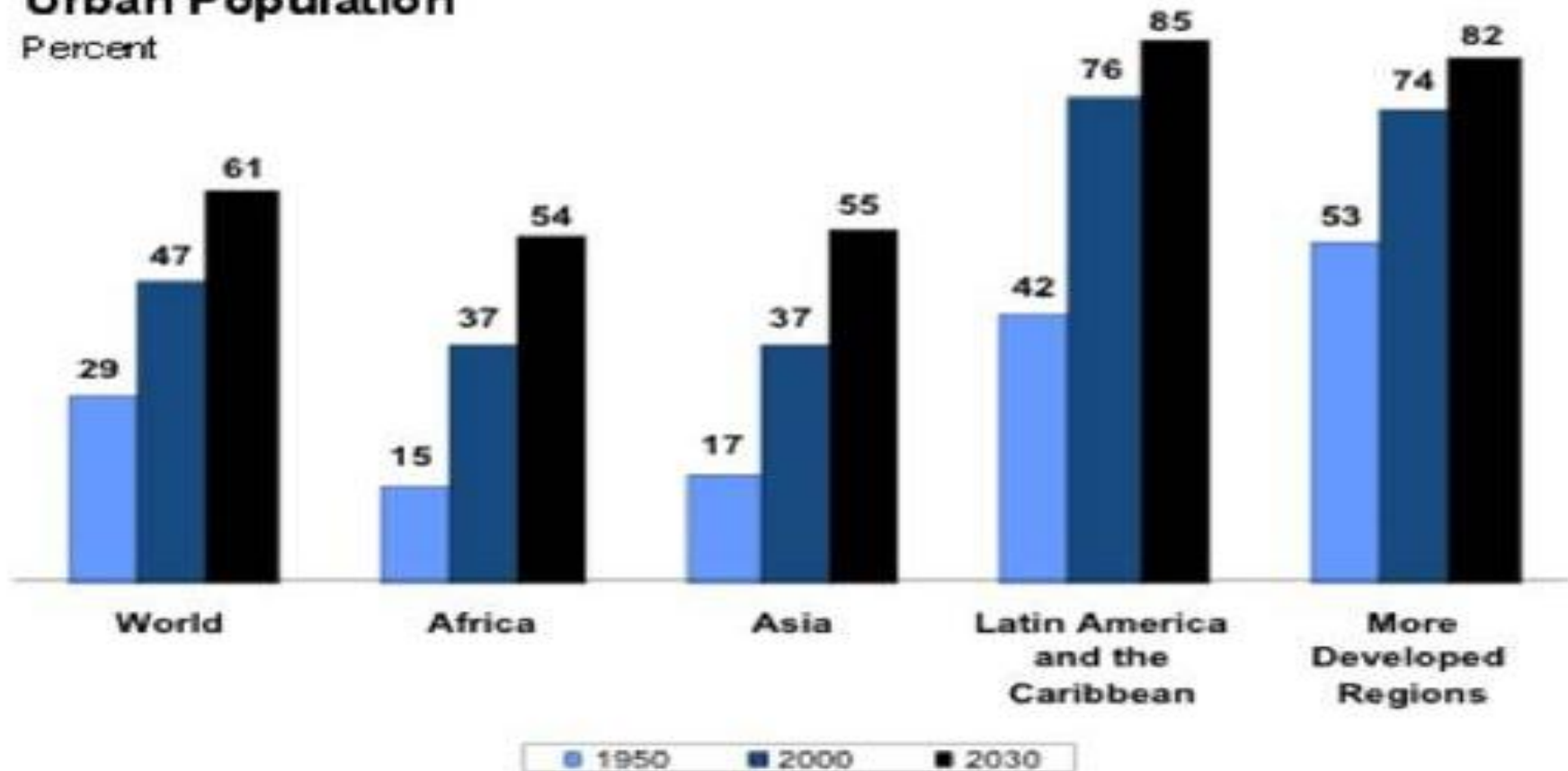
Challenge: Urbanization:

New stresses



For the first time in history, more than half the world's population lives in urban areas. Over 90 percent of urbanization is taking place in the developing world.

Urban Population
Percent



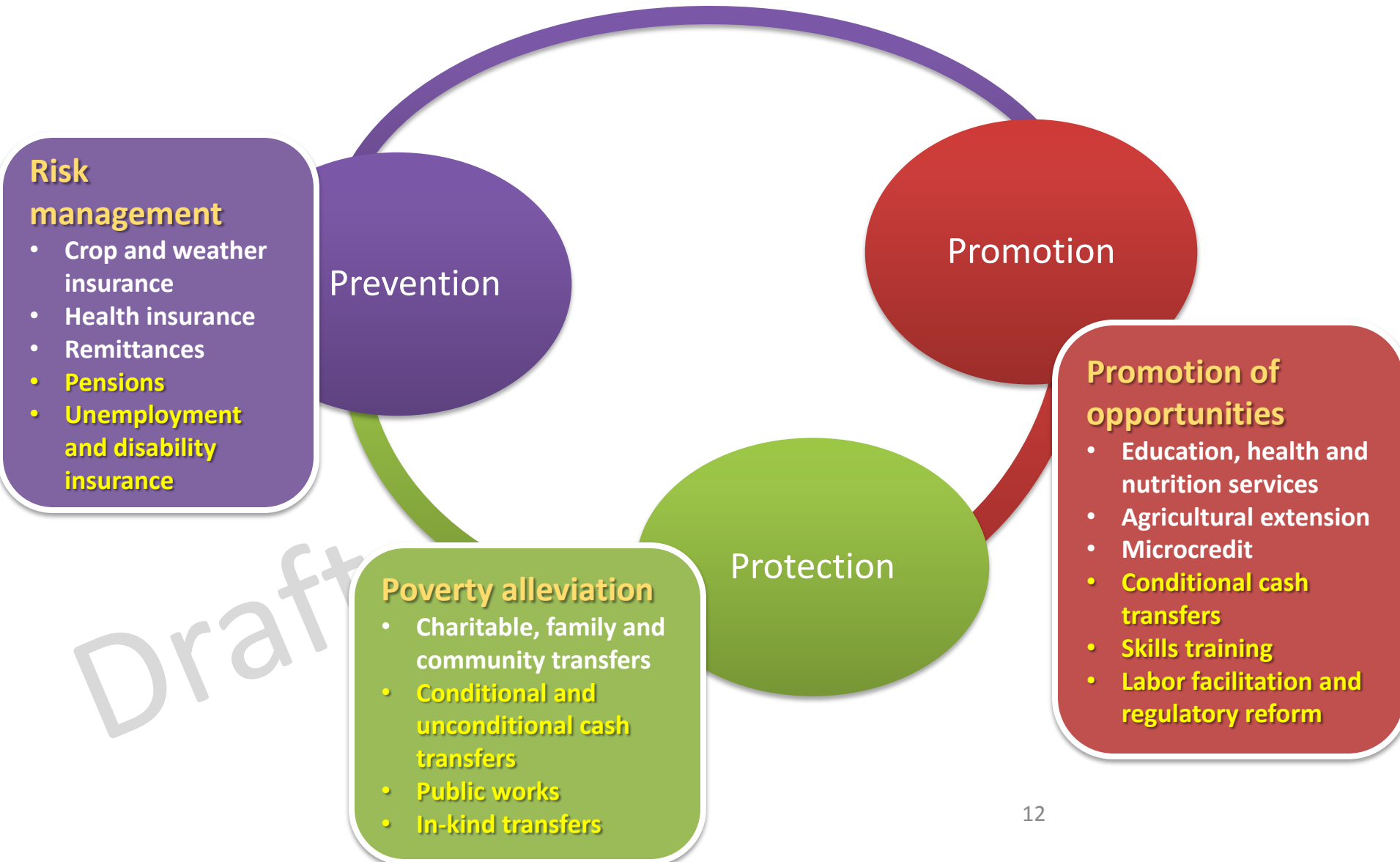
Draft

The “3P” framework: A multi-dimensional approach



Derived from the Social Risk Management Framework (World Bank 2001), Bonilla Garcia and Druat (ILO 2003), Devereux and Sabates-Wheeler (2004) and others

The “3P” framework: Typical tools to address the “3P”s



Global Gaps

Draft





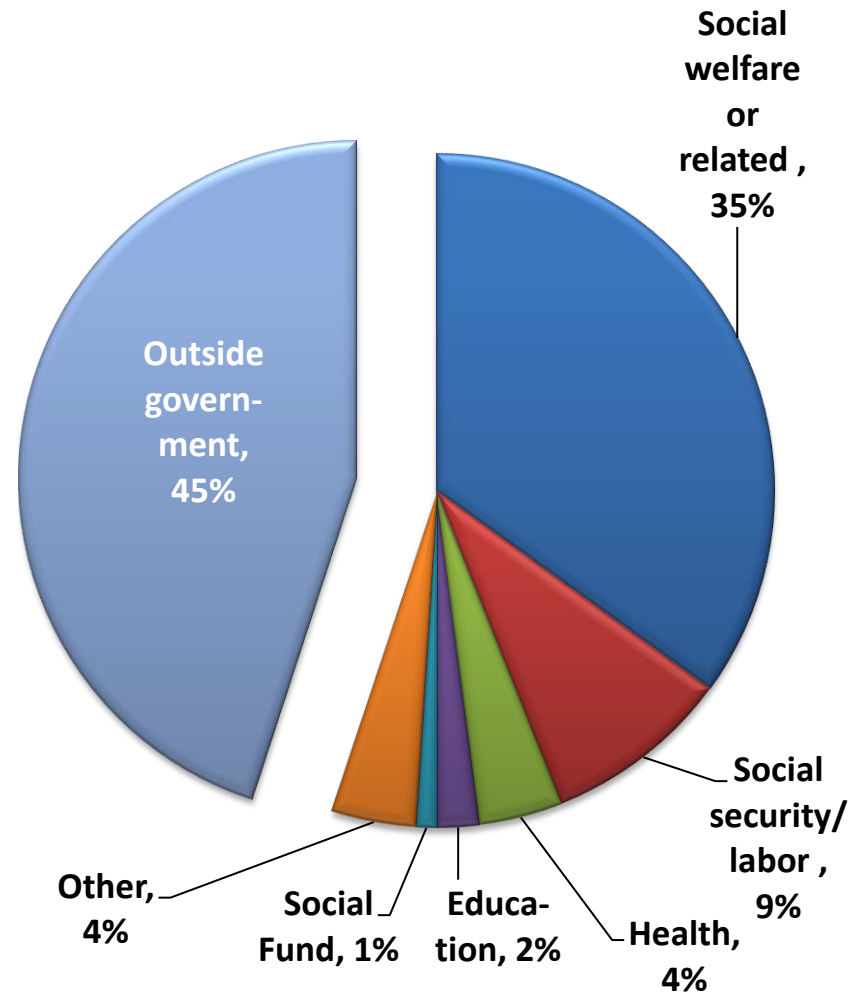
Fragmentation:

- Different ministries/donors implement similar programs
- Some beneficiaries have access to multiple programs, others excluded

Lack of Harmonized Across Systems:

- Can lead to “gaming” of the system
- Makes financing inadequate and non-transparent
- Makes institutional roles unclear

Example: (Ministries) where cash transfer programs in Africa are based

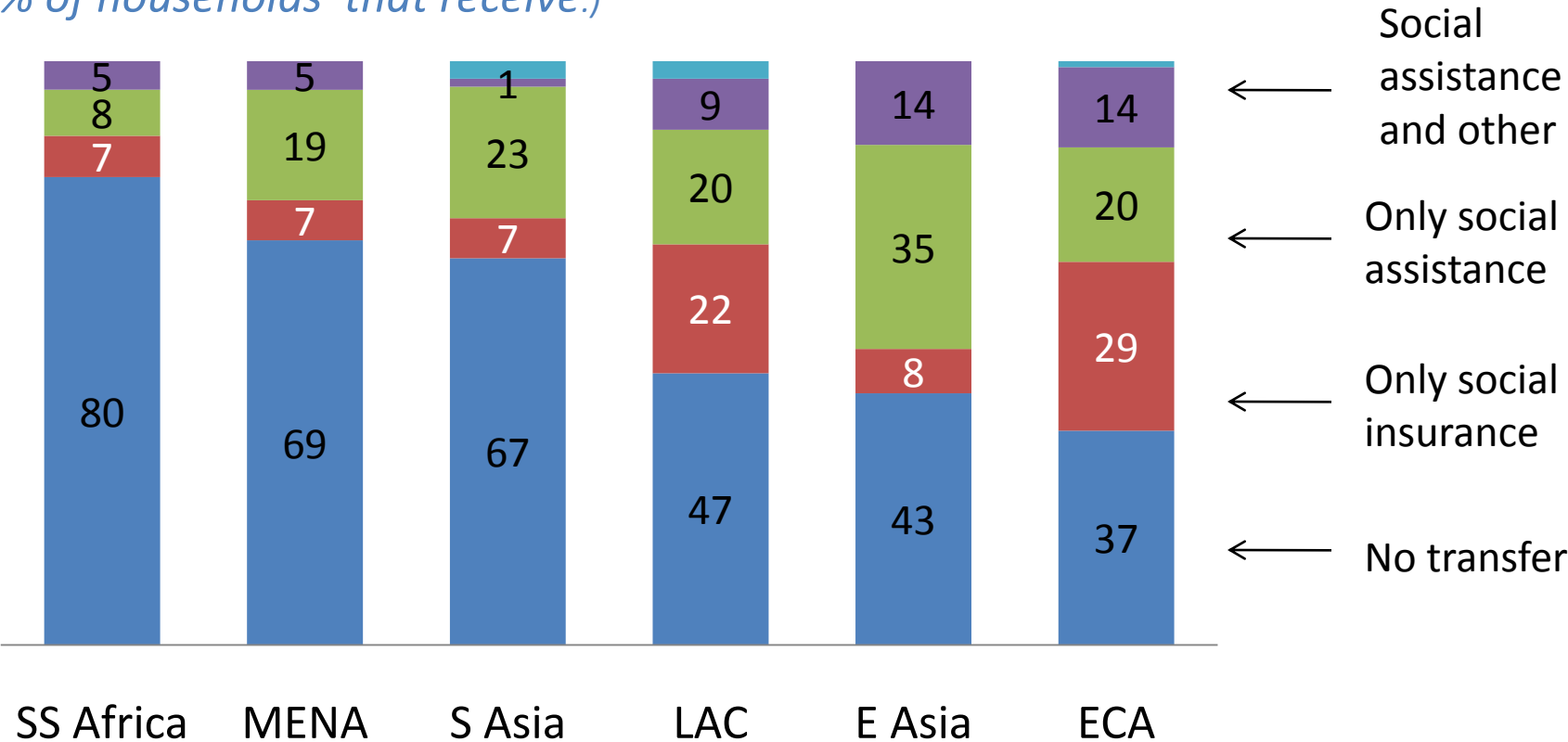




Global Gap 2: Coverage

Low coverage particularly in low income countries
Large variance across and within regions

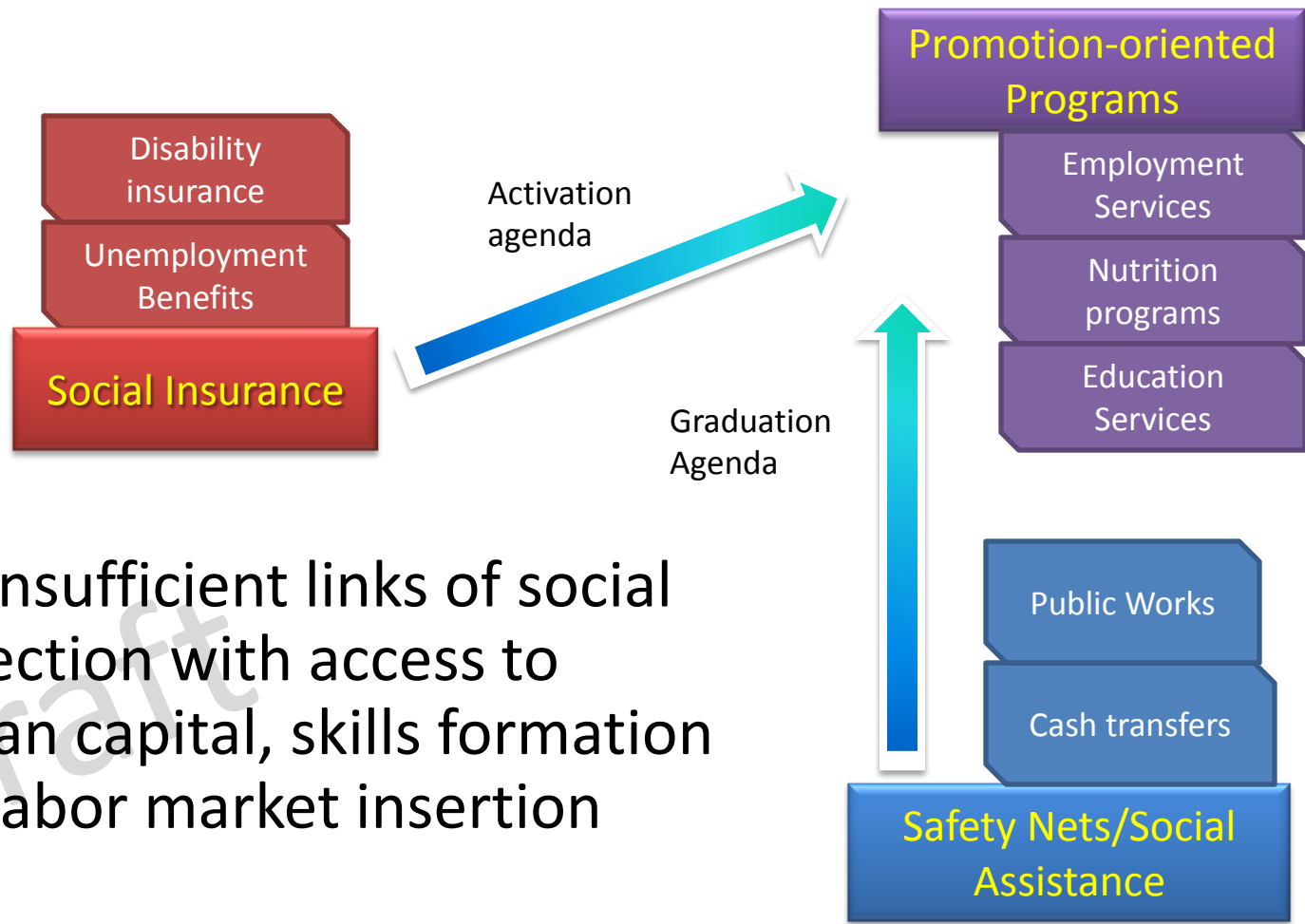
(% of households that receive:)



Source: SP Atlas, World Bank
(excludes remittances)



Global Gap 3: Promotion



Still insufficient links of social protection with access to human capital, skills formation and labor market insertion



Gaps in four areas:

- **Knowing what exists**
 - Data availability on programs is uneven
- **Understanding results**
 - Ongoing programs are seldom carefully evaluated
- **Understanding contexts**
 - Social contract and preferences, political economy and administrative capacities are not always understood
- **Transmitting good practices**
 - Global transfers of knowledge – North-South and South-South need to be increased



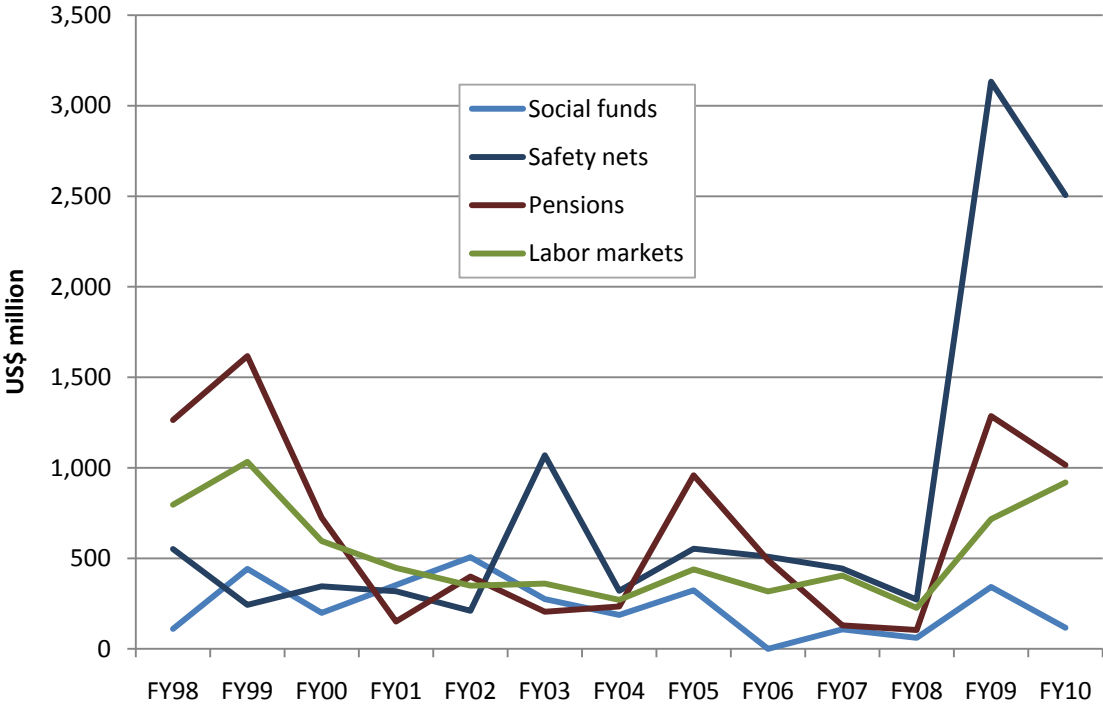
Draft

World Bank and Social Protection: Growing demand, demonstrated results

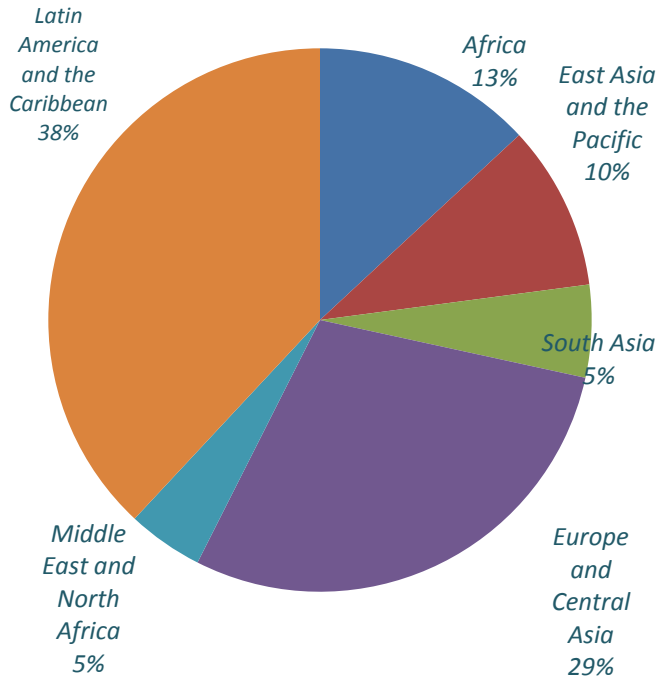


Strong counter-cyclical lending...

Total Social Protection Lending by Practice



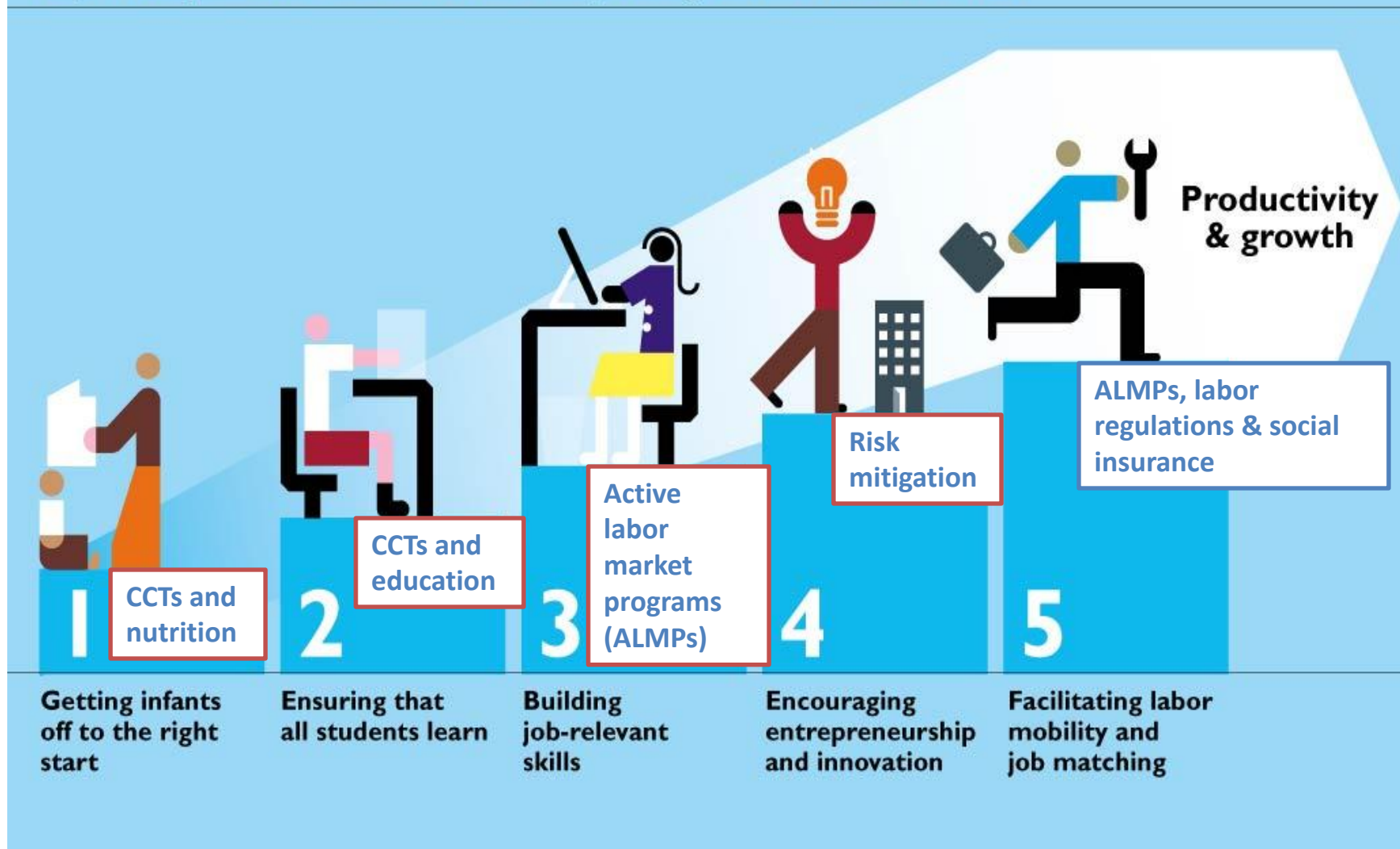
...and increasing global experience



World Bank and Social Protection: Engagement across multiple sectors



Figure 1. The **STEP** framework shows that skills needed for greatest productivity and economic growth require a sequenced combination of education, training, and labor market activities



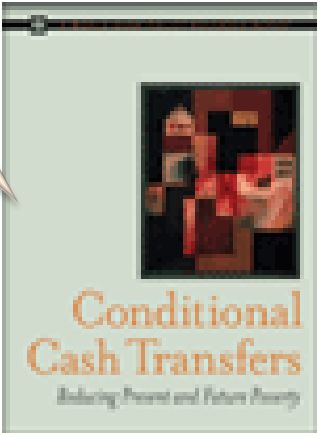
World Bank and Social Protection: Creating knowledge on what works



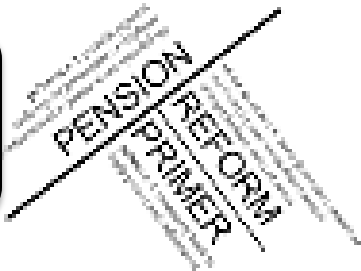
Review of
evidence
and
practices



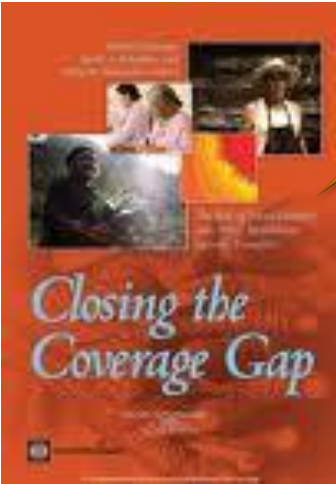
Review of
rigorous
evidence
(incl. impact
evaluations)



“How to”
primer



Summary of
emerging
practice



South-south
learning



Conceptual
framework

MAKING PUBLIC WORKS WORK
SOCIAL PROTECTION SOUTH SOUTH LEARNING FORUM 2010

Emerging directions of the new strategy

Draft



Emerging areas of focus for new strategy



Global Gaps

Areas of focus

Fragmentation



Helping countries build **systems for social protection** appropriate to capacity and context

Coverage



Strengthen focus on **low income and fragile states**

Weak link to productivity



Emphasizing “**promotion**” as a goal of social protection when designing programs and systems

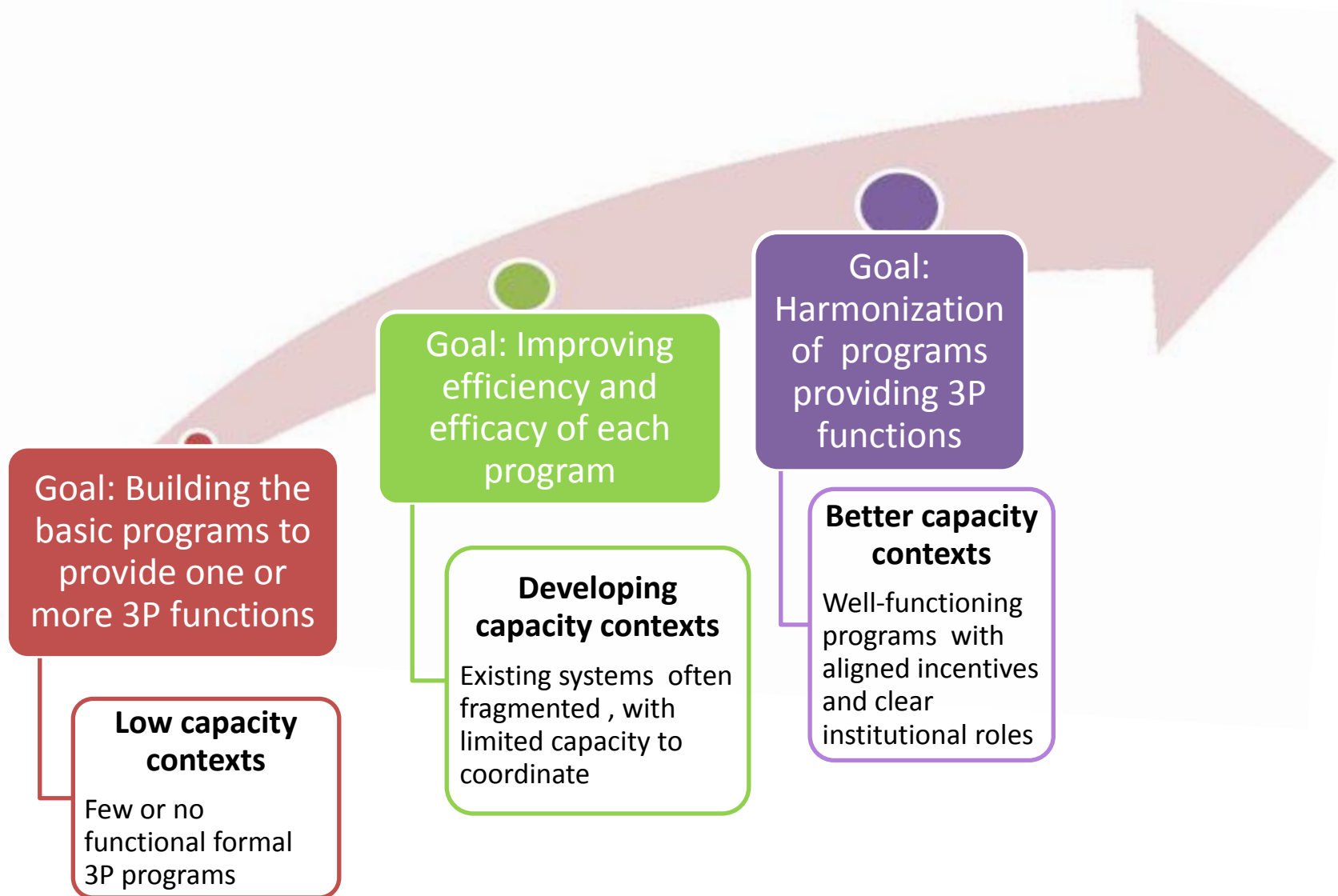
Knowledge gaps



A continued investment in **knowledge**, including sharing relevant good practice and **results**



Systems: Better social protection for the future



Moving to systems yields multiple benefits



- Equity
- Diversification and adaptation
- Smarter financing arrangements
- Economies of scale
- Incentives
- Broader coverage of population and services

consultations

Draft



Timeline for strategy development

- **January 2011:** Concept Note reviewed by World Bank Board
- **January-May 2011:** Global consultations on Concept Note; Background papers drafted
- **October-November 2011:**
Global consultations on draft Strategy paper
- **January 2012:** World Bank Board reviews draft strategy
- **February-June 2012:** Launch strategy and begin implementation



Questions for discussion

- What do you think are the most important challenges in SP&L in the coming 10 years?
- Are there examples of good practice or innovation on SP&L programs that should inform the World Bank Strategy?
- What should the World Bank's role be in your country or region with regard to SP&L?
- What is your opinion regarding the proposed areas of focus in the Concept Note?
 - Helping countries build **social protection systems** appropriate to capacity and context.
 - Expanding coverage, especially in **low income countries** and fragile states.
 - **Emphasizing “promotion”** of opportunities a goal of social protection
 - **Expanding investment** in knowledge and results
- What are your additional suggestions or comments about a new World Bank Social Protection & Labor Strategy?



We want to hear from you!

**JOIN IN ON THE ONGOING ONLINE
CONSULTATIONS,**

AND

FOR INFORMATION AND FEEDBACK, GO TO:

www.worldbank.org/spstrategy

Draft

Annex:

Building Systems

Draft

Each program has different sub-systems around it



Institutional and governance arrangements (roles, rules and controls)



Eligibility and Targeting mechanisms



Cash transfer mechanisms



Databases and registries



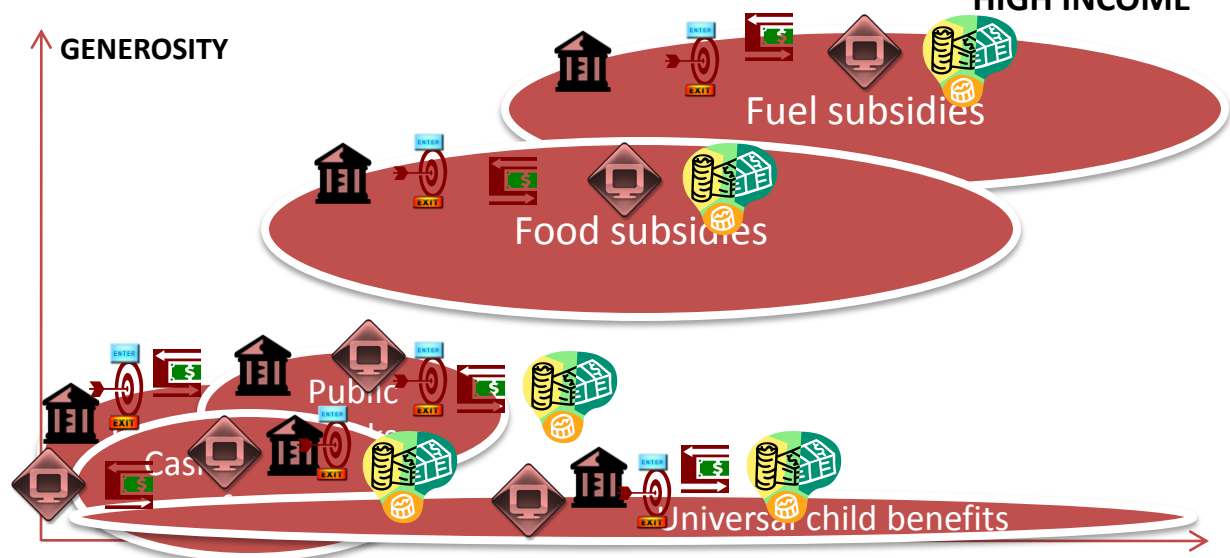
Financing arrangements

Safety Nets

LOW INCOME

HIGH INCOME

GENEROSITY



Building systems for Social Protection and Labor



Institutional and governance arrangements (roles, rules and controls)



Eligibility and Targeting mechanisms



Cash transfer mechanisms



Databases and registries



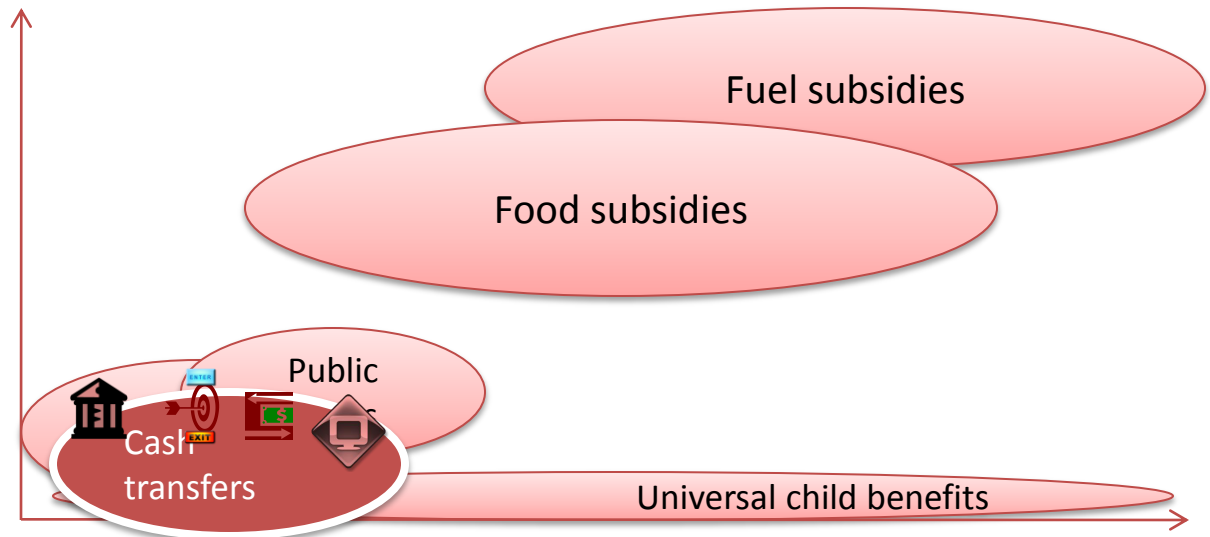
Financing arrangements

Building sub-systems ("nuts and bolts")

Improving the efficacy and coverage of different systems

Coordinating sub-systems across similar programs

Stretch goal:
Coordinating systems across different 3P functions



Building systems for Social Protection and Labor



Institutional and governance arrangements (roles, rules and controls)



Eligibility and Targeting mechanisms



Cash transfer mechanisms



Databases and registries



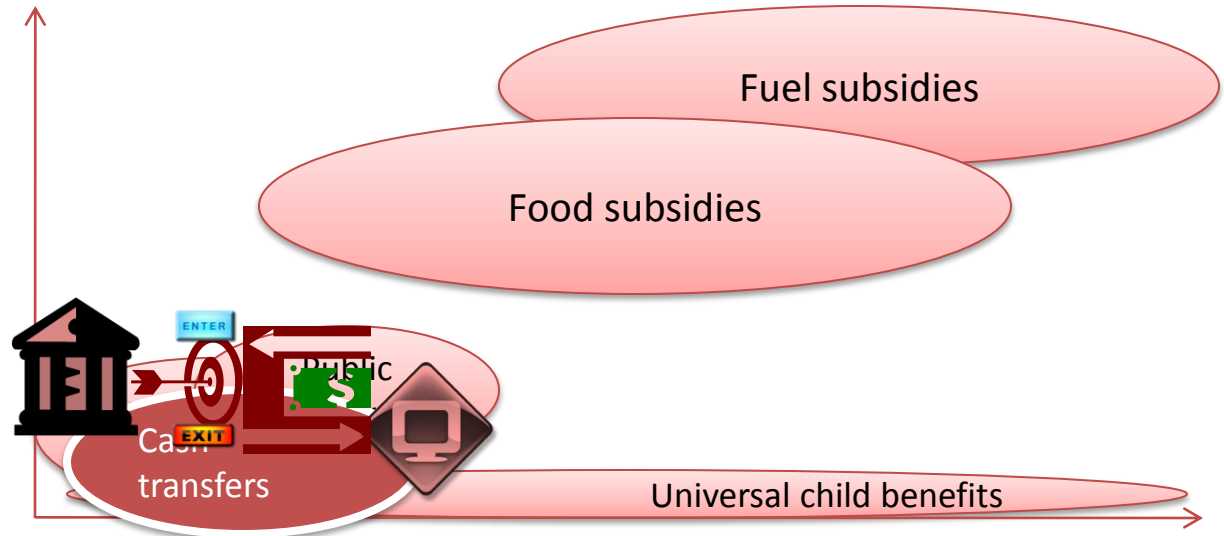
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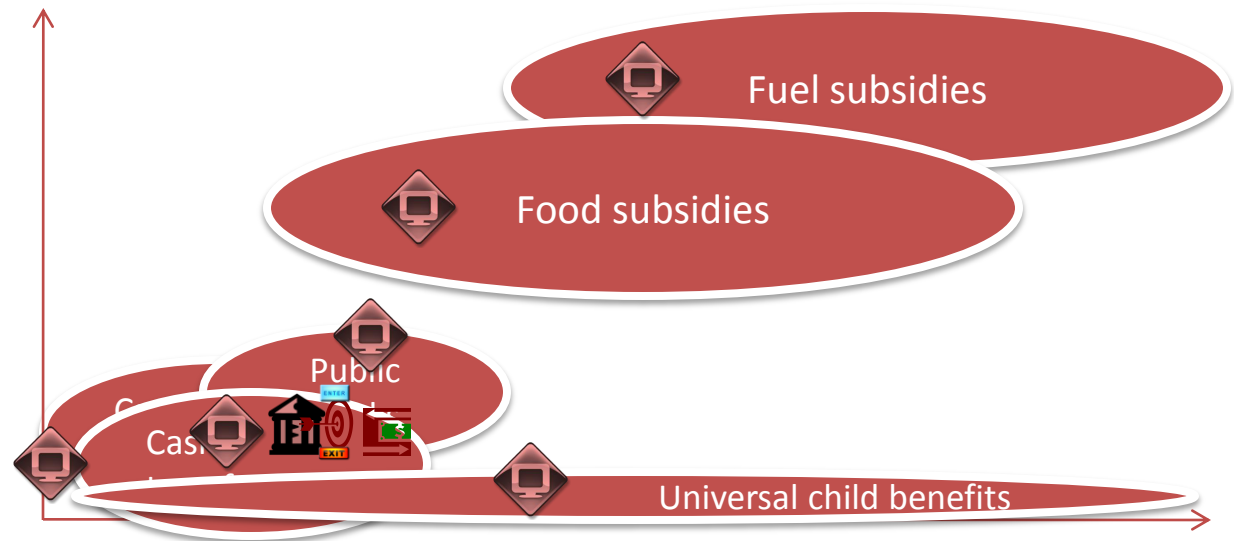
Financing arrangements

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Building systems for Social Protection and Labor

