

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

International Policy Centre for Inclusive Growth (IPC-IG)

**The Republic of Yemen** is located at the tip of the Arabian Peninsula. Its estimated population in 2016 was 27.5 million people, of whom 47 per cent (12.9 million) were under 18 years old and 15 per cent (4 million) were under 5. Yemen's Human Development Index (0.482) is the second lowest in the Middle East and North Africa (MENA) region, after Djibouti. Escalating conflict has driven the country into a severe humanitarian crisis. It is estimated that more than 20 million people need humanitarian assistance, including 11.3 million children.

Even before the conflict, Yemen was one of the poorest countries in the region. Recent data are difficult to obtain, but the World Bank estimates that national poverty levels doubled from 34.1 per cent in 2014 to 62 per cent in 2016. The country's gross domestic product (GDP) is estimated to have decreased by 40 per cent since the conflict started. Moreover, decreasing fiscal revenues are undermining the functioning of the State, including the operation of social protection programmes. Economic decline and import restrictions have resulted in rising prices and commodity shortages, leaving millions of children without or with only limited access to food, water and other basic needs. Nearly 3.3 million children and pregnant or lactating women are acutely malnourished, representing a 63 per cent increase since late 2015. Child malnutrition levels were already alarmingly high even before the conflict: the Yemen National Social Protection Monitoring Survey showed that about 45 per cent of children under 5 were stunted and that 33 per cent were suffering from underweight in 2013.

The need to strengthen the national social safety net system has been emphasised in several policy documents. The Yemen Strategic Vision 2025 envisages eliminating food insecurity and reducing relative poverty to 10 per cent by 2025. The Ministry of Planning and International Cooperation and the Ministry of Social Affairs and Labour are responsible for the design and coordination of Yemen's social protection system. It is divided into social insurance and pension schemes for the public and private sectors, on the one hand, and non-contributory social assistance programmes, on the other. These include cash transfers, public works programmes and agricultural development schemes, introduced to help poor people cope with the removal of subsidies of food and basic services.

For many years, the government has been trying to introduce energy subsidy reforms. Subsidies accounted for 7.2 per cent of government spending (in percentage of GDP) in 2013, while the Social Welfare Fund (SWF), the country's main cash transfer programme, accounted for only 0.7.

The conflict has threatened the social protection system in place. Until its suspension in March 2015, the SWF was one of the largest cash transfer programmes in the region, benefiting vulnerable groups and households without a male breadwinner. In 2013, coverage reached 30 per cent of the population. Around 57 per cent of beneficiaries were estimated to be children.

According to the Child Budget Analysis, 26 per cent of total spending on cash transfers in 2012 comprised transfers to children. In May 2017 the

World Bank—through the Emergency Crisis Response Project—started financing cash transfers using the SWF beneficiary database and pre-conflict benefit levels, although the interruption of civil servants' salary payments prevented international donors from continuing to support the financial transfers through the SWF's original features. The project is implemented by UNICEF. Even before the conflict, the SWF was an important way to ensure food security—more than 70 per cent of beneficiaries in 2013 reported using the transfers to purchase food.

The Disability Welfare and Rehabilitation Fund was established to provide individual support to people with disabilities through in-kind and financial aid, as well as institutional support to care and rehabilitation centres. By the end of 2012, 47,000 beneficiaries received individual support through the Fund. Children were estimated to make up 24.4 per cent of all beneficiaries. The programme was also discontinued due to the conflict.

The Social Fund for Development (SFD) was introduced in 1997 to increase access to basic services, enhance economic opportunities and reduce vulnerability among poor households. Before 2015 the SFD was financed by multiple donors, benefiting approximately 6.4 million individuals between 2011 and 2014. The SFD includes a cash-for-work programme which reached more than 1 million direct beneficiaries between 2011 and 2015. Resources were allocated using geographical targeting, prioritising the neediest areas. In 2014 the SFD began to implement a conditional cash transfer (CCT) and an integrated nutrition intervention targeting pregnant women and mothers with children under 5. The programme was severely affected by the conflict; since 2016 it has been supported through the Emergency Crisis Response Project.

Finally, the Public Works Project is a cash-for-work programme focusing on the poorest rural areas in the country. It experienced severe funding difficulties, which led to its discontinuation. In 2016 it was partly reactivated through the Emergency Crisis Response Project, which supports small community infrastructure projects.

Yemen is in a deep humanitarian crisis. Its social protection system has been severely affected, leaving millions of children in an even more vulnerable situation. In terms of child-sensitive social protection, components such as the nutrition-sensitive CCT within the SFD is a step towards addressing the rising levels of child malnutrition. A future reinstatement of the SWF would be crucial, and more attention should be paid to extremely poor families with children, by either facilitating their inclusion in the programme or by complementing it with more child-sensitive components.

#### Note:

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>>.