



## Social Protection Floor in Mozambique

Summary, 8 September 2011

Significant institutional strides have recently been achieved in the area of extending social protection in Mozambique. The approval in 2010 of the Regulation for Basic Social Security and the National Strategy for Basic Social Security (ENSSB) paved the way for comprehensive and coordinated efforts to extend coverage and improve efficiency in delivery of social security benefits. Earlier in 2007, the Social Protection Law gave the first step, dividing SP in 3 pillars, establishing a mix of funding mechanisms and offering a set of potential benefits and programs aligned with the SPF definition. The Regulation was a step forward, protecting key rights, establishing universalization as a goal, but also noting that the extension of social protection will be gradual, in accordance with national capacity. All this has led to an increased interest from national and international stakeholders translated for instance by a much higher profile of SP in the new PRSP (PARP 2011-2014).

It is useful to stress that Mozambique has one of the oldest non-contributory transfers in Africa, the Food Subsidy Programme (PSA). PSA is a national public programme that has been implemented by the National Institute of Social Action approximately since 20 years making it the precedent for the current expansion of basic social security benefits. Moreover, it is of significance that the PSA has a national coverage and that its coverage has significantly increased in recent years, from 96,572 households in 2006 to its current 2011 target of 252,842 households, representing a more than 161 per cent increase in 5 years.

Moving towards the operationalization of the ENSSB, the Council of Ministers approved in 2011 the revision and creation of new Programs. From 2012 the Basic Social Subsidy Program (PSSB) will replace the PSA for those households (HH) with no adults able to work. This will imply an increase in the amount of the monthly transfer - from current 100 Mts to 239 Mts (approx. 9 Usd), increased by 25% by each additional household member. The target set is to cover all of the HH without able members to work until 2014. For the HH with at least one adult able to work the government will introduce a seasonal cash transfer associated with the participation in Public Works. The idea is to help smoothing consumption during the lean season, to prevent asset depletion and to build community assets. For the first phase (until 2014), the target set by the Government for 2014 was set around 15% of those HH. A Third Program (Direct Support Program) targets households where all adult members are only temporarily unable to work. This program will also cover Child Headed Households.

Despite the progresses, there is still a lot to be done to extend coverage to all those in need and to improve system effectiveness and efficiency. Coverage still represents less than 10% of the HH living below the poverty line. To improve the coordination of social security programs, the Government is setting up a Coordination Council and created a Social Action ID card that will be the same for different sectors. Government is also working on the (i) development of a new Management Information System, (ii) developing a Community Case Management system to monitor the well-being of beneficiaries and their access to other services, (iii) improving targeting mechanisms and (iv) testing more efficient means of payment. Important for these and future achievements is the collaborative work from UN agencies, WB, IMF and bilateral partners who have been supporting the policy dialogue, providing technical assistance and raising awareness to enhance commitment to SP.

