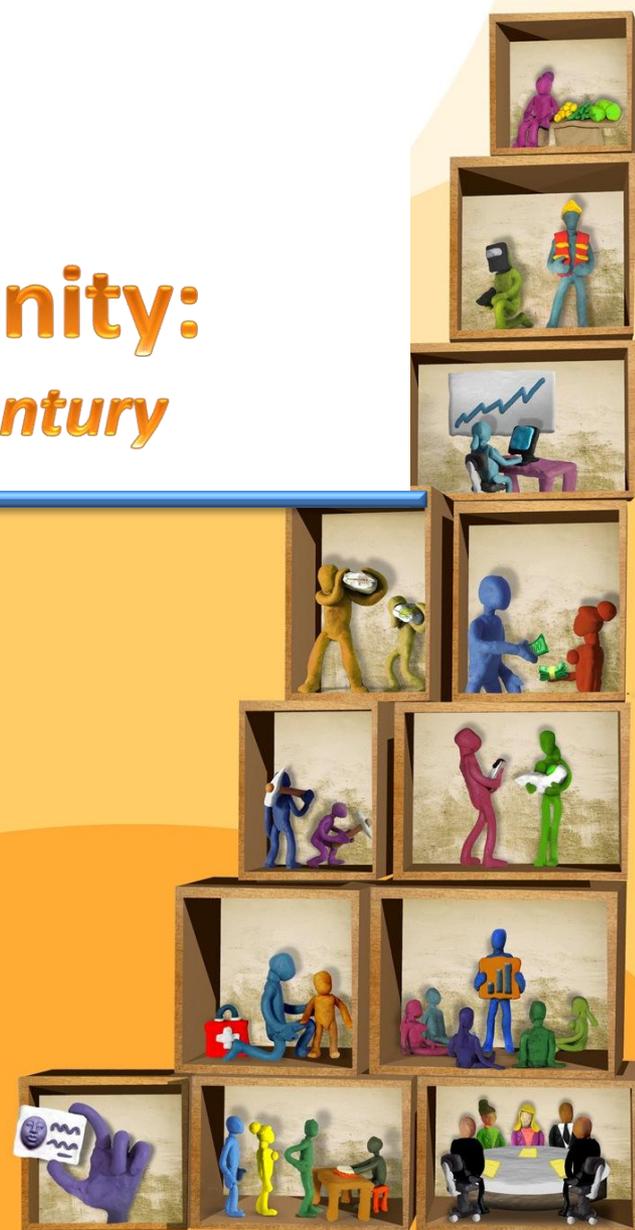


Building Resilience and Opportunity: *Better livelihoods for the 21st century*

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

For Consultation

Draft



THE WORLD BANK



Human Development Network



“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**

Global challenges

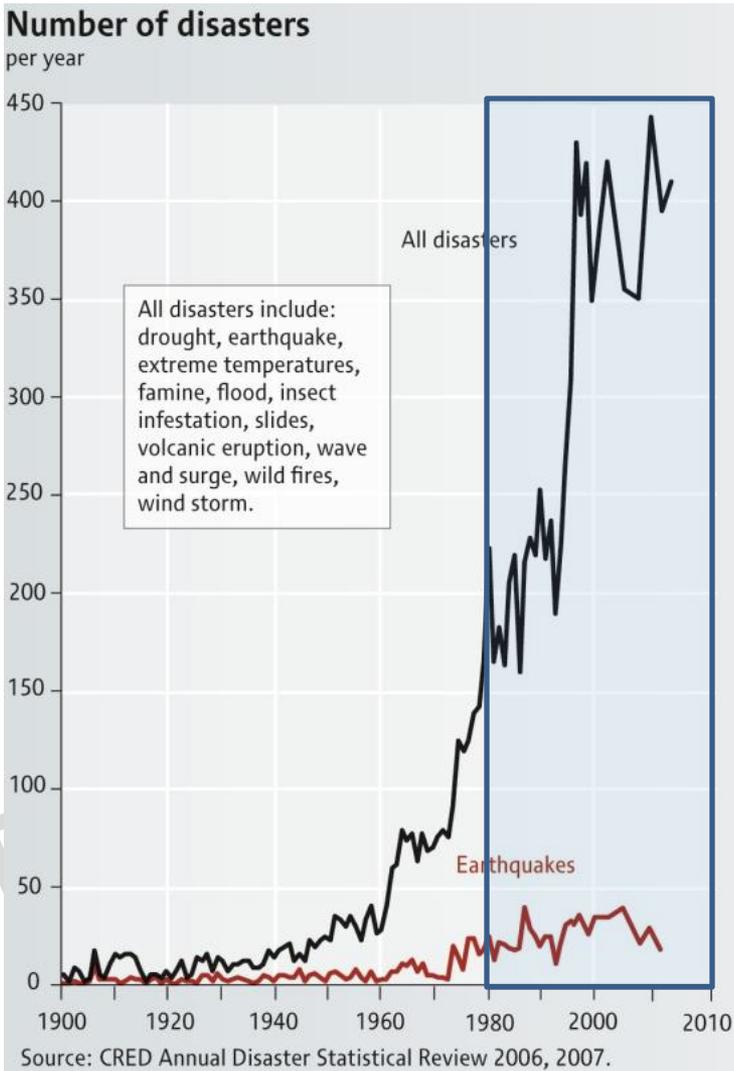
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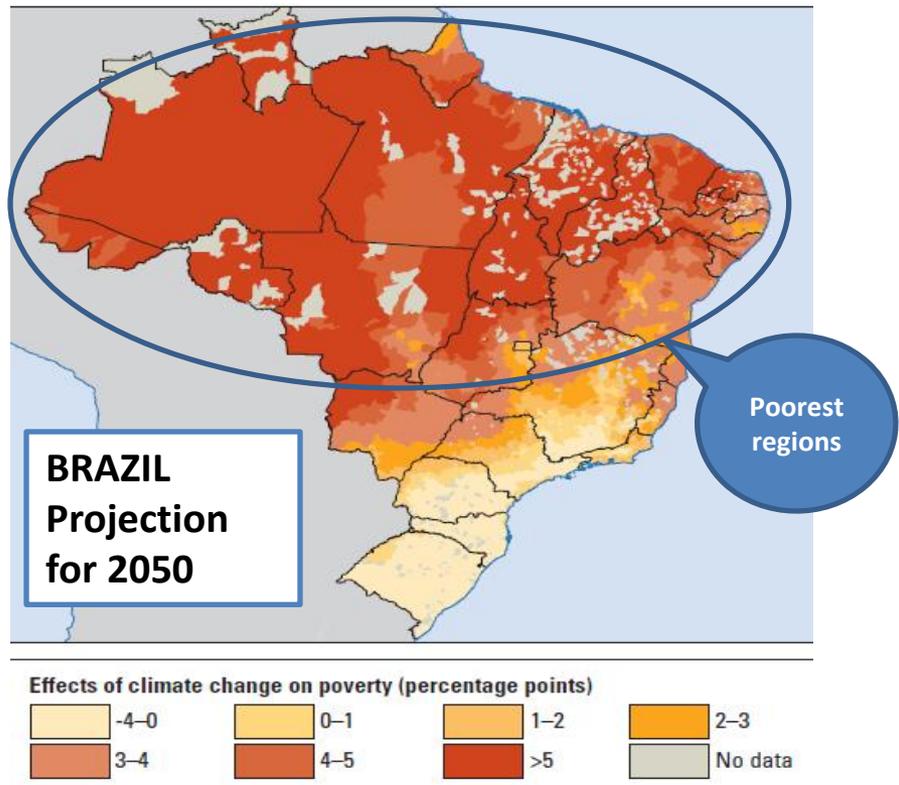


Challenge: Increasing Risk: Need for mitigation

Increasing frequency of disasters ...



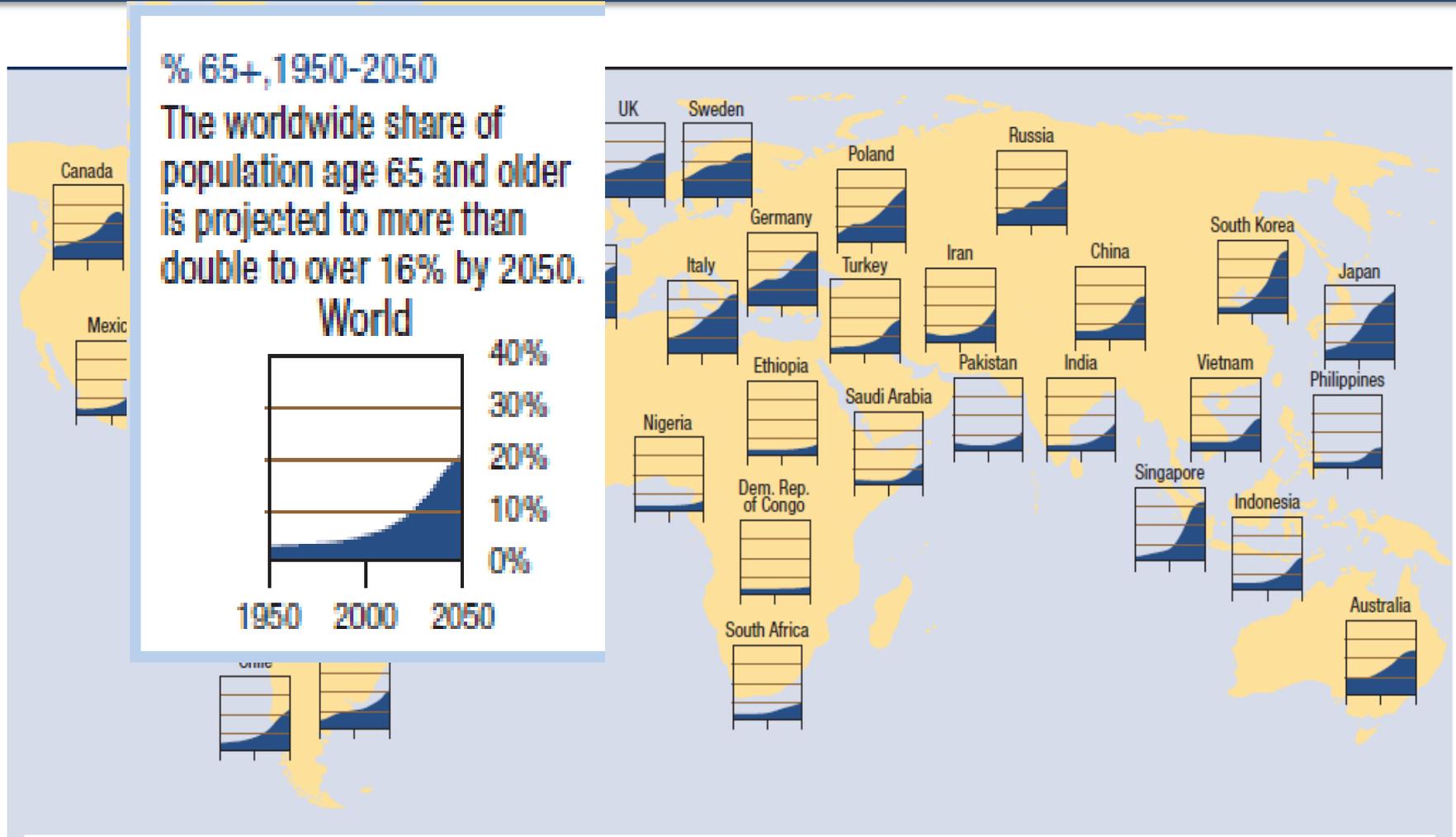
... that will hurt the poorest disproportionately



Source: World Bank, World Development Report 2010



Challenge: Aging populations: Need for old-age protection

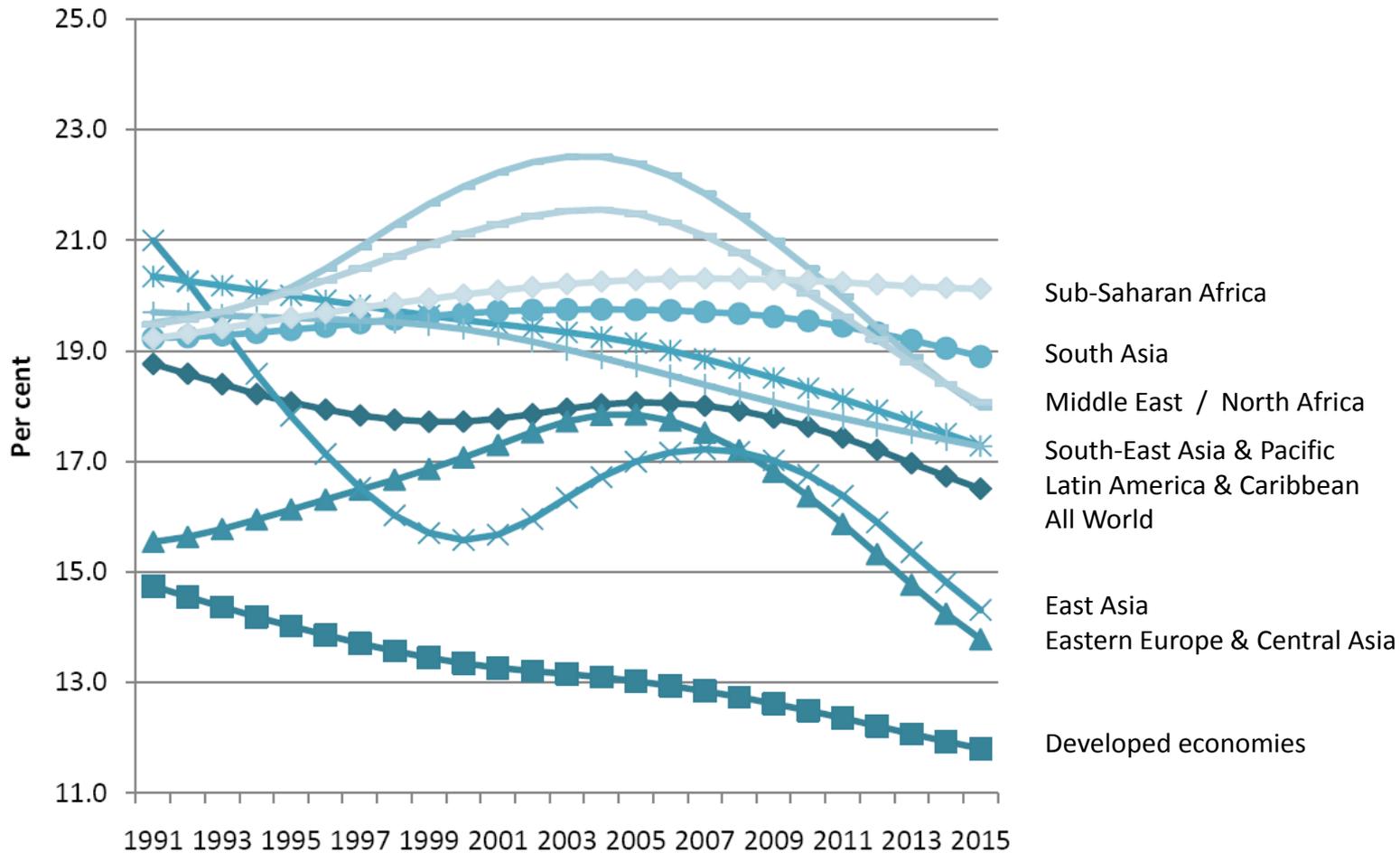


Source: Hayashi and others (2009)

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:

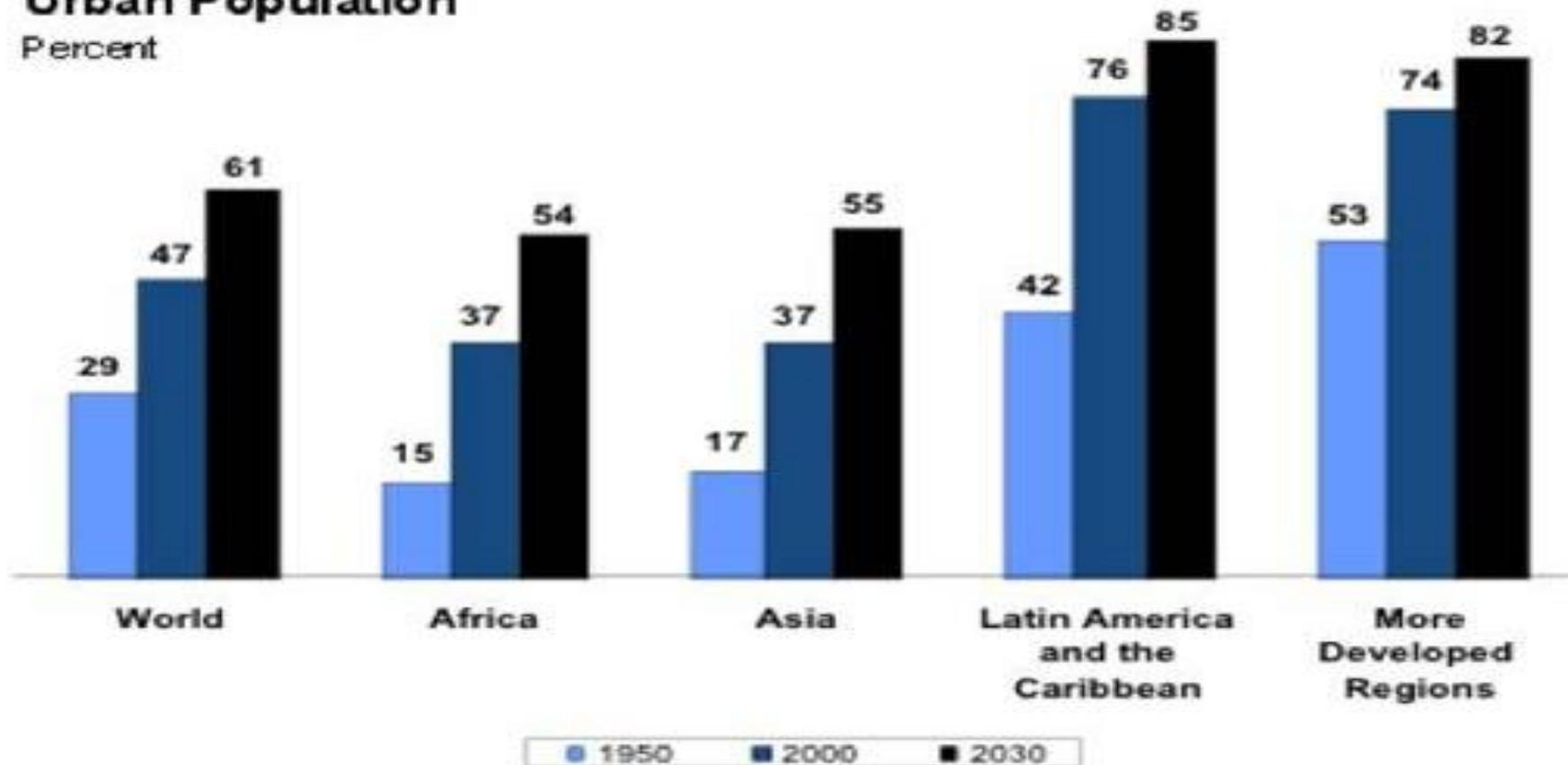
New stresses



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.

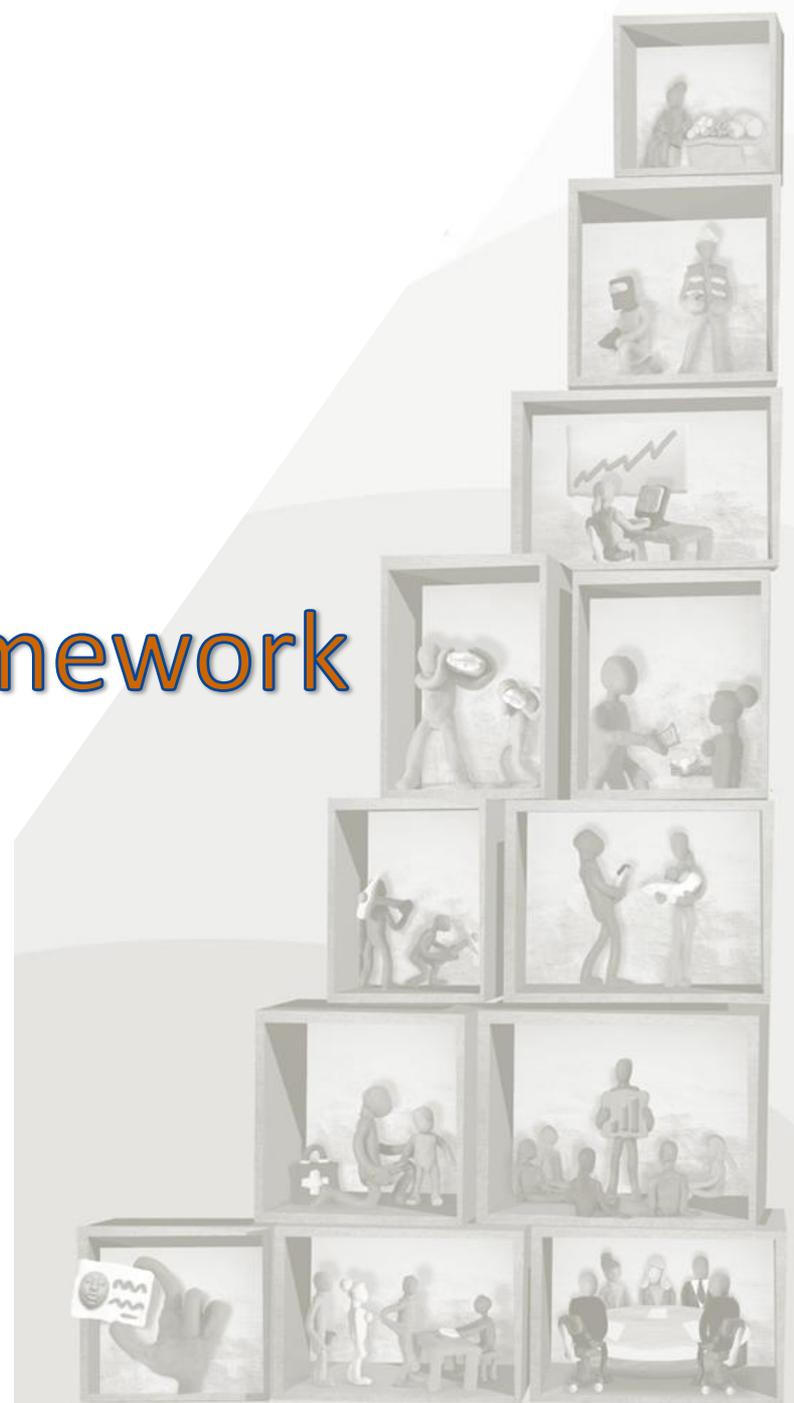
Urban Population

Percent



The “3P” framework

Draft





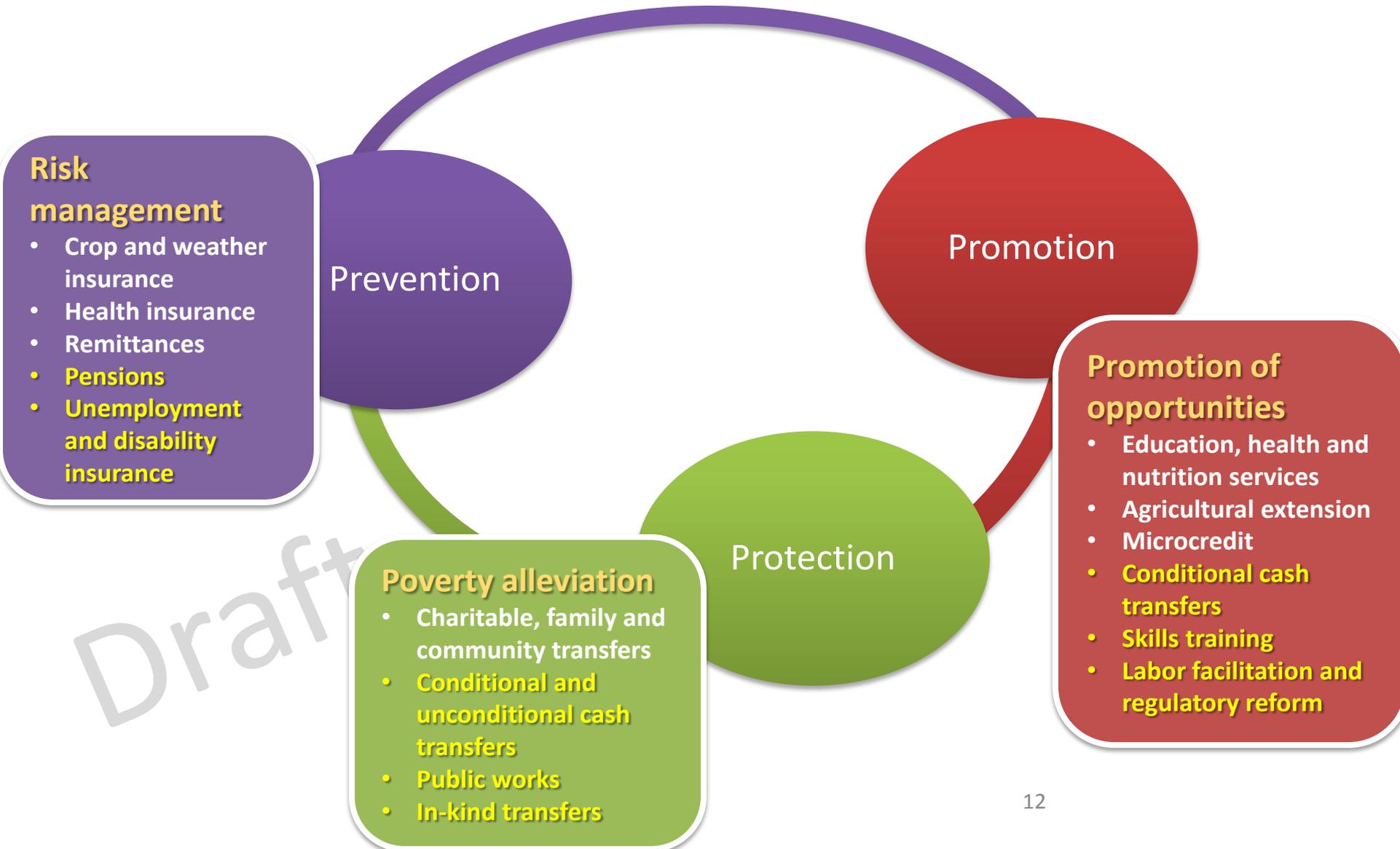
The “3P” framework: A multi-dimensional approach



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

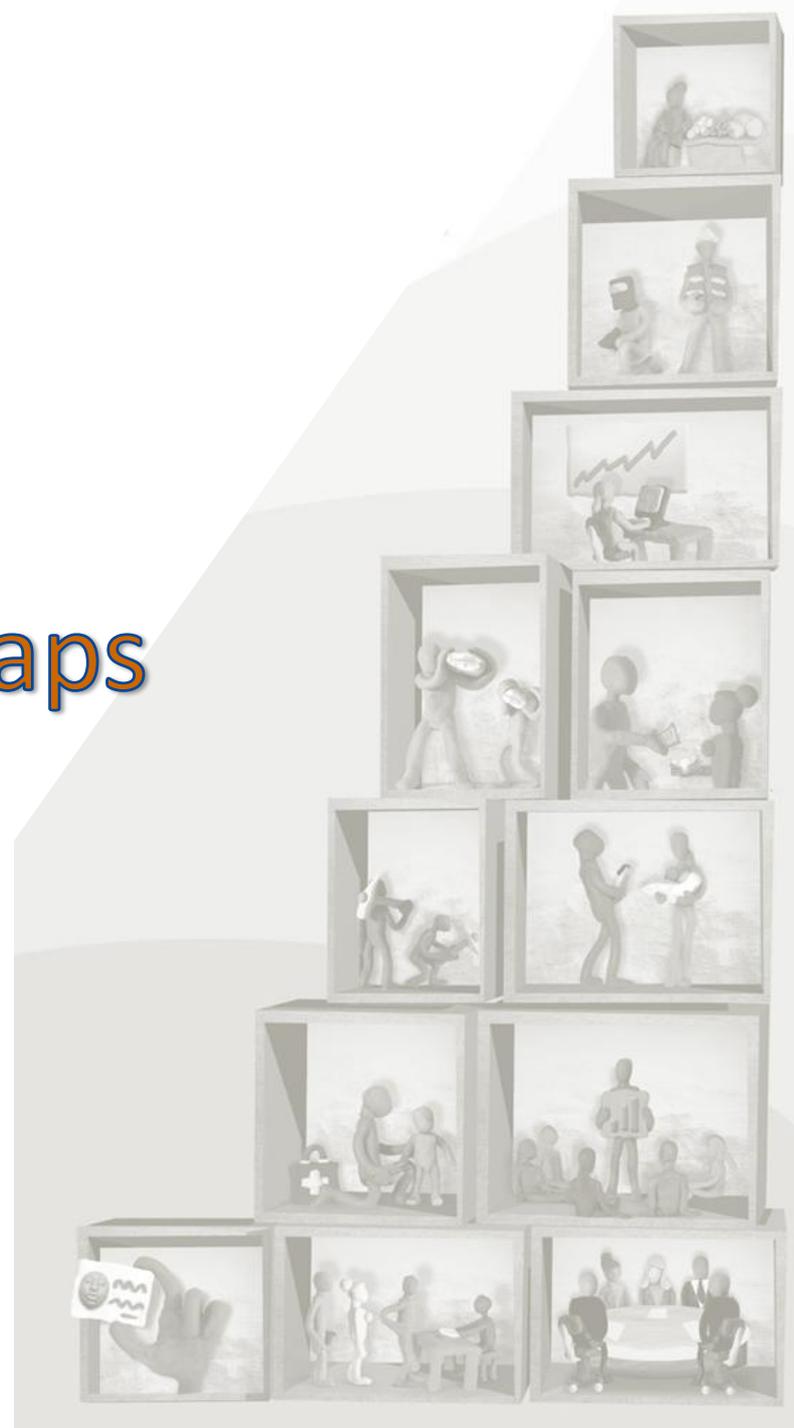


The “3P” framework: Typical tools to address the “3P”s



Global Gaps

Draft





Global Gap 1: Integration

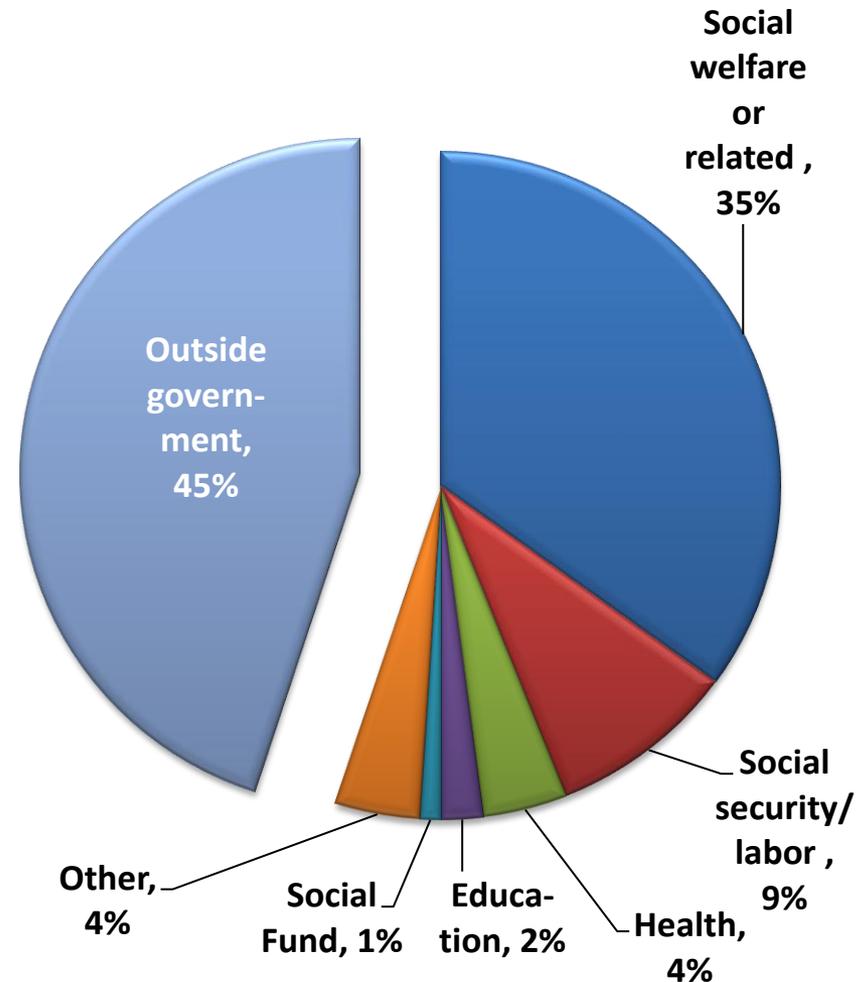
Fragmentation:

- 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

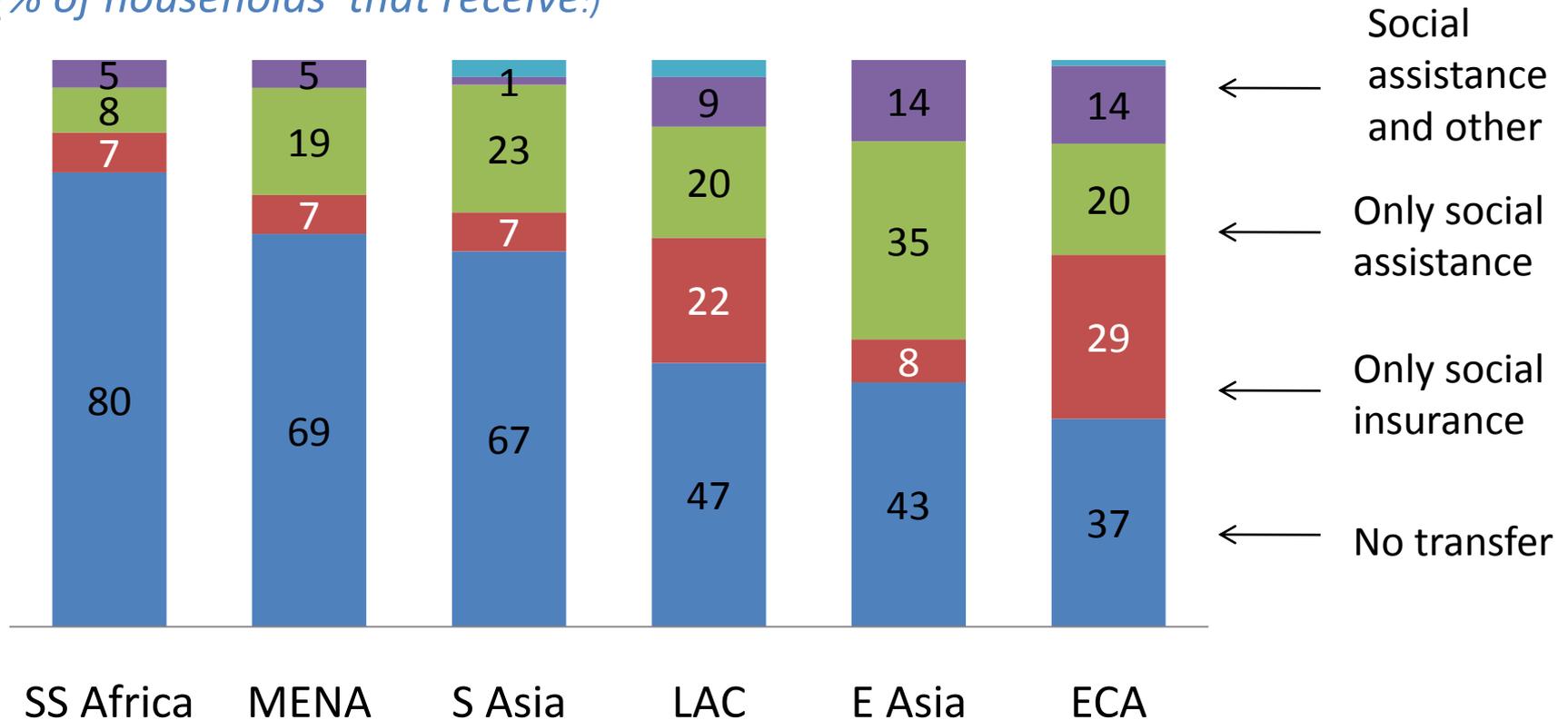




Global Gap 2: Coverage

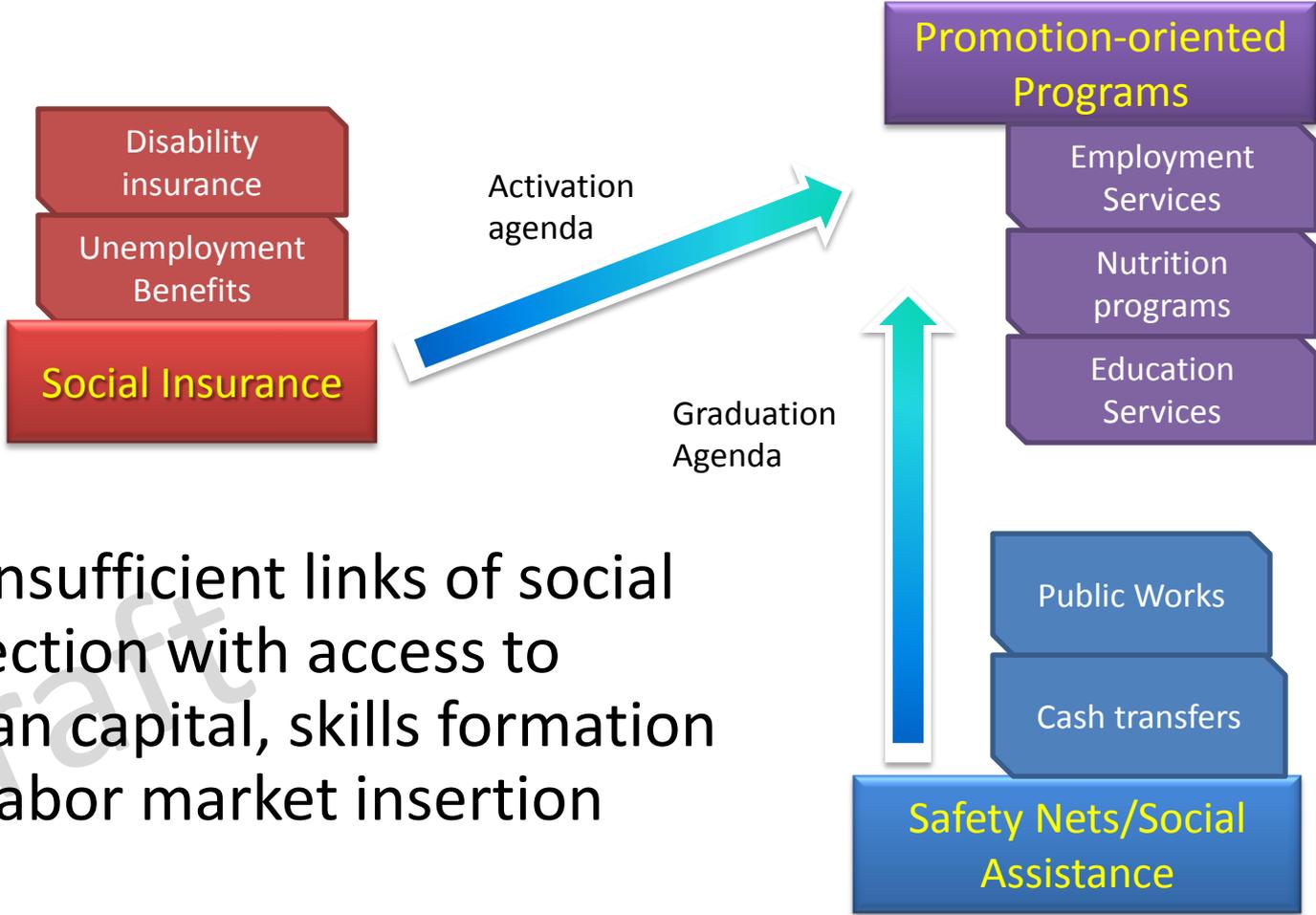
Low coverage particularly in low income countries
Large variance across and within regions

(% 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



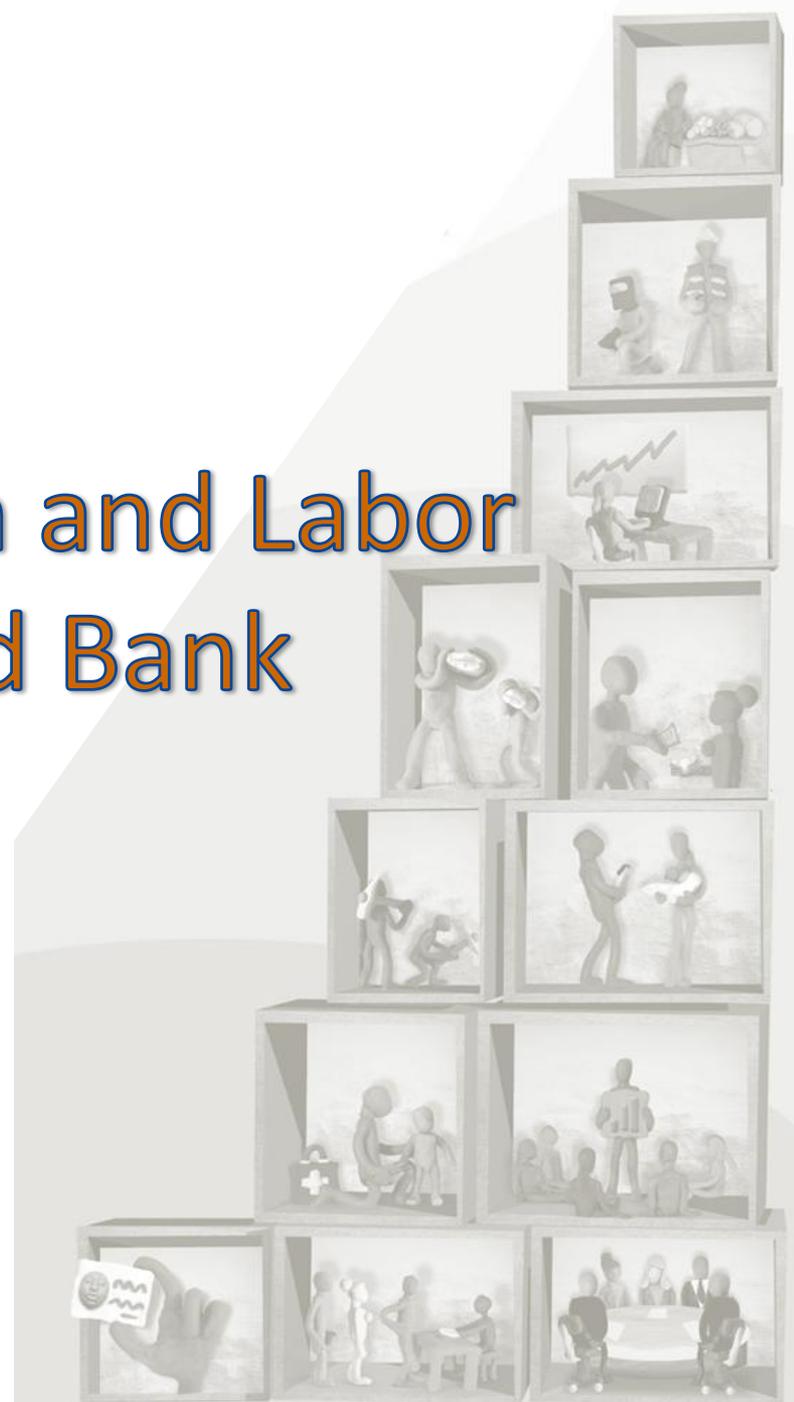
Gaps in four areas:

- **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



Social Protection and Labor at the World Bank

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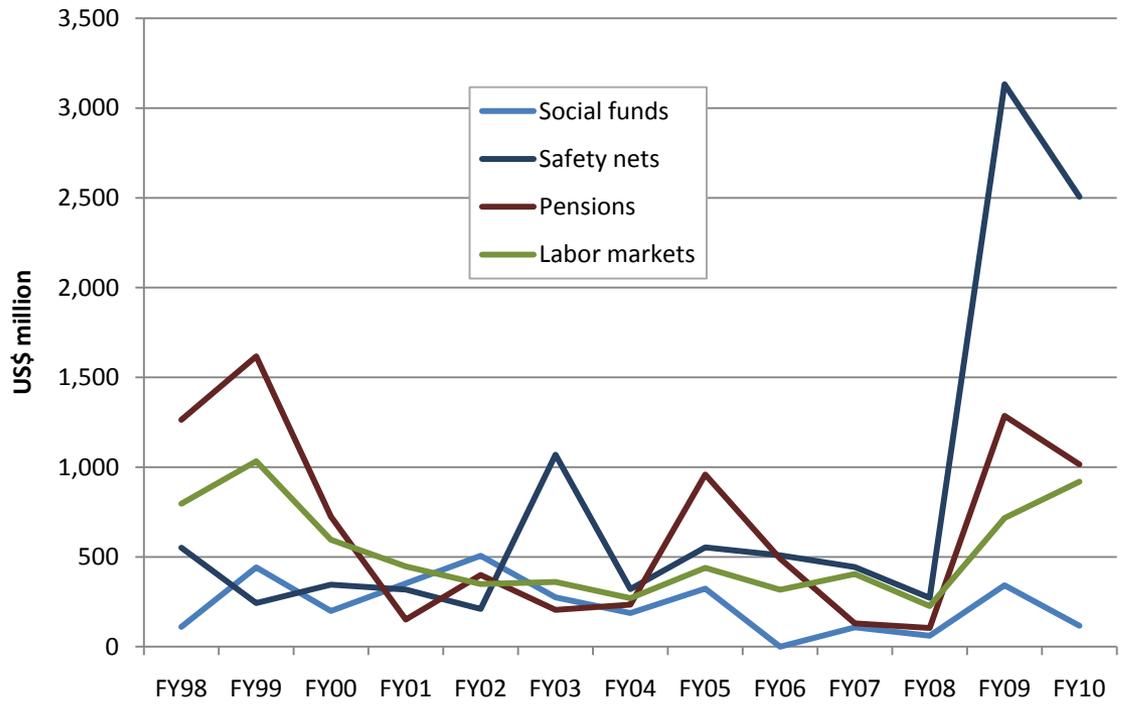


World Bank and Social Protection: Growing demand, demonstrated results

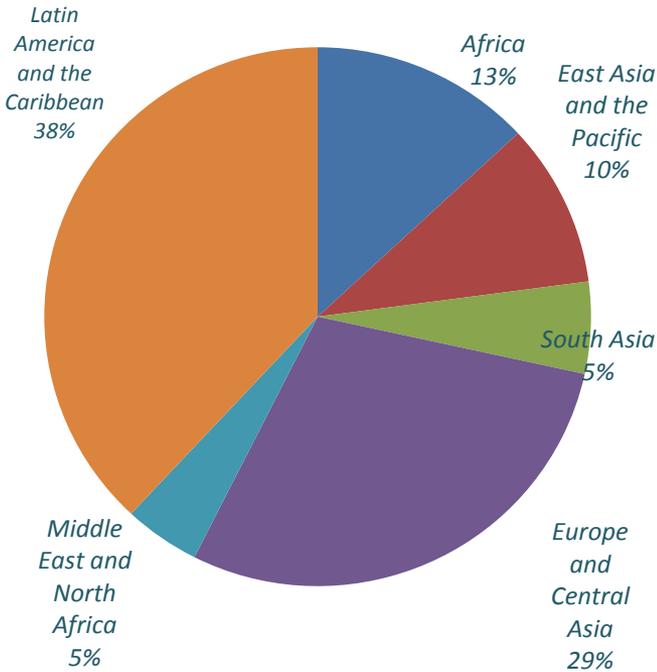


Strong counter-cyclical lending...

Total Social Protection Lending by Practice



...and increasing global experience

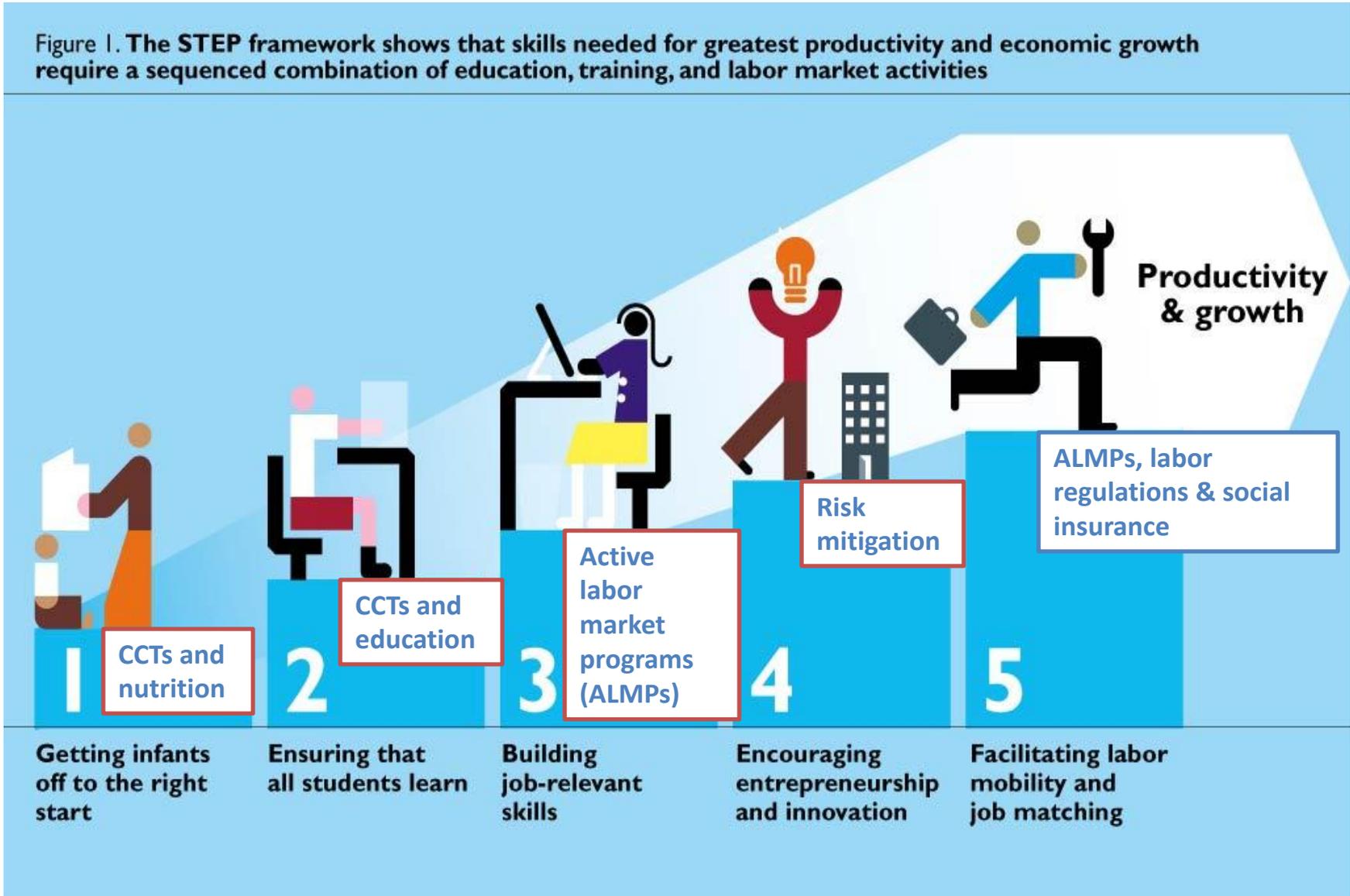


Source: Business Warehouse

World Bank and Social Protection: Engagement across multiple sectors



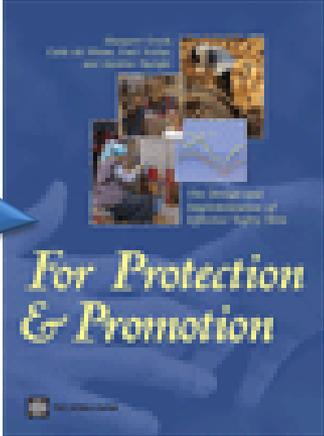
Figure 1. The **STEP** framework shows that skills needed for greatest productivity and economic growth require a sequenced combination of education, training, and labor market activities



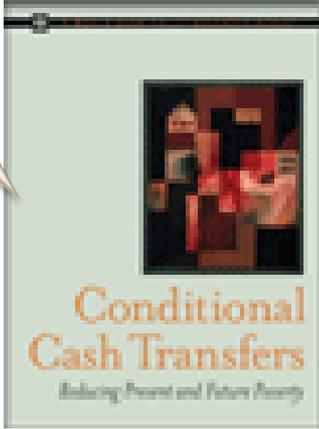


World Bank and Social Protection: Creating knowledge on what works

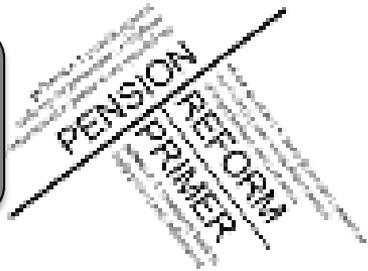
Review of evidence and practices



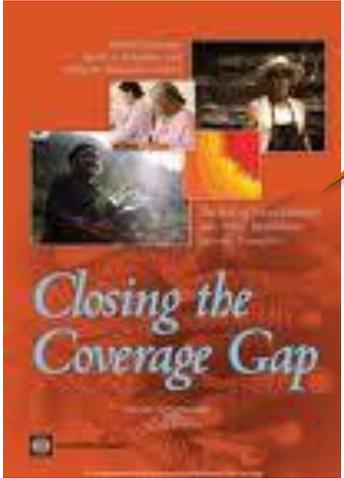
Review of rigorous evidence (incl. impact evaluations)



"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

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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



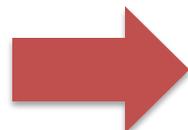
Strengthen focus on **low income and fragile states**

Weak link to productivity



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

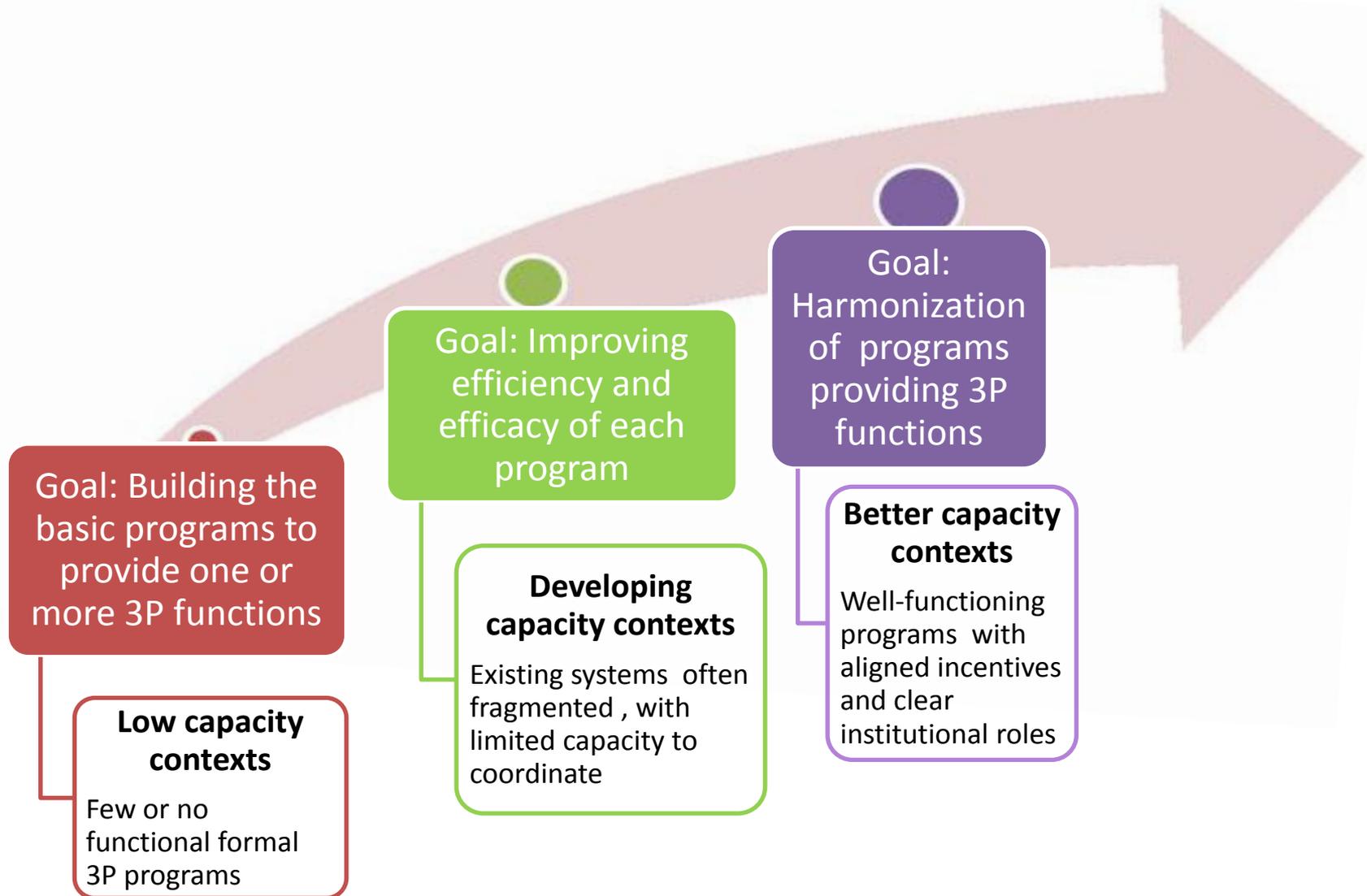
Knowledge gaps



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



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

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Annex: Building Systems

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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



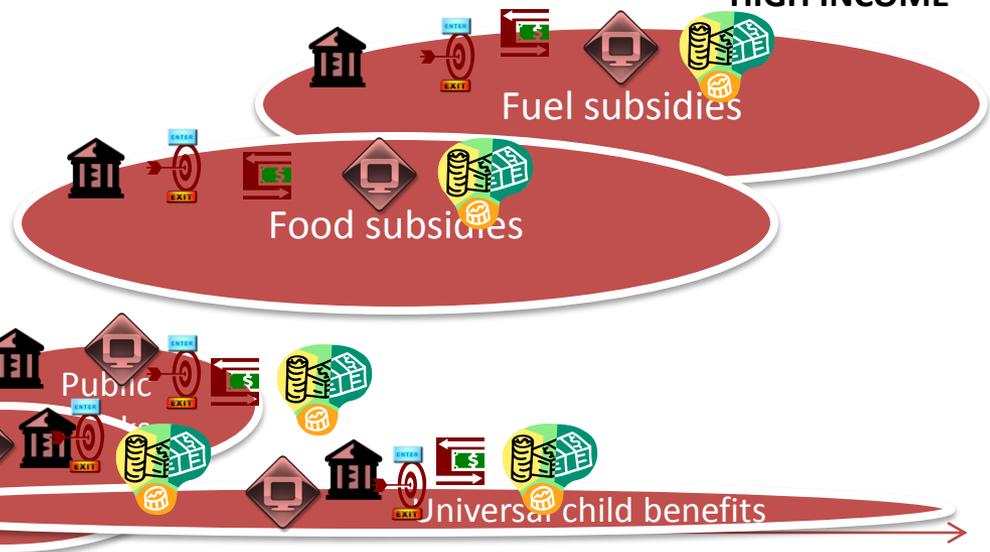
Financing arrangements

LOW INCOME

HIGH INCOME

GENEROSITY

Safety Nets



Draft

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



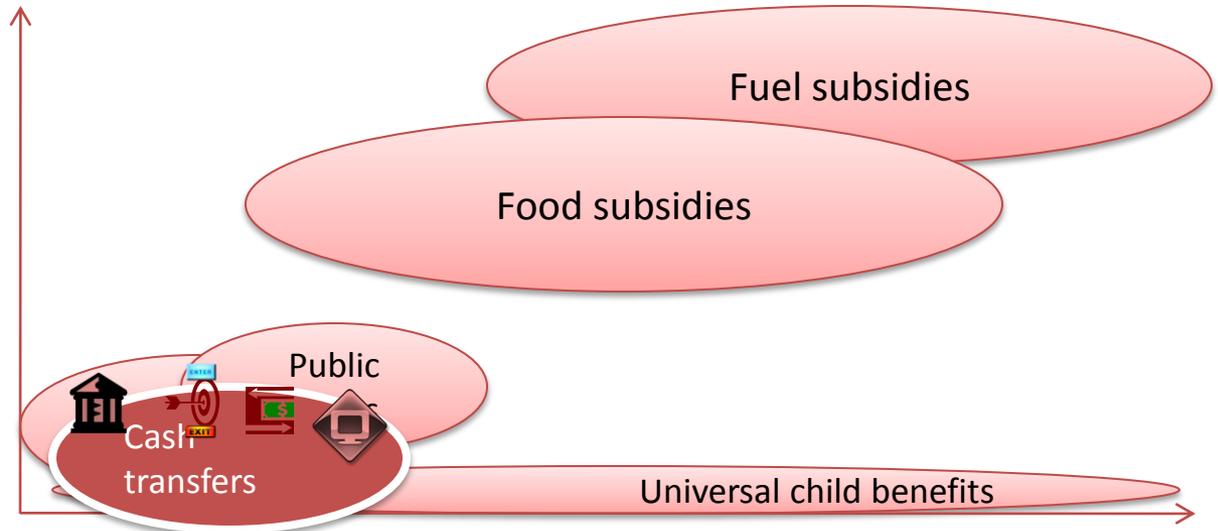
Financing arrangements

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



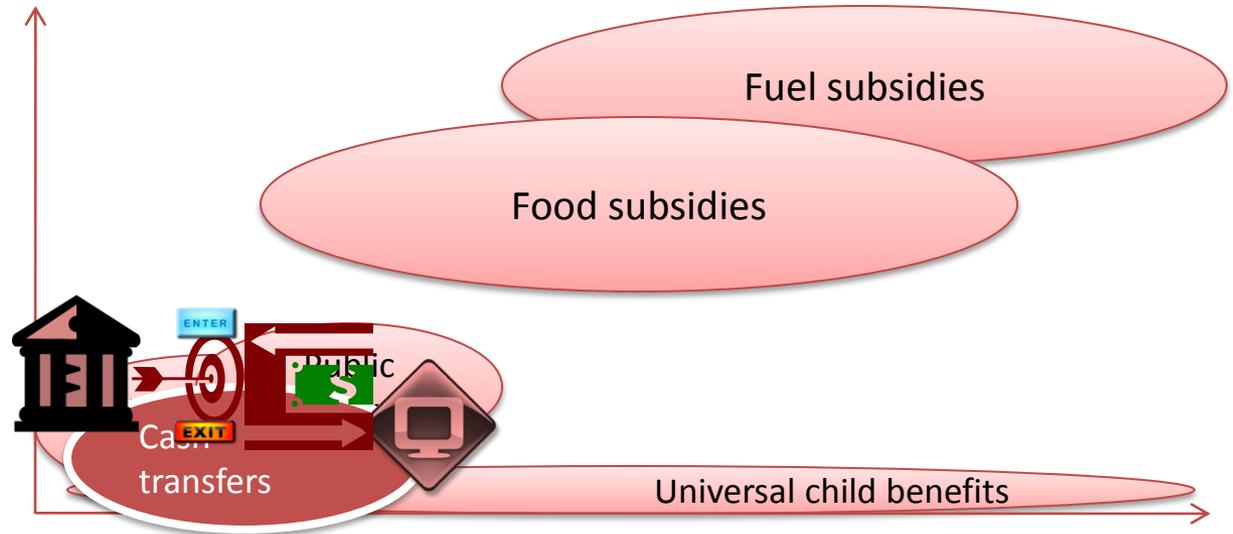
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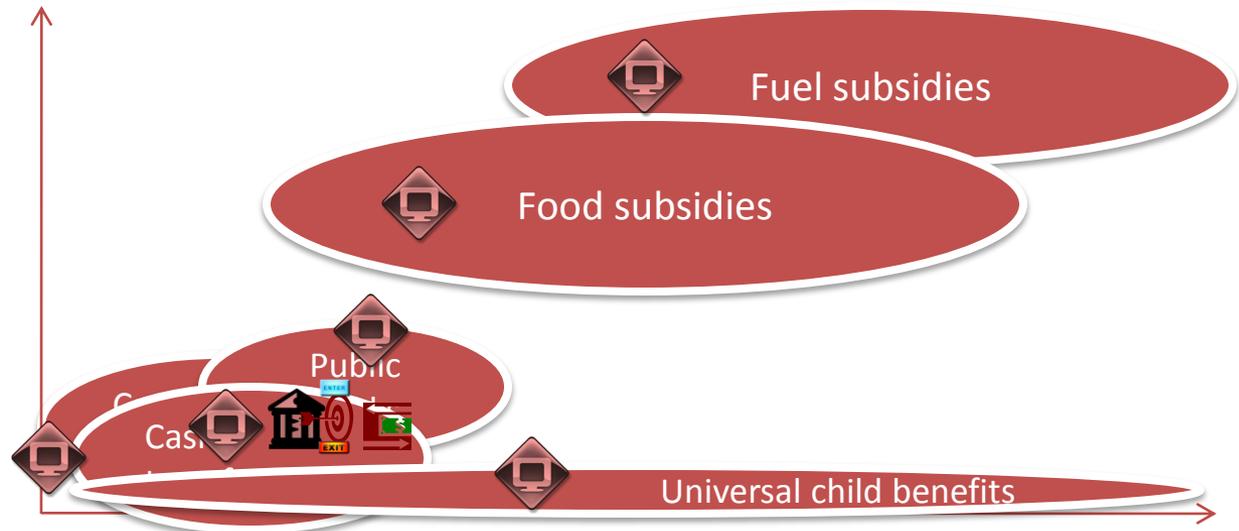
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Building systems for Social Protection and Labor

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("nuts and bolts")

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across different 3P
functions

