

Building Social Protection Systems: Evolving Ideas Towards Operational Approaches

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The World Bank

preliminary ideas: please do not quote or cite



Social Protection “Show and Tell”
Bonn, May 2011



THE WORLD BANK



Human Development Network

The “3P” framework:

A multi-dimensional approach

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P prevention

Insuring against the Impacts of Risk:

Examples of programs:

- Old age and disability pensions
- Unemployment and disability insurance

P promotion

Promoting Opportunities

Examples of programs:

- Skills training
- Conditional cash transfers
- Labor market intermediation and regulation reforms

P protection

Alleviating Poverty Destitution:

Examples of programs:

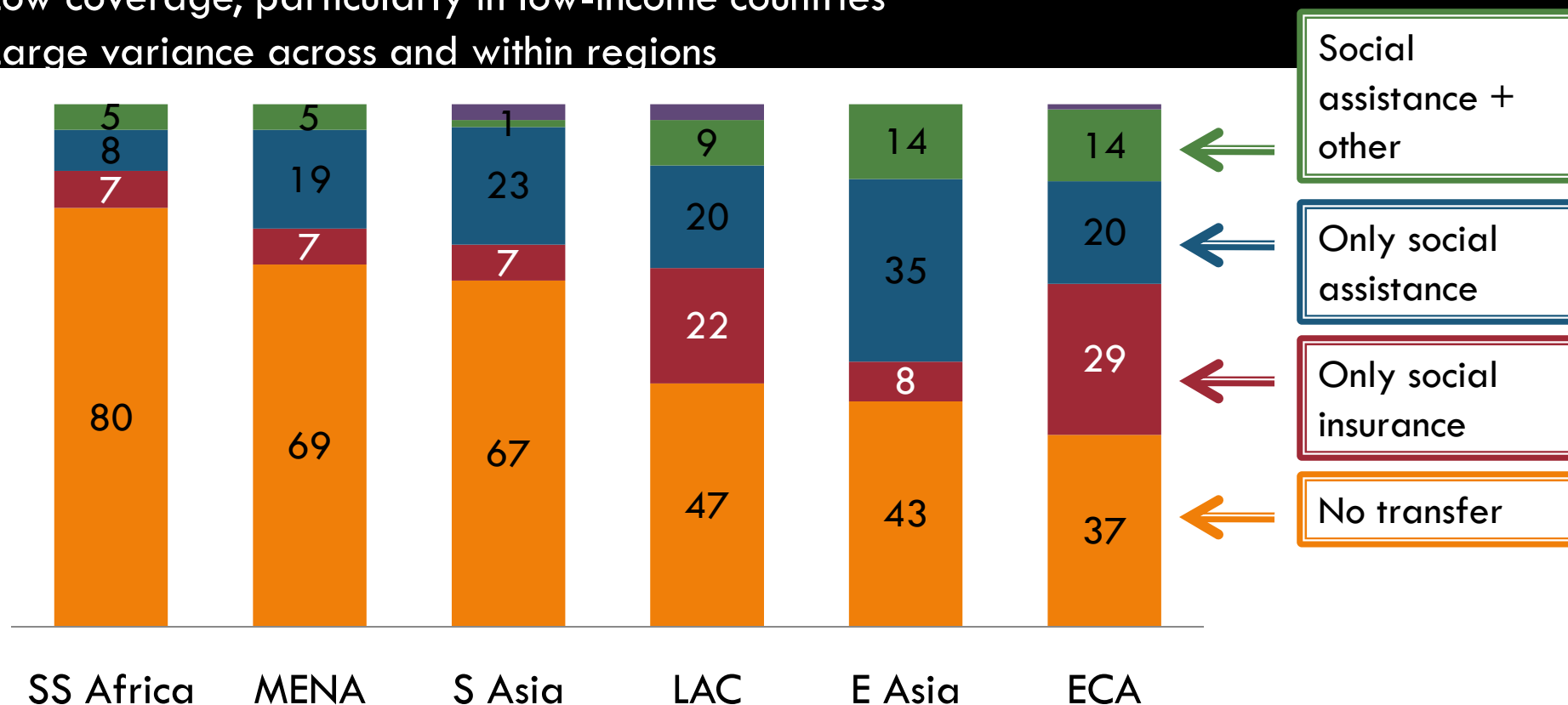
- Cash transfers
- Food transfers
- Public works programs



The Challenge of Scattered Coverage

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



(% of households that receive)

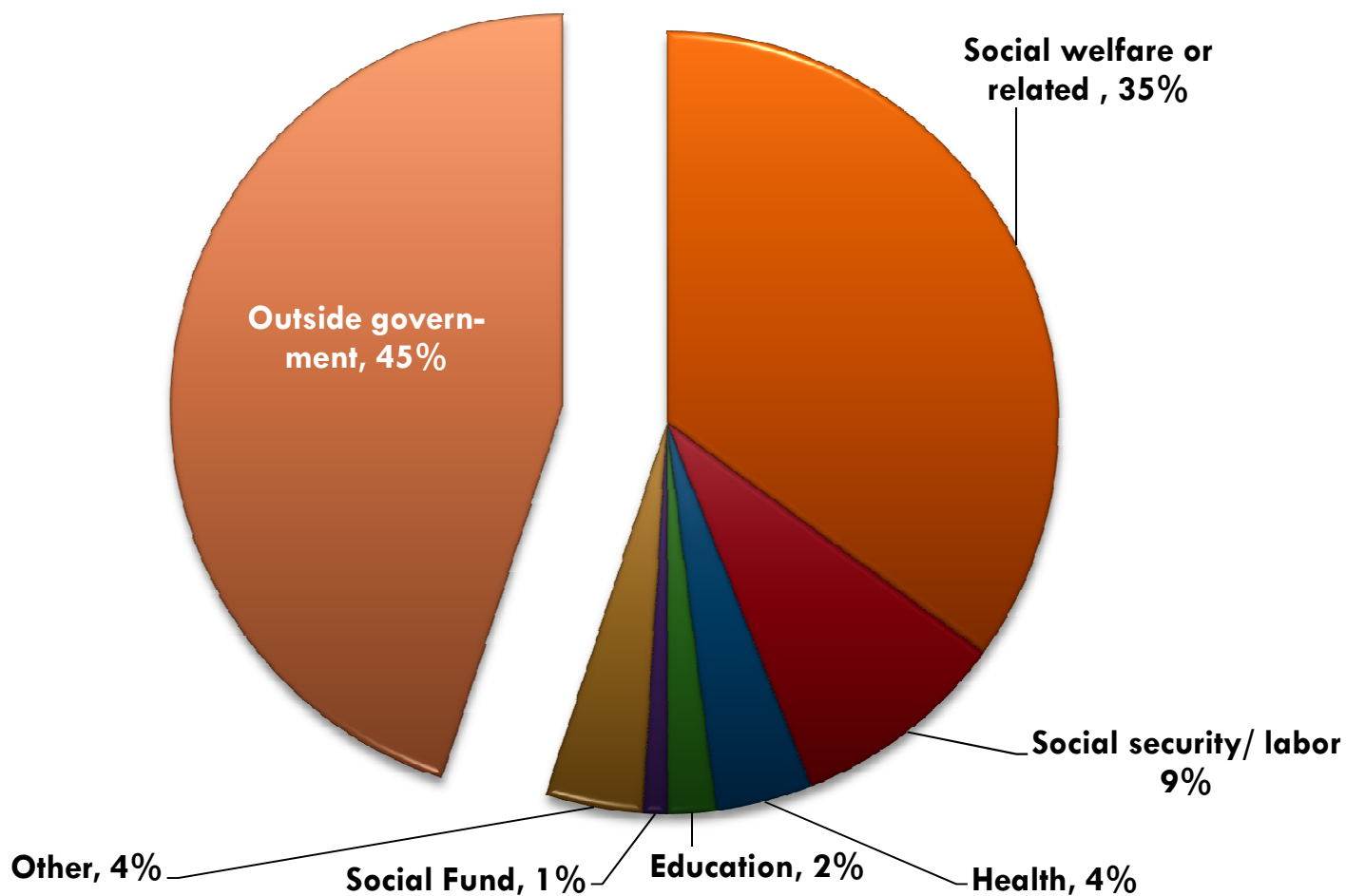


Source: SP Atlas, World Bank
(forthcoming)
(excludes remittances and subsidies)

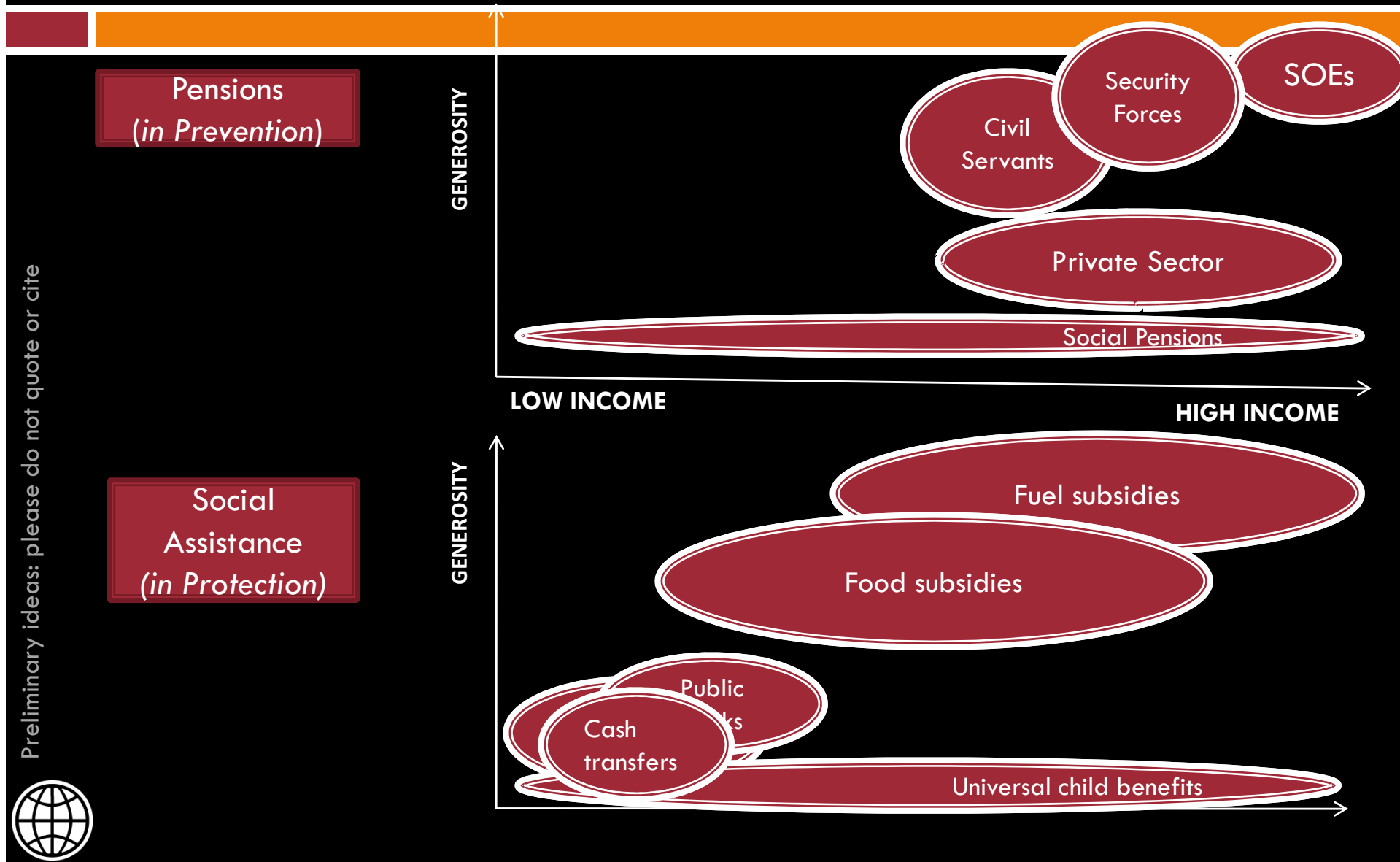
The Challenge of Fragmented Programs

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

Source: World Bank, forthcoming 2011



The challenge of fragmentation in SP programs



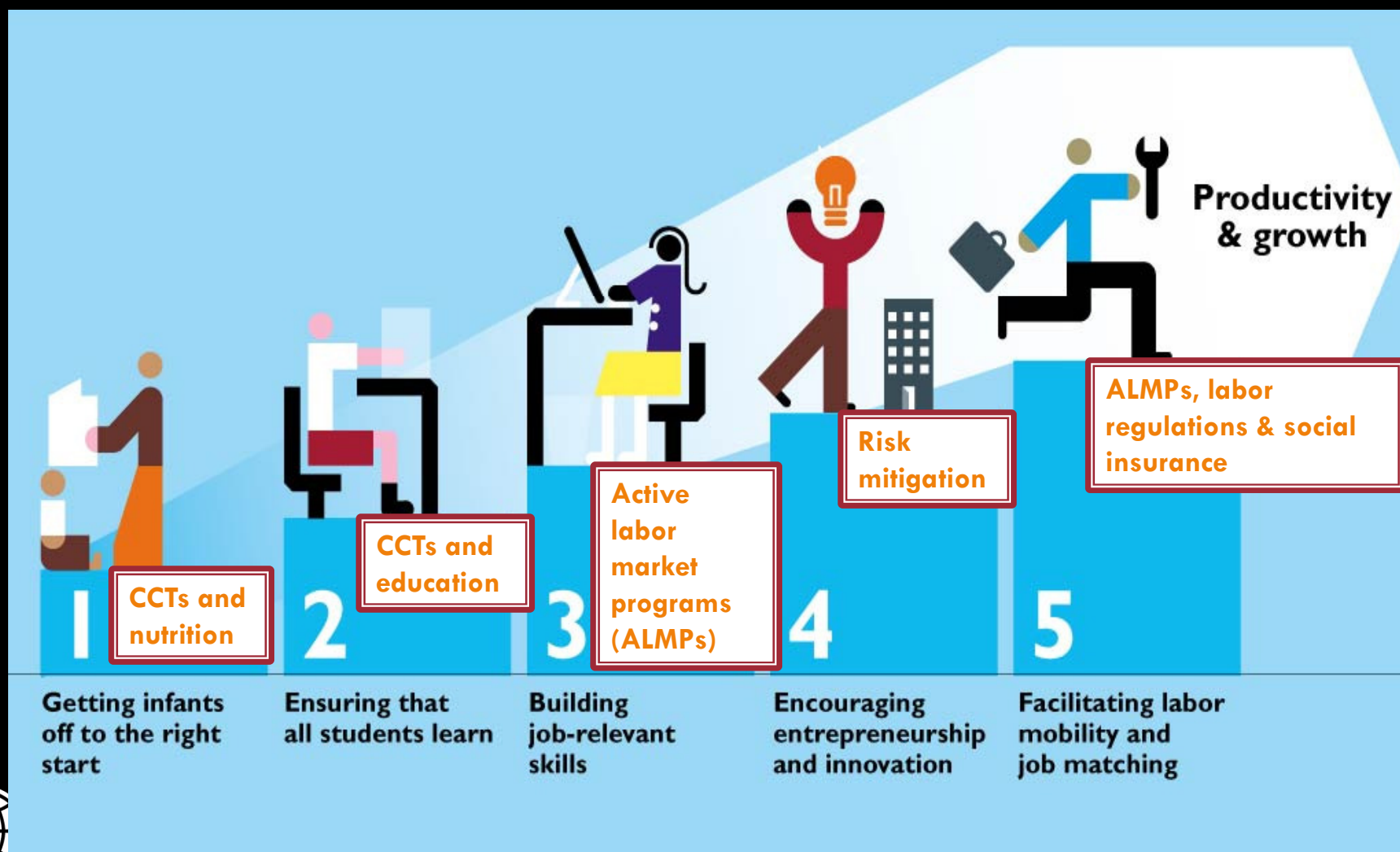
The Challenge of Policy Coordination Across Multiple Sectors

(Example: Skills Building and the STEP framework)

(source: STEPping up skills for more jobs and higher productivity, World Bank 2010)

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Moving to systems yields multiple benefits

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- ❑ Equity
- ❑ Broader coverage of population and services
- ❑ Diversification and adaptation
- ❑ Smarter financing arrangements
- ❑ Economies of scale
- ❑ Incentive compatibility

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Systems: Better social protection for the future

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Goal: Building the “nuts and bolts” sub-systems to provide one or more 3P functions

Low capacity contexts

Few or no functional formal 3P programs

Goal: Improving efficiency and efficacy of each program, improving coordination

Emerging capacity contexts

Existing systems often fragmented, with limited capacity to coordinate

Goal: Policy coordination to ensure efficiency, equity and incentive compatibility

Better capacity contexts

Well-functioning programs with aligned incentives and clear institutional roles

Each program has different sub-systems around it



Institutional and governance arrangements (roles, rules and controls)



Eligibility and Targeting mechanisms



Cash transfer mechanisms



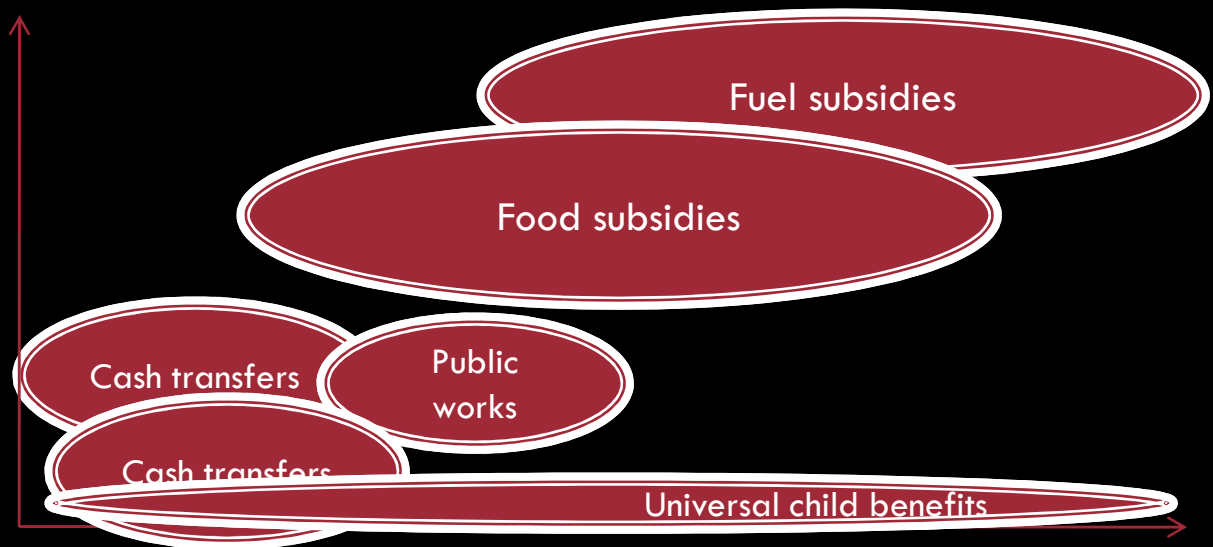
Databases and registries



Financing arrangements

Preliminary ideas: please do not quote or cite

Social Assistance



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



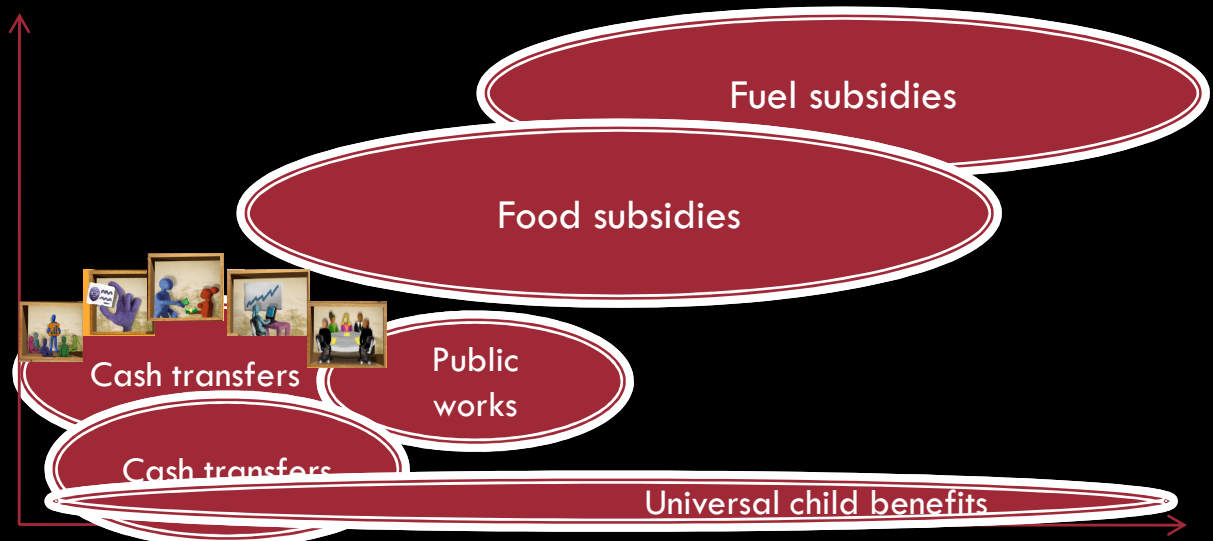
Financing arrangements

Building sub-systems
("nuts and bolts")

Improving the efficacy and coverage of different systems

Coordinating sub-systems across similar programs

Stretch goal: Policy coordination across different 3P functions



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Building systems for Social Protection and Labor



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Eligibility and Targeting mechanisms



Cash transfer mechanisms



Databases and registries



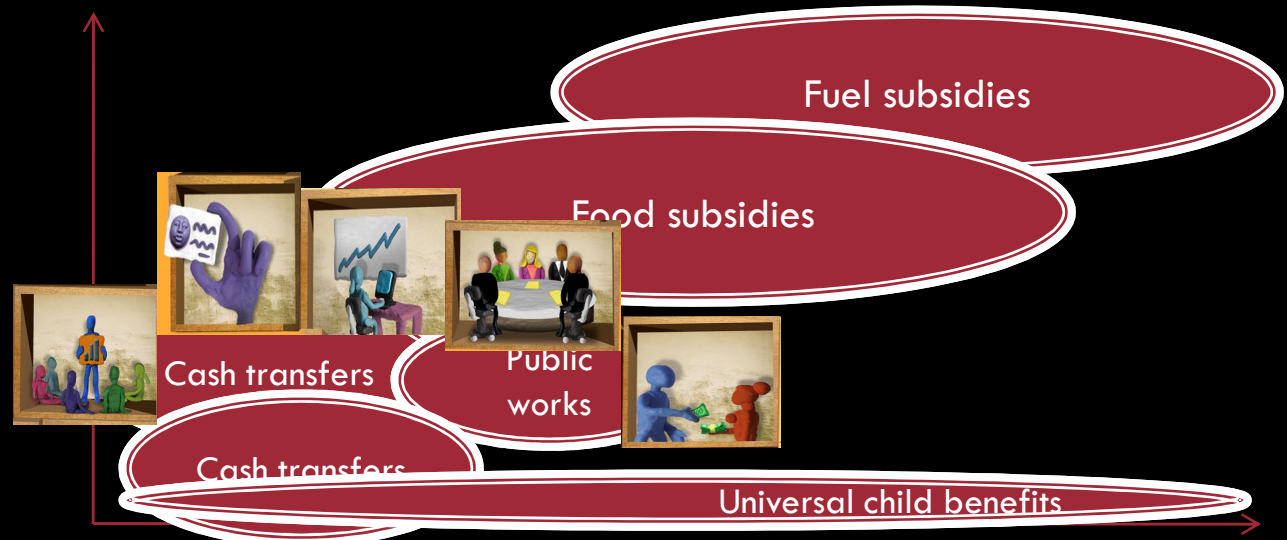
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Building Systems for Social Protection and Labor



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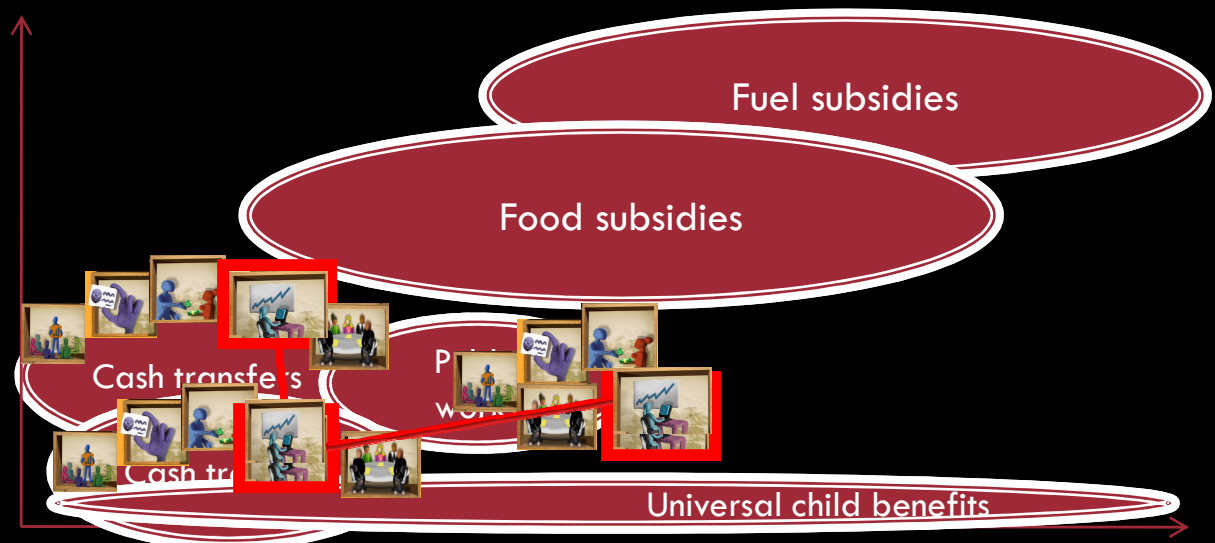
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Building systems for Social Protection and Labor

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Towards an agenda for donors and partners on building systems

- ❑ Help finance and build “nuts and bolts” of systems in poorer countries
- ❑ Coordinate explicitly with others so that different donors don’t support different country sub-systems
- ❑ Consolidate any new programs with the best sub-systems being used for other programs
- ❑ Seek sustainable systems rather than pilots that have little follow-up plans by governments

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