Overview of social protection systems in South Asia

Fabianna Ferreira, Pedro Arruda, Yannick Markhof and Isabela Franciscon, International Policy Centre for Inclusive Growth (IPC-IG)

A recent study by Arruda et al. (2020) provides an analysis of 51 non-contributory social protection programmes led by central governments in the eight countries of South Asia. The sample captures the flagship initiatives of national systems, providing a broad overview of current relevant social protection programmes in the region.

Bangladesh has the most programmes (11), followed by Nepal (10), India (7), Maldives (7), Sri Lanka (6), Afghanistan (4), Pakistan (4) and Bhutan (2). The analysis indicates that the number of programmes does not necessarily represent the quality or reach of the protection.

Larger countries seem to cover more groups under each programme, while smaller countries cover fewer groups per programme. The evidence suggests that larger countries have the financial and administrative capacities to run comprehensive initiatives. They can leverage economies of scale by focusing on fewer and broader programmes, while small countries can coordinate multiple programmes comparatively easily, each targeting a different group.

The most common programme type are unconditional cash transfers, followed by conditional cash transfers, reflecting their overall popularity in policymaking and their simple set-up and complementarity (giving rise to Cash Plus initiatives). Training and sustainable livelihoods programmes are scarce: they could be combined with the more prevalent cash-for-work and food-for-work schemes. Social protection systems in South Asia might be neglecting the working-age population, which is expected to grow. This is relevant considering the concerning levels of unemployment and low participation in the labour market in the region.

Most programmes concentrate on a single target group and combine two targeting mechanisms. The most common targeting mechanism is categorical targeting, followed by direct or proxy means-testing or geographic criteria. Being poor or a child is most frequently considered a prerequisite for programme eligibility, while women and persons with disabilities are often only given priority in case demand for programme enrolment exceeds capacity.

Around a quarter of the programmes implement conditionalities. Notably, all conditional programmes in the sample employ categorical targeting, which makes sense, as most require compliance with conditionalities related to life-cycle-specific enablers (i.e. education and maternity).

Food distribution programmes reach the most beneficiaries, either directly or indirectly. However, cash is the predominant type of benefit, which reflects the popularity of unconditional and conditional cash transfers. Most frequently, the programmes found in the sample use banks or payment points.

The study provides some practical recommendations, including:

- Afghanistan, Maldives and Pakistan should roll out flagship school feeding programmes.
- Afghanistan should experiment with more specialised, streamlined and easier-to-manage interventions targeting individuals and households, in addition to already existing local development funds.
- Nepal could benefit from an institutionalised, permanent case management to issue missing documentation to applicants, or at least provide specific support.
- Afghanistan, Bhutan, Pakistan and, to a lesser extent, Maldives should consider launching flagship initiatives specifically targeting pregnant and lactating women.
- Programmes targeting unmarried women could supplement cash benefits with additional services to enable productive inclusion and overall social empowerment.
- India could emphasise national income-based poverty measures as a benchmark for the selection process of its programmes, preferably in combination with existing criteria and measures.
- Productive inclusion programmes should be further stimulated in the region.
- Conditional cash transfers aimed at improving educational outcomes, which are very common in Bangladesh, should supplement the cash benefit with additional training and services to better achieve desirable behavioural outcomes.
- Conditionalities that potentially compromise the agency of beneficiaries over their sexual and reproductive choices (or which hold them accountable for decisions over which they might not have much influence), such as Bangladesh’s Secondary Education Stipend Programme (SESP), should be avoided if other, less invasive alternatives are available.
- The ‘soft conditionality’ approach used by Bangladesh’s SESP could be a better approach than hard conditionalities if applied to less controversial requirements.
- Countries with good mobile phone and internet network coverage, such as India, should experiment further with mobile-based payment mechanisms.
- Nepal and other countries that deliver payments through scheduled pay points should systematically promote care and referral to other, complementary programmes. Nepal should also strive to expand the coverage of its universal child grant as quickly as possible.
- Sri Lanka should consider improving the benefit level of its flagship cash transfer, the Divinaguma programme (Samudrahi), and should consider rolling out some kind of universal child benefit.

Reference: