

Policy in Focus

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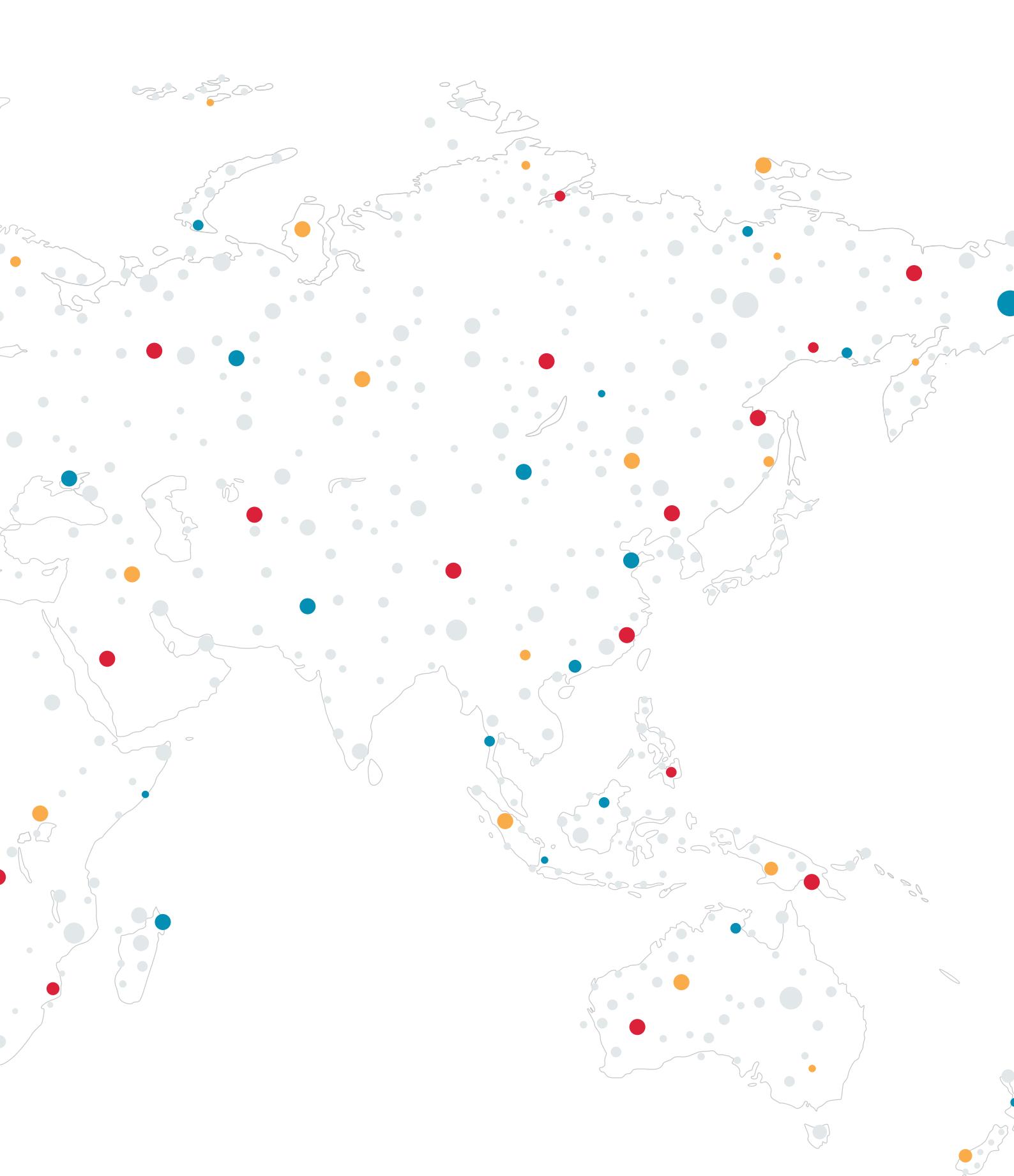
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Universal social protection:
a target for all

15 years **international policy**
centre for inclusive growth





Policy
in Focus



The International Policy Centre for Inclusive Growth (IPC-IG) is a partnership between the United Nations and the Government of Brazil to promote learning on social policies. The Centre specialises in research-based policy recommendations to foster the reduction of poverty and inequality as well as promote inclusive growth. The IPC-IG is linked to the United Nations Development Programme (UNDP) in Brazil, the Ministry of Economy (ME) and the Institute for Applied Economic Research (Ipea) of the Government of Brazil.

Director a.i.: Katyna Argueta

IPC-IG Research Coordinators: Diana Sawyer; Alexandre Cunha; Fábio Veras Soares; Mariana Balboni; Rafael Guerreiro Osorio and Sergei Soares

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Art and Desktop Publishing: Flávia Amaral and Priscilla Minari

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Editorial

Social protection has gained relevance and garnered increasing interest over recent decades. Developing countries are progressively adopting more programmes and policies to protect their poor and vulnerable populations, while international organisations and donors work to enhance the capacity of States to develop efficient and sustainable systems.

Social protection schemes also play a key role in stabilising economies, protecting living standards and providing social security for all.

However, challenges remain despite recent advances, particularly regarding the creation of inclusive, cost-effective and sustainable social protection systems and their linkages with inclusive growth. In this context, the achievement of universal social protection is closely aligned with the 2030 Agenda for Sustainable Development, in particular Sustainable Development Goal (SDG) 1's ("End poverty in all its forms everywhere") target 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."

As the topic of universal social protection is gaining momentum worldwide, socialprotection.org has

designed a webinar series to promote knowledge-sharing and stimulate relevant discussions—the USP2030 webinar series. In 2019, four webinars have been delivered discussing the following issues: Universal social protection in the context of the SDGs—where are we now?; Universal social protection: achievements, challenges and opportunities; Social protection and social security; and Digital social protection—innovation for effectiveness. The series will continue in 2020 with updated discussions on the current state of social protection programmes and policies.

This special edition of *Policy in Focus* has been developed by the International Policy Centre for Inclusive Growth (IPC-IG) in partnership with the socialprotection.org platform, presenting articles based on the discussions addressed in the first webinars of the series.

We hope that the following set of articles helps to inform readers on the most up-to-date discussions related to universal social protection and foster new debates.

Mariana Balboni and Aline Peres

Challenges and opportunities for the expansion of social protection

Mariana Balboni and Aline Peres ¹

This special issue of *Policy in Focus* opens with an article by Anush Bezhanyan and Luz Rodriguez on universal social protection in the context of the Sustainable Development Goals (SDGs), exploring the expansion of social protection and related challenges over the last decades.

Many countries in different parts of the world have made significant progress in the expansion of social protection. However, 55 per cent of the global population still has no access to any type of social protection system or programme. Therefore, urgent efforts are needed to ensure that the human right to social protection becomes a reality for all people, and to achieve the goals set by the 2030 Sustainable Development Agenda.

The recognition of social protection as a means to reduce poverty and inequality has been increasingly accompanied by the notion that it can also help to accomplish complementary goals. Social protection systems and programmes are crucial elements for the achievement of human development, economic growth and productive inclusion.

The term ‘universal social protection’ is widely used among the international community, but conceptual clarity is still needed to avoid confusion. Moreover, social protection systems must strive for effectiveness, and countries need to understand the relevance of delivery systems to overcome major challenges.

The article also underlines the importance of close collaboration with key partners and stakeholders at the global and national levels to ensure universal access to social protection for all. It highlights the USP2030 global partnership for universal social protection, initiated by the World Bank and the International Labour Organization, which aims to support countries to design and implement universal and sustainable social protection systems to achieve goal 1.3 of SDG 1 by 2030.

The following piece, by Maya Stern Plaza, Mira Bierbaum and Christina Behrendt, with inputs from Valérie Schmitt and Veronika Wodsak, presents key aspects of universal social protection, highlighting how it is anchored in the current international legal and policy framework. The authors emphasise that universal social protection not only plays a key role in the achievement of SDG 1 but also contributes to achieving goals related to health, gender equality, decent work and economic growth, reduced inequalities and peace, justice and strong institutions.

Considering international human rights as the basis for the concept of universal social protection, universal access to social protection should not be hindered by any type of discrimination. The article presents key indicators that can help assess progress towards universal social protection, such as universal coverage in terms of persons protected, comprehensive protection in terms of risks covered, and adequacy of protection.

Adding to the discussion on conceptual clarity, the authors focus on delimiting the term from other concepts and ideas that are currently present in policy discussions, such as ‘one-size-fits-all model’, ‘universal schemes or

programmes’ and ‘universal basic income’. Joining the USP2030 call to action, they emphasise that countries should follow five key actions to achieve universal social protection: protection throughout the life cycle; universal coverage; national ownership; sustainable and equitable financing; and participation and social dialogue.

In the next article, Anna McCord delves into the limitations of the two indicators adopted for the provision of social protection in the SDGs. Exploring the findings of a study conducted by the Overseas Development Institute in 2017, she gives an overview of the progress achieved regarding coverage and financing, in line with these indicators.

Data-related challenges are considered one of the major constraints to securing a comprehensive and comparable overview of social protection provision worldwide. The author argues that ‘coverage’, for example—which is an outcome indicator used by many donors—is problematic as a measure of universality, since there is no consistency across countries or development agencies regarding which instruments constitute social protection, resulting in inaccurate data on overall coverage.



Photo: Divulgação/Codevasf. Family of rural producers with their harvest, Juazeiro, Brazil, 2008. <<https://bit.ly/2r95cJl>>

“ Many countries in different parts of the world have made significant progress in the expansion of social protection.



Photo: EC/ECHO Arjun Claire. Sri Lankan refugees receiving their cash transfer, Tamil Nadu, India, 2012
<<https://bit.ly/374owYm>>.

Moreover, McCord is concerned that too much focus on headcount coverage can leave important measures behind, such as quality of social protection and adequacy of provision. To overcome this problem, she presents key factors to consider, such as: frequency, regularity and nature of payment; duration and reliability of support; targeting method; and the ability of the provision to address needs across the life cycle, among others.

The article also addresses the current performance against SDG indicators on universal social protection coverage and financing, comparing effective coverage and public social protection expenditure across countries and regions. Notwithstanding data limitations, progress towards adequate, nationally financed universal social protection remains slow, which requires countries to adopt more effective strategies to achieve the goals of ending poverty and reaching universal social protection by 2030.

These first articles were based on the introductory webinar of the USP2030 series hosted by socialprotection.org: **Universal social protection in the context of the SDGs—where are we now?**² which focused on challenges and opportunities related to universal social protection in the context of the SDGs. It set the stage for the next webinar of the series, **Universal social protection: achievements, challenges and opportunities**,³ which explored country cases to assess progress on universal social protection. The following articles were

produced based on presentations from this second webinar and illustrate progress towards universal social protection in three countries: Indonesia, Kenya and Brazil.

Maliki, Hariyadi and Ramadhan Nizar Istighfarli provide an analysis of Indonesia's policies towards universal social protection by 2030, stressing that increased social protection coverage has become a key instrument in the reduction of poverty and inequalities in the country over recent years.

According to the authors, the Government of Indonesia today prioritises the most vulnerable and poor people in several targeted programmes. However, around 40 per cent of the population—whom the author refers to as the “unseen middle-class”—are not covered by any insurance and/or social assistance. This is due to limited schemes for the informal sector, financial constraints and lack of insurance literacy, among other issues. They argue that providing social protection to the “missing middle” is a pressing issue, requiring affirmative policy development and implementation.

They also state that, as mentioned in other articles in this special issue, social protection plays an important role not only in poverty reduction but also in improving people's livelihoods as a whole. In Indonesia, the expansion of social protection has led to improvements in immunisation rates and school attendance, access to basic infrastructure and job opportunities. Yet informality, the high risk

of natural disasters and adequate funding for the expansion of social protection are ongoing challenges faced by the country, which must be addressed to achieve universal social protection by 2030.

In the following article, Cecilia Mbaka states that effective investment in social protection interventions is one of the biggest challenges currently facing Kenya, in addition to the lack of comprehensive legislation on social protection, diminishing real values of cash transfers, and fragmentation and limited coordination of programmes. Despite these problems, there has been progress in recent years.

She argues that considerable advances have been made in strengthening processes and systems and in improving programme and national management information systems. She ranks the adoption of universal health care coverage, the launch and roll-out of universal coverage for elderly people and increased coverage of core social assistance schemes among Kenya's main achievements and investigates them further in her article.

Together with other authors in this special issue, Mbaka stresses the importance of enhancing and expanding capacity and coordination across all levels of social protection actors to efficiently improve the design, implementation and evaluation of social protection programmes in Kenya and ensure the long-term sustainability of social protection systems.

Rafael Osorio, Sergei Soares and Letícia Bartholo follow up with an article discussing options to increase fiscal space for social protection by reprogramming inefficient social schemes and interventions—terminating some and merging and redesigning others to make way for better programmes, as was the case with the Brazilian flagship targeted cash transfer programme, *Bolsa Família*.

Based on that premise, they propose merging four Brazilian social protection programmes into a single, consolidated scheme. As *Bolsa Família* is far better targeted than the other programmes, due to its eligibility criteria and the Single Registry of beneficiaries, this would save a significant amount of resources. They estimate that an additional BRL52.8 billion from the consolidated budgets of the other three programmes could be distributed through a revamped *Bolsa Família* more efficiently and effectively, entailing a universal child benefit to extend social protection to the 17 million Brazilian children living in households that do not receive any benefits.

The following two pieces are based on the third webinar of the series, *Social protection and social security*.⁴ Levels of social security protection are uneven worldwide, although overall coverage trends continue to increase. To enhance social security coverage in line with the 2030 Agenda for Sustainable Development, countries have been looking into developing innovative policies and strategies to improve their social security systems.

In the same vein as Maliki, in the following article Laura Alfers posits coverage of the “missing middle”—especially informal workers—as crucial for the universalisation of social protection. She presents the informal economy from a global perspective and argues that the lack of protection, combined with relatively lower and more unstable incomes than those in the formal economy, have left informal workers with a higher risk of falling into poverty, resulting in a significant challenge for countries worldwide.

The article focuses on self-employed workers and the need to approach this issue from a gendered perspective, since women tend to be over-represented in

informal, high-risk and low-return jobs. Moreover, Alfers suggests that the main barriers encountered by informal workers in accessing social security are related to low and irregular incomes, distrust of government rules and regulations and inadequate understanding about social security and its importance.

An interesting point raised by the author is that in recent years, not only governments but also informal workers themselves have been developing innovative solutions to expand social security coverage, which creates an opportunity for shifting social security schemes beyond protection and prevention and towards a fundamental transformation of relations between the State and society. Drawing on examples from different countries, such as India, Kenya and Uruguay, Alfers concludes that there is still much to learn from informal workers; therefore, their inclusion in the design and implementation of social security schemes is crucial to the expansion of social protection coverage in line with the 2030 Agenda for Sustainable Development.

The next article, by Mariaeleonora D'Andrea Qiang Ma, Ana Ocampo and Omar Benammour, explores the potential of social protection for inclusive rural development, focusing on fisheries and forestry, which is one of the most vulnerable communities in the agricultural sector. The authors describe specific needs, characteristics and vulnerabilities of forest-dependent people and small-scale fishers and fish-workers, which make a compelling case for extending both the quantity and quality of coverage of social protection systems.

In recent years, these communities have seen an increase in the development and adoption of measures and provisions of social security that encompass their specific needs. The article showcases some successful experiences of extending social protection to address their vulnerabilities and promote the sustainable use of resources.

Although there are several examples of good practices—with important results related to better access to health services, increased coverage rates of social insurance schemes, and women's empowerment—challenges still remain. To adequately cover the sector and improve

people's livelihoods, social protection systems should be designed in collaboration with fisheries and forestry programmes and policies to address their key vulnerabilities.

Closing this special issue, the next piece draws on the fourth webinar of the series: *Digital social protection—innovation for effectiveness*,⁵ addressing issues related to the impact of technological solutions on social protection systems, from design to implementation.

Fekadu Kassa presents a country-level perspective focusing on the example of Ethiopia and the use of innovative technology for payment systems. The need for greater coordination of the entire social protection sector has led to efforts to design and implement robust management information systems for social protection programmes.

The article delves into implementation details and proposes a model for the integration of social protection management information systems in the country. This would ensure the high-quality delivery of key operational processes such as registration, enrolment, payments and grievance redressal mechanisms. It would also increase the quality and quantity of data, leading to easier access to information and more informed decision-making, improving programme targeting and timely delivery of benefits.

This compilation of articles addressing some of the main challenges and opportunities related to the expansion of social protection demonstrates the importance of knowledge-sharing and capacity-strengthening across all levels of social protection actors. We hope that it can help promote expert debates and provide a glimpse into promising avenues for what may work in different contexts. However, several steps still need to be taken to ensure the long-term sustainability of social protection systems and the achievement of universal social protection for all. ●

1. International Policy Centre for Inclusive Growth (IPC-IG).

2. See: <<https://bit.ly/2qVQYeQ>>.

3. See: <<https://bit.ly/2q7ukQu>>.

4. See: <<https://bit.ly/37M0W38>>.

5. See: <<https://bit.ly/2OUTo5A>>.

Universal social protection in the context of the Sustainable Development Goals

Anush Bezhanyan and Luz Rodriguez¹

Evolution and challenges of social protection

Although the history of social protection can be traced back to the beginning of the 17th century with the emergence of the first forms of unemployment, old-age and disability benefits, the last three decades have witnessed an expansion and diversification of the types of social protection benefits and services, especially in low- and middle-income countries.

Social protection, defined as a “system of policies and programmes that provide equitable access to all people and protect them throughout their lives against poverty and risks to their livelihoods and well-being” (USP2030 2019), can take the form of benefits and services ranging from contributory schemes to cash or in-kind benefits, active labour market programmes to enhance skills and access to jobs, as well as social services for vulnerable populations.

Social protection is recognised not only for its potential to contribute to the reduction of poverty and the promotion of social inclusion, but also for its ability to help achieve complementary goals. It is seen as a key element for human development (by promoting nutrition, education and health), productive inclusion (by enhancing human capital and productive assets) and economic growth (via better risk management and reduction of inequalities).

Social protection has evolved and figures prominently in the United Nations Sustainable Development Goals (SDGs). Target 1.3 sets the goal of “implement[ing] nationally appropriate social protection systems and measures for all, including floors, and by 2030 achiev[ing] substantial coverage of the poor and the vulnerable”.

Over the past decade, countries with support from the international community have made significant

progress in expanding access to social protection benefits and services. However, social protection is still not a reality for the majority of the world’s population. According to the World Bank ASPIRE² database, in 2018 only 44 per cent of the global population received at least one form of social protection.³ When it comes to access to comprehensive social security, the picture is even worse: only 29 per cent of the global population has access to it, while 71 per cent do not (ILO 2019). Hence, it is critical to intensify efforts at country and global levels to achieve the SDG target by 2030. At the current pace of progress, SDG 1.3 will be achieved in 2084, while fragile States will need until 2259 to attain it (Gentilini 2019).

What does universal social protection really mean?

For the World Bank, the concept of universality in social protection rests on two elements: ‘everyone’ is ‘covered’ (Gentilini et al. 2019a). While ‘everyone’ refers to protection for all members of society (not only some), ‘universal coverage’ does not necessarily mean that every person will receive a pay-out in a given period, or equally, from each individual part of the package. This stems from the fact that coverage of social insurance is based on risk, while non-contributory assistance is pegged to the ‘receipt’ of transfers. In other words, one is covered by social assistance when an actual transfer is received; instead, coverage in social insurance terms does not entail an actual receipt of benefits—insurance will be available *if, when and where* needed by all citizens and even all residents (Packard et al. 2019). This dual concept of coverage makes universality in social protection distinct, for instance, from universality in health care, which is entirely risk-based (Gentilini 2018).

Since people’s needs are in constant change, individuals’ and households’ trajectories on social protection vary over time depending on social, demographic and even political and environmental

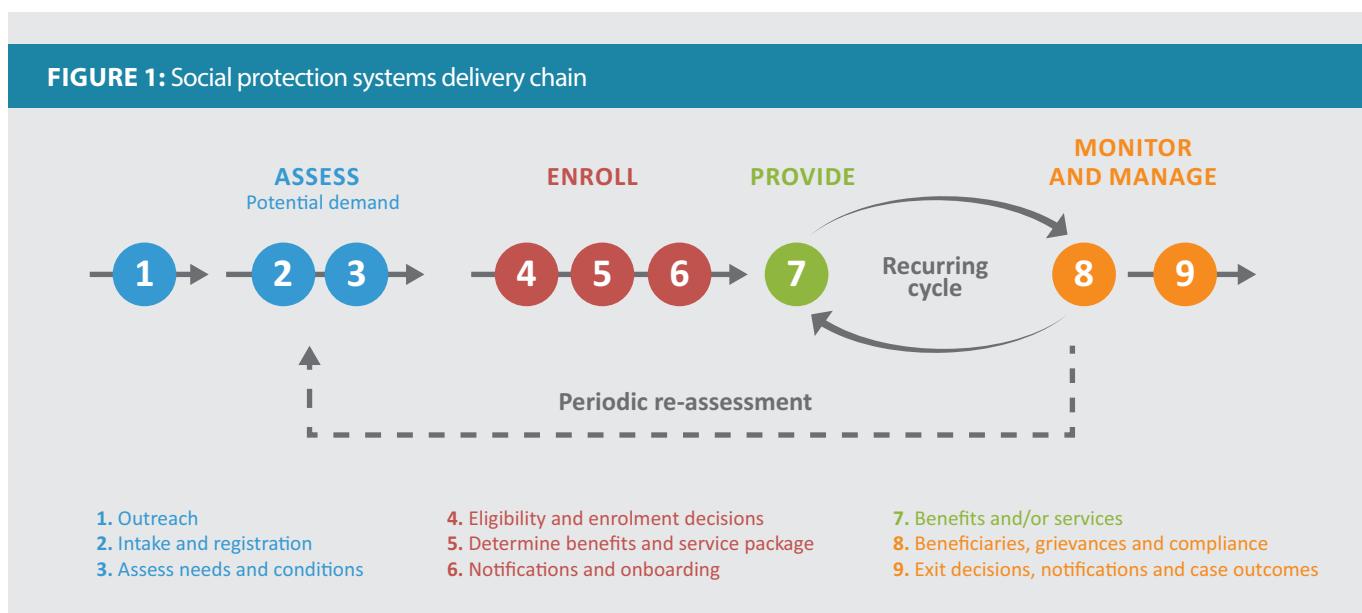
considerations. For instance, while child development services and old-age pensions may be required only at certain stages of the life cycle, disability insurance or income support may (or may not) be needed throughout life. Many benefits and services may not be needed by people in a given period or even at all, or people might choose to forgo receipt of the goods or services to which they are entitled (Packard et al. 2019). This calls for a portfolio of programmes tailored to specific needs and risks, instead of relying on a single instrument, such as universal basic income, to achieve multiple objectives (Gentilini et al. 2019b).

A systems-oriented approach that strengthens coordination and integration at the policy, programme and delivery levels is a key factor for effective and integral social protection (World Bank 2012). By ‘integral systems’ we mean those that offer an adequate combination of benefits and services to cover the main risks faced by the population, with an emphasis on the most vulnerable.

Effective social protection systems require the following minimum attributes:

- **Inclusiveness:** Everyone is protected along the life cycle; this entails ensuring non-discrimination, gender equality, availability of and accessibility to social protection programmes and benefits, and programme designs that respond to the special needs of people with different characteristics, circumstances and vulnerabilities. The goal is to eliminate coverage gaps, thus ensuring the inclusion of the poorest and most vulnerable members of society.
- **Adequacy:** The system provides regular and predictable benefits and quality services that are adequate to meet the social protection needs of the population and achieve national objectives.
- **Sustainability:** Financial resources allocated are aligned with the actual and expected outcomes,

- demographic patterns and economic development.
- **Coherence:** There is internal and external consistency with social, economic and sectoral policies.
 - **Responsiveness or dynamism:** To evolve and adapt to changing social, demographic, environmental and political needs.
- On the other hand, while much attention is paid to the design of social protection interventions, countries also need to move from discourse to practice and understand the relevance of delivery systems that may help overcome major challenges, including:
- **Coordination challenge:** By means of reducing fragmentation, ensuring that citizens do not have to navigate each programme separately, look for the same information and documentation over and over, wait in long lines at different offices etc. This is inefficient for administrators because it can result in duplications or gaps in coverage, overlapping processes, wasted resources and an inability to keep track of which clients have received which services or how social protection money is spent. Many countries are integrating various aspects of policy and delivery systems into social protection to avoid fragmentation and promote synergies across programmes. Such integration requires a high degree of coordination between institutions.
 - **Dynamic inclusion challenge:** The principle that anyone who needs assistance can access it at any time is a core tenet of social protection. For delivery systems, this raises the issue of whether delivery systems—particularly their intake and registration phases—are static or dynamic. On-demand systems are more amenable to dynamic inclusion because people can apply or update their information at any time. Dynamic inclusion also favours portability of benefits, which is critical for highly mobile populations (Lindert et al. 2019).
 - **Financing:** Effective social protection demands not only legal provisions but also that countries ensure that they have the financial capacity to sustain expenditures, by raising sufficient resources (i.e. via taxes or contributions) and by having budgets that are aligned with actual and expected programme outcomes, demographic patterns and economic development. The sources of funds should be stable and reliable; if highly dependent on external financial support, it is necessary to have a clear plan for substituting them for local sources. Legal and institutional frameworks should articulate the long-term financial requirements needed to meet long-term funding commitments (ISPA 2016).
- Delivery systems constitute the operating environment for implementing social protection systems and should be designed with a human-centred approach (see Figure 1). Since key players interact along that delivery chain, including people (applicants and beneficiaries) and institutions (central and local), delivery systems help facilitate those interactions by offering communications, information systems and technology (Lindert et al. 2019).
- The World Bank's social protection strategy,⁴ defined around three main objectives (Resilience, Equity and Opportunity), is deeply linked to the goal of universalisation and the strengthening of a systems perspective for the design and delivery of social protection.
- Since social protection is inherently multisectoral, it demands close collaboration with key partners and stakeholders at global and country levels. The World Bank has been working for decades with development partners to coordinate resources and provide advice to reduce programme fragmentation, and to help develop social protection and labour programmes to scale, rather than isolated pilots. Private-sector actors are



Source: Lindert et al. (2019, forthcoming).

“Delivery systems constitute the operating environment for implementing social protection systems and should be designed with a human-centred approach.



Photo: EC/ECHO/Anouk Delafortrie. Poor families receiving health and nutrition care as well as food assistance including cash transfers, Burkina Faso, 2013 <<https://bit.ly/2QiHhl4>>.

critical partners, to generate employment and growth, and as direct providers of social protection services. Civil society organisations, trade unions and faith-based organisations are key actors in knowing the challenges, shaping opinion and representing excluded groups (World Bank 2012).

More recently, the World Bank and the International Labour Organization initiated a global partnership on universal social protection (USP2030),⁵ with the objective to make progress on achieving SDG 1.3⁶ by 2030. As of today, 12 countries and 19 international organisations have joined the USP2030 partnership.

In a world filled with risk and uncertainty, social protection systems help individuals and households, especially those who are poor or vulnerable, to cope with shocks, enter the labour market, accumulate human capital and protect the ageing population. The World Bank supports universal social protection that is central to its twin goals of ending poverty and boosting shared prosperity. If appropriately designed and delivered, social protection systems can powerfully enhance human capital and productivity, reduce inequalities, build resilience and end the intergenerational cycle of poverty. The invitation for countries and partners is to act rapidly to achieve inclusive, integrated and relevant social protection systems by 2030 and to ensure universal access to social protection for all. ●

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World Bank. 2012. *Resilience, Equity, and Opportunity—WBG SPL Strategy*. Washington, DC: World Bank.

1. World Bank.

2. The Atlas of Social Protection Indicators of Resilience and Equity (ASPIRE) is the World Bank's compilation of Social Protection and Labour (SPL) indicators to analyse the scope and performance of SPL programmes. ASPIRE provides indicators for over 120 countries on social assistance, social insurance and labour market programmes based on both programme-level administrative data and national household survey data.

3. The region with the largest coverage of social protection programmes is Europe and Central Asia, with 65 per cent, followed by Latin America and the Caribbean (60 per cent), East Asia and the Pacific (51 per cent) and Middle East and North Africa (43 per cent). South Asia and sub-Saharan Africa are the regions with the lowest coverage: 21 per cent and 24 per cent, respectively (World Bank 2018).

4. See: <<https://bit.ly/32bgitT>>.

5. See: <<http://www.usp2030.org/>>.

6. As of June 2019, the World Bank was working on nearly 100 social protection projects in approximately 70 countries by providing loans and grants. In addition, the Bank has ongoing analytical work in more than 80 countries. The Bank not only supports countries with technical expertise and knowledge in the areas of social safety nets, pensions, labour policies and job programmes, but also offers advice and data analysis for programme design and implementation, monitoring and evaluation. It also contributes to global knowledge with products such as the *State of Social Safety Nets* (2018), the *World Development Report: The Changing Nature of Work* (2019) and *Protecting All: Risk Sharing for a Diverse and Diversifying World of Work* (2019).

Universal social protection: key concepts and international framework¹

Maya Stern Plaza, Mira Bierbaum and Christina Behrendt, with inputs from Valérie Schmitt and Veronika Wodsak²

In recent years, many countries have achieved a significant expansion of social protection coverage, including child benefits, maternity benefits, old-age pensions, health protection and other benefits. There is also growing interest among the international community in promoting universal social protection, showing that it is not only relevant but also feasible. A number of countries and development partners have joined the Global Partnership for Universal Social Protection (USP2030), which aims to accelerate progress in building universal and sustainable social protection systems, in line with the 2030 Agenda for Sustainable Development, and in particular target 1.3 of the Sustainable Development Goals (SDGs).

This article presents key aspects of universal social protection and highlights how it is anchored in the current international legal and policy framework. It summarises the progress so far and sets the concept apart from other ideas and terms that are currently present in policy discussions. In addition, it presents key indicators that can help assess progress towards universal social protection.

Universal social protection and the Sustainable Development Goals

Universal social protection has a central role in the fulfilment of the 2030 Agenda for Sustainable Development. SDG 1 (“End poverty in all its forms everywhere”) sets, among others, the target to “implement nationally-appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and vulnerable” (target 1.3). In addition, universal social protection contributes to achieving other SDGs, in particular those related to health (target 3.8), gender equality

(target 5.4), decent work and economic growth (target 8.5), reduced inequalities (target 10.4), and peace, justice and strong institutions (target 16.6).³

Universal social protection is also one of the cornerstones of a human-centred agenda for the future of work, as set out by the Global Commission on the Future of Work (2019) and recognised by governments, workers and employers in the International Labour Organization (ILO)’s 187 Member States (ILO 2019a).

A comprehensive framework for universal social protection

The concept of universal social protection is enshrined in the international human rights framework. It is reflected in several treaties, including the Universal Declaration of Human Rights (United Nations 1948): “Everyone, as a member of society, has the right to social security” (Art. 22), and the International Covenant on Economic, Social, and Cultural Rights (United Nations 1966), which recognises “the right of everyone to social security, including social insurance” (Art. 9). The principle of universality means that every member of society possesses these rights, regardless of where they live, their gender, their race, their religion, cultural or ethnic

background, their language, or other characteristics that could be used as a pretext for discrimination.

The ILO’s social security standards are an integral part of the internationally agreed framework for the development of social protection systems. In particular, ILO Social Protection Floors Recommendation, 2012 (No. 202) and the Social Security (Minimum Standards) Convention, 1952 (No. 102) are the cornerstones for developing universal social protection systems (ILO 2017a; 2019b).

First, national social protection systems should guarantee at least a basic level of social security for all, throughout the life cycle, including effective access to essential health care and income security—this is the social protection floor. Second, national social protection systems should be further strengthened by the progressive achievement of higher levels of protection to ensure adequate protection.

Key aspects of universal social protection

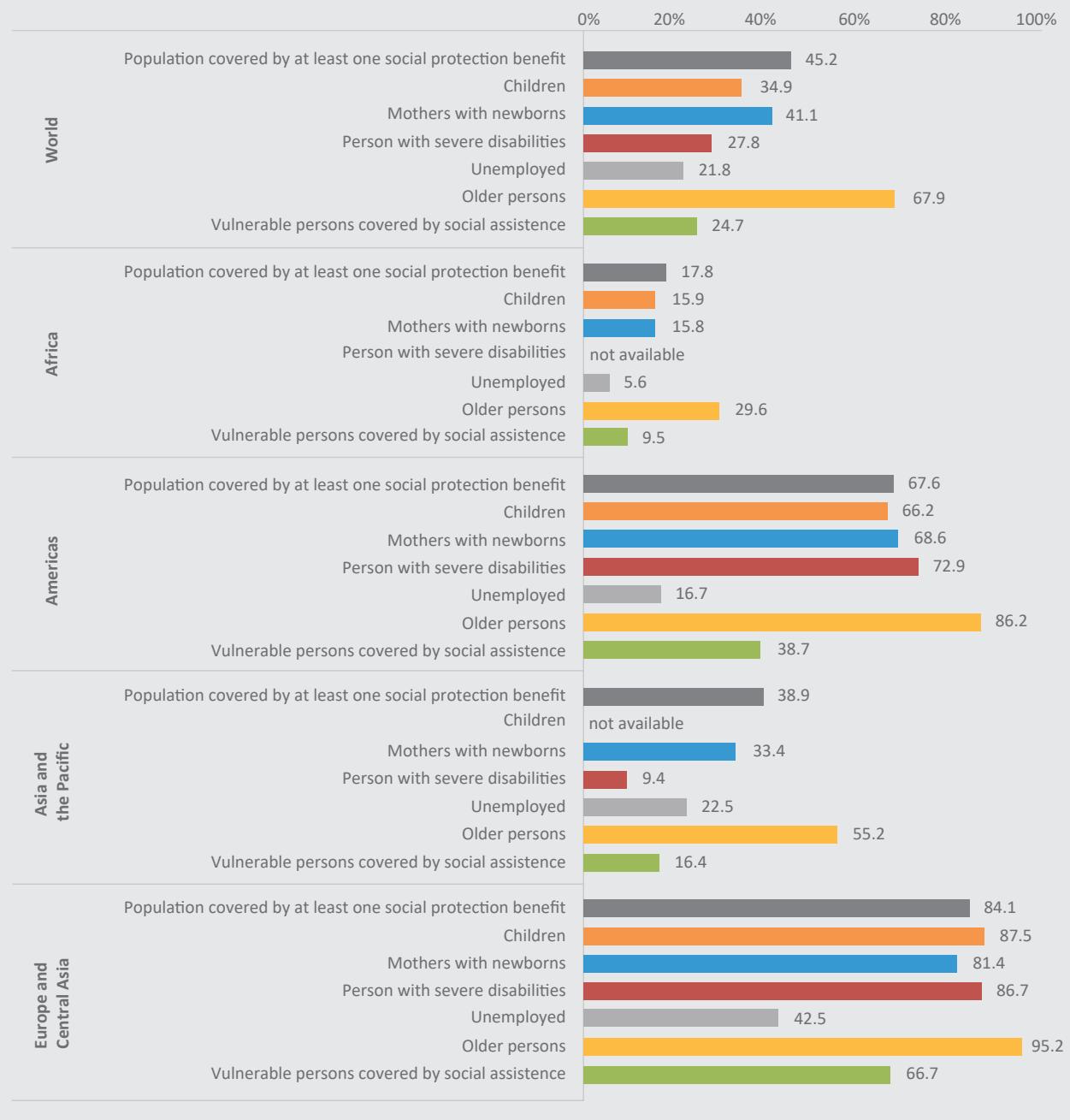
According to this international framework, universal social protection encompasses three key aspects:

- universal coverage in terms of persons protected;



Photo: UN Photo/David Ohana. Refugees in Myanmar, 2013 <<https://bit.ly/OJZNII>>.

FIGURE 1: SDG Indicator 1.3.1: Effective social protection coverage, global and regional estimates by population group (as a percentage)



Source: ILO (2017b).

- comprehensive protection in terms of risks covered; and
- adequacy of protection.

Universal coverage

According to ILO Recommendation No. 202, nationally defined social protection floors guarantee at least a basic level of social security for everyone throughout his

or her life cycle, ensuring that all persons in need can effectively access social protection. These guarantees should cover at least all residents and all children, subject to other international obligations.

Social protection systems should respect and promote the principles of non-discrimination, gender equality and responsiveness to special needs;

social inclusion (including of persons in the informal economy); and respect for people's rights and dignity.

Universal social protection, however, does not stop at a basic level of protection. Recommendation No. 202 also sets out that countries should progressively ensure higher levels of social security for as many people as possible and as soon as possible.

Figure 1 provides global and regional estimates of effective social protection coverage for different population groups according to SDG indicator 1.3.1. It illustrates coverage in terms of both persons and risk protected.

Comprehensive protection

Universal social protection also requires comprehensive coverage of a broad set of social risks and contingencies. Such comprehensive protection should encompass the core areas of social protection systems, including sickness benefits, unemployment benefits, old-age benefits, employment injury benefits, child or family benefits, maternity benefits, invalidity/disability benefits and survivor benefits, which are reflected in Convention No. 102 and in SDG target 1.3. In addition, Convention No. 102 also includes access to medical care, which is reflected in SDG target 3.8 on universal health coverage. As new social risks may arise in the future, such as long-term care, these would have to be addressed as well.

Adequacy of protection

Universal social protection needs to be adequate to achieve the expected policy outcomes in line with internationally accepted minimum benchmarks for social protection systems set out in ILO social security standards. For social protection floors, the basic social security guarantees should prevent or at least alleviate poverty, vulnerability and social exclusion, and allow life in dignity.

For conceptual clarity: universal social protection and other concepts

The term ‘universal social protection’ is widely used in policy discussions. To avoid confusion, and for conceptual clarity, it is helpful to delimit the term from other concepts.

Not to be confused with a one-size-fits-all model

There is no single, all-encompassing model to achieve universal social protection, as the focus is on the outcomes rather than on means. Recommendation No. 202 clearly specifies that social protection floors should be nationally defined, and that countries should consider the most effective and efficient combination of benefits and schemes in their national contexts. Likewise, they should consider different methods to mobilise the necessary resources. This is what has happened around the world; countries have chosen different paths to achieve universal social protection.

Not to be confused with universal schemes or programmes

According to the internationally agreed legal and policy framework previously described, universal social protection refers mainly to social protection systems. However, the term ‘universal’ is also used to describe specific schemes and programmes that are non-contributory, typically tax-financed, not means-tested, and with broad population coverage. There are two

types of universal schemes/programmes: those that cover broad categories of the population—for instance, children or older persons (also known as categorical schemes); and those that cover the entire population, such as a national health service or a universal basic income (UBI).

Many countries that have achieved universal social protection are relying on universal schemes, as they tend to be more inclusive and lead to less stigma than narrow poverty-targeted programmes. Such universal schemes are often complemented by social insurance or other schemes providing higher levels of protection.

However, this is not the only option that countries have at their disposal, as other approaches can also be compatible with the universal social protection framework. While many countries achieve universal social protection for children through a universal child benefit, other countries achieve it through a combination of several schemes (ILO and UNICEF 2019). For example, in Argentina more than 80 per cent of children are covered through a mix of social insurance and tax-financed benefits.

Not to be confused with universal basic income

Universal social protection means that everybody is adequately protected against the full range of risks throughout their life cycle. However, this does



Photo: Sarah Farhat/World Bank. Workers in a social protection project in Kinyanya village, Rwanda, 2017
<<https://bit.ly/2q9SdH1>>.

“ National social protection systems should guarantee at least a basic level of social security for all, throughout the life cycle, including effective access to essential health care and income security.

not require that everybody receive a permanent benefit, as would be the case with a UBI.

Universal social protection could be achieved through a UBI that achieves universal coverage and comprehensive protection and provides an adequate level of protection. However, UBI proposals can differ substantially in their design, and not every proposal complies with the key principles of universal social protection (Ortiz et al. 2018). For example, for a UBI to meet the principles of universal social protection, it would need to be at a level that fully meets the entire range of basic needs of recipients.

How to achieve universal social protection?

The international human rights framework, international social security standards and the Agenda 2030 for Sustainable Development set out a clear, internationally agreed framework to achieve universal social protection.

USP2030 called on all countries to live up to their commitment to develop nationally owned social protection systems for all, including floors. It called on countries and development partners to undertake the following five actions, to support the global commitment on universal social protection:

- **Protection throughout the life cycle.** Establish universal social protection systems, including floors, that provide adequate protection throughout the life cycle, combining social insurance, social assistance and other means, anchored in national strategies and legislation.
- **Universal coverage.** Provide universal access to social protection and ensure that social protection systems are rights-based, gender-sensitive and inclusive, leaving no one behind.
- **National ownership.** Develop social protection strategies and policies based on national priorities and circumstances in close cooperation with all relevant actors.
- **Sustainable and equitable financing.** Ensure the sustainability and fairness



Photo: UN Women/Narendra Shrestha. Woman with her income as rural farmer, Nepal, 2016 <<https://bit.ly/2CHb3rh>>.

of social protection systems by prioritising reliable and equitable forms of domestic financing, complemented by international cooperation and support where necessary.

- **Participation and social dialogue.** Strengthen governance of social protection systems through institutional leadership, multisectoral coordination and the participation of social partners and other relevant and representative organisations, to generate broad-based support and promote the effectiveness of services.

Many countries have already achieved significant progress in universal social protection for at least one area of their social protection system. This includes most high-income countries, as well as a growing number of middle- and low-income countries, including Argentina, Cabo Verde, China, Georgia, Lesotho, Mongolia, Namibia, Nepal, South Africa and Uruguay.⁴ However, greater efforts are needed to expand coverage and ensure comprehensive and adequate protection for all. ●

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2. International Labour Organization (ILO).

3. For a full list of the SDGs, see: <<https://bit.ly/2rvNZtx>>.

4. See: <www.usp2030.org> for a map and country briefs.

Limitations of the indicators for Sustainable Development Goal targets relating to social protection provision, in the context of universal social protection and USP2030

Anna McCord¹

This article explores the indicators identified for measuring progress towards the provision of universal social protection under target 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”) of Sustainable Development Goal (SDG) 1 (“end poverty in all its forms everywhere”), in line with the objective of the Global Partnership for Universal Social Protection to Achieve the Sustainable Development Goals by 2030 (USP2030). It presents the findings of a study conducted by the Overseas Development Institute (ODI) (McCord, Holmes, and Harman 2017), detailing the challenges and limitations of the two indicators adopted for social protection provision in the SDGs and providing an overview of the progress that has been achieved so far on coverage and financing, in line with these indicators. The article is based on a presentation entitled ‘Universal social protection in the context of the SDGs—where are we now?’, the introductory webinar in the USP2030 webinar series hosted by socialprotection.org.

Targets and indicators

The target which most accurately articulates the call for the provision of universal social protection is SDG 1’s target 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.”

The indicator for this target is the “proportion of population covered by social protection floors/systems, by sex, distinguishing children, unemployed persons, older persons, persons with disabilities, pregnant women, newborns, work-injury victims and the poor and the vulnerable”. Each indicator target has its own custodian agency; the

agency responsible for target 1.3 is the International Labour Organization (ILO), with additional involvement from the World Bank.

As discussed elsewhere in this special issue, the principle of universality of social protection means that social protection systems should guarantee decent living conditions to the whole population throughout their lives. The SDGs fall short of this and do not explicitly include the aim of universal provision of social protection by 2030; instead they refer to the implementation of “social protection systems and measures for all”, with the goal of “substantial coverage” by 2030. However, the proportion of the population covered by social protection systems/floors is used as an indicator of progress towards universality (United Nations Statistics Division 2018), as well as an indicator of SDG progress.

Coverage may be conceptualised in two distinct ways, either in terms of legal coverage—i.e. the numbers of those who, in principle, are eligible to draw down on some form of social protection provision should they need it, or actual beneficiary numbers at any point in time.

The SDG indicator selected for target 1.3 is ‘effective’ coverage, which combines the two ideas of coverage (legal and actual), referring to those who receive contributory and non-contributory social protection programmes plus those people who actively contribute to social insurance schemes. It is, therefore, an aggregate indicator gathering those who receive any form of social security or social assistance payment, and those who contribute to social insurance schemes and who will be eligible to receive benefits in the future. Data for this indicator are provided by national ministries, collected through an administrative survey—the ILO Social Security Inquiry (SSI)—collated into a database and published in the World Social Protection Report (ILO 2017).

The database contains information for 183 countries in total, but the number of countries providing coverage data varies significantly across different social protection instruments, as illustrated in Table 1, leading to problems in producing accurate and consistent data on overall coverage.

Many of these data are not disaggregated by gender or other categories; therefore, subdividing coverage by vulnerable group in the SDG indicator is a challenge.

TABLE 1. Availability of country coverage data, by social protection instrument

Social protection type	Number of countries providing coverage data
Old age	175
Work-injury victims	172
Disability	171
Pregnant women	139
Child grants	109
Unemployment benefits	79

Source: IAEG-SDG (2016).

Hence, although coverage is an outcome indicator used by many donors and is readily calculable based on national data, it is a problematic indicator as a measure of universality. The primary reason for this is that there is no consistency across countries or development agencies regarding which instruments constitute social protection and are reported on, how ‘coverage’ is measured or how the concept of universality can be accommodated.

Mobilisation of resources for social protection

Resource mobilisation is recognised as key for achieving SDG 1, and target 1.a specifically addresses this: “Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions.”

One of the three indicators for this target (indicator 1.a.2) refers explicitly to social protection: the “[p]roportion of total government spending on essential services (education, health and social protection)”.² This indicator is still under discussion in terms of an appropriate methodology for its calculation and the metadata required, which will be able to accommodate challenges relating

to how social protection should be defined, how diverse funding sources should be captured and how ‘significant’, ‘adequate’ and ‘predictable’ might be conceptualised and captured.

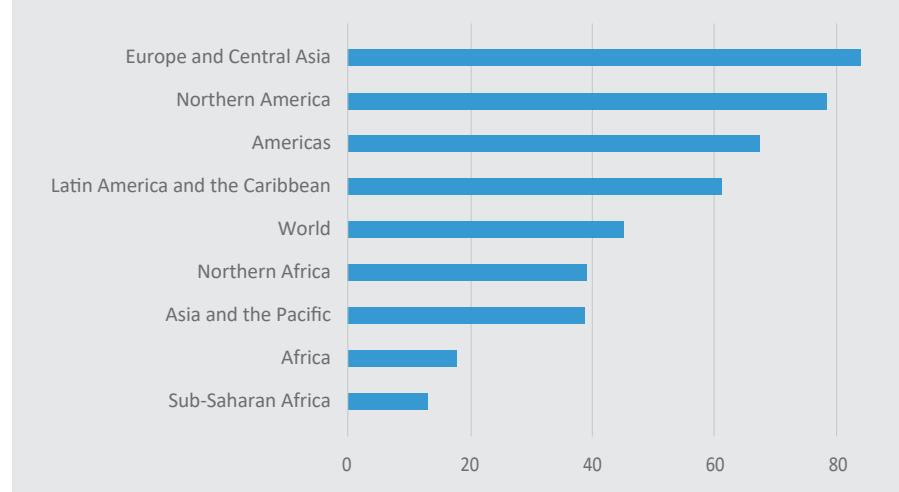
Indicator challenges

Obtaining a comprehensive and comparable overview of social protection provision across countries is not currently feasible due to data-related challenges. The major constraints are significant inconsistencies in terms of data collection processes and periodicity, as well as quality and definitional/compositional differences. These practical constraints have limited the feasible indicator options for target 1.3 and the measurement of progress towards the provision of universal social protection.

These data constraints and the need for feasible indicators have resulted in the selection of SDG indicators which focus on the measurement of **input** (resources) and **output** (coverage), at the expense of results-oriented indicators which would capture social protection **outcomes** and **impacts**. This has compromised the adequacy of the selected indicators as measures of progress towards universal social protection as specified in the SDGs, in terms of the implementation of “nationally appropriate social protection systems and measures for all, including creation of social protection floors, and by 2030 achieving substantial coverage

“
The principle of universality of social protection means that social protection systems should guarantee decent living conditions to the whole population throughout their lives.

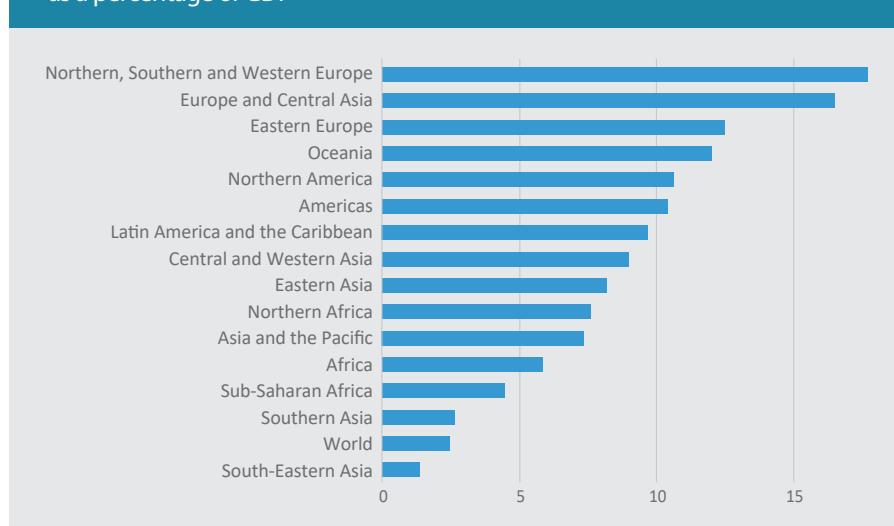
FIGURE 1: Percentage of the total population covered by at least one social protection benefit (effective coverage), 2015



Source: Author's elaboration.

“ Resource mobilisation is recognised as key for achieving SDG 1.

FIGURE 2: Public social protection expenditure (excluding health), as a percentage of GDP



Source: Author's elaboration.

of the poor and the vulnerable". The social protection floor is the guiding principle underlying the universal provision of protection against risks throughout the life cycle, but the SDG indicators are unable to measure or incentivise progress towards it.

Capturing the adequacy of the provision of social protection

It has been argued that the exclusive focus on headcount coverage means that the adequacy of provision is not considered, and that an indicator which takes this into account would better reflect the vision underlying target 1.3 (Ortiz et al. 2014). Similarly, Bonnet and Tessier (2013) argued for the need to measure the quality of social protection, recognising that "not all social protection benefits contribute to the same extent to income security". In terms of quality and adequacy of provision, the key factors to consider would include: the value of transfers; the frequency and regularity of payment; the nature of payment (in-kind/cash/fee waivers/public works wages); the duration and reliability of support; the targeting method; the ability of the provision to address needs across the life cycle; the adequacy of systems development; and the sustainability of institutions and financing.

The implication of this critique of current indicators is that donors and governments may benefit from: i) the development and adoption

of complementary indicators to support the realisation of target 1.3, in line with USP2030; and ii) the harmonisation of indicator selection and definitions across agencies, in line with the recommendations of the Paris and Busan High-level Fora on Aid Effectiveness and donor coordination (OECD 2019).

Current performance against SDG indicators on universal social protection coverage and financing

So far, the performance of SDG indicators for the extension of social protection provision can be assessed using data from the ILO's most recent World Social Protection Report (ILO 2017) on coverage (indicator 1.3) and government spending (indicator 1.a.2).

Coverage levels may be estimated based on the ILO's World Social Protection Report Data, gathered through the SSI. These data indicate that the percentage of the total population 'covered' (as defined previously) by at least one social protection benefit was 45 per cent globally in 2015, ranging from over 80 per cent in Europe and Central Asia to less than 40 per cent in Asia and the Pacific and Northern Africa, and to only 15 per cent in sub-Saharan Africa (see Figure 1).

Country data for sub-Saharan Africa indicate that South Africa is an outlier, with almost 50 per cent coverage, while six countries have less than 10 per cent



Photo: Lakshman Nadaraja/World Bank. Women working in a field, Sri Lanka, 2011 <<https://bit.ly/OJZN1l>>.

coverage (Burkina Faso, Cameroon, Gambia, Lesotho, Nigeria and Uganda), with Nigeria and Uganda having coverage rates of under 5 per cent. Notwithstanding the debate around the limited insight offered by the SDG indicator related to provision, it is clear that coverage falls far short of the SDG target of “substantial coverage of the poor and the vulnerable”, even using the relatively simple criterion of ‘effective’ coverage, and is far short of the universal social protection goal. If the adequacy of provision were to be taken into account, in line with the USP2030 goals, the estimates of provision would be significantly lower.

In terms of expenditure, consolidated data for indicator 1.a.2 are not available, given the lack of a finalised methodology and metadata. However, data for ‘public social protection expenditure’, excluding health, are gathered through the SSI and published in the World Social Protection Report. These data indicate an average national expenditure level globally of less than 3 per cent of gross domestic product (GDP), ranging from 17 per cent in Northern, Southern and Western Europe to less than 2 per cent in Southeast Asia. The data also indicate significant variation within regions, ranging from 7 per cent of GDP in Lesotho to less than 0.25 per cent in Chad and Côte d’Ivoire. Given the lack of an explicit financing target, these data are unable to indicate whether countries are on track to achieve a particular financing level, despite being technically problematic (for example, not

taking into account external financing, not being sensitive to population size and being subject to fluctuations in GDP), but they can nonetheless provide insight into trends in national financial allocations, and some indication of relative performance, although this is compromised by the inconsistency of data across countries.

Despite the data limitations, the picture that emerges from the SSI is that a significant mobilisation of domestic resources for social protection financing is yet to take place in many regions, and, as such, progress towards adequate, nationally financed universal social protection remains slow, falling far short of that required to achieve USP2030.

Conclusion

We are currently a long way from achieving universal social protection. There is neither substantial coverage nor significant mobilisation of resources in many middle-income and most low-income countries, and it will be a major challenge to meet the SDG targets by 2030. The level of coverage of poor and vulnerable people remains trivial in many countries, and there are currently no widespread data on the adequacy of the limited provision which is available. The task ahead is to support the expansion of social protection provision most effectively to realise the SDG goal of ending poverty and USP2030.

This represents a major challenge to both multi- and bilateral development agencies and is likely to require more effective use of the scarce resources available for social protection, a continued focus on donor coordination, and harmonisation at the country level. These are effective strategies to actively promote engagement with the concept of universal social protection. ●

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1. Overseas Development Institute (ODI), Effective States and Inclusive Development Research Centre (University of Manchester), Sheffield Institute for International Development (University of Sheffield) and Development Pathways. Anna is also the CEO of Poverty and Inequality Practice Ltd.

2. The World Bank is the provisional custodian agency for this indicator, with additional involvement from the ILO, the World Health Organization (WHO) and the United Nations Educational, Scientific and Cultural Organization (UNESCO).

Indonesia policies towards universal social protection by 2030

Maliki, Hariyadi and
Ramadhan Nizar Istighfarli¹

The development of social protection in Indonesia

The Preamble of the 1945 Constitution of the Republic of Indonesia states that all Indonesian citizens must be protected. The State is mandated to protect them by improving their welfare and providing education. All poor and vulnerable people should be protected by the government through the provision of social protection. This mandate is reflected in Law 17/2007 of the National Long-Term Development Plan (Government of Indonesia 2007). This is the main reference for the government to design, plan and implement its social protection programme, including the social security programme, to empower poor and vulnerable people to participate in community life. The National Long-Term Development Plan mandates the implementation of integrated social security and social assistance that cover all sectors—including the informal sectors—with cooperation (Gotong Royong) as the main principle. The main strategies to reach this long-term goal include strengthening the institutional capacity of the social security system, restructuring social assistance, increasing

the inclusiveness of disability coverage and developing an integrated social protection system.

Social protection in Indonesia started before the political reform of 1997 through pension programmes for government officials, the police and armed forces (TASPEN), formal workers' insurance (JAMSOSTEK) and health insurance for government officials, police and army officers and their families (ASKES). After the reform, when Law No. 40 (Government of Indonesia, 2004) on the national social insurance scheme (Jaminan Kesehatan Nasional—JKN) was promulgated, everyone became entitled to more comprehensive protection based on a contributory system.

JKN started in January 2014. The old health system was transformed into nationwide health insurance, covering all citizens through a contributory system. The government subsidises the premium for the poorest 40 per cent of the population in the country. After four years, more than 80 per cent of the population was covered by JKN. In July 2014, as part of the reform, the Workers' Protection Programme was started, offering four additional social insurance programmes. The workers' protection programmes include the Worker Accident

Programme (Jaminan Kecelakaan Kerja—JKK), the Death Benefit Programme (Jaminan Kematian—JKM), the Pension Programme (Jaminan Pensiu—JP) and the Old-Age Savings Programme (Jaminan Hari Tua—JHT). These programmes are operated under the Social Insurance Implementation Agency for the Workers' Protection Programme (Badan Pelaksana Jaminan Sosial Ketenagakerjaan—BPJS).

The development of a more comprehensive social protection system started at the very beginning of President Jokowi's administration, through the implementation of social security as regulated in law, scholarships for poor students through the Smart Indonesian Card (Kartu Indonesia Pintar), the Healthy Indonesian Card (KIS), the Family Welfare Card (KKS), the conditional cash transfer (PKH), and social assistance for children, elderly people, people with disabilities, and indigenous people. To complement the social protection programme, poor people now have easier access to basic services and sustainable livelihood development programmes. The Social Safety Net Programme was among the first to mitigate the effects of the financial crisis on the vulnerable population through health care, educational support and other support programmes.



Photo: DFAT/ Ben Pederick. Children at play, Indonesia, 2014 <<https://bit.ly/37MYPvS>>.

“ All poor and vulnerable people of Indonesia should be protected by the government through the provision of social protection.

To improve protection for vulnerable people, the government prioritises the 40 per cent with the lowest income, offering subsidies or cash transfers to reduce their burden. Several programmes target this income group, such as cash transfers for elderly people and people with disabilities, other unconditional cash transfers, conditional cash transfers, scholarships and national health insurance subsidies. On the other hand, the 20 per cent of people with the highest income are financially able to register for the National Social Security Programme for health care and pensions, or private schemes such as private pensions and health insurance.

Some people in the upper-middle income bracket are also able to apply for national social security, particularly the national health insurance or pension programmes. However, a higher percentage of those in the middle class—especially in the lower-middle class or those who work in the informal sectors—are ‘unseen’ and not covered by insurance and/or social assistance. There are limited schemes for the informal sector due to financial constraints, the cost of premiums and enrolment, lack of insurance, literacy, and administrative issues. The government is unable to pay

for their premiums in this case. Covering the protection of the ‘missing middle’ requires affirmative policy, such as strategically advocating for them and improving their financial capability.

Policy and targets for USP2030

The improvement of Indonesia’s social protection coverage is one of the most important factors in the reduction of poverty in the country over the past five years. According to the National Medium-term Development Plan 2015–2019 (Government of Indonesia, 2015), Indonesia needs to reduce its poverty rate to 8.5–9.5 per cent of the population and its Gini ratio to 0.38–0.385 by the end of the current administration’s term in 2019. In September 2018, single-digit poverty rates were achieved, continually decreasing to 9.4 per cent of the population—around 25 million poor people—in March 2019. This is mostly due to the improvement of social assistance coverage and better targeting. The coverage of social assistance programmes has been increasing over the past five years. The Conditional Cash Transfer with Family of Hope Programme (*Program Keluarga Harapan*—PKH) has increased the coverage to the 15 per cent of the population with the lowest income, reaching 10 million poor

households. Furthermore, the Indonesian conditional cash transfers programme has become one of the best-targeted social assistance programmes in the world. The programme has significantly affected immunisation rates and school attainment among poor people. Other social assistance initiatives, such as *Rastra*, KPS/KKS, BNPT and scholarships have covered as much as 25 per cent of the population with the lowest income. A subsidy for national health insurance is provided to the 40 per cent with the lowest income. One of the latest programmes enacted by the administration, the Village Fund programme, has benefited most of the population—especially at the village level. The Village Fund provides basic infrastructure at the village level, which helps improve the community’s access to health care, schools and other basic facilities. Basic infrastructure also improves poor people’s access to economic activities, which in turn support their livelihoods.

In addition to reducing poverty rates, the improvement of social protection coverage also contributes to the creation of job opportunities. A million jobs created by the Village Fund programme have contributed to reducing the unemployment rate to 5.34 per cent. The Gini ratio also fell to

FIGURE 1: Social protection and the ‘unseen’ middle class

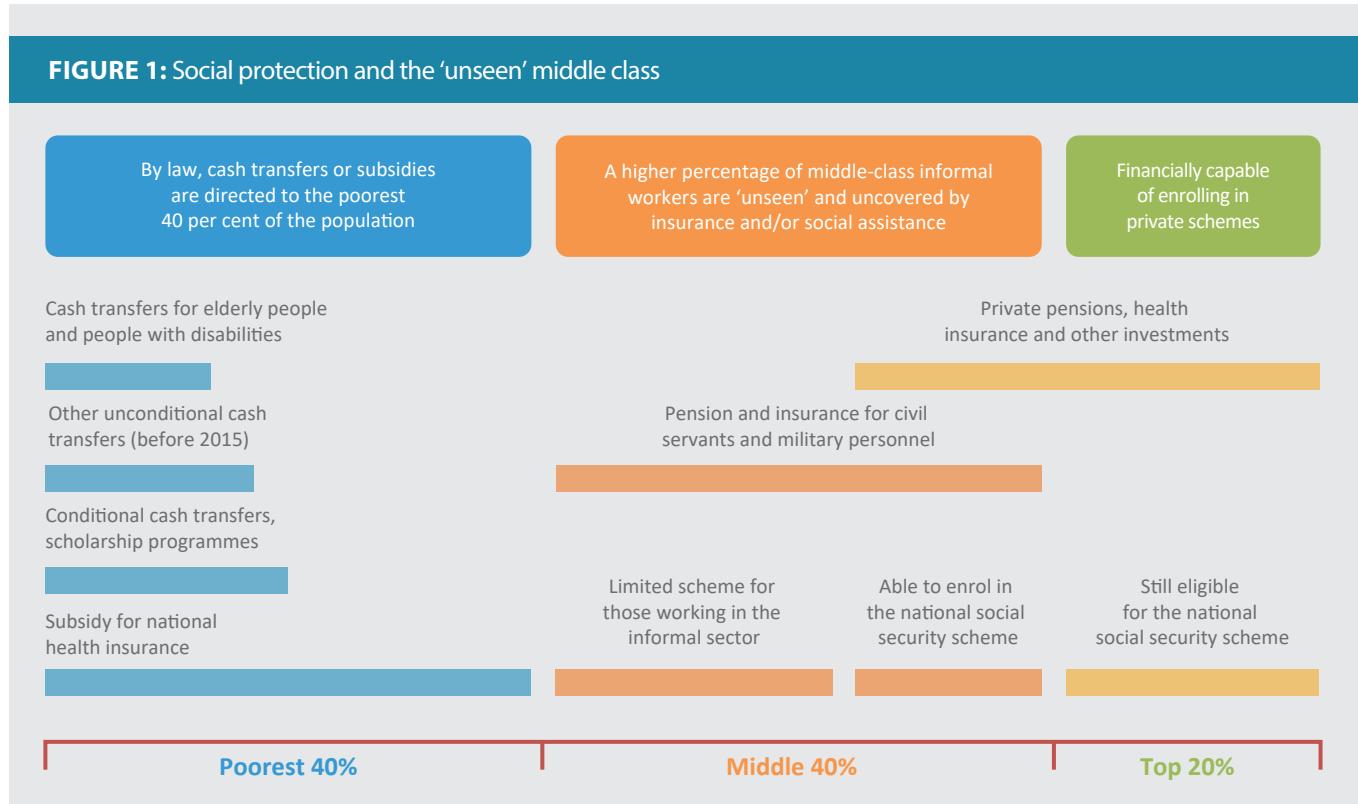




Photo: Nugroho Nurdikiawan Sunjoyo/World Bank. Nursing students in training, Yogyakarta, Indonesia, 2011
<https://bit.ly/2XhDJkv>.

0.384 in September 2018. Challenges remain to further reduce the Gini ratio, especially by improving the growth of the middle-income group. Significant efforts to improve social protection coverage, especially of those in the lower-middle income group, are also crucial to reducing the Gini ratio to below 0.38 in 2019. Currently, almost 97 million people—29 million families or 27 million households—categorised as middle-income do not receive any social protection, particularly social insurance. Approximately 21.4 million formal workers and 27.4 million informal workers (of whom 17.1 million work less than 35 hours a week and 10.2 million work longer than 35 hours a week) cannot afford to pay premiums for labour insurance.

The expansion of social protection coverage remains a significant challenge if Indonesia is to achieve universal social protection by 2030. Informality is still pervasive, and the country's geographical challenges also require policy innovations. Extending social protection to people with disabilities and those living under high risk of natural disasters should be a priority in the inclusiveness agenda. To meet the challenges of improving social protection coverage, the Government of Indonesia has established the following priority areas in the draft of the National Mid-Term Development Plan (RPJMN) 2020–2024:

- comprehensive programme benefits;
- sustainable financing sources;
- increased social protection coverage; and

- strengthening the institutional framework that will manage and implement the programmes more effectively.

Policy interventions to address the five priorities areas are as follows:

- institutional strengthening on planning, budgeting, monitoring and evaluation of social protection (SEPAKAT);
- development of a single-window service, integrating data and creating a complaints redressal mechanism;
- building adaptive social protection, prepared for natural disasters and climate change;
- strengthening social assistance and educational coverage for informal workers and people with disabilities; and
- improving social insurance benefits, including return to work, pensions for informal workers, unemployment insurance and long-term care.

Alternative funding for universal social protection by 2030

In conventional terms, social protection funded exclusively by taxes, contributions and, in some cases, investment returns, are only able to cover basic needs, such as enrolment in basic education and health services. Tax-based income

“ In addition to reducing poverty rates, the improvement of social protection coverage also contributes to the creation of job opportunities.

finances social assistance programmes for those who need to fulfil these basic needs, particularly those who are poor or vulnerable. As the income of the population grows, social assistance will shift into more contribution-based social insurance, to protect them from economic, social and any other shocks that might affect their capacity to survive.

There are several other potential sources of funding, such as philanthropy, private (voluntary) funding or social impact investment. The Government of Indonesia needs to build delivery mechanisms and nurture policies that create synergies with the targeting system. Its role is to coordinate, provide target data and systems, and divulge information on government programmes to help philanthropy-based funding. For private funding, the government should strengthen financial institutions and promote education and advocacy. ●

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1. Ministry of National Development Planning of the Republic of Indonesia (Bappenas).

Universal social protection in Kenya—achievements, challenges and opportunities

Cecilia Mbaka¹

Evidence shows that social protection instruments are increasingly effective in addressing extreme poverty, vulnerability and risk among citizens in middle- and low-income countries. In Kenya, the government's commitment to provide assistance to vulnerable populations that are unable to meet their basic needs is enshrined in the 2010 Constitution. This commitment is further demonstrated by the integration of social protection into various national policies and legislative frameworks that have been developed by various government ministries, departments and agencies.

In Kenya, the overall goal for social protection by 2030 is to "ensure that all Kenyans live in dignity and are able to exploit their human capabilities for their own socio-economic development" (Ministry of Labour and Social Protection 2011).

To a large extent, and in line with the 2011 Kenya National Social Protection Policy (NSPP), the current social protection system is being designed to address life cycle risks through a mixture of schemes financed from general government revenues (including through donor support) and contributory schemes. Currently, social protection in Kenya is delivered through three key instruments: (i) social assistance; (ii) social security; and (iii) social health insurance.

The Government of Kenya is running a number of universal programmes, which include:

- cash transfers for elderly people (aged 70 years and above);
- free maternal and child health care;
- school feeding;
- universal health care coverage; and
- universal free primary education and presidential bursaries.

Achievements

Increased coverage of core social assistance schemes: In 2019, approximately 1,338,000 households are receiving cash transfers from the National Safety Net Programme, which encompasses the Older Persons Cash Transfer (OPCT), the Cash Transfer for Orphans and Vulnerable Children (CT-OVC), the Cash Transfer for Persons With Severe Disabilities (PwSD-CT) and the Hunger Safety Net Programme (HSNP) schemes, either individually or on behalf of their households. Therefore, around 15 per cent of households nationally have access to some form of regular and predictable transfer. This is a significant increase from the approximately 500,000 households that received cash transfers in 2015.

Launch and roll-out of universal coverage for elderly people:

A landmark achievement in the social protection sector, and even more for the nation as a whole, was the recent launch and roll-out of universal coverage for elderly people aged 70 years and above. This is a significant milestone for the nation, not only in terms of taking care of its senior citizens but also in allowing those individuals and their households to undertake more productive and sustainable ventures, which has a double effect of poverty reduction and socio-economic development. Currently, approximately 830,000 senior citizens are enrolled and are already receiving a bimonthly stipend.

Universal health care coverage:

The Government of Kenya has adopted universal health coverage as one of its 'big four' priority agendas, with the goal that by 2022, all persons in Kenya will be able to use the essential services they need for their health care and well-being through a single, unified benefit package. Recently, the government has allocated funds to ensure free medical cover for senior citizens benefitting from the universal programme.

Improved processes and systems:

Considerable progress has been made in strengthening the administrative processes and systems for social assistance schemes. To increase efficiency in the delivery of cash transfers, programmes that previously ran independently have been consolidated to avoid duplication of limited resources. Programme monitoring and information systems and harmonised targeting methodologies have been developed in line with this consolidation.

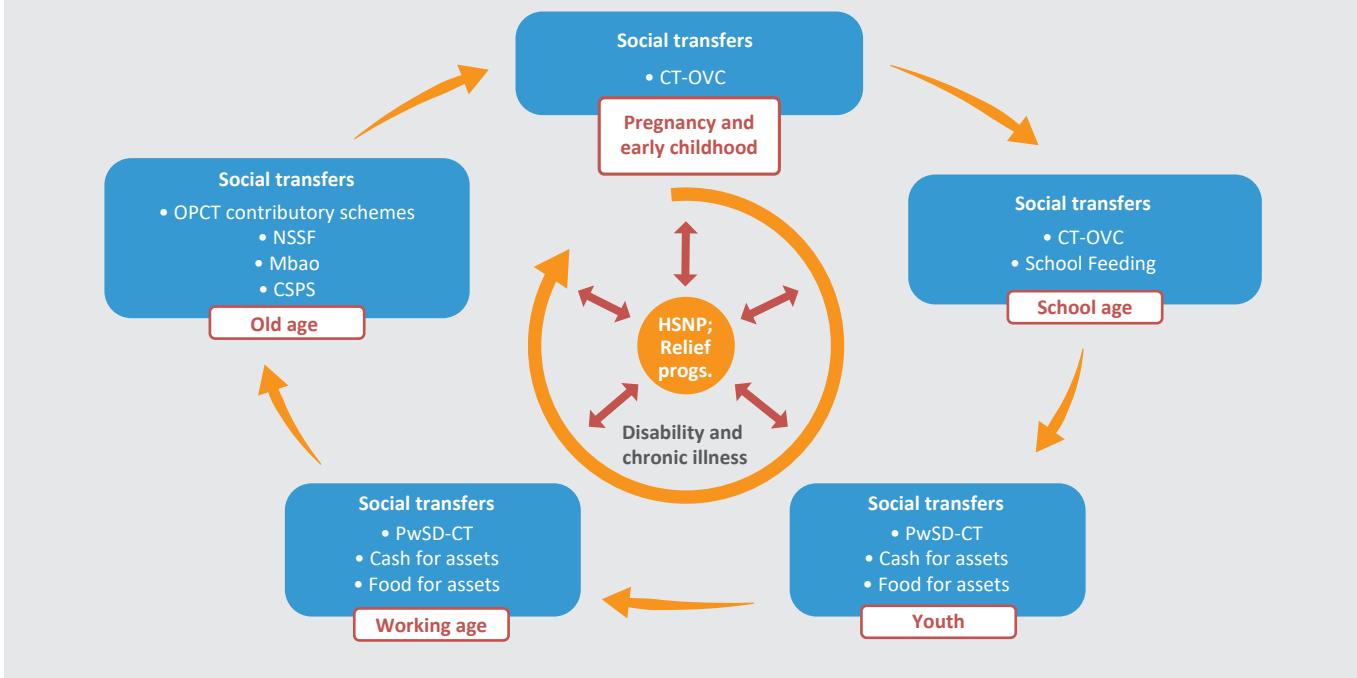
There have also been significant improvements in programme and national management information systems with the establishment of the Single Registry, a central database that brings together the five cash transfer programmes. It seeks to improve efficiency and effectiveness in the delivery of social protection programmes, while strengthening transparency and accountability. It enables the sharing of information among implementing agencies, development partners, stakeholders and the general public.

Increased impact of social assistance programmes:

The impact of social assistance programmes has grown in recent years as cash transfers have expanded and more ad hoc food-based transfers have decreased. Impact evaluations show positive effects on health, education (including by reducing child labour), labour market participation, savings and credit, resilience to shocks and women's empowerment. Programmes are increasing the capacity of the Kenyan labour force and have stimulated investment in assets and local economic growth.

To a large extent, and in line with the NSPP, the current social protection system is being designed to address life cycle risks, through a mixture of schemes financed from general government revenues (including through donor support) and contributory schemes. Figure 1 shows how most schemes are equipped to address life cycle risks and contingencies.

FIGURE 1: Kenya's national social security system, mapped across the life cycle



Source: Author's elaboration.

Challenges

Investment in social protection

Interventions: Currently, although non-contributory programmes are wholly funded by the government, there is a need to set out a clear plan for increasing investment in the sector to 2 per cent over the next five years to create significant impact. Despite the gains made so far, 36 per cent of Kenyans are living in poverty and need to be protected from vulnerability and shocks

Fragmentation and limited coordination of programmes: Despite progressive policy and institutional reforms within the social protection sector, many programmes are heavily fragmented. Gathering these programmes under a single administrative body could significantly improve the effectiveness of interventions. This can be achieved by expanding the mandate of the Social Protection Secretariat and establishing an integrated, sector-wide approach to data and information systems.

Diminishing real values of cash transfers: A key observation is that the transfer value of cash transfers has been USD20 per month since 2013. However, due to inflation, the real value of these transfers

has diminished. Transfer values need to be reviewed periodically to stem any negative impacts on beneficiaries.

Lack of comprehensive legislation on social protection: The NSPP outlines three pillars: social assistance, social security and health insurance. However, there is no legislation that ties these three pillars together to ensure a coordinated and coherent approach to social protection programming.

Opportunities

Maximise fiscal space opportunities:

This necessitates not only advocating for increased budget allocations but also addressing expenditure allocation and usage inefficiencies. This will require medium- to long-term planning for the financing of the scale-up of social protection interventions to ensure long-term sustainability.

Improve the evidence base, knowledge management and lesson-sharing of social protection policy and programming:

It is imperative to enhance current understanding of existing social protection efforts, through expanded and better-coordinated research efforts, monitoring and evaluation. A stronger evidence

base could greatly improve existing understanding of how social protection programme design and implementation may best be tailored to existing social protection policies and programming. At the same time, better data could equip policymakers with a powerful tool for allocating limited resources and advancing their social protection agendas through the use of persuasive evidence that shows the advantages of social protection for governments and communities.

Improve and expand capacity and coordination at all levels of social protection actors:

Tremendous opportunities exist to improve inter-agency and inter-ministerial coordination at national and local levels, as well as coordination between the various development actors actively involved in the design, implementation and evaluation of social protection programmes across Kenya. ●

Ministry of Labour and Social Protection. 2011. Kenya National Social Protection Policy. Nairobi: Ministry of Gender, Children and Social Development. <<https://socialprotection.or.ke/about-sps/kenya-national-social-protection-policy>>. Accessed 1 November 2019.

1. National Social Protection Secretariat, Kenya.

Creating fiscal space for social protection through reprogramming: the Brazilian case

Rafael Guerreiro Osorio, Sergei S. D. Soares and Letícia Bartholo¹

When a country wishes to expand the coverage of social protection and improve its quality, one of the first issues that arise is how to fund it. Creating fiscal space for reform and innovation on social protection is not a trivial matter. Economic growth can help, but it is unlikely to be enough to preclude the adoption of specific measures.

However, increasing revenues by increasing the tax burden is rarely an option, because public opinion is usually against it, even when the burden is not particularly high. On the other hand, supporting higher social expenditure by increasing debt is generally not advisable and is not possible for countries that are indebted already.

We posit that most countries have inefficient and ineffective social schemes and interventions that can be reprogrammed. Some can be terminated, and others merged and redesigned to pave the way for newer and better programmes. A good example is the creation of the Brazilian *Bolsa Família* targeted cash transfer programme.

In the beginning of 2003, Brazil had three targeted cash transfers: *Bolsa Escola*

(education), *Cartão Alimentação* (nutrition/health) and *Vale-Gás* (cooking gas). Nevertheless, in that year Brazil created a fourth programme, as part of the *Fome Zero* (Zero Hunger) strategy.

Fortunately, some members of the government noticed that it was unreasonable to have four different cash transfer programmes targeting the same poor population. Furthermore, the country was going through an economic crisis, and there was no budget for the fourth programme, which had just been created by a new government. The solution to create fiscal space was to redesign and integrate those four programmes, thus giving birth to *Bolsa Família*. The new programme inherited the previous ones' budget and operational structure, and went on to become an internationally recognised model for targeted cash transfers.

In the aftermath of the 2002-2004 economic crisis, growth was substantial and created the conditions to increase social expenditure, eliminating the need for further reprogramming. Unfortunately, the movement that yielded *Bolsa Família*, one of the greatest achievements of Brazilian social protection, was halted. Reprogramming was limited to cash transfer programmes that had been

recently introduced, around 2000. However, there were other social protection programmes that could have been reviewed, merged or reformed.

In the 1970s, large-scale targeted and non-contributory social protection programmes were introduced in Brazil. Old-age and disability pensions were established, as well as transfers to supplement the income of low-wage formal workers, such as the *Abono Salarial* and the *Salário Família*. Since then, the incremental development of Brazilian social protection has produced an incoherent patchwork of programmes, which compromises a large share of public expenditure.

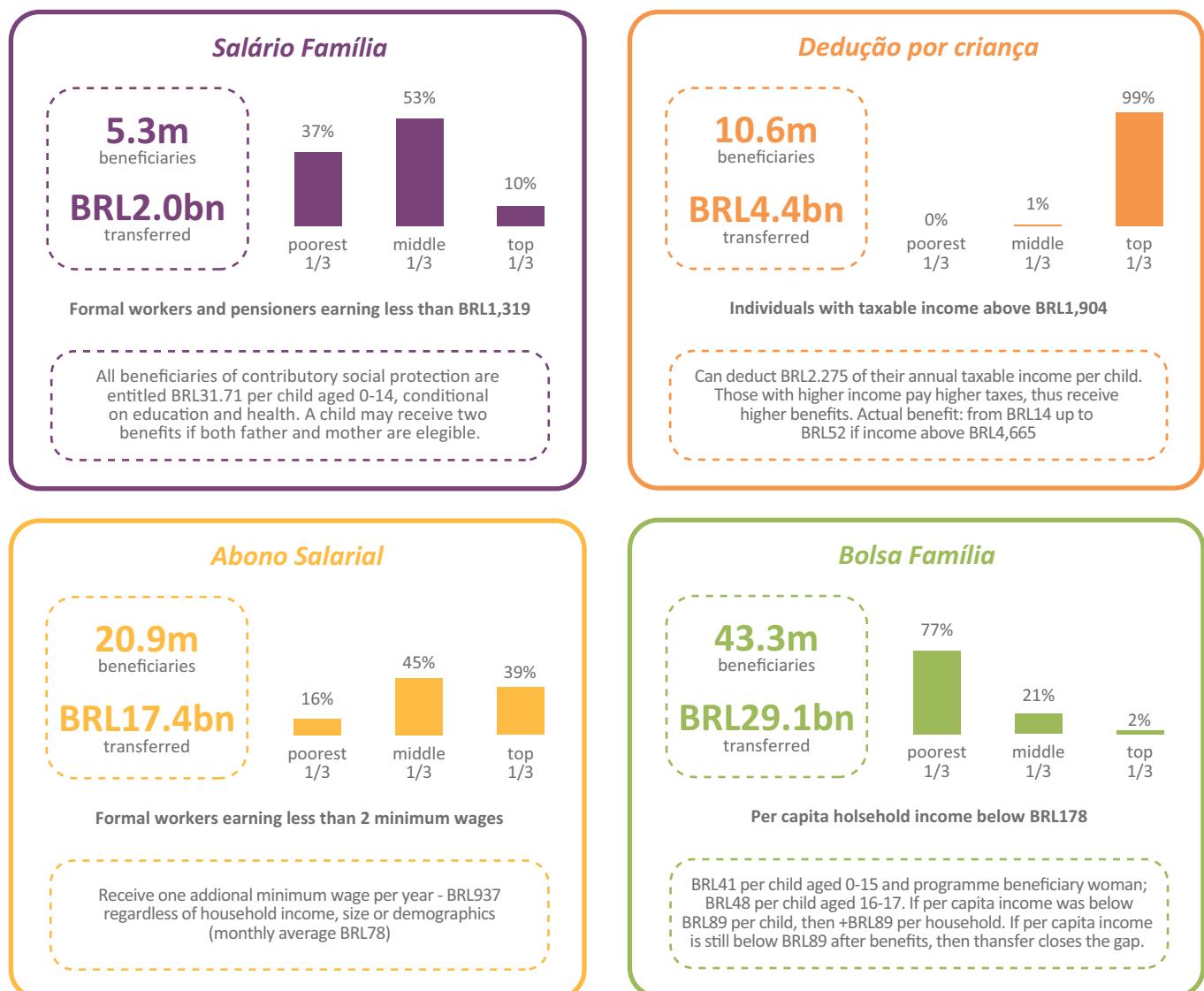
Some social programmes that might have sounded like good ideas in the past are now known to have had meagre impacts on poverty and thus do not contribute to the effective and efficient use of collective resources. In any case, it is very hard to terminate programmes once they become part of the political scenery. As a local politician once said, "People who lose benefits can become very vocal against the government."

As the cliché goes, crises yield opportunities, and the economic crisis

“In the aftermath of the 2002-2004 economic crisis, growth was substantial and created the conditions to increase social expenditure, eliminating the need for further reprogramming.



Photo: MDS / Ubirajara Machado. *Bolsa Família* beneficiary family, Brazil, 2014.



Source: Authors' elaboration.

that Brazil has been facing since 2015 has recreated an enabling environment for reprogramming. This is demonstrated by the fact that a crucial pension reform, which had been postponed for far longer than what could be considered reasonable, finally passed in Congress in 2019. Concomitantly, support for some old programmes is dwindling, as their inefficiency and ineffectiveness as social expenditure become evident.

The common issue plaguing these programmes is bad targeting. The most absurd situation is that of the *Dedução por Criança*, a per-child tax deduction. It features what could aptly be called 'reverse social targeting', as richer families receive higher benefits. In 2018, the actual transfer per rich child accruing from this tax deduction scheme

was actually greater than the transfer to each extremely poor child made by *Bolsa Família*.

The other badly targeted programmes that are ripe for reprogramming are the *Abono Salarial* and the *Salário Família*. Both target 'low-wage' formal workers and 'low-pension' pensioners of contributory social protection. The definition of 'low' is around one minimum wage (BRL998, or around USD236 as of November 2019)—the floor for formal earnings and pensions (though the value of death pensions can be less than the floor if shared by survivors).

This causes bad targeting because minimum-wage earners frequently live in households with other income providers and sources

of income. Indeed, minimum-wage earners are concentrated above the median of the household per capita income distribution. Additionally, the real value of the minimum wage is far greater today than when those programmes were devised. Unless their size is above average, households that have at least one minimum-wage earner are very unlikely to be found in extreme poverty.

We have summarised in figures the main features of the *Salário Família*, *Dedução por Criança*, *Abono Salarial* and *Bolsa Família*: eligibility criteria, number of beneficiaries, amount transferred and concentration of transfers—whether on the poorest, the middle, or the top third of the population, ranked from poorest to richest by household per capita income. We also present their joint characteristics.

The main take-away is that, in terms of distribution, *Bolsa Família* is far better than the other three programmes and pays larger transfers. However, as the other programmes are badly targeted and still consume a significant amount of resources, when the four are considered together, the overall performance is far inferior to that of *Bolsa Família* alone.

Indeed, by distributing BRL52.8 billion through these four channels, Brazil has achieved only a mild reduction in inequality, as the Gini index falls from 55.4 ex ante to 53.7 ex post. The impact on extreme poverty is greater, as the headcount falls from 7.4 per cent ex ante to 5.9 per cent ex post. However, almost all the reduction in inequality and poverty results from *Bolsa Família* transfers.

Bolsa Família has better targeting thanks to its eligibility criteria and to the *Cadastro Único* (Single Registry), the instrument implementing the criteria for the selection of beneficiaries. Today, most poor and vulnerable Brazilians are enrolled in the *Cadastro Único*, and many of them are participating in one or more of the many social programmes that use it to select beneficiaries.

Due to the somewhat exaggerated and often unjustified concerns about fraud in *Bolsa Família*, in recent years the integration of the *Cadastro Único* with other registries was bolstered to

check for hidden sources of income and determinants of ineligibility (for example, being an elected politician). Technological development now allows all the most likely formal sources of income for all members of the household to be checked before a benefit is granted.

Thus, Brazil could be making better use of that BRL52.8 billion if it were all distributed through *Bolsa Família*, using its superior targeting system. Indeed, in a recent paper (Soares, Bartholo, and Osorio 2019), we presented a reprogramming proposal to terminate the *Salário Família*, the *Abono Salarial* and the *Dedução por Criança* and commit their budgets to a revamped *Bolsa Família*, entailing a universal child benefit to extend social protection to the 17 million Brazilian children living in households that do not receive any benefit.

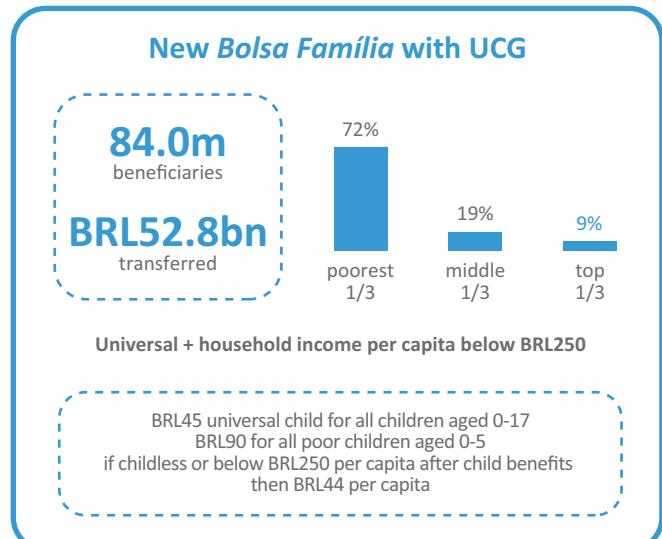
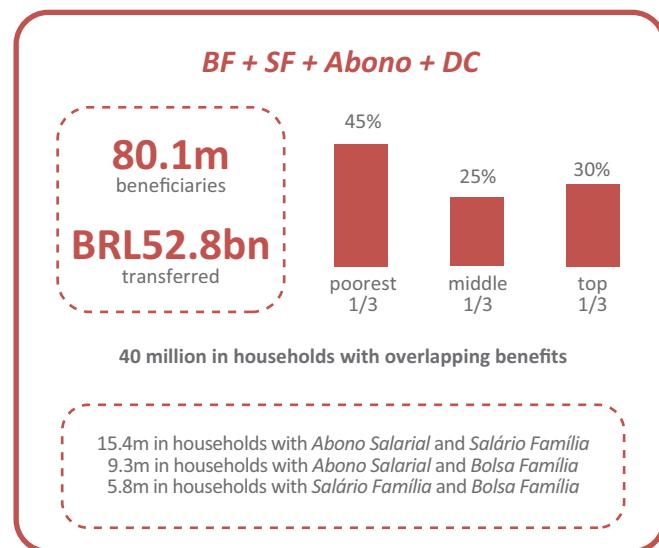
As unlikely as it sounds, it is possible to pay a truly universal child grant of BRL45 per month to all Brazilians aged 0–17 without the need to increase the amount of resources currently allocated to these child welfare and anti-poverty programmes. Note that this value is greater than what is paid by *Salário Família* and by *Bolsa Família* per child aged 0–15, and greater than the tax deduction per child for those who earn less than BRL4,665. Children of richer families would only lose BRL7.

Even better, there would still be room to expand *Bolsa Família* considerably, increasing both its coverage and transfer value. Currently, the eligibility threshold is BRL178 per capita; according to our proposal, it would be raised to BRL250. The Figures show the simulated scenario after merging programmes.

According to the design of the new benefit, poor families with children under 5 years old would receive a top-up of BRL90 per child to supplement the universal child grant. Poor households without children, or households that remain poor after receiving child benefits (universal and targeted) would receive BRL44 per capita. Therefore, for each child under 5, an extremely poor family could receive BRL45+90+44=179, more than four times the current values per child or adolescent, and twice the maximum of BRL89 paid today by *Bolsa Família* (for a child in a household receiving the benefit that covers the extreme poverty gap remaining after 'regular' programme transfers).

Therefore, through smart, evidence-based reprogramming, with almost no losses at the household level, Brazil can:

- increase the social protection coverage of the poor population by raising the eligibility threshold of *Bolsa Família*;
- increase the average monetary value of the transfers to poor households;



Source: Authors' elaboration.



Photo: Sergio Amaral/MDS. Brazilian family at lunch, Brazil, 2014.

- cover 17 million children with a universal child grant of greater value than most children are currently receiving;
- achieve greater inequality reduction, with the Gini index falling from 55.4 to 52.8; and
- achieve greater extreme poverty reduction, with the poverty headcount falling from 7.4 per cent of the population to 4.4 per cent.

The proposed reforms would also increase accountability and awareness. With the new design, social protection choices, such as the Brazilian preference for elderly people to the detriment of children, would become clearer, and society would hopefully be able to make better-informed choices.

In the paper, we sought a new programme and benefit design that would better distribute resources already committed to social protection without producing many losers (at the household level), because such a proposal was more suitable to the actual political scenario in Brazil. However, there are other benefit designs that could have even greater impacts on poverty and inequality. If Brazilian society were to take a Rawlsian turn,² for instance, it could increase transfers for the poorest children by reducing the value of the universal child grant (or make the latter fully taxable for high-income families).

Our choice of adapting the proposal to the current Brazilian political context has been rewarded. Part of it was incorporated by Members of Parliament, and a constitutional amendment has been approved in the Senate to institute the universal child grant in Brazil. The proposal still has to go through the lower chamber, but the odds are favourable.

There is an old lesson being repeated here. The best solution is not necessarily the one with the greatest potential to fight the problem, but the one which is also feasible. With this in mind, politically sensitive reprogramming based on evidence, in our view, is the best way to expand social protection in countries with administrative capacity, multiple overlapping programmes and little or no fiscal space. ●

Soares, S., L. Bartholo, and R.G. Osorio. 2019. "Uma proposta para a unificação dos benefícios sociais de crianças, jovens e adultos pobres e vulneráveis." *Texto para Discussão*, No. 2505. Brasília: Instituto de Pesquisa Econômica Aplicada.

“Bolsa Família has better targeting thanks to its eligibility criteria and to the Cadastro Único (Single Registry), the instrument implementing the criteria for the selection of beneficiaries.

1. Brazilian Institute for Applied Economic Research (Ipea) and International Policy Centre for Inclusive Growth (IPC-IG).

2. John Rawls was an American political philosopher (1921-2002), whose theory of 'justice as fairness' describes a social welfare function that uses as its measure of social welfare the utility of the worst-off members of society.

Extending social security to workers in the informal sector: a view from the ground

Laura Alfers¹

A central question for the universalisation of social protection is the coverage of the informal workforce, commonly referred to as ‘the missing middle’. While the growth of social assistance schemes in the developing world has been astonishing (UNDP 2019), the adaptation of employment-linked social insurance schemes to high levels of self-employment in the informal economy has not been as rapid as the extension of social assistance and has encountered significant structural barriers. This has left informal workers with inadequate social protection coverage, or even none.

While informal workers may not always be the poorest members of society, a lack of protection, combined with relatively lower and more unstable incomes than those in the formal economy, means that they are at high risk of falling into poverty when their incomes are interrupted. This article intends to show that although the challenge of extending social security to informal workers is significant, it is not insurmountable.

The informal economy from a global perspective

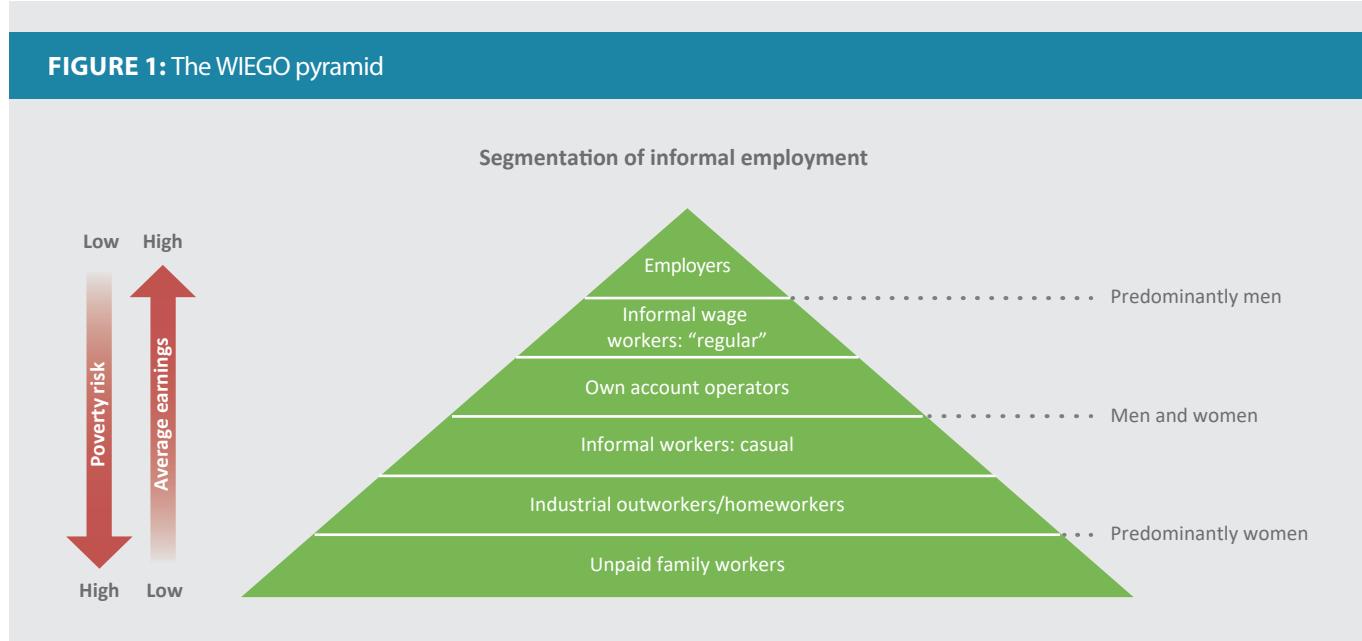
In 2018, the International Labour Organization (ILO) published the first-ever global estimate of informal employment, revealing that it comprises just over 60 per cent of total employment (ILO 2018). In the developing world, informal employment is highest in sub-Saharan Africa, at 92 per cent of total employment, and lowest in Eastern Europe and Central Asia, where it sits at 37 per cent of total employment (Bonnet et al. 2019).

There are distinctions within the informal economy which are important to note when thinking about the extension of social protection. For example, there are significant differences between informal wage workers working in the formal sector, self-employed workers working in the informal sector (for instance, for unregistered enterprises), and domestic workers working in households. While it may be possible to cover wage workers with amendments to existing labour laws and programmes, coverage of self-employed workers—who comprise 64 per cent of the world’s informal

workers—requires more significant changes to current institutional arrangements (Lund and Srinivas 2005). This article is largely concerned with self-employed workers.

A second key point is that the informal economy displays significant gender stratification, with women tending to be over-represented in informal, high-risk, low-return jobs (see Figure 1). For example, in sub-Saharan Africa, what is known as ‘contributing family work’—a highly vulnerable form of informal employment—makes up 22 per cent of women’s total employment and only 10 per cent of men’s employment. In certain regions of the world, women also have higher rates of informal employment than men (Bonnet et al. 2019; Chen and Moussié 2017), and even when doing the same work as men over the same hours, they earn less income (Rogan and Alfers, forthcoming). This means that if social protection schemes purport to reach the most vulnerable informal workers, it is necessary to approach the issue from a gendered perspective.

FIGURE 1: The WIEGO pyramid



Source: Chen (2012).



*Photo: UN Women/Ryan Brown. Woman works as an informal marketer in Douala, Cameroon, 2018
<<https://bit.ly/2CGMkDV>>.*

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While informal workers may not always be the poorest members of society, a lack of protection, combined with relatively lower and more unstable incomes than those in the formal economy, means that they are at high risk of falling into poverty.

Barriers to accessing work-related social security

What are some of the many barriers informal workers face in accessing social security? Broadly speaking, they can be divided into demand-side and supply-side barriers.

On the demand side, the fact that informal workers tend to have low and irregular incomes makes it difficult for them to contribute to social security schemes. Self-employed workers may not know what they will be earning over the course of a month, and what they do earn may not allow them to put anything aside for social security. It is also true that many informal workers view the State with some suspicion. They are regularly on the receiving end of punitive and unsupportive state rules and regulations, and they are also the victims of corruption and extortion from various state officials (WIEGO 2012). This can result in their reluctance to hand over a portion of their earnings to the State. Finally, there may be low levels of understanding among informal workers about social security and why it is important.

On the supply side, workers without an employer may be legally excluded from contributing to social security schemes. However, even in countries where legal exclusions have been removed, there continue to be *de facto* exclusions. These may include problematic financing arrangements. In the Lao People’s Democratic Republic, for example, the National Social Security Fund has been made available to self-employed informal workers, who must contribute 9 per cent

of the national minimum wage to join. As most informal workers earn nowhere near the minimum wage, this effectively amounts to exclusion.

Other supply-side factors which serve to exclude informal workers include the lack of institutionalised spaces for informal workers to engage the State in dialogue around the design, implementation, monitoring and governance of social security schemes. Social security schemes are often governed by tripartite committees, which may include formal workers but usually exclude those in the informal sector (Alfers and Moussé 2019).

Poor-quality public services and limited interactions between social security schemes and public services such as health care—which are particularly important to protect the incomes of women workers who take on the major burden of family care—can also undermine efforts to incorporate informal workers. In Ghana, for example, informal workers were hesitant to contribute to the National Health Insurance Scheme because they believed it would make little difference to the quality of health care they received (Alfers 2013).

Innovative solutions developed by informal workers

In recent years, there have been some successful innovations in social security schemes designed to reach self-employed informal workers (Behrendt and Nguyen 2018). Uruguay’s *monotributo* scheme, for example, has established a single tax and social security regime, which both

formalises informal enterprises and ensures that workers are covered by social security (Cetrangolo et al. 2014). Yet solutions to the issue do not necessarily come only from State-led schemes. They may also be found in the innovations developed by informal workers themselves. Taking these grass-roots solutions into account may be one factor in shifting social security schemes beyond protection and prevention and towards a fundamental transformation of relations between the State and society (Devereux and Sabates-Wheeler 2004). Here are some lessons drawn from WIEGO’s global network of informal workers’ organisations.

Drawing on alternative economic relationships to finance social security

When the Kagad Kach Patra Kashtakari Panchayat (KKPKP)—a union of waste pickers in Pune, India—wanted to support its members’ access better health care, it looked to local government. The union had carried out a study to show that waste pickers, who recycle solid waste, were saving the municipality a significant amount of money through their recycling efforts but incurring high health costs as a result (Chikarmane and Narayan 2009). KKPKP used these findings to argue that the municipality should contribute towards their health insurance premiums. In 2003, the *Jan Arogya* health scheme was launched, with the Pune municipality itself contributing the insurance premiums for the waste pickers. The scheme specifically covers treatment for dog bites, something that is frequently experienced by waste pickers, and because it is financed by

the municipality, waste pickers themselves do not have to bear the cost. This is a small scheme, but it does illustrate the point that it is possible to look to economic relationships other than between employers and employees to finance social security for informal workers.

Reducing transaction costs through collaborations between the State and workers

When the Kenyan National Hospital Insurance Fund (NHIF) was first extended to informal workers, the Kenyan National Association of Street Vendors and Informal Traders (KENASVIT) approached the board to negotiate a deal to reduce transaction costs for its members. To save having to take time off from their usual activities to register for the scheme and keep up with monthly payments, the organisation offered to integrate the collection of premiums into its monthly meetings. Therefore, traders and street vendors could easily make their contributions to a trusted person, KENASVIT recorded what had been paid and by whom during their already scheduled meetings, and funds were transferred in a single payment to the NHIF. This worked well until the NHIF raised its premiums and many members felt that they could no longer contribute. However, the example does illustrate how working with organisations of informal workers can extend the reach of social security schemes in the informal economy.

Creating space for informal workers' voices through coalitions

Informal workers in Togo have established the *Comité Technical*

Intersyndicale de l'Economie Informelle (CTIEI—Inter-union Technical Committee for the Informal Economy), with support from the Danish Trade Union Development Agency, as a way to amplify their voices in the process of extending social security. The CTIEI is a platform comprising representatives from the informal sector within the four main trade unions, and informal workers' organisations not affiliated with the trade unions. Its role is to establish a closer relationship between formal union structures and informal workers' organisations, to work together towards universal social security.

Currently the CTIEI is focused on engaging with the National Social Security Fund (CNSS) around the implementation of a registration desk for informal workers. Drawing on the institutionalised power of trade unions within tripartite structures may allow informal workers to amplify their voices in policymaking and implementation, which is essential to establish a social contract around social security.

Linking social security and social services more closely

In India, the Self-Employed Women's Association (SEWA) has established *Shakti Kendras*, or worker empowerment centres. The *Shakti Kendras* located in Ahmedabad provide a one-stop shop where informal workers receive basic health education, assistance in accessing state services such as health and child-care, social security benefits (such as

“ There is much to be learned from the work that informal workers themselves are doing to ensure that social security is a reality for all people.



Photo: EU/ Barbara Minishi. Woman selling vegetables, Kenya, 2018 <<https://bit.ly/37H25J7>>.



Photo: World Bank/ Scott Wallace. Woman working in a wheat harvest, India, 2014 <<https://bit.ly/34pXk4X>>.

“ Self-employed workers may not know what they will be earning over the course of a month, and what they do earn may not allow them to put anything aside for social security.

health insurance) to which they are entitled, as well as municipal services such as sanitation and waste collection which affect their health, well-being and working conditions. The community health workers who staff the centres are drawn from the SEWA membership and undergo training and mentorship to develop a close working relationship with front-line government officials from multiple divisions of the State. Their ability to ensure that members receive services and security from these bureaucratic divisions is an example of how informal workers' organisations are endeavouring to integrate the State from below.

The value of time, adaptation and learning
Since 1992, SEWA has been running one of the most successful micro-insurance schemes designed to protect informal workers over their life cycle. An important lesson from the scheme is the value of time and education. The scheme has become more popular over time as informal workers have come to understand and appreciate the value of the benefits it provides (Oza et al. 2013). One aspect of the work of SEWA's community health workers is to constantly raise awareness and provide information about insurance. The scheme itself has also learned from informal workers—ensuring adaptation over time to the changing needs of its members. The focus on awareness, education and adaptation is an important lesson for State-led schemes, which often fail to recognise the relevance of these factors.

Conclusion

While there have been significant advances in extending social security to informal workers, it is important that policymakers take time to learn, listen and include informal workers' organisations in the design and implementation of these schemes. There is much to be learned from the work that informal workers themselves are doing to ensure that social security is a reality for all people. ●

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Expanding social protection in rural areas, focusing on fisheries and forestry

Mariaeleonora D'Andrea, Qiang Ma,
Ana Ocampo and Omar Benamour¹

Ensuring that all people are covered by adequate policies and programmes to protect their livelihoods against food insecurity and poverty and to address specific social, economic and environmental vulnerabilities throughout the life cycle is key to upholding a number of fundamental human rights. Social protection is also an effective policy tool to stimulate pro-poor growth and inclusive rural development. Studies abound highlighting the positive impact of social protection on a wide array of human development indicators such as reduced poverty, increased dietary diversity, and improved access to health and education (FAO and UNICEF 2015; Tirivayi, Knowles, and Davis 2013; Yablonski and O'Donnell 2009, for example). The Food and Agriculture Organization of the United Nations (FAO) has also been documenting the positive impact of social protection on the productive capacity of poor households (FAO 2017a),² further demonstrating the potential of social protection for inclusive rural development. Yet coverage is still lagging, and 55 per cent of the world's population has no access to any type of social protection (either social assistance or social insurance, in particular) (ILO 2017).

Rural populations present specific needs and characteristics, which make a compelling case for extending the coverage of social protection systems, both in numbers and in quality. Over three quarters (79 per cent) of the world's poor people live in rural areas (World Bank 2018), and many of them rely on agriculture for their livelihoods. This represents an added vulnerability, since agriculture is a risky activity, because of the dependency on natural resources and climatic conditions, and the elevated level of risks to health and work-related injuries, among other socio-economic and environmental risks that are very specific to rural areas (Allieu and Ocampo, n.d.). These vulnerabilities and risks vary

depending on the agricultural subsector. In this context, small-scale fishers and fish-workers and forest-dependent communities are particularly vulnerable yet present the lowest levels of social protection coverage.

Specific vulnerabilities of forest-dependent people and small-scale fishers and fish-workers

About 1.6 billion people worldwide depend on forests for their livelihoods, and 300 million people live in forests (UN 2011). Forest-dependent people are usually located in remote and disconnected rural areas characterised by low levels of market development, poor access to public goods and social services, and high poverty prevalence. Evidence shows that around 40 per cent of people living in extreme poverty in rural areas—around 250 million people—live in forest and savannah areas (FAO 2018). They are affected by various types of risks and shocks throughout their life cycle. The effects of climate change, deforestation and forest degradation constitute an additional source of vulnerability for forest-dependent people. More frequent droughts and floods caused by climate change have severe effects on forest resources, products and services, which further threaten the livelihoods of forest-dependent people. Continuous deforestation and forest

degradation, in some countries caused by agricultural expansion and wood fuel production etc., have resulted in water scarcity and poor water quality. Forest fires, diseases and pests happen frequently and can result in loss of assets. Forest-dependent people are also affected by their remoteness and isolation from markets, which limits their access to economic resources and alternative livelihoods.

Most forest-dependent people engage in informal forest work typically associated with poor wages and job insecurity, and poor health and safety protection. Forest-dependent people are often discriminated against, marginalised and excluded from social services and public investments; this is particularly common for indigenous people, who represent a significant share of forest-dependent people. Women may be at higher risk in remote rural areas experiencing forest degradation and climate change. For instance, they must travel long distances to collect fuelwood and other non-wood forest products, incurring the risk of gender-based violence. Forest-dependent people often lack secure ownership and usage rights of forestland; they are restricted in their access to forest resources and products, which diminishes incomes and leads to poverty. Ecological restoration and



Photo: Barbara Fraser/CIFOR. A fisherman sets a net on the Rupununi River in southern Guyana, 2019
<https://bit.ly/33Z8XPK>.



Photo: Ulet Ifansasti/CIFOR. Forest workers collecting resin from a damar tree, Lampung province, Indonesia, 2017
<<https://bit.ly/2Qkdkkw>>.

protection programmes may not sufficiently compensate forest-dependent people for losses experienced from terminating or reproducing previous production.

More than 120 million people worldwide depend on fisheries and aquaculture for their livelihoods. In fisheries, more than 90 per cent are small-scale fishers and fish-workers.³ Their catch is mostly used for national food consumption, hence their key role in national food security and poverty reduction (World Bank 2012). Fishing remains one of the most hazardous occupations worldwide, with a high rate of casualties and accidents. Recent estimates, albeit preliminary, amount to 32,000 fatalities in fisheries per year. The number of people injured tends to be higher. Moreover, the livelihoods of fishers is further jeopardised by the overexploitation of resources and the degradation of supporting habitats and ecosystems, which reduces the available resources and creates a vicious circle where overfishing increases poverty and vice versa. This is exacerbated by the lack of secure tenure rights for aquatic resources and competition over resources with other sectors such as tourism, aquaculture, agriculture, energy, mining and infrastructure development; by limited investments in potential alternative livelihoods; and by insufficient access to social protection, health and education services. Thus, despite their significant economic and societal contribution,

small-scale fishers and fish-workers are often marginalised in economic, political and social terms, while the sector remains highly informal, and their adaptive capacity is generally low. Fishing communities are also becoming more and more vulnerable to natural disasters, such as floods and tropical storms, and climate-induced fluctuations in fish stocks, due to climate change.

Global and regional commitments

In its efforts to support the universal social protection agenda, the FAO focuses particularly on highlighting the specificities of agricultural subsectors, including forest-dependent people and small-scale fishers and fish-workers.

In consultation with experts, the FAO is developing a framework for action to strengthen coherence between forestry and social protection for forest-dependent communities. This framework will:

- i) provide the rationale for coherence between forestry and social protection;
- ii) identify approaches for expanding social protection coverage for forest-dependent communities; and
- iii) identify options for improving coherence between forestry and social protection.

In 2014, the FAO Voluntary Guidelines for Securing Sustainable Small-Scale Fisheries in the Context of Food Security and Poverty Eradication (**SSF Guidelines**) were adopted as the first instrument entirely dedicated to small-scale fisheries. They include specific provisions on social security for all workers

“Most forest-dependent people engage in informal forest work typically associated with poor wages and job insecurity, and poor health and safety protection.

in the harvesting and post-harvesting fishing sector (FAO 2014).

In line with the SSF Guidelines, in 2018, several coastal countries of the Mediterranean Sea adopted the 10-year Regional Plan of Action on Small-Scale Fisheries (RPOA-SSF) through a Ministerial Declaration. It includes actions and commitments on decent work and social protection along with fisheries governance and development. In the same year, social protection entered the discussions of the V Forum of Fisheries and Aquaculture Parliamentarians of Latin America and the Caribbean, in Panama. Among other measures, the Forum agreed to explore the development of a model law on social security for small-scale fishers.⁴

The global commitment to social security for fishers includes the adoption and entrance into force of the 2007 International Labour Organization (ILO) Work in Fishing Convention (No. 188), the international labour standard setting minimum standards for living and working conditions, including on the extension of social security to formalised fishers. The Convention came into force in 2017, and 14 countries have ratified it to date.⁵

Good practices and ways forward

Some successful experiences of extending social protection to forest-dependent people can be identified in several countries.

China has interrelated social protection and forestry policies which are mutually supportive. For example, the Rural Poverty Alleviation and Development Programme (2011–2020), which is a social policy, has forestry and ecological restoration and protection as its main objective and measure for rural poverty alleviation.

The Conversion of Cropland to Forest Programme (CCFP) is an example of a forestry programme with poverty alleviation and social protection components. The CCFP was launched in 1999 with the aim of converting marginal lands and steep slopes into forest to prevent soil erosion and desertification. Its beneficiaries receive grain and cash subsidies, a seedling package and technical assistance.

Following the success of phase I of the CCFP and in light of demands by local governments and farming households, phase II was launched in 2014 with the objective of converting 2.8 million ha of cropland into forest and grassland by 2020. The major focus has shifted to increasing the intensity of returning farmland to forest in poor areas in phase II. To establish synergies with the targeted poverty reduction programme, targeted poor households are encouraged to participate in the Grain for Green Programme without any preconditions. Each participating household receives a subsidy of about CNY4,000. Since 2014, about 60 per cent of the converted areas have been extremely poor areas, with poor households accounting for 20 per cent of the total number of participating households. As of the end of 2017, about 60 per cent of participating households had created income from off-farm labour, and coverage rates of basic medical care and basic pensions exceeded 90 per cent. Phase II of the CCFP has become one of the main measures for ecological poverty alleviation in China.

Another successful example is a forestry programme that has been implemented by supporting forest workers to participate in social insurance schemes. The Natural Forests Protection Programme was launched in 1998 to preserve forest in the upper reaches of the Yangtze and Yellow Rivers by reducing commercial logging. Commercial logging stopped completely in 2016, and the protected forest area reached 115 million ha in 2017. Forest

workers have been supported continuously and increasingly to participate in medical, work-injury, unemployment and maternity insurance and pensions, which has resulted in increased coverage rates of social insurance schemes. In 2017, the insurance subsidies to forest workers accounted for 18.73 per cent (CNY7.048 billion) of the total investment. The coverage rates of pensions, medical insurance, unemployment insurance, injury insurance and maternity insurance among forest workers of national enterprises/counties reached 86.2/57.8 per cent, 90.5/72.3 per cent, 85.8/51.8 per cent, 89.7/54.3 per cent and 85.5/49.4 per cent, respectively, in 2017.

In Burkina Faso, a case study found that women's participation in the shea butter value chain improves social and economic resilience. Women are employed at all stages of the chain and report gains in income and greater recognition within their households. They spend the income earned from shea butter on children's education, housing and health care. They also produce shea butter for domestic use.

Women have developed shea butter groups, which provide traditional social protection such as encouraging collaboration and organising training to enhance their skills. The women's groups also enable them to set up a mutual fund from profits, savings or contributions. Members benefit from the fund during financial shocks such as funerals, illnesses and weddings, and they can also use

the funds to invest or make purchases. The groups also serve as a source of information on women's empowerment and as a platform for providing emotional support and encouragement to women.

Social protection is receiving more and more attention as a key instrument to address fishers' vulnerabilities and support them in developing alternative sources of income, but also as a way to promote sustainable use of resources, when coupled with fisheries policies and programmes. Some countries have already linked the provision of social protection benefits to fisheries programmes, such as in the case of the *Seguro Desemprego do Pescador Artesanal* in Brazil, the Assistance Programme to Fishers in Paraguay or the incentive scheme to protect the Hilsa fishery in Bangladesh. In the Mediterranean Sea region, a number of countries made social protection an integral element of the sector development strategy linking formalisation, access to health services and social protection, fishing licensing and access to markets. A recent review suggests also that fishers' organisations are key actors to strengthen and complement state provision of social security (FAO 2019a).

There are several success stories of small-scale fishers' access to social protection systems, but also areas that need improvement. To adequately cover the sector, systematic data collection on small-scale fishers, including on the most



Photo: Ollivier Girard/CIFOR. Village woman working on the shea butter processing, Sissili, Burkina Faso, 2013
<<https://bit.ly/2rFhklj>>.



Photo: Ubirajara Machado/MDS. Fisherman working, Amazonas, Brazil, 2014.

vulnerable, should be carried out. Better data on accidents and fatalities is also necessary to further improve the offer of affordable and adequate social security programmes for small-scale fishers (FAO 2019c). National dialogues need to be opened to raise awareness based on specific socio-economic data and vulnerability analysis related to fishers and fish-workers. Solutions to expand access to social protection to fishing communities should then be developed, in alignment with the ILO Work in Fishing Convention, 2007 (No. 188) and by reviewing the barriers to access and feasibility studies at country level. For instance, where programmes to address fishers' vulnerability exist, coverage could be expanded by facilitating flexible payment options for contributions. Such arrangements should be sensitive to the seasonality of fishing operations and fluctuating incomes of fishers and fish-workers and be spatially conveniently located (FAO 2019b).

Finally, social protection interventions should be designed in coherence with fisheries and forestry policies and programmes, to improve the management and reduce overexploitation of natural resources, support livelihoods and alternative sources of income, and strengthen risk management and responses to shocks for vulnerable communities. The FAO is supporting governments in this crucial task. ●

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2. All country reports and briefs focusing on the economic and productive impacts can be found on the FAO From Protection to Production (PtoP) project website: <<http://www.fao.org/economic/ptop/publications>>.

3. They include men, women, girls and boys living close to the coast, on a floodplain, along a river or a lake in developed and developing countries and who are engaged in harvesting fish and fish products and related ancillary activities.

4. See: <<http://parlatino.org/wp-content/uploads/2018/09/Declaratoria-foro-PESCA.pdf>>.

5. See: <https://www.ilo.org/dyn/normlex/en/f?p=1000:11300:0::NO:11300:P11300_INSTRUMENT_ID:312333>.

Digital social protection in Ethiopia

Fekadu Kassa¹

In Ethiopia, efforts to design and implement management information systems (MISs) for social protection programmes are underpinned by a need for greater harmonisation and coordination of the entire social protection sector. The country's National Social Protection Policy explicitly identifies the need for an integrated social protection MIS.

An effective social protection sector requires a set of common systems to provide the basis for coordinated work and ensure integrated services for poor and vulnerable households.

To that end, the following goals are sought:

- the development of robust, programme-specific MISs for various social protection programmes;
 - the development of a national household registry or single registry as an important tool to integrate data in
- The use of country-appropriate levels of technology, according to local circumstances, can significantly increase the efficiency of many of the operational processes within social protection systems.

the social protection sector, improving its effectiveness and efficiency; and

- the development of a central social protection MIS, to allow for the flow and management of information within and between social protection programmes.

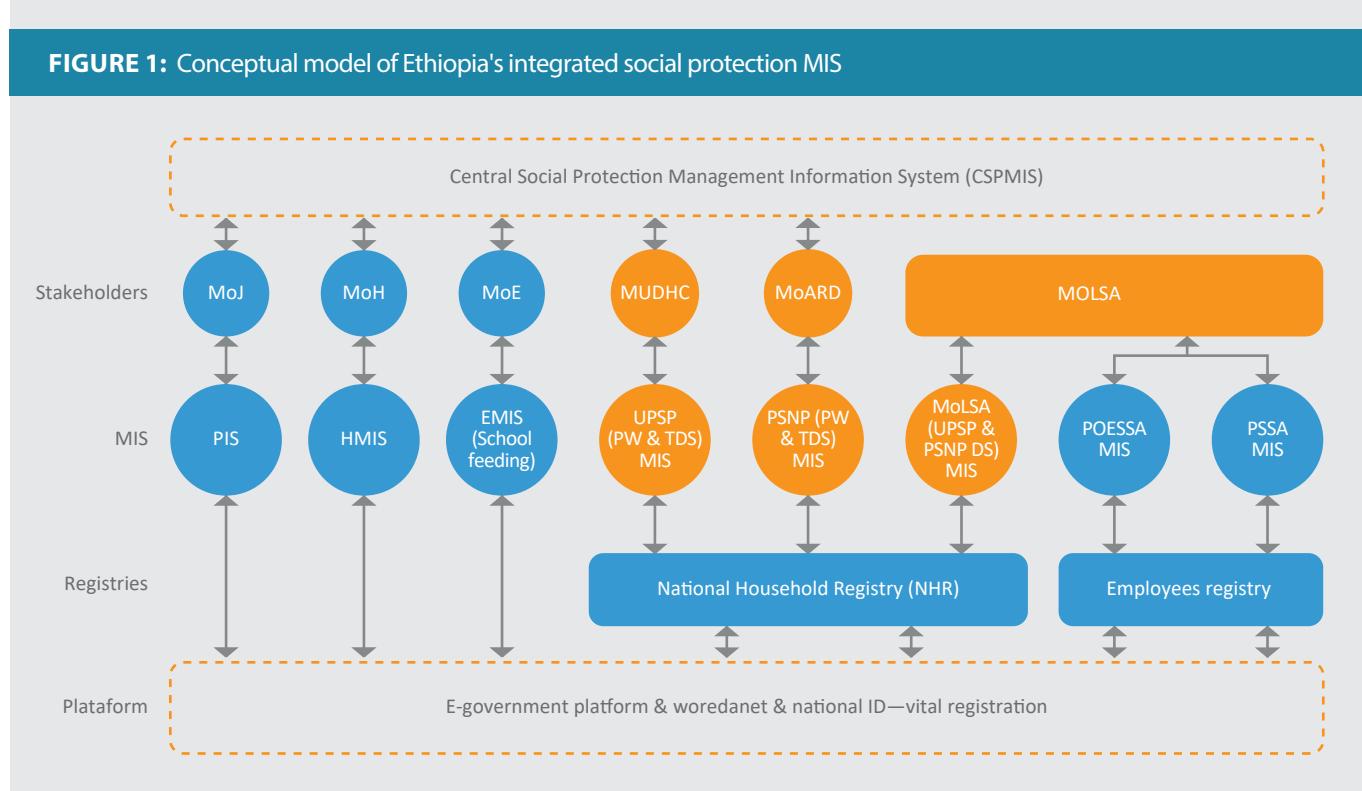
- programme-specific MISs: a system that transforms retrieved data from a programme's database (or in some cases, different databases linked to different modules) into information that can be used for efficient and effective management; and
- a central social protection MIS: a repository of information linking together social protection sector schemes to provide performance reports to policymakers, including information on who is receiving what type of support, as well as when and where.

Proposed integration model

The proposed model for the integration of social protection MISs in Ethiopia includes the following three elements:

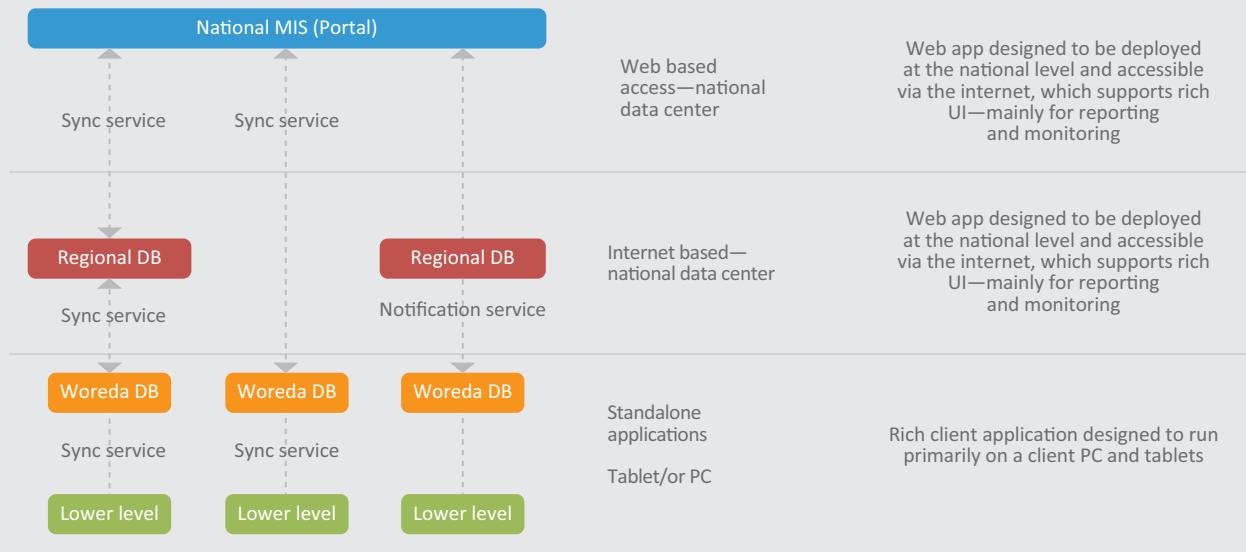
- i. **Platforms:** The e-Government² strategy, a national identification (ID) system and WoredaNet³ comprise the foundations for the proposed integrated social protection MIS in Ethiopia. The Vital Events

FIGURE 1: Conceptual model of Ethiopia's integrated social protection MIS



Source: Author's elaboration.

FIGURE 2: Architecture of MIS application components



Source: Author's elaboration.

Registration Agency is in the process of setting up a national ID system.

ii. **Registries:** Two distinct registries are necessary. First, the National Household Registry, which will act as a database of actual and potential beneficiaries of the Productive Safety Net Programme (PSNP)—a rural safety net that provides cash and/or food to chronically and transitory food-insecure households—and the Urban Productive Safety Net Programme. Second, the employee registry is expected to provide a basis for the integration of private and public

agencies. Linkages between the two registries will be required.

iii. **Programme MIS:** The development of distinct MISs, which could still be interoperable (i.e. able to communicate with each other), based on context-specific requirements.

The Ethiopian digital social protection roadmap (Chirchir et al. 2016; MLSA 2016) illustrates the implementation of the integrated social protection MIS and the National Household Registry. The MIS categorised three main thematic areas for

social protection policy: social assistance, social security and social justice, to be implemented in both the short and the long term. For the short term, the focus is on building a social registry for the social assistance thematic area (including social safety nets, and livelihood and employment support). Over the long term, initiatives will be expanded to integrate other social protection schemes (such as social insurance, social security, access to health, education and other social services, social justice).

The modules for the development of an integrated social assistance MIS are divided according to Ethiopia's administrative levels—i.e. *woreda*, regional and national levels. Due to the challenges presented by unreliable and erratic Internet connectivity in the country at the *woreda* and regional levels, MISs of social protection programmes are designed to function in a web-based environment, but they can also operate in offline mode at *woreda*, regional and federal levels.

To distribute the implementation and use of programme MISs, the system is designed to be fully functional and run at the *woreda* level, with mechanisms in place that can replicate and synchronise data to the regional and federal-level MIS.

On the other hand, the central social protection MIS is conceptualised as a



Photo: Jessica Lea/DFID. Girls at school, Ethiopia, 2014 <<https://bit.ly/2qOxDfQ>>.

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By enabling the flow of information across different levels, a digital social protection system facilitates collection of comprehensive data, avoiding the usual fragmented approach of standard systems.

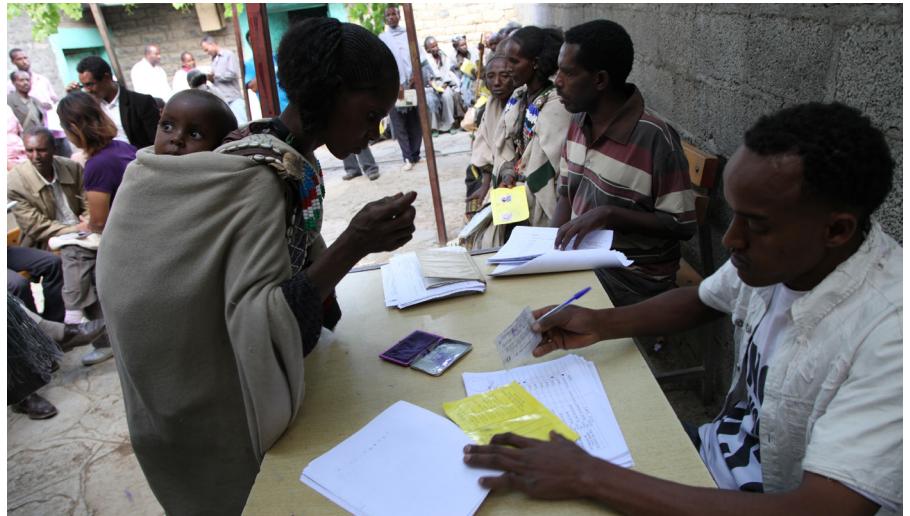


Photo: UNICEF Ethiopia / Getachew. Productive Safety Net Programme, Ethiopia, 2012 <<https://bit.ly/2r9y7gd>>.

federal-level information system that will receive, store and report indicators across the entire social protection sector. This would allow for the monitoring of enrolled beneficiaries against the government's expansion plan for the national social protection system, payment timelines, complaints registered and resolved, and consolidated programme costs.

Components of the PSNP MIS

Some of the possible applications of the PSNP MIS include automated and computerised targeting, registration and enrolment of beneficiaries, payments, case management, and monitoring compliance with conditionalities.

Implementation challenges

Challenges involved in the implementation of the PSNP MIS include: shortage of a skilled labour force (although a trainable labour pool is available); infrastructure connectivity—limited data aggregation and access from the centre; no access to power lines in rural areas and frequent power interruption in urban centres; absence of unique ID/digital ID/national ID data; lack of standards across different programmes; issues relating to personal data security—it is currently impossible to share biometric data across different systems; lack of a clear data-sharing policy; integration of bank systems with programme-based MIs; lack of data capture and data integration standards; lack of a cloud computing policy; high turnover of IT professionals in government; and issues related to government

restructuring dynamics, including standardising work shifts between different government bodies.

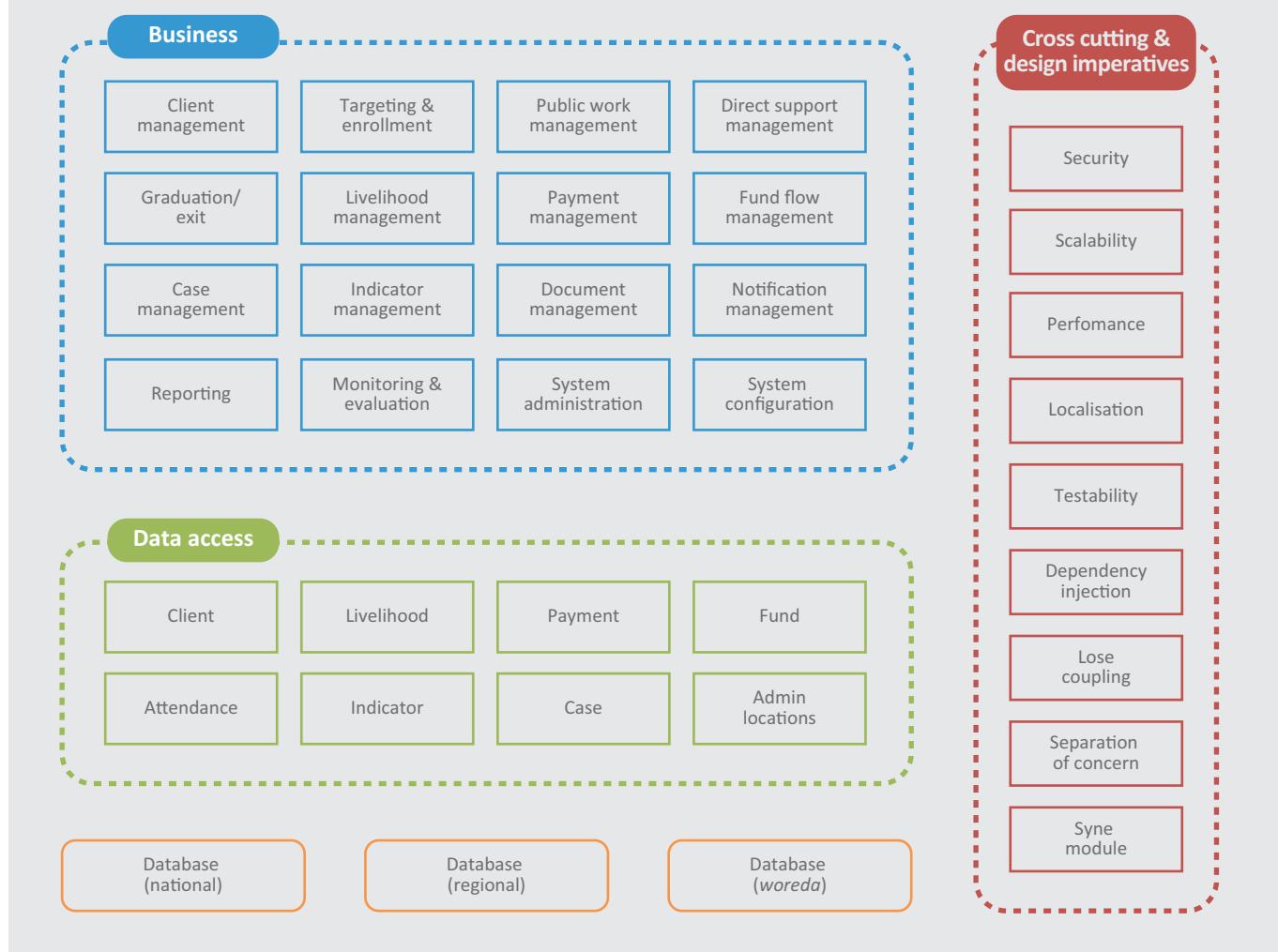
Conclusion

A digital social protection system can be an important foundation for effective social protection schemes, ensuring high-quality delivery of key operational processes, such as registration, enrolment, payments and grievance redressal. It also plays a crucial role in facilitating and supporting programme monitoring. Furthermore, it increases the quality and quantity of data, allowing for timely access to information and leading to more informed decision-making. Therefore, it can help improve the effectiveness of programme targeting and the timely delivery of the benefits.

By enabling the flow of information across different levels, a digital social protection system facilitates collection of comprehensive data, avoiding the usual fragmented approach of standard systems. When information can be accessed instantly from almost anywhere, without wasting resources on data extraction and tying data from different sources together, stakeholders are better informed and can make more accurate, faster decisions.

Digital social protection helps identify the precise number of beneficiaries and the type of service they need, by providing accurate data to understand who is receiving what type of assistance, where the benefit is received and when the benefit is transferred. This allows for the effective and efficient delivery of social programmes.

FIGURE 3: MIS web application—component architecture



Source: Author's elaboration.

It also plays an important role in facilitating and supporting programme monitoring and evaluation mechanisms.

Developing solid and comprehensive programme MISs, with clearly defined and well-designed processes, and ensuring the integration of similar programmes and the coordination of programmes within and across social protection functions, requires certain steps to be followed, including preparatory design activities, especially technical documentation describing the operational processes that will serve as foundations.

Integrated digital social protection systems allow for improved targeting and timely delivery of social transfers,

as well as complaints and grievance redressal mechanisms to respond to feedback from beneficiary communities, which increases social accountability and transparency. The increased monitoring capacity also leads to reduced fiduciary risk, ensuring appropriate assistance is delivered to the right people at the right time. ●

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1. IT Solutions TSS, Food Security Coordination Directorate.
2. The Ethiopian e-Government strategy envisages the implementation of electronic informational and transactional services. Implementation will be carried out through different priority projects, and services are to be delivered through four distinct channels (a web portal, a call centre, mobile devices and common service centres). Service delivery will be facilitated and strengthened through six core projects: National Payment Gateway, Enterprise Architecture Framework, Public Key Infrastructure, National Data Set, National Enterprise Service Bus and National Integrated Authentication Framework.
3. WoredaNet is a terrestrial and satellite-based communications network that provides Internet connectivity and associated services to federal, regional and woreda-level government entities in Ethiopia. A woreda is an administrative division managed by a local government, equivalent to a district with an average population of 100,000 people.





Social protection is recognised not only for its potential to contribute to the reduction of poverty and the promotion of social inclusion, but also for its ability to help achieve complementary goals.

Anush Bezhanyan and Luz Rodriguez

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A number of countries and development partners have joined the Global Partnership for Universal Social Protection (USP2030), which aims to accelerate progress in building universal and sustainable social protection systems, in line with the 2030 Agenda for Sustainable Development.

Maya Stern Plaza, Mira Bierbaum and Christina Behrendt, with inputs from Valérie Schmitt and Veronika Wodsak

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Creating fiscal space for reform and innovation on social protection is not a trivial matter. Economic growth can help, but it is unlikely to be enough to preclude the adoption of specific measures.

Rafael Guerreiro Osorio, Sergei S. D. Soares and Letícia Bartholo

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International Policy Centre for Inclusive Growth (IPC-IG)

SBS, Quadra 1, Bloco J, Ed. BNDES, 13º andar
70076-900 Brasília, DF - Brazil
Telephone: +55 61 2105 5000

ipc@ipc-undp.org • www.ipcig.org

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