*Sparking* the Agenda for Social Protection and Labor Systems

Arup Banerji
First Social Protection Inter-Agency Board Meeting
New York, July 3 2012
Hunger Safety Net Programme
Older Persons Cash Transfer
Disability Grants
Food/cash for Assets
Urban Food Subsidy
Supplementary Feeding for Mothers and Children
Civil Service Pension
Expanded School Feeding
Home Grown School Meals
Education Transfers for Most Vulnerable Children
Microinsurance for Low-Income Families
Southern Nyanza Community Development Project
Youth Empowerment Project
Cash Transfer for Orphans and Vulnerable Children
Cash Transfer for Orphans and Vulnerable Children
Hunger Safety Net Programme
Older Persons Cash Transfer
Disability Grants
Urban Food Subsidy
General Food Distribution
Supplementary Feeding for mothers and children
Food/cash for Assets
Njaa Marufuku for farmers’ groups
Farmer First Programme
Expanded School Feeding
Home Grown School Meals
Education Transfers for Most Vulnerable Children
Civil Service Pension
National Social Security Fund
Youth Empowerment Project
Drought Recovery in Turkana and Garissa
Drought Recovery
Microinsurance for Low-income Families
Fertilizer Subsidy
Maize Meal Millers’ Subsidy
Southern Nyanza Community Development Project

0.8% of GDP

Only 27% of all poor
The World Bank’s 2012-2022 Social Protection and Labor Strategy has a central focus:

Building Social Protection and Labor Systems
Building Social Protection and Labor systems to ensure...

**Resilience for the vulnerable**
- Insuring against impacts of different shocks

**Equity for the poor**
- Protecting against dire poverty and loss of human capital

**Opportunity for all**
- Promoting human capital and access to productive work

Why Social Protection and Labor Systems?

Fragmentation

Problems with

Coverage  Coherence  Cost  Capacity
### Why Social Protection and Labor Systems?

#### Fragmentation

Problems with Coverage, Coherence, Cost, Capacity.

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<th>Region</th>
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<th>Only social insurance</th>
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<th>Labor market programs</th>
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Cash transfers in Sub-Saharan Africa are fragmented across ministries and donors.

Why Social Protection and Labor Systems?

- Fragmentation
- Social welfare (35%)
- Social security/labor (9%)
- Other (11%)
- Outside government (45%)

Fragmentation Problems with

- Coverage
- Coherence
- Cost
- Capacity
Most well-performing targeted social protection programs cost less than 1% of GDP.

Brazil *bolsa familia* 0.6%
Mexico *oportunidades* 0.45%

As importantly, badly performing fuel and food subsidies typically cost 3-5% of GDP.

**Fragmentation**

Problems with
- Coverage
- Coherence
- **Cost**
- Capacity
Administrative Sub-systems

- Institutional and governance arrangements
- Eligibility and Targeting mechanisms
- Cash transfer mechanisms
- Databases and registries
- Financing arrangements

Fragmentation

Problems with

Coverage  Coherence  Cost  Capacity
What are Social protection and labor systems?

portfolios of coherent programs

that can communicate with each other,

often share administrative sub-systems,

work together to

deliver multiple objectives:

– Resilience for the vulnerable
– Equity for the poor
– Opportunity for all

But ...

There isn't a common understanding among actors and partners
Social protection and labor systems:

Coordination and coherence between social programmes ...

a framework for coordinated interventions at the household level, addressing multidimensional causes of poverty and social exclusion and aiming to unlock productive capacity.

Adapted from: Report of High-Level Advisory Group to the Social Protection Floor (ILO)
Social protection and labor systems:

[Good] social protection systems [build] on existing structures, [avoid] fragmentation and [ensure] overall coherence and complementarity, through approaches that ... [understand] the different risks faced by men and women
Social protection and labor systems:

Structures and mechanisms that facilitate the integration of a network of interventions and policies to effectively address multiple vulnerabilities.
Social protection and labor systems:

portfolios of coherent programs that can communicate with each other, often share administrative sub-systems, work together to deliver multiple objectives:

– Resilience for the vulnerable
– Equity for the poor
– Opportunity for all

Need for **coherence:**

- Common **Vocabulary**
- Common **Assessment** of existing conditions

*(and for development partners)*

- Shared views on the **way forward**
- Agreement on **roles, responsibilities and complementarities** in a given country context
Proposal:
Social Protection Assessment of Results and Country Systems

*SPARCS*
Proposal: Social Protection Assessment of Results and Country Systems

*SPARCS*

An agreed and shared instrument to benchmark social protection and labor systems and to guide their development.
Levels of a Social Protection and Labor System

Administration level:
Aim: Building basic subsystems to support one or more programs for security, equity or opportunity

Program level:
Aim: Improving design of existing programs and harmonizing across portfolio of programs

Policy Level:
Aim: Ensuring overall policy coherence across programs and levels of government

Source: Robalino, Rawlings and Walker (2012)
An agreed and shared instrument to benchmark social protection and labor systems and to guide their development

- Applied to different levels of systems
  - Policy level
  - Program level
  - Administration level

- Benchmarked ratings within each element
  - From little or no development to good practice

- With practical “how-to” guides as to how to improve the quality and coherence of the social protection system
Clear Benefits:

- **Common methodology** for assessments
- **Clear reform path** for discussion with countries
- "**Open source**" assessments that can be done/used by other organizations
- More coherent **South-South learning**
2. **Eligibility**
   a) Efficiency
   b) Cost effectiveness
   c) Institutional arrangements
   d) ...
   e) ...
   f) ...
   g) .....
Hunger Safety Net Programme

Older Persons Cash Transfer

Disability Grants

Food/cash for Assets

Urban Food Subsidy

Supplementary Feeding for Mothers and Children

Civil Service Pension

Expanded School Feeding

Home Grown School Meals

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Microinsurance for Low-Income Families

Social Protection System

Southern Nyanza Community Development Project

For

Resilience

Equity

Opportunity

Youth Empowerment Project

Cash Transfer for Orphans and Vulnerable Children
For more information

www.worldbank.org/spstrategy