



United Nations
in Mozambique

Capitalising on UN Experience

The Development of a Social Protection Floor in Mozambique



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Foreword

“Social justice is more than an ethical imperative; it is a foundation for national stability and global prosperity. Achieving social protection for all is critical to building fairer, more inclusive and equitable societies. Together, let us rise to the challenge and ensure that our work for sustainable development delivers social justice for all.”

— UN Secretary-General, Ban Ki-moon, World Day of Social Justice, 20 February 2011

Social protection plays an important role in reducing poverty and inequality, and promoting inclusive growth. It has the potential to stimulate domestic consumption and enhance human capital, while increasing social cohesion and political stability. In addition to being a critical tool for economic transformation, social protection, as outlined by ILO Recommendation 202 concerning Social Protection Floors, guarantees and helps to realize the human right to social security.

In the wake of the global financial and economic crisis, there has been an expansion of social protection programmes across the globe. Despite progress, only 27 per cent of the global population enjoys access to comprehensive social protection. The Social Protection Floor initiative, launched in 2009, is a joint United Nations response designed to help ensure access to basic social services, income security and safeguards for the poor, vulnerable and marginalized. As outlined in the ILO Recommendation, it is a global social policy instrument to ensure universal access to (i) Essential health care, including maternity care; (ii) Basic income security for children; (iii) Basic income security for persons in active age who are unable to work (e.g. persons with disabilities, unemployed); and (iv) Basic income security for older persons.

In Mozambique, the growing attention to social protection demonstrates the commitment of Government to improve the living conditions of the most vulnerable people. With support from UN agencies, the Government of Mozambique has consolidated the social protection system through the establishment of a legal and regulatory framework for social protection; a rapid increase in fiscal space from 0.18% of GDP in 2008 to 0.50% in 2014; and an expansion in the number of beneficiaries covered by basic social protection programmes from 183,000 households in 2008 to 427,000 in 2014.

This publication documents the evolution of a Social Protection Floor in Mozambique between 2005 and 2015. It illustrates how United Nations joint support to Government can draw on the strengths of individual agencies — in this case, the International Labour Organization (ILO), the United Nations’ Children’s Fund (UNICEF) and the World Food Programme (WFP) — to help achieve results in an efficient and effective manner, through close collaboration and coordination.

The UN family is proud to have contributed to the Social Protection Floor initiative, globally and in Mozambique, and hopes that the experience gained can help inform implementation in other countries and further expansion in the country in the years ahead.



Jennifer Topping
United Nations Resident Coordinator
Mozambique



COVER PHOTO:

Melina is 76 and cares for her three grandchildren, aged between 2 and 10, whose parents died in 2010. When social services found them, they lived in a shack made of wood planks and a thatched roof, hardly a house. The younger child was severely malnourished. Since then, the family has received food assistance, including infant formula, and the process of finding a plot of land to build a new home for them is underway.

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Introduction

In the last decade, Mozambique's basic social protection system has experienced landmark legislative and institutional reforms, towards the establishment of a national Social Protection Floor (SPF). These advances have been bolstered by a significant growth in budget allocations to basic social protection programmes, which have enabled an increase in the number of beneficiary households and the level of benefits.

Through interviews with United Nations (UN) Joint Programme partners and key Government officials, this article traces the evolution of a Mozambican SPF between 2005 and 2015. It begins by highlighting the key moments in the development of a national SPF, followed by a description of the main elements of co-ordination between UN agencies, the Mozambican Government and national and international partners.

It then reflects on success factors and lessons learnt, and concludes with an analysis of current challenges facing the basic social protection system. The aim is for the experience and knowledge generated through this process to inform interventions in other countries engaged in similar processes.

— TINA, 71 —

Tina is 71 years old and lives in Mozambique. She has worked in the fields all of her life. *"I had five children, they all died,"* she explains. *"Now I have five grandchildren who live with me."* Every morning Tina tills the fields, then prepares the meals and takes care of her grandchildren. Her only source of income is a monthly government cash transfer and the vegetables that she harvests. *"When my children were alive, they supported me. After they were gone, I had no more help. With the income I now receive, I buy a little rice, some peanuts and some soap."* Tina's family has been a beneficiary of Mozambique's Basic Social Subsidy Programme for 5 years. *"I appreciate the fact that the government is making this sum available. Before I had no money, but now I can buy small things, like food. If it wasn't for that money, I don't know what we would eat, because the weather is hot, the fields are dry and there is nothing."*

"I appreciate the fact that the government is making this sum available"



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The consolidation of the Social Protection System (2005-2015)

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The consolidation of the social protection system in Mozambique took place in two distinct phases. The first phase, from 2005 to 2010, established a legal and strategic framework for basic social protection. The second phase, beginning in 2011, focused on the implementation of the National Strategy for Basic Social Security (ENSSB) in order to expand the coverage of eligible households in an effective, efficient and transparent way.

► **2005:** Low Coverage, Fragmentation, Limited Technical Capacity and a Lack of Policy Instruments

In 2005, Mozambique received its first mission from the ILO STEP Project. The goal of the project was to support the expansion of the social protection system as part of the ILO's Decent Work Agenda. At the time, there was neither a legislative framework, nor policy instruments in place for basic social protection, recalls Elsa Alfai, Senior Social Policy Advisor to the Minister of Women and Social Action (MMAS): "We were aware that the social protection sector needed the structure and tools to enable us to better monitor and evaluate our actions and plan our interventions." While some technical staff were very interested in extending social protection, there was a lack of awareness among national actors of the role of social protection and cash transfers. Basic social protection was seen as reinforcing dependency and reducing productivity. This resulted in narrow political and fiscal space for the sector, which translated into low budget allocations for the programmes. In 2005, the National Institute for Social Action (INAS) received only 0.16% of GDP, compared to a global standard of 1.5%. Consequently, institutional capacity to implement the programmes effectively and efficiently was weak, and technical capacity within MMAS and INAS, limited.

► **2006:** The Livingstone Conference, Increasing Donor Interest and the Incorporation of Social Action in the Government Poverty Assessment Framework

In 2006, the African Union led an intergovernmental regional conference hosted by the Government of Zambia, titled "A transformative agenda for the 21st century: Examining the case for basic social protection in Africa". The Mozambican Government was one of the thirteen signatories to the "Livingstone Call for Action on national social protection strategies in Africa", developed at the conference. Several interviewees point to this moment as a catalyst in the consolidation of the social protection system.

With growing interest from donors in basic social protection, most notably the United Kingdom Department for International Development (DFID) and the Embassy of the Kingdom of the Netherlands (EKN), MMAS and INAS submitted a proposal, with UNICEF's support, requesting funding for the cash transfer programme--the *Programa Subsídio de Alimentos (PSA)*. In order to boost the visibility of social protection within the Government Poverty Assessment Framework (PAF), UNICEF and the EKN supported MMAS in successfully advocating for the inclusion of a PAF indicator on social protection. To monitor the implementation of the Poverty Reduction Action Plan (PARP), the PARP Social Action Working Group was formed.

Timeline of the development of the social protection system

2005

Low social protection coverage, programme fragmentation, and lack of policy instruments.

2006

Livingstone Conference and the inclusion of the social protection indicator in the GoM's PAF.

PHASE 1: ESTABLISHMENT OF A LEGAL FRAMEWORK

UN Joint Programme on Social Protection

Mozambique is a flagship country for the One UN Initiative, which promotes increased coordination between clusters of UN agencies. Since 2007, the United Nations Children's Fund (UNICEF), the World Food Programme (WFP) and the International Labour Organisation (ILO) have jointly collaborated with the Ministry of Women and Social Action (MMAS) and the Ministry of Labour (MITRAB), to develop and expand the social protection system. The National Institute for Social Action (INAS), the executive arm of MMAS, is the main implementing partner. The Ministry of Planning and Development (MPD) and the Ministry of Finance (MoF) are also involved. This collaboration, led by the Government of Mozambique, is considered a 'best practice' of One UN Joint Programme support in the establishment of a national SPF.

The UN Joint Programme on Social Protection was created to support MMAS and INAS in strengthening its planning and budgeting capacity, evaluating existing social protection programmes, developing the National Strategy for Basic Social Security (ENSSB), and improving coordination and implementation.

From the Government's point of view, UN joint planning is important because it diminishes the administrative and transaction costs for Government, ensures greater accountability and more transparency when assessing results, and guarantees that resources are directed at the priority areas established by the ENSSB. *"Before, we had to deal with multiple partners, with various priorities and different approaches. It was extremely complicated. Sometimes the objectives overlapped; sometimes they wanted to finance the same areas. It was difficult to direct them to the priorities. With this joint approach, we know which partners we need to deal with regarding which issues,"* says Elsa Alfai, MMAS.

From the perspective of the UN agencies, the joint approach creates a stronger political voice for the UN, increases delivery and reduces fragmentation and replication, and improves the credibility of UN agencies as providers of technical assistance and evidence building. It also contributes to more coordinated action between UN agencies and the Government and strengthens the position of the UN partners within the PARP's Social Action Group.



► 2007: Approval of the Law on Social Protection and Consolidation of One UN Support to the Sector

In 2007, the Government approved the Social Protection Law (4/2007), which defined social protection as a right for all citizens and established the legal basis for the social protection system, composed of three pillars: basic social protection, under the mandate of INAS/MMAS; mandatory social security, under the mandate of MITRAB; and complementary social security, to be provided by the private sector. *"That was a great achievement,"* says Miguel Maússe, National Director of Social Action, MMAS. *"For the first time, we had a law on the issue of social protection. From that point, we were able to establish a regulatory framework".*

Also during this year, the ILO and UNICEF began to collaborate closely on an ILO-commissioned evaluation of the programmes, which concluded that their revision was necessary in order to enhance the effectiveness of the system. The outcomes of the PAF indicator on social protection, published during the government-donor mid-year and annual reviews, further raised the visibility of the sector and highlighted the need for increased fiscal space and budget allocations to basic social protection.

2007
Approval of the Law on Social Protection and One UN Joint programme support to the sector



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► **2008:** The Social Policy Framework for Africa and Institutional Support to INAS

In 2008, as a result of the efforts of civil society organisations, most notably HelpAge International, Mozambique became one of the signatories of the African Union's "Social Policy Framework for Africa". With UNICEF's technical support, an MOU was signed between MMAS, INAS, MPD, MoF, EKN and DFID, which established the basis for financial support to the Government cash transfer programme, the PSA. A working group was created to support the implementation of the PSA, with representatives from INAS, UNICEF, ILO, EKN and DFID. ILO and UNICEF supported INAS in strengthening the financial and operational systems. UNICEF also commissioned a baseline study for an impact evaluation of the PSA.

► **2009:** Consolidation of the Legislative and Policy Framework for the Social Protection System

In 2009, the legislative and policy framework was consolidated through the approval of two regulations:

- a) *The Regulamento de Articulação do Sistema de Segurança Social Obrigatória* (Regulation of Coordination of the Mandatory Social Security System--49/2009), which introduced regulatory mechanisms to coordinate the contributory social security system for workers in the private and public sector;
- b) *The Regulamento do Subsistema de Segurança Social Básica* (Regulation of the Basic Social Security Sub-system--85/2009), which established the scope, structure and benefits of the non-contributive basic social protection system.

2008

Mozambique signs the Social Policy Framework for Africa. The basis for financial support to the PSA established.

2009

Approval of the Regulation for the Basic Social Protection Subsystem, and of the Regulation for the Coordination of the Mandatory Social Security System. Design of the National Strategy for Basic Social Security.

This regulation was the basis for the design of the National Strategy for Basic Social Security (ENSSB), which began in 2009 and was finalised in 2010 with technical support from the ILO.

The design of the National Strategy for Basic Social Security (ENSSB) was a participatory process, characterised by extensive inter and intra-ministerial consultations, including the provincial level. According to Elsa Alfai, "ILO did very well when it invited other partners like UNICEF, WFP, and bilateral partners already working with us, to build the strategy." In addition to development partners, the Ministries of Education and Health, and civil society organisations working with the elderly, children, women and people with disabilities, also participated in the design phase. "During that process, the key stakeholders began to move in the same direction. It fostered greater understanding of social protection and enabled the development of the system," says Olívia Faite, Head of the Social Assistance Department, INAS.

► 2010: Approval of the National Strategy for Basic Social Security (2010-2014), Fiscal Space and Capacity Development

In 2010, policy-makers in Mozambique became increasingly interested in social protection as an instrument for poverty reduction and inclusive growth, as a result of both national and international factors. First, the Third National Poverty Assessment results, published during that year, showed that despite high rates of sustained economic growth, the absolute poverty rate had stagnated at 54.7% (MPD, 2010). This highlighted the need for more inclusive growth. Secondly, rising prices as a result of the global food and fuel crisis led to an uprising by the urban poor. "We faced social pressures to respond more efficiently to the problems of more vulnerable groups. Although we had already implemented programmes, there was a call for stronger and broader ones.



That opportunity led us to analyse, in a much deeper way, what we were doing", recalls Elsa Alfai, MMAS. "The Prime Minister contacted the ILO and the IMF to discuss the role of social protection in mitigating the impacts of the food and fuel crisis. This created a very important opening; several Government leaders began to better understand the concepts and the positive impact that social protection could have in improving people's lives".

Development partners, in collaboration with the IMF, stepped up advocacy efforts to increase state budget allocations for social protection. The collaboration with the IMF facilitated the dialogue between MMAS and the MoF, and strengthened the joint advocacy interventions of the Government and its partners, says UNICEF's Chief of Child Protection, Mayke Huijbregts. Government officials were invited to participate in exchange visits, workshops and seminars in countries throughout Africa and Latin America, where social protection systems were more established. According to MMAS officials, through these exchanges, national decision-makers became aware of the potential impact of social protection in responding to poverty and vulnerability, which in turn created political space for the expansion of the social protection system. As Eleásara Antunes, Gender and Social Protection Specialist of EKN reflects "these exchanges would not have had the same effect if the social protection sector had not developed the tools in previous years."

2010

Development of a business model for the new basic social security programmes.





In April, the Council of Ministers approved the ENSSB 2010-2014, which was featured on the front page of the main Mozambican newspaper. The ENSSB was an important milestone. On one hand, it contributed to the systematisation of the basic social protection sub-system by defining concrete medium and long-term goals, namely: increasing coverage and impact of basic social protection interventions for the poor and vulnerable, increasing the system's efficiency and ensuring the harmonisation and coordination of the sector's different programmes and services. On the other hand, it highlighted the need for increased state funding of basic social protection. The process of developing the ENSSB was also an opportunity to train technical and executive staff. *"It was crucial because it helped develop staff capacities for its [the ENSSB's] implementation. Today, we see that people have taken ownership, and still use the strategy as a reference document,"* says Nuno Cunha, Coordinator of the STEP Project, ILO.

The UN continued to play an important role in reinforcing social protection competencies through technical capacity building. To disseminate the ENSSB, training sessions were held on a national scale with support from ILO and UNICEF, including a training-of-trainer programme, which ultimately reached more than 300 MMAS and INAS staff. In addition, an impact evaluation of the PSA was conducted with support from UNICEF. The main finding was that the level of benefits was too low and that the targeting and payment mechanisms should be revised. INAS succeeded in negotiating a specific budget line in the state budget with the MoF for each social protection programme. This increased transparency, enhanced accountability and made it possible to develop advocacy messages for government decision-makers.

Meanwhile, ILO continued to support the contributive pillar of the social protection system through capacity building in collaboration with the

International Training Centre for Social Protection in Turin, exchange visits and an actuarial evaluation of the INSS (National Institute for Social Security) and DNPS (National Directorate for Social Providence).

► **2011:** Creation of the New Programmes within ENSSB's Implementation Framework

After the approval of the ENSSB, the Government and development partners focused on the implementation of the strategy, through the revision of the existing programmes. ILO supported the process through capacity building workshops for INAS' technical staff to design and cost new programme options. In October 2011, the Council of Ministers approved the package of new programmes within the ENSSB's implementation framework. *"This was an important landmark,"* says Miguel Mause, MMAS. *"We were able to see in a very specific way how the legislation and strategy process could benefit the target groups. One of the positive aspects of this process was that for the first time, we were able to approve basic social protection programmes through a legal document".* The Government also became more cognisant of the role of other stakeholders, including civil society organisations, in extending basic social protection. Meanwhile, in partnership with ILO and UNICEF, the World Bank conducted a Social Protection Expenditure Review (SPER), which informed advocacy efforts to increase budget allocations to the programmes. The ILO-UNICEF joint production of budget briefs analysing state budget allocations to the sector, provided an additional advocacy instrument.

The World Bank and IMF, in partnership with the ILO and UNICEF, actively advocated for increased fiscal space for social protection programmes.



The Incorporation of Civil Society in the Social Protection System

The incorporation of civil society organisations in the Mozambican social protection system was gradual, and began in 2006, with the participation of HelpAge in the Livingstone Call for Action and the PARP's Social Action Group. It intensified in 2010, during consultations around the elaboration of the ENSSB; and was consolidated in 2012, with the inclusion of the Mozambican Civil Society Platform for Social Protection in the National Coordination Council for the Basic Social Security Sub-system. Civil society organisations are considered partners in the sector's development, and complement MMAS and INAS through service delivery, independent community-based monitoring to assist in policy design and programme implementation, and advocacy through the media and with Parliament for increased fiscal space for social protection. The Mozambican Civil Society Platform has also progressively strengthened its participation in the PARP Social Action Group and in 2014 approved a regulatory framework for the incorporation of CSO's in the implementation of the National Strategy for Basic Social Security.



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► 2012: Development of a New Operational System for the Social Protection Programmes

Following the approval of the package of new social protection programmes, a process was initiated to develop the programmes' operational system, with support from UNICEF, the World Bank, WFP and ILO. This process included the revision of all operational procedures for targeting and registration of beneficiary households, the payment of benefits, programme monitoring and case management. It

also included the development of a Management and Information System. New detailed operational manuals were designed for the aforementioned operational areas and programmes. The purpose of the new procedures and mechanisms outlined in the manuals was to improve the efficiency of programme management, increase INAS' accountability and enhance transparency. In addition, the World Bank initiated a pilot of the public works component of the Productive Social Action pillar, which resulted in the development of the operational manuals for the new Public Works Programme.

2012

Development of a business model for the new basic social security programmes.





► **2013:** Increased Budget Allocations, Expansion of the Programmes and the Creation of the Technical Secretariat for the CCSSSB

The year 2013 was a turning point in terms of state budget allocations to the sector, which increased by 53% from 2012. UN agencies supported advocacy efforts for increased state funding through research on fiscal space, technical assistance in budget analysis, training of decision-makers and workshops with journalists. The ILO and IMF published a joint report that analysed the policy alternatives and costs for building a comprehensive social protection system, which concluded that it was fiscally viable for the Government to significantly expand basic social protection programmes beyond what was proposed in the operational plan, up to 1.5% of GDP. The increase in budget allocations to the sector allowed for the further expansion of INAS programmes and a continued increase in the value of the transfers.

UN agencies also supported on-going work to strengthen coordination between the sectors responsible for the implementation of the ENSSB through the establishment of a technical secretariat of the Coordinating Council of the Basic Social Security Subsystem. In addition, UN agencies continued to contribute to strengthening management capacity at MMAS and INAS through extensive coaching for technical and executive staff, and close collaboration with the MMAS' and INAS' Department of Planning and Budget.



► **2014:** Evaluation of the ENSSB, the Development of an Information Management System and a Single Registry

In 2014, MMAS led an assessment-based national dialogue process, with support from the ILO, to evaluate the ENSSB. Building on earlier participatory design, it brought together 200 people—including policy-makers, national and provincial directors for social welfare, and representatives of civil society, donors, and UN agencies—to develop a common framework of analysis of vulnerability, discuss the outcome of the evaluation of the ENSSB and implications of the recommendations, and propose new programmatic options. The evaluation of the ENSSB was complemented by a number of studies in priority areas namely: child-sensitive social protection, the role of social protection in improving nutrition and maternal health, and HIV-sensitive social protection.

In terms of system strengthening, significant progress was made in developing an information management system for INAS' programmes in collaboration with the Centre for Financial Information Systems (CEDSIF), a public institution selected to develop the MIS and ensure the sustainability and ownership within the GoM. The programme manuals for the implementation of INAS programmes were also finalised.

2013

Increased budget allocations, expansion of INAS programmes and the creation of the technical secretariat for the Coordinating Council of the Basic Social Security Subsystem (CCSSSB).

2014

Evaluation of the ENSSB, the development of a Management and Information System and a Single Registry.

► **2015:** Revision of the National Strategy for Basic Social Security, the Rollout of the MIS and the Re-registration of Current Beneficiaries

In 2015, UN agencies will continue to support the Government of Mozambique in the revision of the National Strategy for Basic Social Security and redesign of INAS programmes, in order to ensure that the government is able to meet the ambitious

targets for basic social protection outlined in the National Development Strategy 2015-2035, which state that by 2035 75% of poor and vulnerable households must have access to basic social security. In order to ensure a more transparent and efficient basic social protection system, the UN will support Government in the establishment of a single registry, the finalisation of an updated management and information system and the re-registration of current beneficiaries.

Table 1. Comparative table of the main changes in the basic social security sector

2005	2015
Focus on programmes.	Focus on systems.
Focus on INAS.	Focus on linkages between MMAS, INAS and other ministries involved in social protection.
Absence of a legal framework and specific social protection policy tools.	Basic Social Protection Law; Regulation of the Basic Social Security Subsystem; Regulation of Coordination of the Mandatory Social Security System; National Strategy for Basic Social Security; New programme package within the scope of ENSSB's implementation.
Fragmentation of low impact basic social protection initiatives	Coordination, through the development of the ENSSB and the creation of the Coordinating Council for Basic Social Security. New programmes with targets for the extension of basic social protection.
Budget allocation to programmes: 0.16% of GDP	Budget allocation to programmes: 0.5% of GDP
Scant knowledge of social protection as a concept, and limited institutional capacity at MMAS/INAS	Strong track record of defending proposals for the expansion of programmes and increase in the value of transfers before the Council of Ministers, which have resulted in significant increases in the sector's budget.
Individual initiatives by donors and UN agencies with Government	Two coordination working groups: one at UN level regarding the United Nations Joint Programme and one at Government/ multi- partners level, including a sub-working group.

2015

Revision of the ENSSB, development of the operating system for the new basic social security programmes.



UN support in building a Social Protection Floor

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The United Nations Joint Programme in Mozambique

In 2007 the ILO, UNICEF and WFP established the United Nations Joint Programme on Social Protection in Mozambique, with the aim of protecting vulnerable populations through the gradual development of a national Social Protection Floor, in line with the Action Plan for the Reduction of Poverty (PARP), and policies and sectorial plans of the Republic of Mozambique. The implementation of the Joint Programme was materialised through a common annual work plan, developed on the basis of the Government (multi-) annual plans and the United Nations Development Assistance Framework (UNDAF). The UN Resident Coordinator supports this work, by ensuring the cohesion of strategies and activities among UN agencies. UN joint support is provided at three levels, and the three agencies have complementary and mutually reinforcing roles:

A) MACRO: At Policy Level: the ILO has played a key role in supporting the policy design process and costing of policy options, resulting in the development of a comprehensive legal and policy framework for social protection. It has also provided support to the evaluation and revision of the National Strategy for Basic Social Security 2010-2014 (ENSSB). Through an analysis of fiscal space for basic social protection and budget allocations to the sector, the ILO has illustrated the need to expand fiscal space for social protection and to ensure sustainable funding for INAS programmes. A partnership established with the IMF and the Mozambique Civil Society Platform for Social Protection, has proven effective in successfully advocating for increased budget allocations to the sector.

B) MESO: At Systems' Level: UNICEF's support has been instrumental in enhancing the managerial capacity of Government through the development of a new business model, which includes new standard operating procedures related to targeting, payment, case management, and monitoring of programme implementation. It has also coordinated efforts to streamline programme operations, which are expected to enhance transparency and accountability, reduce the administrative workload, and ensure that administrative data is more reliable and accessible. The establishment of linkages with other systems and programmes has also been strengthened in order to capitalise on the multiplier effect of a multi-sectorial, integrated response to vulnerable households.

C) MICRO: At Implementation Level, WFP has played an important role in piloting alternative implementation mechanisms—such as payments on the basis of vouchers or bank cards—for the new Public Works Programme and the in-kind transfer programme for child-headed and HIV-affected households. This has included capacity building of INAS officials at the local level and the gradual transfer of implementation responsibilities to INAS.

The three UN agencies cooperate at the three levels, under the leadership of the respective lead agency, ensuring that development in one level inform policy and actions in others.

Rostalina Viana is ready to withdraw cash with her bank card, provided by the Productive Social Action Programme.



Figure 1. UN joint interventions at different levels

Source: ILO, 2013

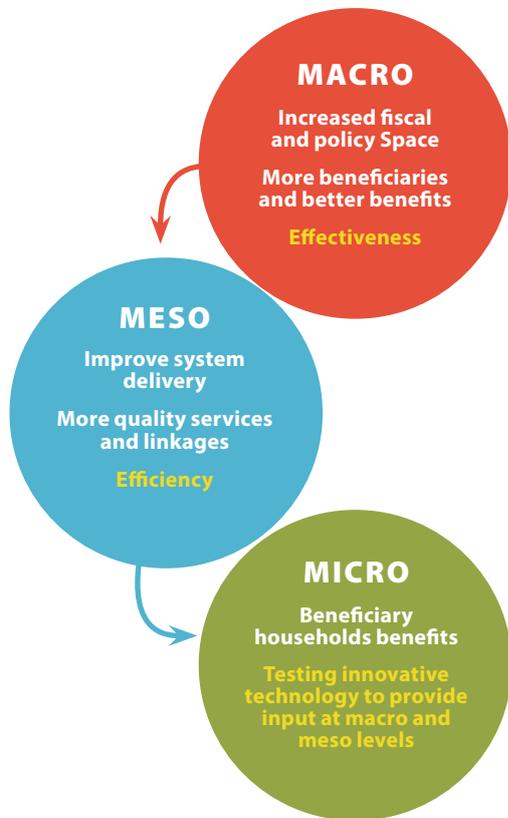
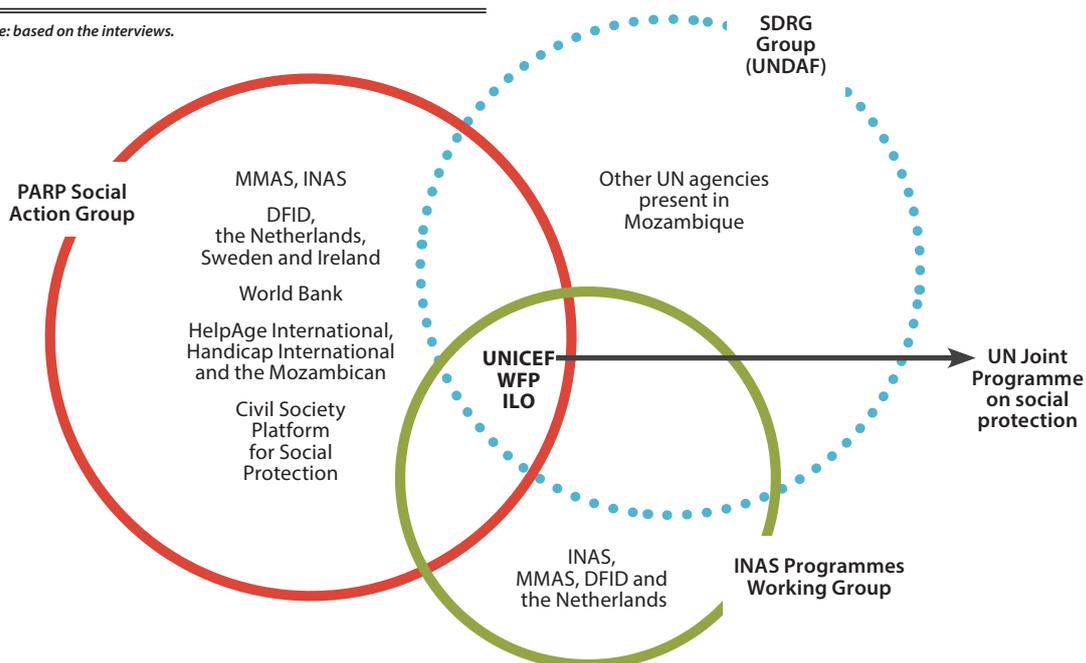


Figure 2. Institutional governance system in Mozambique's social protection sector

Source: based on the interviews.



The institutional governance system

Coordination takes place through three different working groups associated with the PARP, UNDAF and INAS Programmes. These groups provide opportunities for dialogue with national authorities in a coordinated manner. Figure 2 illustrates how these different groups communicate with each other.

The PARP Social Action Working Group was created in 2006, with the aim of monitoring Government performance in the area of Social Protection against an indicator in the PARP Performance Assessment Framework. The Group serves as a platform to discuss the programmatic and strategic aspects related to the implementation of the social protection programmes. Initially the group was led by Government, represented by MMAS and INAS, and had four development partners: EKN, DFID, ILO and UNICEF. Currently it also includes WFP, the World Bank, HelpAge International, Handicap International, the Civil Society Platform for Social Protection, Irish Aid, and the Embassy of Sweden, in addition to a large number of members who use the group to keep abreast of developments in the sector. The group meets six times a year and works on the basis of a joint annual workplan.

The INAS Programmes Working Group was created in 2008, to support the implementation of the PSA (now the Basic Social Subsidy Programme-PSSB), which receives financial support from DFID and the Embassy of the Kingdom of the Netherlands, and technical support from ILO and UNICEF. The focus of this group has since expanded to the other programmes, as well as to INAS system strengthening. This group meets on a quarterly basis, to discuss the implementation of all the programmes, including new proposals, challenges and solutions.



Achievements in Building a Social Protection Floor

The main achievements in building a Social Protection Floor in Mozambique between 2005 and 2015 were at the political and programmatic levels.

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The political level

Social protection gained a strategic position in key Government policies and action plans as a mechanism for poverty reduction and inclusive growth. In the period under review, the following legislative instruments were approved: the Social Protection Law (4/2007), the Regulation for Coordination of the Mandatory Social Security System (49/2009), the Regulation of the Basic Social Security Sub-system (85/2009), the National Strategy for Basic Social Security (2010-2014) and the new programme package to operationalise the ENSSB. Coordination between the pillars of basic social protection and mandatory social security also improved significantly. *“There was a time in which we did not know the directors of the MMAS and INAS. Today, there is a strong relationship, greater collaboration and information sharing,”* says Arnovo Vilanculos from the Ministry of Labour.

With the establishment of a comprehensive legal framework and strengthening of technical capacity, the credibility of INAS and MMAS vis-à-vis Government and other ministries improved. The participatory and multi-sectorial development process of the ENSSB reinforced a common vision of social protection and established the basis for coordination between the key partner ministries. Today MMAS and INAS have more political influence on Government policies, such as the Poverty Reduction Action Plan (2011-2014), and there has been an impressive and steady increase in budget allocations to basic social protection programmes.

Civil society has also become increasingly engaged in the debates, policy-making processes and advocacy on building an SPF in Mozambique. The Social Protection Week, organised by MMAS with support from ILO and UNICEF, is a key avenue for public engagement. In addition, civil society organisations actively participated in the design of the ENSSB, undertook independent community-based monitoring of the ENSSB’s implementation, advocated for increased budget allocations to the basic social protection system, and engaged in the process of evaluation and revision of the ENSSB through the development of a position document proposing new programme and implementation priorities for the new strategy in 2014. Also in 2014, OTM-CS and CONSILMO launched the trade union position paper on a Social Protection Floor for Mozambique, which outlined the trade union priorities for both contributive and non-contributive pillars of the social protection system.

The programmatic level

In terms of the coverage of basic social protection programmes, the number of beneficiary households increased from 167,000 in 2008 to 439,144 in 2014, and an increase in INAS’ capacity to respond to beneficiaries’ needs. Whereas in 2005 INAS assisted 7% of the most vulnerable households, today it assists 15%. In addition to an expansion in the number of beneficiaries, a new Public Works Programme was

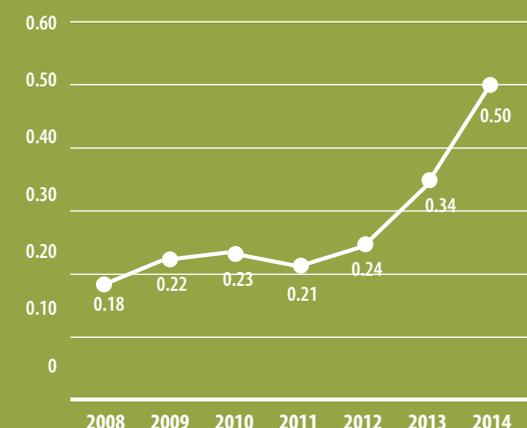
Chart 1. Evolution of Beneficiary Households Covered by INAS Programmes (2008-2014)

Source: ILO et al. (2014)



Chart 2. Evolution of Budget Allocations to INAS Programmes as a % of GDP

Source: ILO et al (2014)



Georgina Jorge António is 32 years old and lives in Matola Rio with her husband and six children in a borrowed single room house. Her husband came to the capital city, Maputo, to work two and half years ago. *“He was looking for better conditions, because children kept getting sick and I nearly died. We tilled the fields to get food. At one stage, we could only get vegetables. I cooked them in water and salt, and that was our meal with the children”.* Her husband worked for one year in Maputo and then sent for the rest of the family. However, he fell ill and lost his job. *“He stopped working, and that was that. We thank God for this benefit. When somebody needs a job done, they come and ask him. That is how we survive. However, because it is sunny, there are not many odd jobs. They only come when it rains”.* Georgina, who lost one arm during the war, has been a beneficiary of the Direct Social Support Programme for a year and a half, and she receives the food kit. *“Before I got the benefit, it was very hard. One year, my husband got sick, and the children and I had no income”.*



introduced and the existing programmes, namely the Direct Social Support Programme (PASD) and Basic Social Subsidy Programme (PSSB), underwent reforms to enhance their effectiveness and efficiency.

Furthermore, the value of the social cash transfer increased from a minimum of 3.3 USD and a maximum of 10 USD per household in 2007, to a minimum of 8.6 USD and a maximum of 17 USD per household in 2014. This sustained increase in the value of the transfer was the result of the approval of a legal document by the Council of Ministers for the periodic review of the benefits' values. Over the last 4 years, there have been three annual revisions of the transfer, compared to the three revisions over the previous 15 years. The increase in coverage and the value of the social cash transfer was possible because of an increase in the budget allocation to basic social protection, which doubled in seven years (See chart 2). This reflects growing political will and increasing fiscal space for basic social protection and the development of a common vision through the ENSSB. The programmes are currently funded primarily through the state budget (90%) with additional support from DFID and EKN (10%).

All interviewees agree that there was a significant improvement in MMAS' and INAS' institutional capacity. According to Eleasara Antunes of the Embassy of the Netherlands, these institutions made significant headway in planning, implementation and financial management. There was also an increase in available human resources, with the number of INAS employees rising from 700 in 2005 to 1,300 in 2013. In addition, there was the introduction of the new Public Works Programme (PASP), the strengthening of the existing programmes, like Direct Social Action, and greater coordination of the sector by MMAS through the Council for Coordination of the Basic Social Security Sub-system, an inter-ministerial body, chaired by the Ministry of Women and Social Action that coordinates the implementation of the ENSSB. As Nuno Cunha (ILO) says, *“In addition to stronger national institutions, the MoF is on board, and a larger number of partners are committed to the process. The group of PARP partners, which began with four organisations, now has twelve organisations. There are also IMF indications that fiscal sustainability will hold until 2022.”*

In the area of mandatory social security, the main achievements have been in relation to the development and implementation of the Social Security Information System which replaced the paper-based system, the extension of physical infrastructure and human resources of the National Institute for Social Security (INSS) across all provinces, the expansion of services to meet the new demand for workers in the country, the creation of an INSS Regional Training Centre to facilitate staff training, and the actuarial review undertaken by the ILO of the INSS and DNPS systems, to ensure financial sustainability.



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Challenges of Building a Social Protection Floor

Despite remarkable progress in the area of social protection, the sector still faces important political and operational challenges.

In terms of political challenges, the state budget allocations for basic social protection remain low compared to regional standards, and the fiscal space currently available for the sector's operational development is insufficient. Despite increases in coverage, only 15% of households in a situation of poverty are covered in Mozambique. It is widely recognised that there is a need to create a clear multi-sectorial investment strategy directed at children. Furthermore, despite increases, the value of social transfers is too weak to constitute a meaningful intervention. The evaluation and revision of the National Strategy for Basic Social Security provides an opportunity to identify, cost and debate new programmatic options. In addition, the ILO, UNICEF, World Bank and IMF have supported MMAS and INAS in negotiations with the Government to increase the fiscal space for basic social protection. Furthermore, the ILO has provided capacity building support for MMAS and INAS staff in evidence-based planning and budgeting, to better plan and advocate for increases in budget allocation. Finally, the establishment of a coordination mechanism for the financing of basic social protection programmes, currently being developed, will help to reduce the fragmentation of financial support to the sector.

In terms of operational challenges, there continues to be a need to strengthen the institutional capacity of the sector. Despite advances, the availability of qualified human resources is not commensurate with the increase in the budget allocation and expansion of the programmes. At district level, capacity building is necessary in order to effectively operationalise the system.

Furthermore, the absence of INAS representation across all districts is considered problematic given the long distances that beneficiaries must travel. Since 2005, INAS has increased its presence from 11 to 30 districts. However, they have not received additional funding for related costs. In order to address this challenge, INAS has proposed a new structure to MMAS, which includes closer follow-up with beneficiary households, enhancing the effectiveness of service provision.

The new Standard Programme Operational Procedures are also expected to improve the efficiency of programme implementation. Currently, the fiduciary risk of implementing the programmes is high, due to the absence of an up-to-date beneficiary registry and electronic payment system. INAS is working with UN agencies to develop a holistic management and information system for all the INAS programmes, which includes the re-registration of all beneficiary households, the introduction of a single registry, and the rollout of an up-to-date database system. In addition, the Council of Ministers recently approved the outsourcing of payments which is expected to enhance service provision to beneficiary households through user-friendly payment mechanisms, freeing up time for INAS officials to provide additional services, such as case management support. One of the main challenges will be to recruit and regulate qualified service providers. The Standard Programme Operational Procedures also introduce a new grievance mechanism for beneficiary households and communities, which will enable better monitoring of the quality of service provision.

In terms of coordination, it has been difficult to operationalise a multi-sectorial ENSSB, and there is a need to improve the effectiveness of the Coordination Council for the Basic Social Security Sub-system, and strengthen coordination between MMAS and the education and health sectors. Enhanced interministerial cooperation would also facilitate the implementation of the new Public Works Programme. Furthermore, the institutional governance system needs to be consolidated. Coordination between new actors in the PARP's Social Action Group, and the alignment between that group's work plan and the Government's work plan in that group is essential. According to the Government, there is a tendency for each development partner to superimpose their priorities on the others, focusing on their own area of intervention, and forgetting the common purpose, which is the implementation of the ENSSB. Partners need to accept that, support to Government must take place within the philosophy and priorities set by the government.

Regarding coordination within the United Nations Joint Programme, it is a challenge to maintain the alignment achieved between the three agencies, considering that they come from three different operational models and have different visions, albeit common interests, in extending social protection coverage. In order to avoid delays in government decision-making and implementation, it is necessary for UN agencies to improve coordination, agree on a division of support to the government, and comply with the established work plan.

In terms of dissemination of information, the following challenges were identified: lack of understanding by the population that an effective social protection system is not limited to social security but includes both basic and mandatory social protection; lack of knowledge of the content and strategic vision of the ENSSB and of social security as a right. There is a need to extend communication for development messages to beneficiaries to inform and empower them.

Regarding the mandatory social security system, the challenges highlighted are associated with the extension of coverage to self-employed workers (established Law 4/2007), informal workers, and other categories of workers, such as musicians, sportsmen, and domestic workers; the implementation of the Regulation for the Coordination of the Mandatory Social Security System, approved in 2009, and the improvement of coordination between the different pillars of social protection.

— ANTÓNIO, 80 —

António is 80 years old and lives in a small house with his three-year-old granddaughter. "Now my sons are in South Africa.

"As soon as I get paid, I save MZN 50 and I'm left with MZN 200 to survive

They never come to visit. I only have one daughter. She ran away, and left her daughter with me". He says he worked in the fields every day, until he became sick. He now receives a cash transfer of Mt 250 per month from the government. António is a beneficiary of the Basic Social Subsidy Programme. "As soon as I get paid, I save MZN 50 and I'm left with MZN 200 to survive. With my savings, I began gathering material and was able to build a room in my house, which I rent out. At the moment, someone rents the room for Mt 250. It is another income source to complement the subsidy, which is small".



Success Factors

Three factors contributed to the success of the Mozambican experience in establishing a Social Protection Floor with the support of the United Nations: the relationship between Government and development partners, the approach to technical co-operation and the institutional governance system.

In terms of the relationship with Government, the main success factors highlighted were: strong political leadership of the Minister of Women and Social Action; the acknowledgement that basic social protection is a tool to fight poverty; the Government's political commitment to increase fiscal space for long-term, sustainable social protection; openness to dialogue and the establishment of a relationship between the government and partners based on trust, including the open and constructive attitude of INAS' director, the transparency of which is noteworthy.

The following points related to technical cooperation were mentioned as having contributed to the successful establishment of the SPF: an open and respectful approach towards the Government, the continuity of teams that provide technical assistance and cooperation, the investment of development partners in the Government's social protection programmes, rather than setting up and financing pilot projects, the commitment to the development of a holistic social protection system, and coordinated and complimentary support from UN agencies in the context of the Delivering as One Initiative. The process of building an SPF has also been characterised by a focus on processes rather than only the final products. Processes provide opportunities to build capacity at the national level and promote national dialogue.

Key to the process has been the conception of social protection interventions in a holistic manner rather than as a separate technical component.

The success of the Social Action Group, which has supported the reform process and development of the SPF financially and with technical assistance, is attributed to the fact that the group started off with a limited number of members making the group dynamic and facilitating alignment and harmonisation. This laid the foundations for trust and cooperation between Government and partners and influenced its gradual development. The fact that ILO, UNICEF and WFP jointly participated in several groups whilst working in a complementary manner to facilitate cross-fertilisation is mentioned as a factor contributing to the success of the process. The three agencies contributed with high-level expertise and a strong focus on producing and sharing knowledge, which strengthened their credibility. A key factor was that the integration of all partners, especially the Government, was put at the core of the development process.

According to the interviewees, the effective functioning of the working groups was facilitated by the availability of policy tools with very clear goals as well as by the spirit of openness, sharing, and coordination between development partners and the government, focusing on the intended result: support to the implementation of the ENSSB. The following were considered as important elements: respect for the necessary processes and the dynamics of each of the development partners and of the government, regardless of the different agendas, and focus on those processes in which alignment was possible.

Champions of change

A transformational process such as the one that took place in the social protection sector in Mozambique from 2005 to 2015, would not have occurred without people committed to change in favour of the beneficiaries of social protection policies and the social development of Mozambique, including:



Elsa Alfai
Advisor to the Minister
of Women and Social Action



Lúcia Mairosse
Director of INAS



Miguel Maússe
National Director Social Action,
MMAS

Lessons Learnt

A number of lessons were learnt from the rich experience of stakeholders in the development of a Social Protection Floor in Mozambique 2005-2015. These lessons may be useful for other developing countries interested in expanding social protection systems.

On the process of developing a social protection floor in Mozambique

- ▶ The process must start with the establishment of a medium and long-term programmatic vision, and with the demonstration of the government's commitment to its implementation. A long-term financial commitment by the government and donors is essential for the sector's development to be efficient, effective and sustainable.
- ▶ Programme implementation must be phased, taking into account the institutional capacity and financial sustainability of the system, and requires expertise in different technical areas. It is essential to make regular impact, context and programme assessments to inform policy development and programme reforms. An adequate management and information system, including a single registry of beneficiary households and an efficient, transparent payment system, are also key elements.
- ▶ Political moments and opportunities for change must be identified and appropriately engaged through a well-thought-out and multi-party advocacy strategy. An investment in the technical knowledge of key actors and champions, with a specific focus on increasing the knowledge and therefore the political influence of MMAS and INAS, is necessary to successfully influence national, overarching policies and plans.
- ▶ Relevant international experiences must be sought and useful lessons learnt and integrated into policies and programmes.

On the reinforcement of MMAS' and INAS' institutional capacity

- ▶ Investing in the exchange of experiences between different countries has a high return, because it offers potential solutions to the country's challenges.
- ▶ A focus on technical assistance to government institutions strengthens Government institutional capacity and allows it to take ownership over the process, ensures political commitment and leads to effective reform and transformations.
- ▶ The strategy to train Government trainers is the best way to disseminate knowledge internally, at low costs. Continuous capacity development is necessary.

- ▶ The production of evidence and provision of high-level technical expertise by UN agencies can assist the Government in advocating for basic social protection in national and international forums.

On Government ownership

- ▶ Respect for the government's leadership and pace is essential to ensure sustainable change. Ownership must be built from within the government. Therefore, it is important to invest the necessary time to build support among key decision makers.

On coordination between development partners

- ▶ Strong cooperation, coordination, and the establishment of joint priorities among development partners is key in supporting the government, ensuring the most efficient and effective use of resources, and streamlining support.
- ▶ A clear definition of responsibilities among partners is the basis for solid joint work. It is built with time and draws on each partner's comparative advantages.
- ▶ To have a sole voice when negotiating with the Government reduces the administrative and transactional burden for the government.
- ▶ Strategic partnerships with Government, cooperation partners, civil society, media, academia and Parliament strengthen the UN team's delivery capacity and expertise.

On the coordination between the Government, development partners and civil society

- ▶ To ensure better results, it is crucial to have openness in communication, mutual respect and trust, broad-based participation, high levels of commitment, transparency and the involvement of stakeholders that operate at different levels and in different spheres.
- ▶ The creation of working groups involving the government, donors, the United Nations and civil society allows for better action-oriented coordination and is an opportunity to harmonise the different interventions and programmes. These groups must have as primary objective to enhance the implementation of Government policies.
- ▶ Common work plans make sure that each partner produces results.



Acronyms

ILO: International Labour Organization
UNICEF: United Nations Children's Fund
WFP: World Food Programme
IMF: International Monetary Fund
INAS: National Institute for Social Action
MMAS: Ministry of Women and Social Action
INSS: National Institute for Social Security
DNPS: National Directorate for Social Providence
SPF: Social Protection Floor
PSSB: Basic Social Subsidy Programme
PASD: Direct Social Action Programme
PASP: Productive Social Action Programme
UNDAF: United Nations Development Assistance Framework
SDRG: Social Development Results Groups
MITRAB: Ministry of Labour

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