



International Labour Organization

Social protection floor: A UN Joint crisis initiative

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and Social Development**

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Structure of the presentation

Definitions: social protection, social security ...

- I. The issue: low level of social protection coverage, although many arguments to justify the extension**
- II. The UN CEB Social protection floor initiative as a response to the crisis**
- III. The SPF is affordable and feasible**
- IV. What can be done to support the Social Protection Floor initiative?**
 - a) Global level & regional level**
 - b) Country level**

Definitions: social protection, social security ...

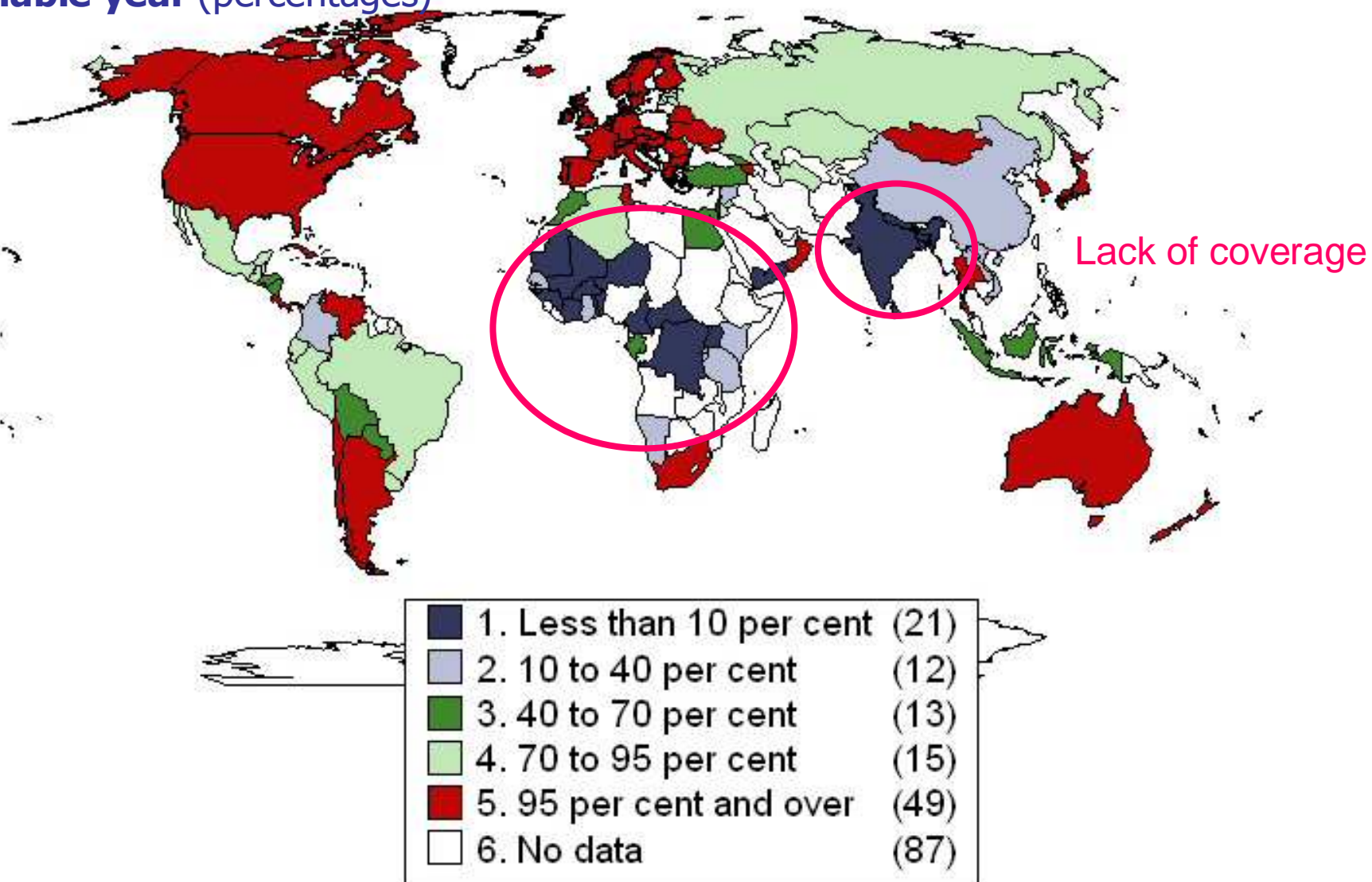
- **Social security** is a coherent set of public measures provided by society to its members
 - To provide people with health care
 - To compensate for the absence or substantial reduction of income from work resulting from :
 - Sickness, Maternity, Work Injury, Unemployment (Short term benefits)
 - Death of the breadwinner, Invalidity, Old age (Long term pensions)
 - To provide benefits for families with children and facilitate access to education (scholarships, CCTs)



- **Social protection** includes also private or non-statutory schemes with similar objectives

I- The issue: low level of coverage ...

Health protection: Proportion of the population covered by law, latest available year (percentages)

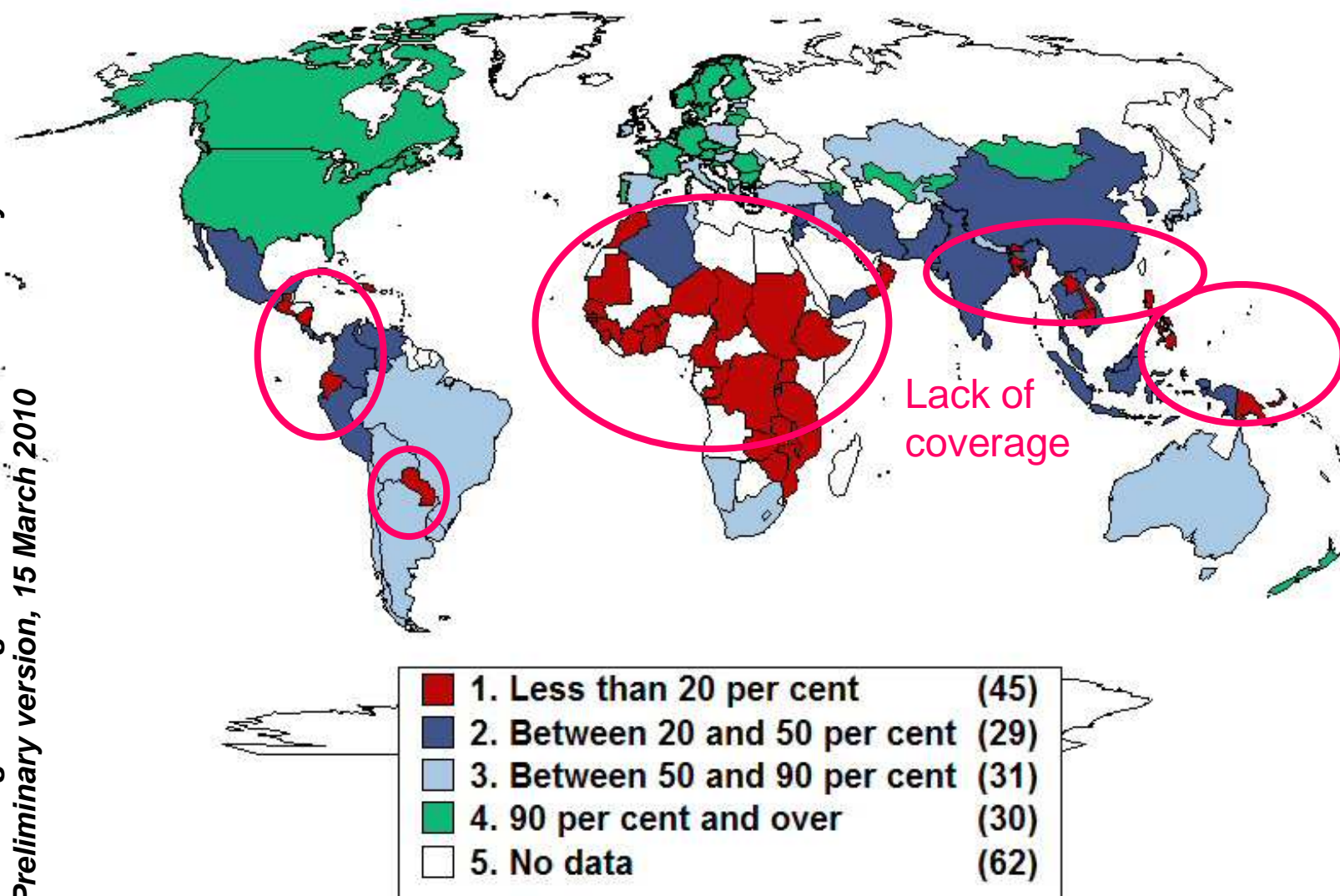


SOURCE: (ILO, 2010)World Social Security Report
Providing coverage in the time of crisis and beyond
Preliminary version, 15 March 2010

I- The issue: low level of coverage ...

Old-age pension beneficiaries (C and NC) as a percentage of the population above retirement age, latest available year

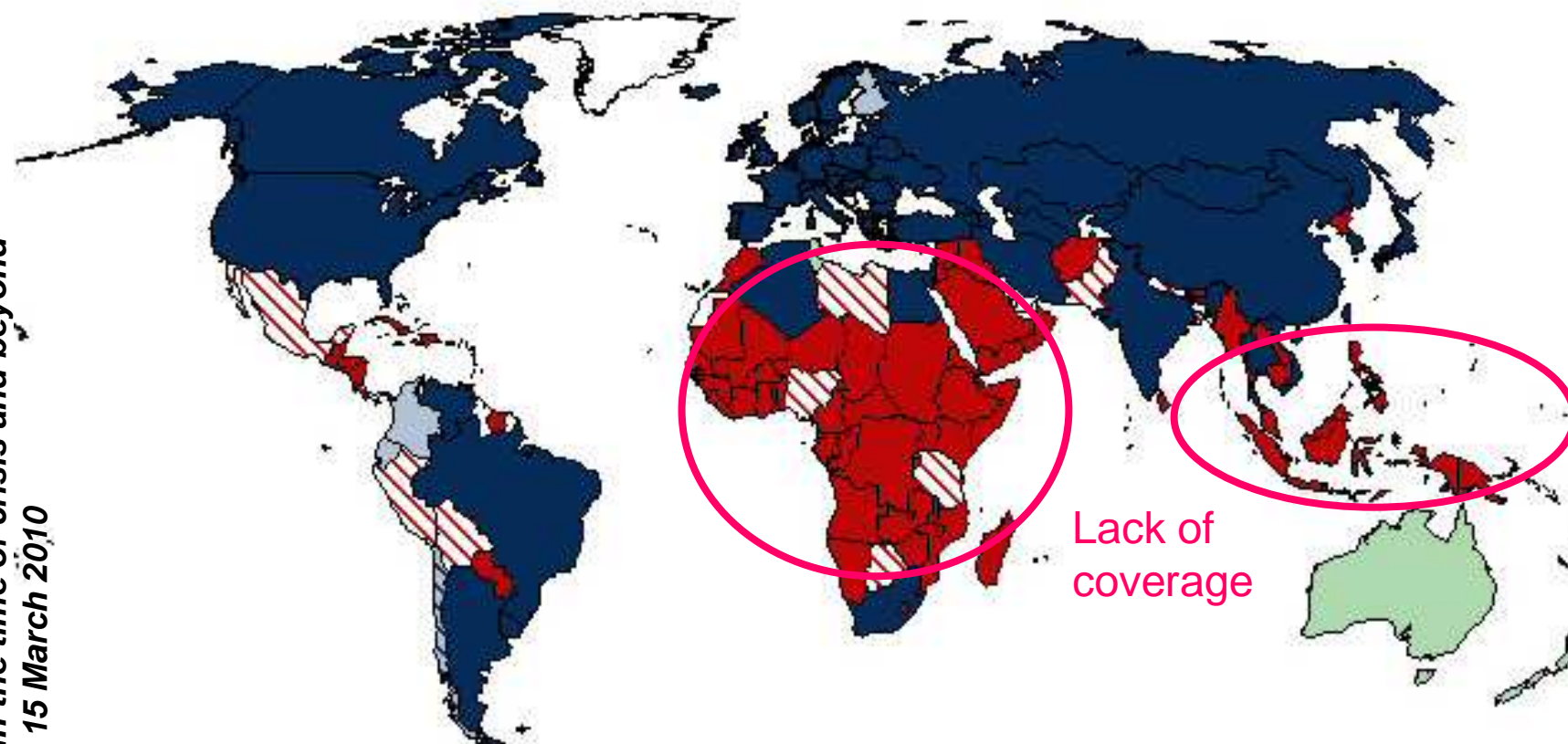
SOURCE: (ILO, 2010)World Social Security Report
Providing coverage in the time of crisis and beyond
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I- The issue: low level of coverage ...

Existence of unemployment protection schemes by type of scheme, 2008–09

SOURCE: (ILO, 2010)World Social Security Report
Providing coverage in the time of crisis and beyond
Preliminary version, 15 March 2010



I- ... Although many arguments to justify the extension

- **Social security is a basic human right :**
 - Universal Declaration of Human Rights (1948), Article 22: Everyone, as a member of society, has the right to social security
 - International Covenant on Economic, Social and Cultural Rights (1966), Article 9: « *recognize the right of everyone to social security, including social insurance* »
- One area of social security (access to health) is addressed by a specific right: the right to health
- Consequences :
 - States and international community have the obligation to take appropriate measures to guarantee this right (legal, administrative, budgetary ...)
 - Each individual is entitled to a minimum level of social protection, without exception or discrimination
- ILO Conventions and recommendations provide useful guidance for the design of SS legislations
 - ILO C102, 1952: Flagship convention of social security



I- ... Although many arguments to justify the extension

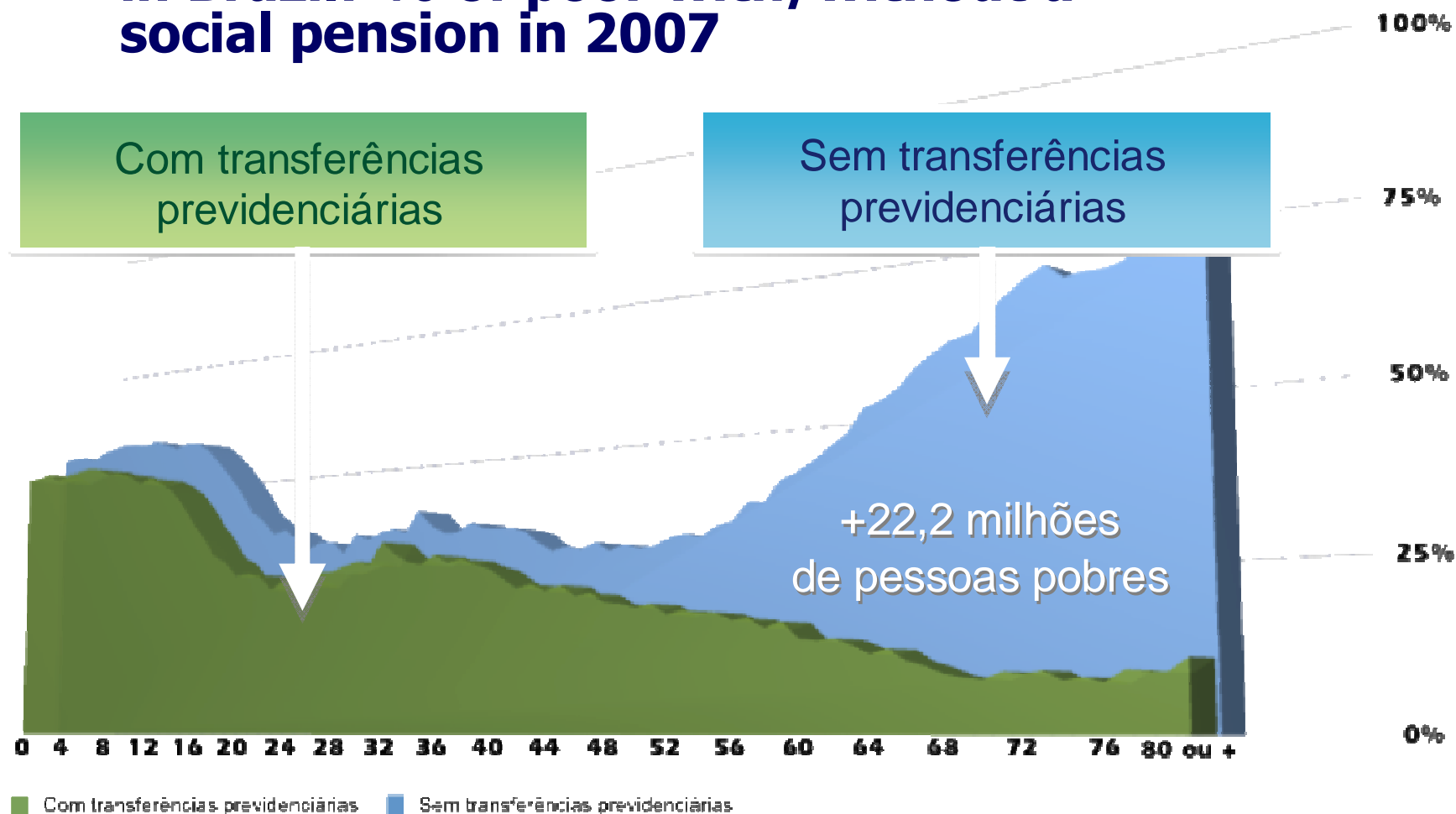
- **Social security has a redistribution function and therefore**
 - Contributes to protect people from economic and social shocks
 - Contributes to reduce poverty and inequalities
 - Income transfers through social security have a short term and a longer term effect on income inequality & moving out of poverty
 - Contributes to boost consumption of households & to the development of the domestic market, and a ***more balanced*** economy
 - Boost economic growth by raising domestic demand / internal markets
 - Enhance human capital and productive employment - a better educated, healthy and well nourished workforce

I- ... Although many arguments to justify the extension

- **In times of crisis, social security systems are social and economic stabilizers**
 - They mitigate the economic and financial impact of Unemployment and Under-Employment on workers and their families → **social stability**
 - Most of the fiscal **stimulus packages** adopted by the governments included social protection components
 - They support aggregate domestic demand → **facilitate recovery**
 - Lessons learned from past crises: countries that had effective and efficient social security systems in place were much better equipped than those who had not put such systems into place.

I- ... Although many arguments to justify the extension

- **Social protection floor impact on poverty in Brazil: % of poor with/without a social pension in 2007**

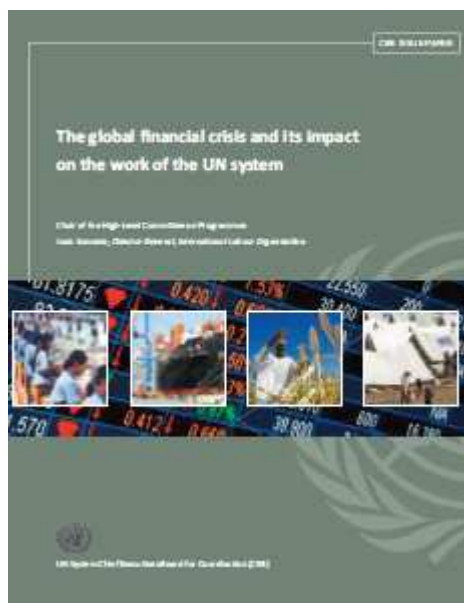


Fonte: PNAD/IBGE – 2007. Elaboração: SPSMPS. * Linha de Pobreza = ½ salário mínimo.

Obs: Foram considerados apenas os habitantes de domicílios onde todos os moradores declararam a integralidade de seus rendimentos.

II- The UN CEB Social protection floor initiative

- On April 2009, the UN Chief Executives Board (CEB) have agreed on **nine joint initiatives** to confront the crisis, accelerate recovery and pave the way for a fairer and more sustainable globalization:



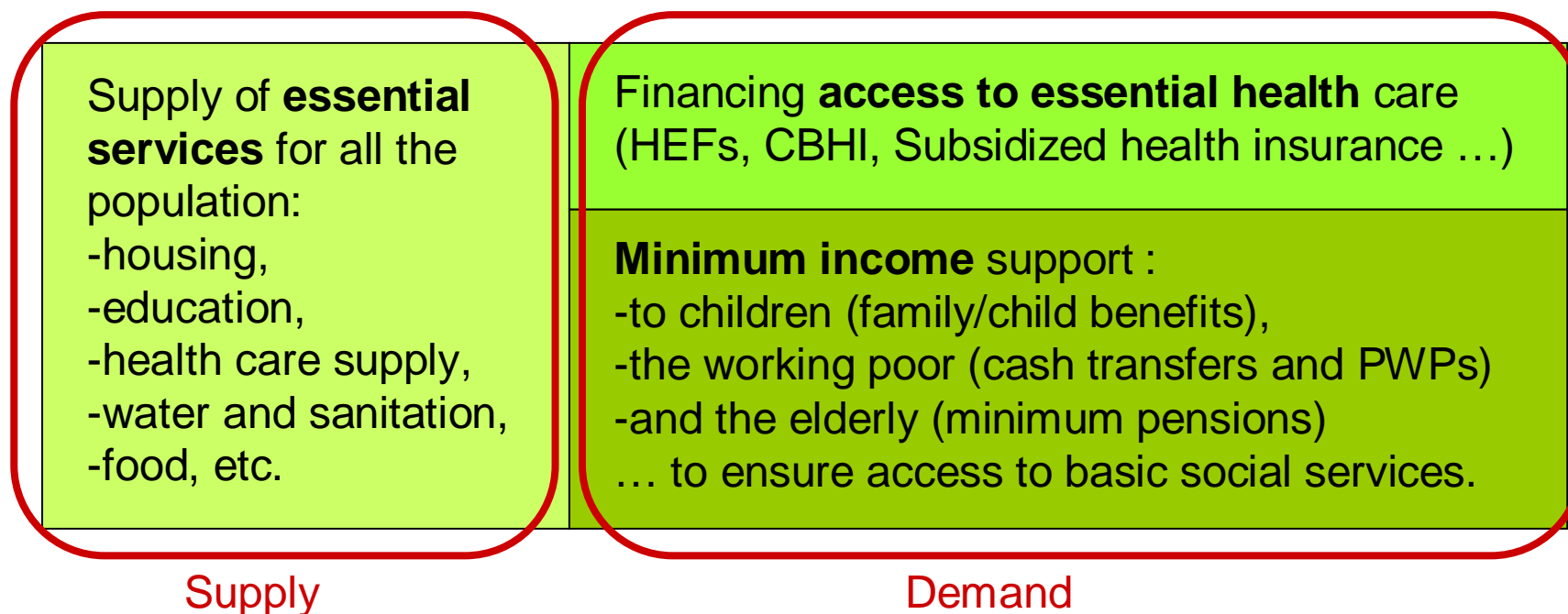
1. Additional financing for the most vulnerable
2. Food Security
3. Trade
4. A Green Economy Initiative
5. A Global Jobs Pact
- 6. A Social Protection Floor**
7. Humanitarian, Security and Social Stability
8. Technology and Innovation
9. Monitoring and Analysis

II- The UN CEB Social protection floor initiative

- Who participates in the SPF initiative?
 - **National stakeholders** including governments (Ministries of Labour, Health, Finance, Agriculture ...); social partners; national NGOs
 - **17 Agencies:** ILO and WHO (co-leaders), FAO, OHCHR, UN regional commissions, UNAIDS, UNDP, UNDESA, UNESCO, UNICEF, UNFPA, UNHABITAT, UNHCR, UNODC, UNRWA, WFP, WMO
 - The World Bank and IMF
 - Regional development banks, bilateral donors, global funds
 - International NGOs (Helpage, ISSA, Care ...)

II- The UN CEB Social protection floor initiative

- The SPF Initiative aims at ensuring access to essential services and social transfers for the poor and vulnerable. It focuses on 2 critical components:



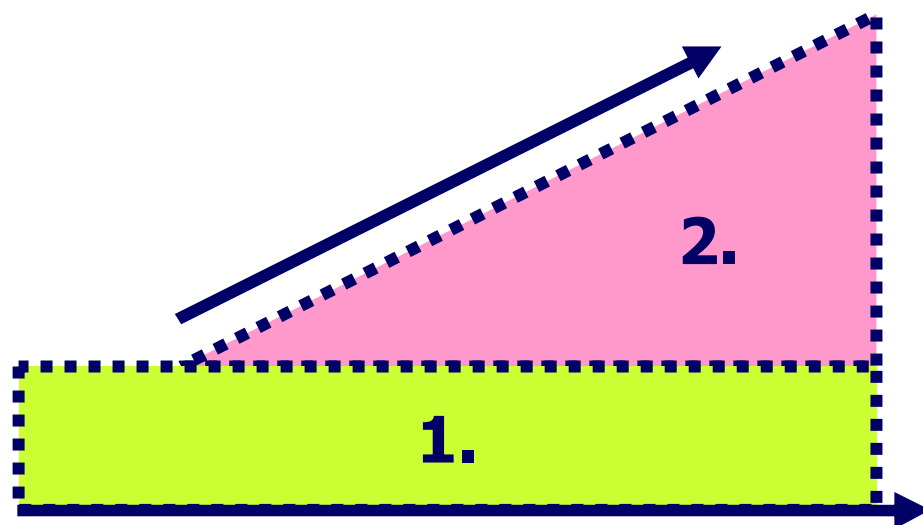
- The two dimensions (supply and demand) are complementary and articulated

II- The UN CEB Social protection floor initiative

	Social services & transfers	For...	Types of programs
Health:	Health care supply + Financial / Physical access	All population	Subsidized health insurance, HEFs ...
Education:	Supply of schools + Financial / Physical access	Children	Scholarships, School feeding programs
Water, Food, Sanitation, Housing:	Transfers in kind: food, water ...	All the poor	Food distribution, water supply
Minimum income:	Transfers in cash	Families with children	Family/Child allowances
		Working poor, under-employed	PWPs, employment guaranteed schemes
		Elderly, disabled..	Minimum pensions

II- The UN CEB Social protection floor initiative

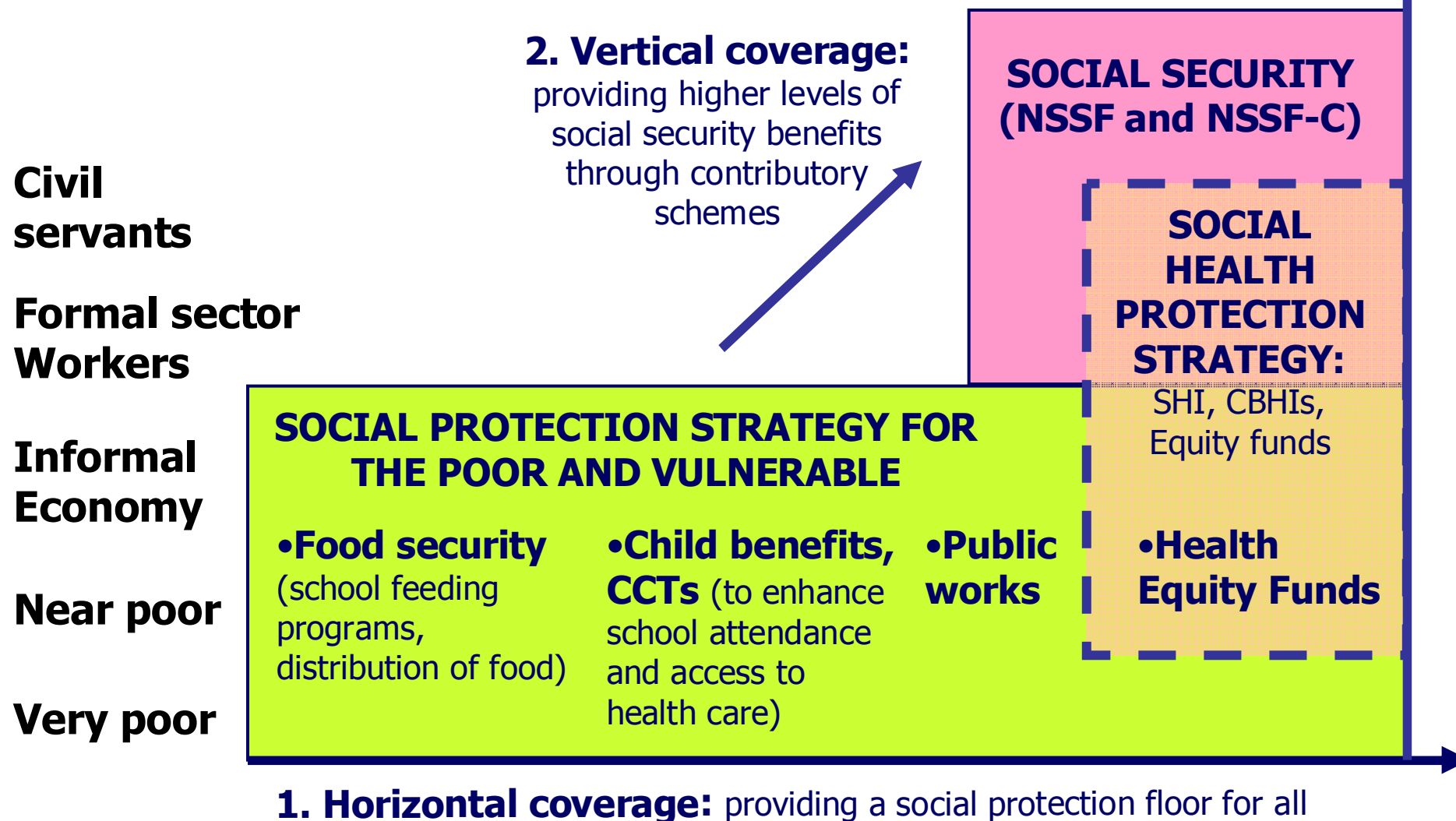
- The **SPF** is not only an anticrisis measure but an essential part of each country's national social security strategy which may have 2 dimensions:
 1. An **horizontal dimension** : Extension of the SPF (minimum income security and access to health care) to the whole population ("minimum core content").
 2. A **vertical dimension** aims to provide higher levels of income security and access to higher quality health care.



Of course in many countries it is less schematic...

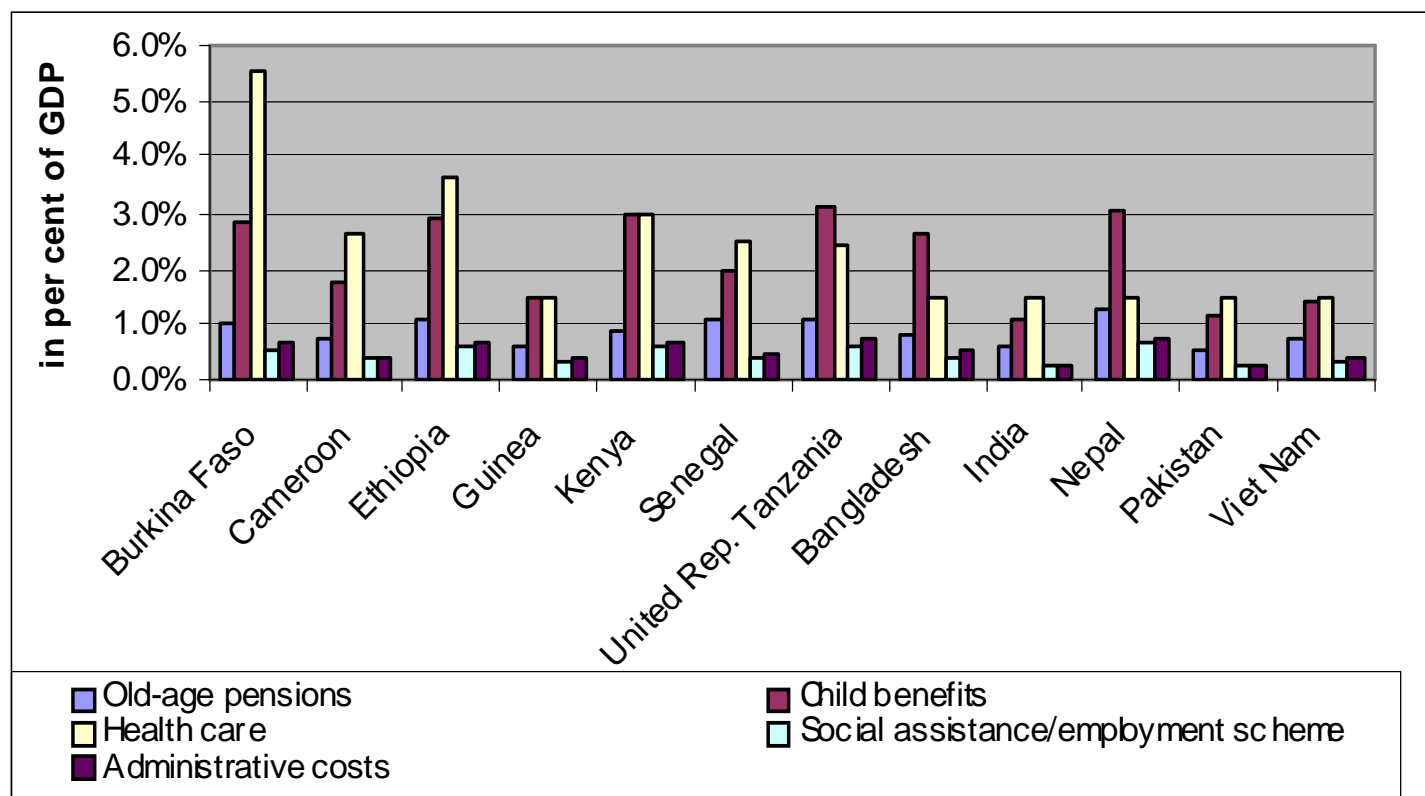
II- The UN CEB Social protection floor initiative

- **Illustration of horizontal/vertical extension in Cambodia:**







III- The SPF is affordable and feasible

Evidence emerges that a minimum package of social security benefits is affordable in even the poorest countries (recent work by the ILO on the cost of a minimum package in sub-Saharan Africa, Asia and Latin America).



A SPF is possible from a financial and macro-economic point of view in every country (3 to 5 % of GDP). SP is rather a cost-effective investment in human capital.

IV- What can we do to support the SPF?

- At Global level: A SPF Advisory Network
 - Composed of focal points of the UN agencies, WB, IMF...
 - It aims at providing support to the country teams and at monitoring progress at global and regional levels, through:
 - Knowledge management  **GESS Platform**
 - Capacity building for national planners  **TURIN**
 - Joint advocacy and Fund raising  **ILO EU project**
 - Developing a common implementation framework
 - Monitoring, evaluating and reporting  **A Manual and strategic framework for joint UN country operations was drafted during a workshop in Turin; it proposes a global and a national framework for action.**

IV- What can we do to support the SPF?

<http://www.socialsecurityextension.org>



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» What is the 'UN CEB Social Protection Floor'?

The UN Social Protection Floor (SPF) Initiative promotes universal access to essential social transfers and services. More than 75% of the global population do not enjoy a set of social guarantees that allow them to deal with life's risks. Ensuring a social protection floor for these people, struggling just to survive, is a priority.

There is strong evidence that social protection contributes to economic growth by raising labour productivity and enhancing social stability. Investing in a Social Protection Floor is investing in social justice and economic development. Ensuring a SPF for the entire world population represents a considerable challenge, but calculations by various UN agencies show that a basic floor of social transfers is globally affordable at virtually any stage of economic development, even if the funding is not yet available everywhere.



[Roots and rationale of the Floor](#)

[Concept of the Floor](#)

[Participants](#)

[Affordability](#)

[Implementation](#)

[Country examples](#)

» Roots and Rationale of the Social Protection Floor (SPF)

The current financial and economic crisis will have dramatic social, health, hunger and education effects unless decisive action is taken. In times of crisis, transfer incomes, notably social assistance and social security benefits paid to unemployed workers and other vulnerable recipients, act as social and economic stabilizers. Benefits and guaranteed access to services not only prevent people from falling further into poverty but also limit the contraction of aggregate demand thereby curtailing the potential depth of the recession. And yet, still 75-80% of the global population do not enjoy a set of social guarantees that allow them to deal with life's risks... So there is a need for a social protection floor below which nobody should fall. The international community has to support the development of a social protection floor to protect

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» GLOBAL ECONOMIC CRISIS

- Global Response
 - » UN Social Protection Floor Initiative
 - National Responses

» FIND OUT ABOUT ...

- Why and how should social security be extended ?
 - » Right to Social Security
 - » Impact of Social Security
 - » Campaign
 - » Roadmap
- Policy Areas
 - » Social health protection
 - » Old-age, disability ...
 - » Children
 - » HIV/Aids
- Policy instruments
 - » Basic social protection
 - » Universal benefits
 - » Social insurance
 - » Microinsurance
 - » Social assistance
 - » Conditional Cash Transfers
- Tools / models
 - » Actuarial & Social Budgeting

IV- What can we do to support the SPF?

- At country level (examples in Asia):
 - Establish / work within SPF teams or taskforces
 - Advocacy, awareness raising **Thailand**
 - Common understanding (with UN agencies, government ...) **Cambodia**
 - Documentation of experiences **SPF Success Stories**
 - Rapid assessment, shared diagnosis (workshop)
 - Support to the development of national SPF strategy **China, Thailand, Vietnam...**
 - Support to the implementation of these strategies **Cambodia (SP strategy for the poor and the vulnerable)**
 - Social budgeting, costing exercises **Cambodia (CARD)**
 - Legal work
 - Design & implementation of SPF schemes **Lao PDR (health)**
 - Monitoring and evaluation of the SPF expansion **Cambodia (CARD)**

IV- What can we do to support the SPF?

- The role of NGOs and civil society: **Advocacy & awareness raising among**
 - **Policy makers** (arguments on balanced and equitable growth, being prepared for the future crisis, etc)
 - **Employers** (implementing the floor can be part of a differentiation strategy (fairness / equity / redistribution); it is also a matter of CSR towards own staff and subcontractors, as well as surrounding population; it contributes to increase productivity ...)
 - **Informal economy workers and rural populations**
 - **General public** (that have also a responsibility as consumers)
- **Concrete activities:**
 - **Find “ambassadors”, document and disseminate good practices, produce brochures targeting each public, media campaigns ...**

IV- What can we do to support the SPF?

- The role of NGOs and civil society: **Design of SP strategies and SPFloor**
 - **NGOs, associations know better than policy makers the specific needs of the target groups**
 - **Cambodia, National Social Protection Strategy for the poor and vulnerable, associations dealing with vulnerable groups were involved;**
 - **India, NREGA, local communities involved in the choice of public infrastructures to be built under the scheme (schools, roads, irrigation...).**

IV- What can we do to support the SPF?

- The role of NGOs and civil society:

Implementation of the SPFloor

– The missing link between central level and populations ...

- Targeting (ex: community targeting)
- Channeling funds within cash transfer programmes (ex: local microfinance institutions)
- Registration, claims management, local relations with HC providers (ex: role of mutual health organizations within nation-wide schemes: Colombia, Burkina Faso, Philippines)

– The floor supplements their own activities and can therefore reinforce their impact

- RSBY in India provides Inpatient insurance; Micro-insurance schemes can concentrate on prevention, education and out-patient care



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Thank you!