

# Non-contributory social protection through a child and equity lens in Iraq<sup>1</sup>

International Policy Centre for Inclusive Growth (IPC-IG)

**The Republic of Iraq** shares its largest land borders with Iran, Syria and Saudi Arabia. Of its total 37.2 million inhabitants, 5.7 million (15.4 per cent) are children under the age of 5, and 17.46 million (46 per cent) are below the age of 18. Despite being classified as an upper-middle-income country, Iraq's Human Development Index (HDI) of 0.649 is below the regional average for the Middle East (0.704) and ranks 121<sup>st</sup> of 188 countries.

Throughout history, Iraq's population has witnessed numerous armed conflicts. Since 2014 a new humanitarian crisis has significantly affected children's well-being and access to social safety nets, especially in Isis-held territories and where the conflict caused the destruction of education and health facilities. In 2017 the number of internally displaced persons (IDPs) was estimated at 3.4 million, and one third of Iraq's population requires humanitarian assistance. A lack of civil documents is a major challenge for IDPs, as most government benefits and services require legal identification for access. Children account for approximately half of IDPs, and one in every five Iraqi children is at risk of injury, death, sexual violence, recruitment or abduction.

Almost 20 per cent of the population live below the national poverty line (IQD105,500/month). Children are particularly affected and account for 57.6 per cent of all poor people (3.7 million). Multidimensional poverty among children is alarming, with one in three children being deprived in at least one dimension.<sup>2</sup> The situation is particularly startling for children aged between 0 and 4: 48 per cent are deprived in at least two dimensions.

Between 2007 and 2012 only 12.5 per cent of poor people received public cash transfers. In April 2014 the Iraqi parliament enacted a new Social Protection Law. The legislation stipulates that living on an income below the national poverty line is the key eligibility criterion for all social assistance programmes, with proxy means-testing as the main targeting system. In the same year, the *Iraq Social Protection Strategic Roadmap 2015–2019* was adopted, emphasising the government's commitment to building a more integrated and comprehensive social protection system.

The largest non-contributory social protection scheme in the country is the public distribution system referred to as Ration Cards. First launched in 1991, the universal in-kind transfer aims to provide basic food items to improve the nutritional status of the population and particularly among children. Since the outbreak of the war in 2003, the programme has been partially disrupted, and IDPs have limited access to the programme. To address the needs of IDPs, the Ministry of Migration and Displacement administers a humanitarian assistance programme to support registered displaced families and individuals with a grant of IQD1 million (approx. USD800). Other humanitarian cash assistance programmes are provided by international development partners and coordinated by the Cash Working Group.

In 2016, 90 per cent of Iraqi households (33 million people) received subsidised food commodities, while the programme's expenditure was reported to be 0.6 per cent of gross domestic product (GDP). A reform was initiated in 2007 to reduce the amount of food provided through the scheme, and in 2016 the targeting changed to exclude high-income households and certain government employees. The Ration Cards scheme is vital to Iraq's poor population, and it is estimated that over 70 per cent of total daily caloric intake among the two lowest consumption deciles can be attributed to the programme. Twenty-two per cent of children in Iraq suffer from stunting, while the under-5 mortality rate is relatively high when compared to other countries in the region (37 deaths per 1,000 births).

In 2005 the Social Protection Network was launched as an unconditional cash transfer scheme to support vulnerable groups, especially minor orphans, married students and people with disabilities. Benefit levels increase with the number of household members, up to a maximum of four people, and higher benefits are paid to female-headed households. The programme expanded from 950,000 beneficiary households in 2016 to about 1 million in 2017, and is estimated to account for 1.8 per cent of total public expenditure in 2017. The government also introduced a pilot project to incentivise beneficiaries to use education and health-related services, such as vaccination and ante- and postnatal care.

Despite growing pressure to introduce subsidy reforms, the government's spending on fuel and electricity subsidies remains high. A more progressive tariff structure for the electricity sector was introduced in January 2016, charging higher rates for higher consumption. Energy price subsidies decreased from 7.7 per cent of GDP in 2013 to 2.2 per cent of GDP in 2016.

Iraq's young population holds great potential for the country's prospects, but to ensure success, policies need to prioritise child and youth development. In addition, the provision of documentation support is crucial to re-establish access to social protection schemes, with primary attention to the legal vulnerability of IDPs. The detrimental effects of long-term armed conflict in the country continue to disproportionately affect vulnerable groups, including children. Therefore, the continuous improvement and expansion of social protection programmes and increasing investments in human capital are crucial for the country's future development.

## Notes:

1. This One Pager is taken from a comprehensive study developed in partnership between the IPC-IG and UNICEF MENARO. All data are thoroughly referenced in the full report:

Machado, A. C., C. Bilo, R. G. Osorio, and F.V. Soares. 2018. *Overview of Non-contributory Social Protection Programmes in the Middle East and North Africa (MENA) Region through a Child and Equity Lens*. Brasília and Amman: International Policy Centre for Inclusive Growth and UNICEF Regional Office for the Middle East and North Africa: <<https://goo.gl/QfmKwK>>.

2. According to UNICEF, multidimensional child poverty comprises eight dimensions, which are dependent on age: nutrition, health, water, sanitation, housing, information, education and protection. Information and education are specific to school-age children (5–17 years), while protection only applies to children aged 5–14 due to data limitations.