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Universal Social Protection to Achieve the SDGs

**Launch of the New Global Partnership for
Universal Social Protection
to Achieve the Sustainable Development Goals**

United Nations

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Universal Social Protection, the World Bank, the ILO and the SDGs

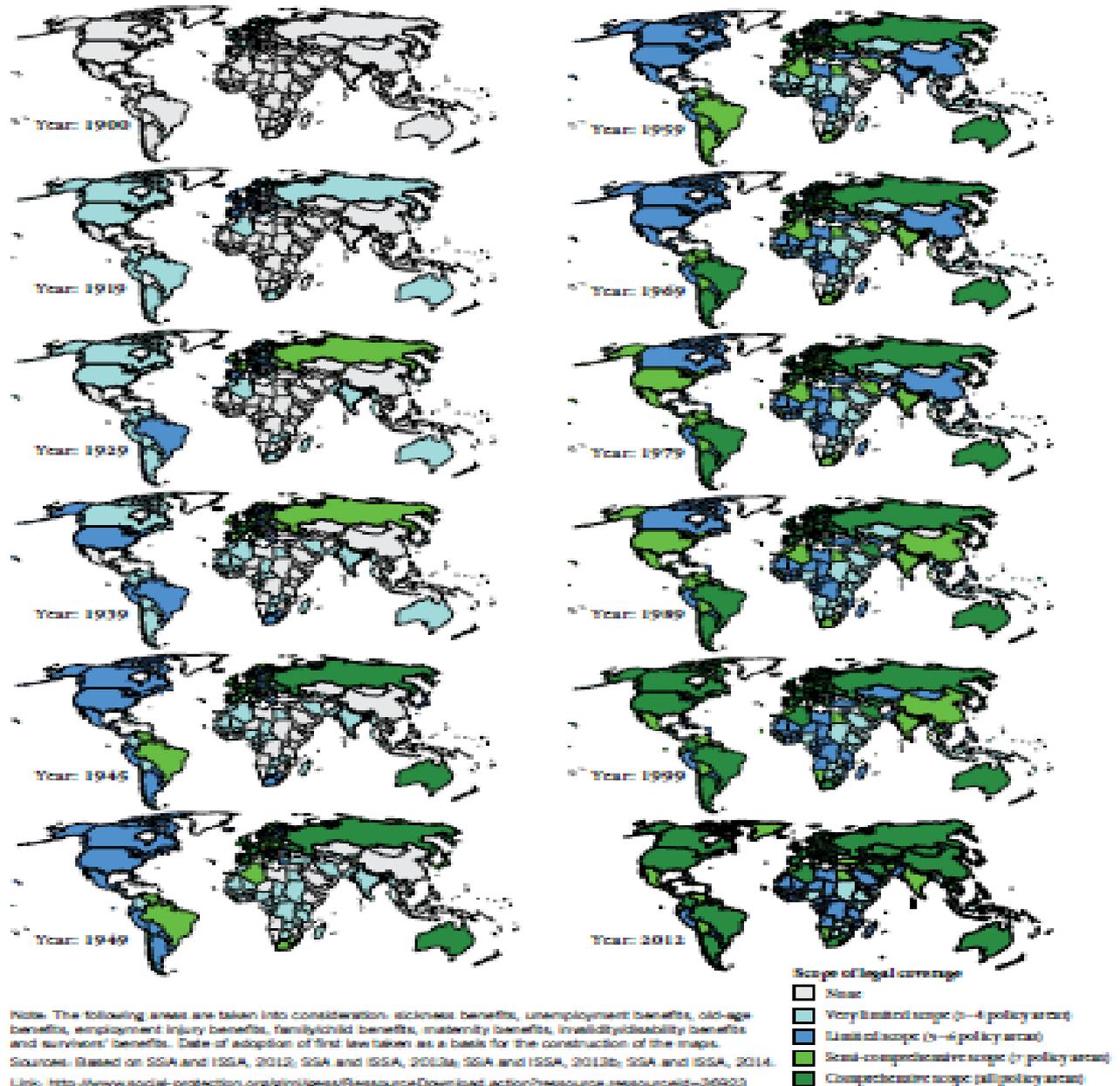
- Universal coverage and access to social protection are central to ending poverty and boosting shared prosperity, the World Bank's twin goals by 2030.
- Also at the core of the Social Protection Floors Recommendation, 2012 (No. 202), approved by world countries, endorsed by the UN and the G20
- World countries have also agreed on SDG 1.3



“Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable”

A Story of More than 100 Years: Building Social Security Systems ... Rapid Expansion since 2000s

Figure 1.1 Towards comprehensive social security systems: Number of areas covered in social protection programmes anchored in national legislation, 1900–2012



Source: [World Social Protection Report 2014-15](#), ILO

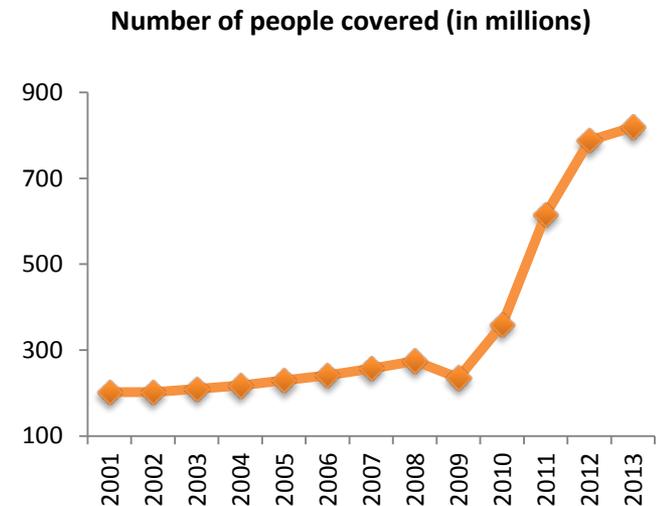
Many countries are rapidly expanding social protection coverage using various policies...

Several have put in place

universal and nearly universal social protection schemes:

- Argentina
- Armenia
- Azerbaijan
- Belarus
- Bolivia
- Botswana
- Brazil
- Brunei
- Cabo Verde
- Chile
- China
- Cook Islands
- Georgia
- Guyana
- India
- Kazakhstan
- Kiribati
- Kosovo
- Kyrgyz Republic
- Lesotho
- Maldives
- Mauritius
- Mongolia
- Namibia
- Nepal
- Samoa
- Seychelles
- South Africa
- Swaziland
- Tanzania (Zanzibar)
- Thailand
- Timor-Leste
- Trinidad Tobago
- Ukraine
- Uruguay
- Uzbekistan

Example: China Expansion of old-age pension coverage over 2001-2013



Source: universal.social-protection.org

...and many development partners working together to promote Universal Social Protection Systems



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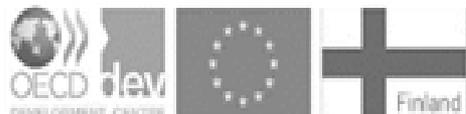
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Food and Agriculture
Organization of the
United Nations



EU Social Protection Systems Programme



Empowering lives.
Building nations.



german
cooperation

DEUTSCHE ZUSAMMENARBEIT



Inter-American
Development Bank



Save the
Children.

See: universal.social-protection.org

Universal Social Protection for Shared Prosperity and Recommendation 202 Social Protection Floors

Children

Working age

Old age



Child
Support

Support for those without jobs
Maternity

Work Injury

Disability Benefits

Access to Health

Old Age
Pension,
Survivors

Safety nets for the poor

Social Protection: Demonstrated Results

Higher income
security for
households

Reduces poverty
and inequality

Lessens social
tensions and
conflict

Builds political
stability

Increases
consumption and
aggregate
demand

Supports crisis
response and
structural change

Promotes
economic growth

Better access to
food and better
nutritional status

Higher utilization
of health services

Improved health

Higher school
attendance and
reduction in child
labour

Better educational
performance

Facilitates search
for jobs and riskier
decision-making

Promotes
productive
employment and
entrepreneurship

Increases human
development and
productivity

Inclusive growth and human development

Universal Social Protection to Leave No One Behind

- For the World Bank, ILO, and partners universal social protection refers to the integrated set of policies designed to ensure income security and support to all—paying particular attention to the poor and the vulnerable.
- There are many paths towards universal social protection.
- One is to implement gradually or immediately universal social protection schemes
 - Our shared objective is: “To increase the number of countries that can provide universal social protection, supporting countries to design and implement universal and sustainable social protection systems.”
 - Achieving the vision is through either
 - (1) the progressive or immediate realization of social protection and implementation capacity that ensures complete coverage of everyone in need
 - (2) as well as through ensuring that there is no retrogression on progress achieved.
- Another one is to build a coherent social protection system of contributory and non-contributory programs that in combination ensure full coverage of all people across the life cycle
 - Support countries in formulating and carrying out coherent social protection strategies
 - Coordinating efforts of development partners through the Social Protection InterAgency Board (SPIAC-B)

Many paths to Universal Social Protection

Governments have a wide set of options to achieve universal social protection. South-South learning shows:

- Some countries opted for immediate universal coverage – eg. Botswana, Timor Leste.
- Others gradual and progressive approach – eg. Brazil, Thailand.
- Some have universalism embedded in their national constitutions - eg. Bolivia, South Africa.
- Others have achieved universalism without any similar constitutional provisions eg. Swaziland, Uruguay.
- Universal social protection is most commonly started with old-age pensions, but some countries have opted to universalize in parallel disability, maternity and/or child benefits. Eg. Argentina, Nepal.
- Some provide a publicly-financed social pension/benefit to all – eg. Mongolia, Namibia.
- Others provide a minimum pension to those who do not have a contributory pension, ensuring universality - eg. Azerbaijan, China.
- Strategic use of transfers to the poor and vulnerable who are not reached out by other social protection schemes-Brazil, Chile, Georgia, India

Strategies for Universal Social Protection Systems, including floors

- 
- (a) Start **national dialogue** and call all relevant stakeholders, including employers, workers, UN and development partners
 - (b) **identify gaps** in social protection;
 - (c) determine **appropriate social protection schemes**, whether **contributory or non-contributory**, or both, as well as the time frame and sequencing for the progressive achievement of the objectives
 - (d) **Cost** selected schemes, identify potential **fiscal space**
 - (e) Discuss **financial and human resources** with Ministry of Finance
 - (f) **Agree national strategy through national social dialogue**

**Universal SP is a State responsibility, achieved by:
(1) a publicly financed transfer,
or (2) by a mix of contributory and non-contributory schemes**

Voluntary Insurance

Mandatory Contributory Social Insurance

**Child
Benefits**

**Unemployment Insurance
Maternity Work injury
Disability Insurance
Health Insurance**

**Old Age
Pension,
Survivors**

Non-contributory/Publicly financed Social Prot. Floors

Child Support

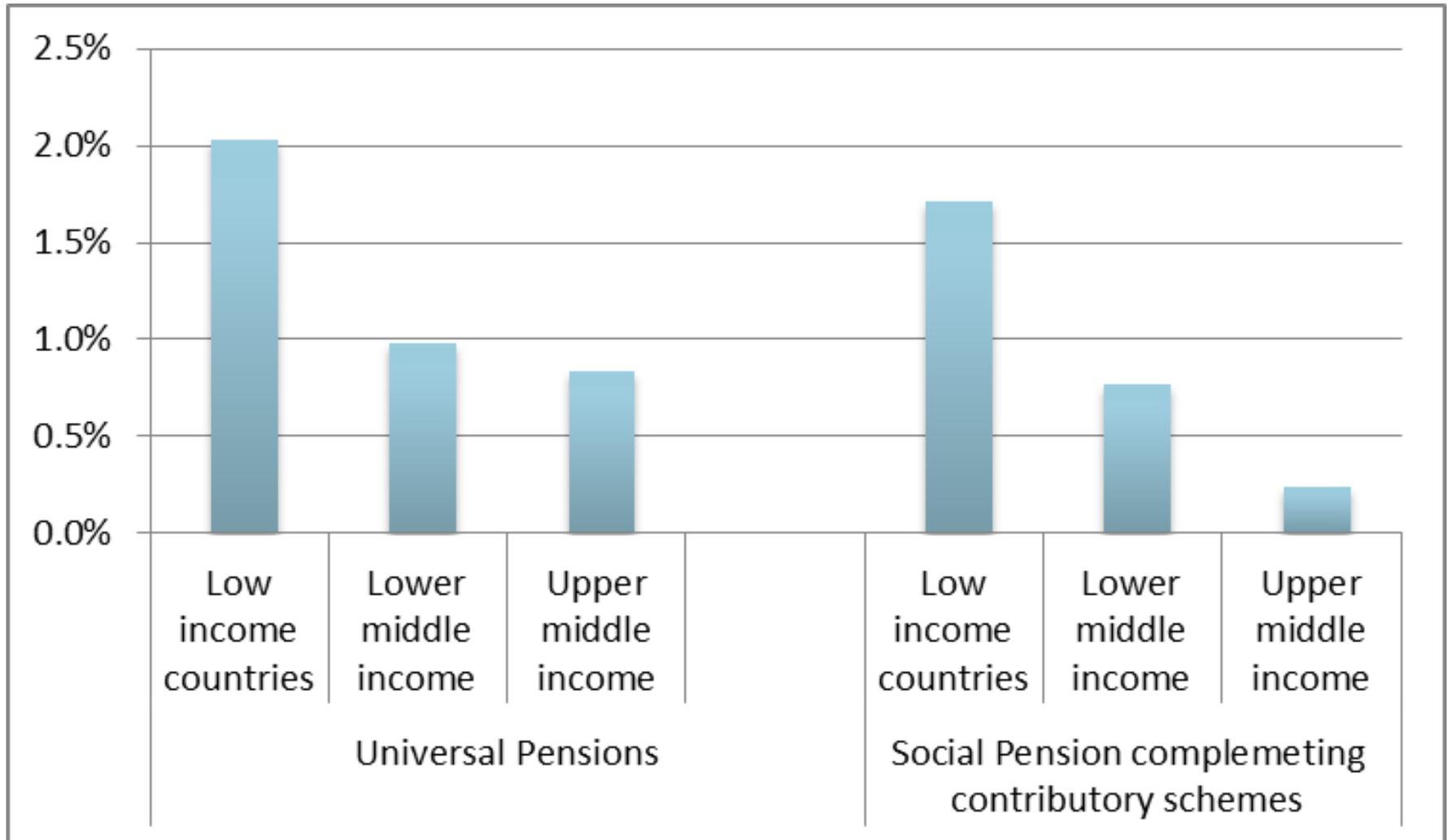
**Support for those without jobs
Maternity benefits
Disability benefits
Access to Health**

**Old Age
Pension,
Survivors**

Safety nets for the poor

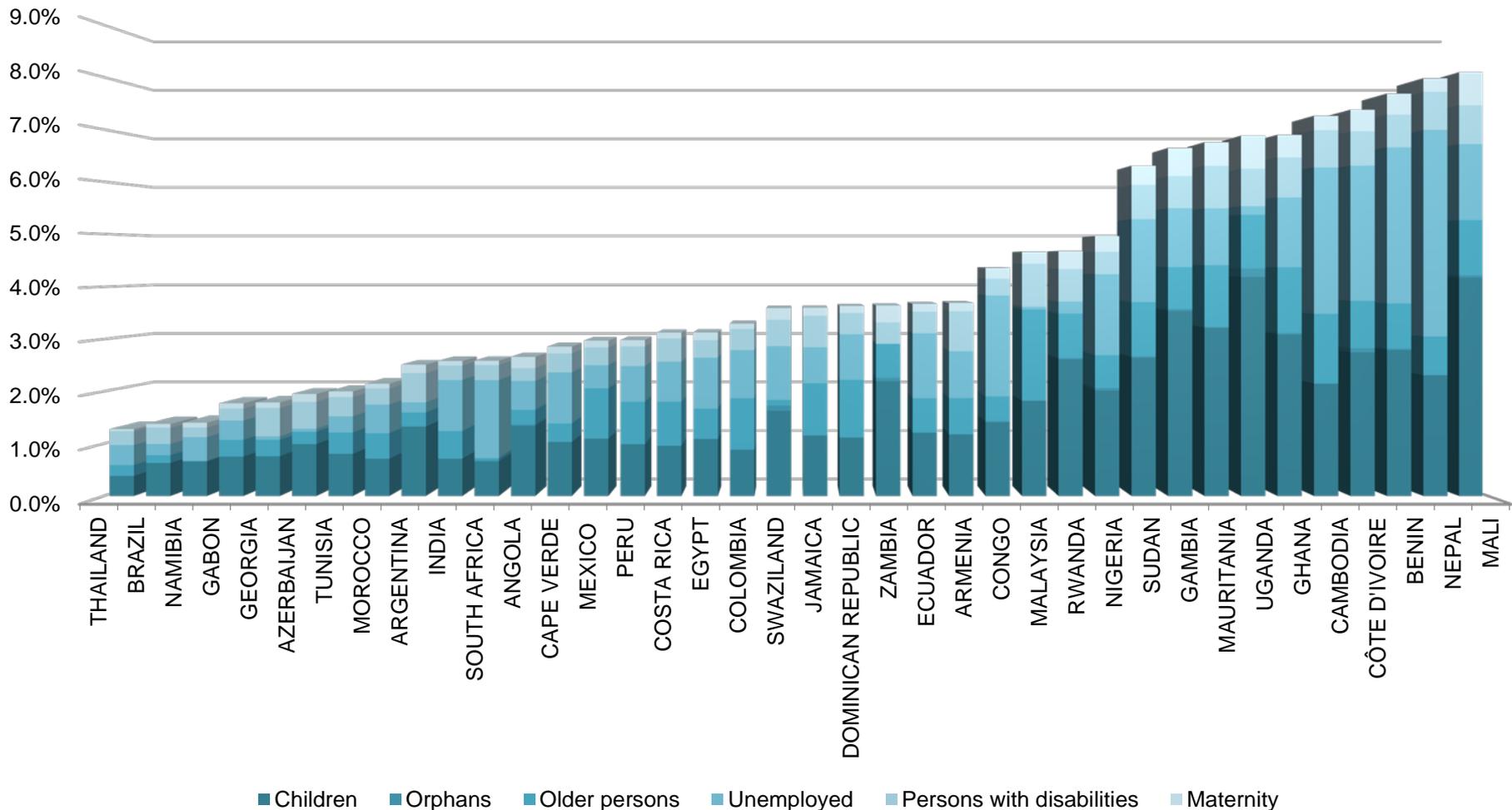
Universal Social Protection is Affordable in most Developing Countries...

Cost of universal pension coverage, national poverty line, %GDP



... Lower Income Countries Can Take a Progressive Approach

Cost of all universal schemes of social protection floors in %GDP



The universal social protection floor package has been estimated as follows: (i) a universal child benefit of 20% of a country's national poverty line to all children 0-14 years old; (ii) a benefit of 100% of a country's national poverty line to all orphans, (iii) a universal pension of 100% of a country's national poverty line, excluding those that have contributory pensions; (iv) unemployment support of 100% of a country's national poverty line to one person per vulnerable household during 100 days; (v) a benefit of 100% of a country's national poverty line to all persons with severe disabilities and (vi) a maternity benefit during 4 months of 100% of a country's national poverty line to all mothers with newborns. All of these schemes include administrative costs (ILO calculations)

Fiscal Space for Social Protection Floors Exists Even in the Poorest Countries

- **There is national capacity to fund social protection floors in virtually all countries. There are many options, supported by UN and IFIs policy statements:**
 - Re-allocating public expenditures (eg subsidies)
 - Increasing tax revenues
 - Expanding collection of social security contributions
 - Fighting illicit financial flows
 - Lobbying for increased aid and transfers
 - Tapping into fiscal and foreign exchange reserves
 - Restructuring debt
 - Adopting a more accommodative macroeconomic framework (e.g. tolerance to some inflation, fiscal deficit)

What's Next?

- In the medium term, until 2030, the World Bank, the ILO and their development partners will use their individual and collective resources and influence to support countries in their move towards providing universal coverage
- This will include joint support to countries
 - Social protection policies, programs and administration systems
 - Costing the extension of schemes and expanding fiscal space for universal social protection
 - Addressing bottlenecks in the delivery of social protection benefits
 - Integrating principles of universal social protection into their national development strategies.



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Thank you

<http://universal.social-protection.org>