



República de Moçambique  
Ministério da Mulher e Acção Social

# INFORMA

Basic Social Protection Week

18th to 22nd June 2012



*“Investment in Social  
Protection is an Invest-  
ment in Human Capital”*



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## EDITORIAL

Mozambique, like many countries, has faced the challenge of ensuring a speedy and sustainable reduction in poverty rates, especially in the most vulnerable layers of population.

Faced with this challenge, much has been said about the need to strengthen social safety nets that benefit the most vulnerable members of our population, as well as the impact that conditioned and unconditioned cash transfers have on the poorest households, as Basic Social Protection scheme implementation methods.

Evidence from several countries shows that the successful implementation of a strong, integrated Social Protection system, which exploit opportunities within traditional social networks, the capacities of individuals, and prioritize the most vulnerable groups, can contribute greatly to reducing poverty and vulnerability.

In our country, the Government of Mozambique aims to continually expand Social Protection and assistance for the most needy member of the population, especially the vulnerable and poor members.

This concern is reflected in the reforms implemented in Social Protection: an improved legal framework; better defined strategies; restructured programs; and the creation of platforms for dialogue and stakeholder coordination in this process.

In order to implement these reforms, we have made every effort to ensure that investment in Basic Social Protection is directly related to investment in Human Capital, and thus a recognition that the most vulnerable groups can really contribute to the social and economic development of our countries.

Forums where share our experiences, such as the International Conference on Social Protection, allow us to visualize our successes and challenges in order to better ensure that social safety nets can help reduce poverty among the vulnerable layers of the population.

Mozambique will continue with its commitment to proceed with actions of this nature, hoping that this will be an ongoing practice in our country.

Maputo, June 20th 2012

Minister of Women and Social Action  
*Iolanda Maria Pedro Campos Cintura Seuane*

# INTERVIEW

with Iolanda Cintura

Mozambique's Minister of the Women and Social Action





Government programs in the field of social protection have resulted in the reduction of the levels of vulnerability of the populations. The Basic Protection Week is an initiative to further widen the debate and raise awareness of Mozambicans for a greater involvement in gender issues, as referred by the Minister of Women and Social Action, Iolanda Cintura in an interview.

**Mozambique has been hailed in several international forums as an example in terms of progress in the area of Basic Social Protection. What, in your view, were the main steps taken in recent years in this area?**

In recent years we have been making progress in restructuring the Social Protection system in our country, to render it more efficient, effective and comprehensive. In this context, the Social Protection law was passed in 2007, establishing the legal framework for Social Protection in Mozambique.

The Social Protection Law structures the social protection system in Mozambique on three key pillars, namely, the Compulsory Social Security, covering private sector workers and managed by the Ministry of Labour, and public servants?, managed by the Ministry of Finance; the Basic Social Security, managed by the Ministry of Women and Social Action and targeting the poorest and most vulnerable; and the Complementary Social Security, for workers who want to reinforce their social security systems and for the self employed.

Acting on this Law, in 2009 the Government approved the Regulation of the Basic Social Security Subsystem, which defines the rights of vulnerable people and the competences of the Government in providing social assistance to the needy.

In 2010, we adopted the National Basic Social Security Strategy, with which Regulation is aligned and competencies per sector in the provision of basic social security in Mozambique are defined. This strategy which will be in place until 2014, defines as main objectives the harmonization of the Basic Social Security System, and the increase in effectiveness and coverage of the Basic Social Protection programs in Mozambique.

The National Basic Social Security Strategy has four basic pillars, namely: The Direct Social Action, coordinated by Women and Social Action sector, and which aims to provide direct assistance to the neediest people, the Social Benefits for School Children, through the implementation of programs to ensure access to education for poorer children, and the Social Health Benefits in order to ensure medical care and medicines for the poorest and most vulnerable, managed by the Ministries of Education and Health respectively, and the Social Security through Productive Action, managed by the sectors that implement activities aimed at ensuring basic social security of the poorest and most vulnerable populations, through different intervention which could include income generation programs, microcredit, capacity building notably through vocational training, and programs aimed at strengthening agricultural production and productivity of farmers.

a) The ENSSB also establishes the Coordinating Council for Basic Social Security, entity charged with the coordination and monitoring of the actions related to basic social security in the country. This council is composed by the ministers who oversee Social protection, Health E, Social Education, Labour, Planning and Development, Agriculture, Public Works and Housing and the State Administration. It also includes representatives of civil society organizations, religious organizations and the private sector.

In order to successfully implement ENSSB, notably regarding the Direct Social Action component, in 2011 the Government approved a new package of programs and the new philosophy for their implementation. Four programs were approved, namely:

- The Basic Social Subsidy Program, a program of cash transfers to people unable to work focusing on the household;
- The Direct Social Support Program, aimed at meeting the needs and temporary shortfalls of vulnerable people;
- The Labour Intensive Public Works Project, intended for the needy but able of work and aiming to alleviate food insecurity in arid and semiarid regions. In this program people will develop activities of public interest and will receive a monthly allowance for a period of four months in rural areas and six months in urban areas. During the program people will be trained so that they can graduate and participate in other government initiatives in the context of fighting poverty. This program is a new approach in the context of social protection programs to be introduced in our country.

The preparation for the launch of the pilot phase of the project in 10 districts of Gaza, Inhambane, Sofala, Manica and in the cities of Maputo and Manjacaze is currently underway. The project, to be launched in July, will benefit from financing from the World Bank for an amount estimated at 1,000,000.00 U.S. Dollars

- The Social Services for Social Action Program, which in addition to providing institutional assistance to destitute people, also provides social counselling and family reunification of the most vulnerable.

To harmonize social assistance and to coordinate the Basic Social Protection system in Mozambique, the scorecard and the beneficiary identity card, document which identified the beneficiary and gives access to his/her rights of adherence and of access to the services provided to beneficiaries of Basic Social Security, were approved.

We are currently working on implementing the new programs and new philosophy, as well as on improving the identification and selection of beneficiaries, monitoring and follow up of programs.

→

**In a country with the enormous needs of Mozambique, what plans does the MMAS have to improve the ability to meet the needs of the vulnerable populations?**

We have to continue to improve our basic social security system in order to render it more comprehensive and efficient, while enhancing our ability to reach more beneficiaries and expand our operations throughout the country. Mobilizing more funding for our programs is a key element to ensure greater coverage of the system, and therefore we'll continue to work with our partners to broaden the base of funding for Basic Social Protection in Mozambique, in addition to the State Budget, which has evident prospects of increased revenue.

The other angle of our work will consist in raising awareness for a greater involvement of the Mozambican society in the support of the neediest in society as well as to strengthen the family's ability to ensure the welfare of its members.

**What are currently the main challenges facing the sector?**

The current challenges facing the sector include necessarily strengthening our institutional capacity at all levels, to better answer to the needs of the poorest people of our country. In this context, the components human, material and financial resources are critical for achieving our objectives. Our target is to achieve by 2014 all the goals set forth in the National Strategy for Social Security Basic, which translate into reaching a universe for our programs of nearly one million beneficiaries.

To strengthen human resources, this year we began training high and medium level professionals in early childhood education and in Social Assistance to strengthen the technical skills of the sector.

**Em Moçambique, muitos defendem que os investimentos devem ser feitos numa primeira fase em sectores produtivos? De que forma é que o investimento em Protecção Social no contexto moçambicano pode ser visto como um investimento produtivo?**

In our view it is important to invest in the Man or Woman in order to be able to produce and participate in the development processes in the country. It is critical to begin by creating the conditions needed for people to be able to satisfy their basic needs and then encourage them to lead their own lives. In this process, education and health are very important elements in the formation of Human Capital.

We need to ensure the education and health of our children so that they build the skills and health outcomes to be the best men/women of tomorrow and contribute for the development of our country. Social Assistance for those people facing poverty and vulnerability is key to raising their self-esteem, necessary for them to engage in the challenges of the country. That's why we said that "Investing in Social Protection is to Invest in Human Capital."

**What is the role of events such as the Social Protection Week, and in particular the Conferences of this kind, for the development of Social Protection in Mozambique? What is the importance of experiences from other countries?**

As you may all know, the world is today, facing various crises whose consequences include the increase in the vulnerability of the poor, and as such, we must reflect upon the best solutions available, so that in time of crisis, the most vulnerable people can be sheltered from becoming even poorer.

The Social Protection Week aims to reflect on the problems affecting the poorest and most vulnerable, as well as to exchange ideas and experiences on best practices to ensure better Social Protection in Mozambique and the World.

In this week, we wish to extend the debate on Basic Social Protection to the whole society in order to awaken the conscience of Mozambique for a better and greater participation in the Social protection of the poorest and most vulnerable in our country.



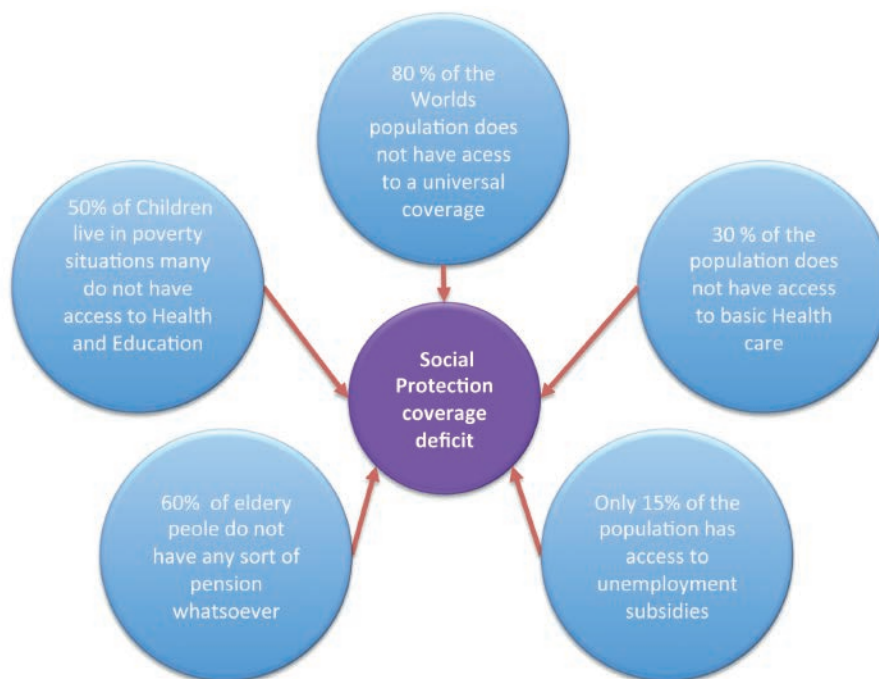
# Social Protection Floor Initiative

## *The Human Right to Social Security*

Sufficient income for adequate food, housing, water and sanitation, education, good health, as well as taking part in cultural life, expressing oneself freely and sharing knowledge and ideas – these are all human rights, rights that should be enjoyed by everyone, all of the time. Rights that create stronger, fairer and more cohesive societies, providing in turn the foundations for longer-term peace and prosperity.

At present four out of five people worldwide do not benefit from a level of Social Protection that allows them to realize these human rights. Ensuring a basic level of Social Protection and a decent life for these people – many of whom are struggling just to survive, is a necessity and an obligation under the Human Rights Instruments. Such is the objective of the joint UN Social Protection Floor Initiative (SPF-I).

## *The Need For Social Protection .The Coverage Deficit*



## **Concept**

Recognizing the strategic importance and necessity of ensuring universal Social Protection, the United Nations System Chief Executives Board adopted in April 2009 the Global Initiative for a Universal Social Protection Floor (SPF-I) as one of nine initiatives in response to the current crisis.





## SPF country-level actors

- Government Institutions: ministries of labour, health, finance, education, social security institutions, Social Protection sector groups and other stakeholders
- Non-Governmental actors: social partners, national NGOs and others.
- UN country teams

The SPF-Initiative promotes access to essential services and Social Transfers for the poor and vulnerable for a life in dignity, thus presenting a comprehensive approach to Social Protection that highlights both the supply and demand side of extending Social Protection and ensuring effective access. The Social Protection Floor pursues a normative approach to Social Protection that includes:

- 1.- A basic set of essential social rights and transfers, in cash and in kind, to provide a minimum income and livelihood security for all and to facilitate effective demand for and access to essential goods and services.
- 2.- The supply of an essential level of goods and social services such as health, water and sanitation, education, food, housing, life and asset-saving information that are accessible for all.

The SPF emphasizes the need to guarantee services and transfers across the life cycle, from children, to the economically active with insufficient income, to older persons, paying particular attention to vulnerable groups by considering key characteristics.

## The PPS Concept

### Four Garanties defined on a Nation level

#### Monetary Transfers in Goods and Services

|   |  |
|---|--|
| All citizens  | • Have access to a set of National health services defined to a national scale   |
| All Children  | • Ought to have access to a minimum income security , trough social care transfers in order to provide essential services, such as, food, health and education |
| Age active members of society that are not capable of earning sufficient income | • Ought to have access to a minimum income security, trough social care transfers, in order to allow them to have acces to basic goods and services            |
| All elderly and disabled people   | • Ought to have access to a minimum income security, trough social care transfers, in order to allow them to have acces to basic goods and services            |

*Approach supported by the results when considering the conditions the priorities and the national institutions.*

*Cash transfers must guarantee a financial and geographical access to basic services such as water and sanitation, health and education*





## Rationale and Feasibility

The SPF is a social and economic necessity. Investing in an SPF means investing in both social justice and economic development. Social Protection contributes to economic growth by raising labour productivity and enhancing social stability as well as reducing poverty.

Some 30 developing countries have already taken measures to introduce elements of a Social Protection Floor. Their experiences have shown that social security schemes are a vital and flexible policy tool to counteract and soften the social and economic consequences of financial shocks and crises.

Ensuring an SPF for the entire world population represents a considerable challenge, but calculations by various UN agencies show that a basic floor of Social Transfers is globally affordable at virtually any stage of economic development.

## SPF Country-level Operation

Each country is facing different circumstances, social needs and fiscal constraints and will choose a distinct set of policies to achieve its development objectives. The national Social Protection floor policies will thus be country-defined and the implementation process country-led, also ensuring affordability at the national level.

The SPF-Initiative does not create additional parallel processes at country level but rather establishes SPF policies as an integral part of existing national, regional and UN planning processes. For example, the Social Protection Floor concept supports regional commitments to social security, such as the 2009 AU Social Policy Framework for Africa or the country level social protection programmes in South Asia.

National SPF processes are consultative, inclusive and participatory in nature, involving all stakeholders including representatives from the relevant government ministries, social partners, parliamentarians and civil society through social dialogue.

A photograph showing a woman in a red shirt, likely a social worker or health professional, interacting with a family in a modest home. The woman is holding the hand of a young girl in a colorful tank top. Another woman is holding a baby, and a young boy is holding a yellow card. The background shows a simple room with a patterned curtain and a striped blanket.

# Social Protection Floor in Brazil

Beneficiárias | Bolsa Família © OIT

Significant steps have been taken towards widening the coverage of social protection systems, whether contributory or non contributory. The application of 1998's Constitution, which aimed to broaden the social protection system and universal coverage can be associated with the Social Protection Floor (SPF) concept.

Policies aimed at families with children have been structured through a contributory method (Salário Família – a Family Salary and maternity benefits) and a non-contributory medium (Bolsa Família – a Family Allowance). The support policies for the vulnerable members of the population within working age are an ingredient of labour market policy and include unemployment insurance and capacity building and employment services. Lastly, it was possible to cover the elderly and disabled via social security (for private and public sector workers), the semi-contributory programs (social pensions and planning for small urban business people) and the social assistance policies (Benefício da Prestação Continuada [BPC] – a minimum salary for the elderly and disabled). Regarding access to essential services, the Single Health System (SUS) and the “Luz para Todos” (Energy for All) programs stand out.

## Social Transfers

Bolsa Família is a social transfer program for poor and extremely poor families.

Transfers are worth between \$20 USD and \$190 USD, depending on the per capita income of the family and the quantity and ages of any children. The program sets the following conditions:

- 1) Excellent school attendance for children between 6 and 17 years old;
- 2) Women between 14 and 14 years old, especially pregnant women, and small children must comply with a strict health check-up schedule;

- 3) No child labour within the family is allowed and
- 4) The use of some social assistance services is mandatory.

The Bolsa Família program reaches around 13 million families (March 2011) and its budget in 2009 was R\$11.8 million (equivalent to 0.4% of GDP). According to data from between 2004 and 2006, 4.3 million families assisted escaped absolute poverty, and the program was considered responsible for the 21% reduction in income inequality registered at the time. Also, the increase in school attendance and improvement in beneficiary families' nutrition levels were highlighted. It must also be mentioned that participation of beneficiaries in the labour markets tends to improve after having been involved in the program, which can be explained by the fact that the small income and access to services provided permits them to compete from a less disadvantageous position for job opportunities.

Social transfer for the elderly and disabled are also a key component within SPF. The BPC guarantees transfers for people who are 65 years of age or older and for disabled people of any age incapable of living independently or working, that do not have the means to ensure their own sustenance, and with no family to provide such. In 2010 the BPC offered income security to more than 3 million elderly and disabled people.

## Access to Essential Services: Healthcare

The SUS was created in 1990 in order to guarantee universal access to healthcare services for all without regard to anyone's contributions to social security. It is financed by funds derived from taxation and its management requires rigorous coordination between Federal Administration, States and Municipalities. The public cost of healthcare was 4.9% of GDP.





# Social Protection Floor in Cape Verde

Beneficiary and Granddaughter | Social Pension © OIT

During the last decade, Cape Verde has registered constant growth, highlighted by the fact that the country has shown considerable improvement in many key human development indicators, and currently has some of the best results in Sub-Saharan Africa. Cape Verde is also one of the most advanced African countries in establishing a Social Protection Floor (SPF), the country is wholeheartedly engaged in creating universal social security coverage through combining gradual expansion of contributory social security (Vertical Approach) with non-contributory basic benefits provision (Horizontal Approach). The combined and well coordinated efforts expanded social security coverage through contributory and non-contributory programs, and resulted in an impressive coverage rate increase.

## **Income Security for the Elderly and Disabled**

The non-contributory social pension, launched in 1994, currently reaches 90% of its target population which consists of: men and women over the age of 60 living in poverty and the disabled in poor families. Through support of the newly created National Centre for Social Pensions (CNPS), the social pension has registered a steady increase in the value of benefits, currently at 4,500 escudos (approximately \$60 USD), one of the highest in Africa. The cost of this system is estimated at 0.4% of GDP.

## **Social Assistance to Poor Workers and the Unemployed**

Since independence, Cape Verde has used public works via the Frentes de Alta Intensidade de Mão de Obra (FAIMOs), a labour-intensive public works projects, as a method to guarantee income for poor workers. Between 15 and 20 thousand people (a third of whom are women) have gained access to FAIMOs each year, which represents a significant proportion of the active population.

The work carried out by the FAIMOS was principally dedicated to building infrastructure: Roads and conservation of water and soil, particularly in reforestation. In practice, FAIMOs guarantee seasonal employment for the poor in rural area.

## **Income Security for Children**

Education in Cape Verde represents 22% of public spending. Aside from the provisions for schools, the country's success in education (see indicators above) can be attributed, at least in part, to the meal support programs in schools (School Canteens). There is also a scholarship program and a social assistance program that supports orphans.

## **Access to essential healthcare for all**

Essential health care services are available to almost the entire population, via a joint effort from the Ministry of Health and the Ministry of Social Security. Cape Verde's healthcare system is divided into two large subsystems: One for Social Health Security which reaches 24% of the total population (Insured Workers and their families) and another for Public Health.

## **Social Security**

Social security coverage has doubled in the last 10 years, growing from 14% to 29% of the economically active population. Social security benefits include old age pensions, disability, survival, maternity, illness, paternity, healthcare and family allowance coverage, amongst others.





## A Beneficiary of the Direct Social Support Program In Mozambique

Laurinda Augusto Chirindza, is 34 years of age, and was born in Bairro da Polana Caniço B (a poor suburb in Maputo City) where she still resides. Herein, we highlight a few of her experiences with one of Social Protection programs, namely the Direct Social Support Program, from which she has benefited since 2010.

Her household has 12 members: Her parents, Augusto and Albertina, no longer have any productive capabilities or any sort of financial yields; Her elder brothers, Augusto, Alfredo and Paulo help pay the household expenses; two daughters-in law Hélia e Deisy along with their children Albertina, Augusto, Tânia e Albino, like Laurinda and her parents, have no source of income.

Augusto, Alfredo and Paulo rise early in the mornings and head to the waters of Costa do Sol beach to fish. There are many times when they return home with less than 200 Metical from the sale of fish.

Laurinda and her family are beneficiaries of a Social Protection program named the “Direct Social Support Program, which guarantees a monthly supply of basic goods (flower, rice, oil, sugar, bars of soap, etc), and has done so since 2010, after she was encouraged to subscribe to it ,by an group that provides advice to people living HIV/AIDS.

“If I did not get this support my life would be awful” affirms the young lady, but she does not hide her dream of receiving a larger monthly supply, with more food, and also confesses that she would like it if a basic house was built for her family.





## A Beneficiary of the Basic Social Support Program in Mozambique

Rosalina, a 55 year old resident of Bairro da Polana Caniço B since 1981, was born in Manjacaze, a town in Gaza Province, 191 Kilometres from Maputo. Widowed over 12 years ago, she bemoans her financial difficulties and considers the Basic Social Support Program from INAS as a formal support mechanism for her.

At times, it is almost impossible to even acquire the medication which is prescribed for her at the hospital she visits once a month to control her illness.

Despite her chagrin, Rosalina praises the Governmental entities support, and hopes to see an improvement in her financial situation once the current amounts offered are revised and increased.





# INTERVIEW

## with Jennifer Topping

United Nations Resident Representative in Mozambique

Social Protection • The Major Challenge

João Garrido © 2012

### **Considering the framework of the global Social Protection Floor initiative, how does the United Nations view the latest developments in Mozambique?**

Progress has been truly significant across an array of areas. It is important to highlight the good legislation, associated to the strategic plans exists, founded on well defined specific goals and including all expenditure involved. The Basic National Security Strategy is mentioned several times in international forums as an example of recognized success in this area.

Another aspect that indicates progress is the increase of vulnerable families covered by Basic Social Assistance Programs, which rose from 97,000 households in 2006 to 280,000 households by 2012. It is also imperative we note the growth in budget allocation for Social Assistance programs which rose by around 33% from 2011 to 2012. The points detailed above are exceedingly significant.

### **What were the key factors that led to this progress?**

I think the contributing factors to progress were the acknowledgment of the importance of Social Protection programs. Today we know from evidence from other countries that this kind of coverage expansion and investment may have a great impact on various segments as the country develops.

### **If you were to select a few priority areas within social protection programs, which would you consider the most important?**

I consider them all important, but I'd say the key area is educa-

tion. With better investment, we can reduce the possibility of children not taking advantage of the education system, which would of course bare a truly terrible cost. If children are unable to further their education due to their family's food security vulnerability, the poor welfare of these children means that they will be unable to meet the challenges of the future.

### **What could the expanded Social Protection programs coverage contribute to the achievement of the Millennium Development Goals?**

One area would be the millennium goal on education that I just spoke of, as we have been doing these analyses in other countries. Another great connection with investment in social protection would be objective one (1) concerning the reduction of absolute poverty, specifically in terms of food security. We have noted within the family allowance programs in Brazil and Pensions in South Africa a direct impact on poverty reduction for people below the poverty line.

### **Often we speak of Social Protection's capital costs, what sort of costs could hinder Mozambique investing successfully?**

Investment in Social Protection Programs aims to prevent social problems. Prevention costs are always lower than the costs associated to repairing damage. Hence, not investing in social protection programs is more expensive than investing, for example, in healthcare and nutrition programs that are part of social protection. The cost to treat basic nutrition before the occurrence of health problems is lower than the cost of treating disease. This cost should also include the opportunity cost, because the person will not have the ability to have a job also.



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**In the opinion of the United Nations, what major challenges occur with this degree of coverage expansion?**

The first is financing, because coverage extension means increasing the number of people reached. The United Nations and their partners, including family members such as the IMF for example, have increased participation in social protection, delicately poised with prudent macroeconomic and financial management.

We can not only sustain one area when there are many within the budget, therefore, financial management and successful procurement of financing in order to continue the expansion of programs is one of our community's challenges. But we are heading in the right direction, as this item has already increased in the 2011 to 2012 budget. Although, it is important continue research into possibilities within finance.

Another challenge we face relates to our capacity to implement and internationalize programs on the ground, as there is always an expectation to get good results when programs are implemented. So we look forward to continue to support capacity building in management and expansion programs.

The final challenge lies in the fact that Social Protection is not an isolated area as other sectors that have an individual institution responsible for its programs. Social Protection involves services in many sectors such as healthcare, education, basic security and various institutions. This means that it takes strong coordination to implement a national program through an array of institutions that are linked with various ministries. Therefore, it is a very complex coordinative challenge.

**Several reports such as "Bachelet" urge more international partners to coordinate efforts to further support and promote National Social Protection Floors. Would you like to add something specific about the United Nations work in Mozambique?**

We currently know plenty about Social Protection due to our global exposure and experience. An advantage of the UN is that it is a global institution that understands how to work in many countries worldwide. Therefore, this strengthening of vulnerable aspects creates a truly unique capability for our partner nations. Previously we thought that welfare was an investment with no return, we now know it is actually a return on investment as well as productivity due to the effect of educating people to know to how to respond to shocks.



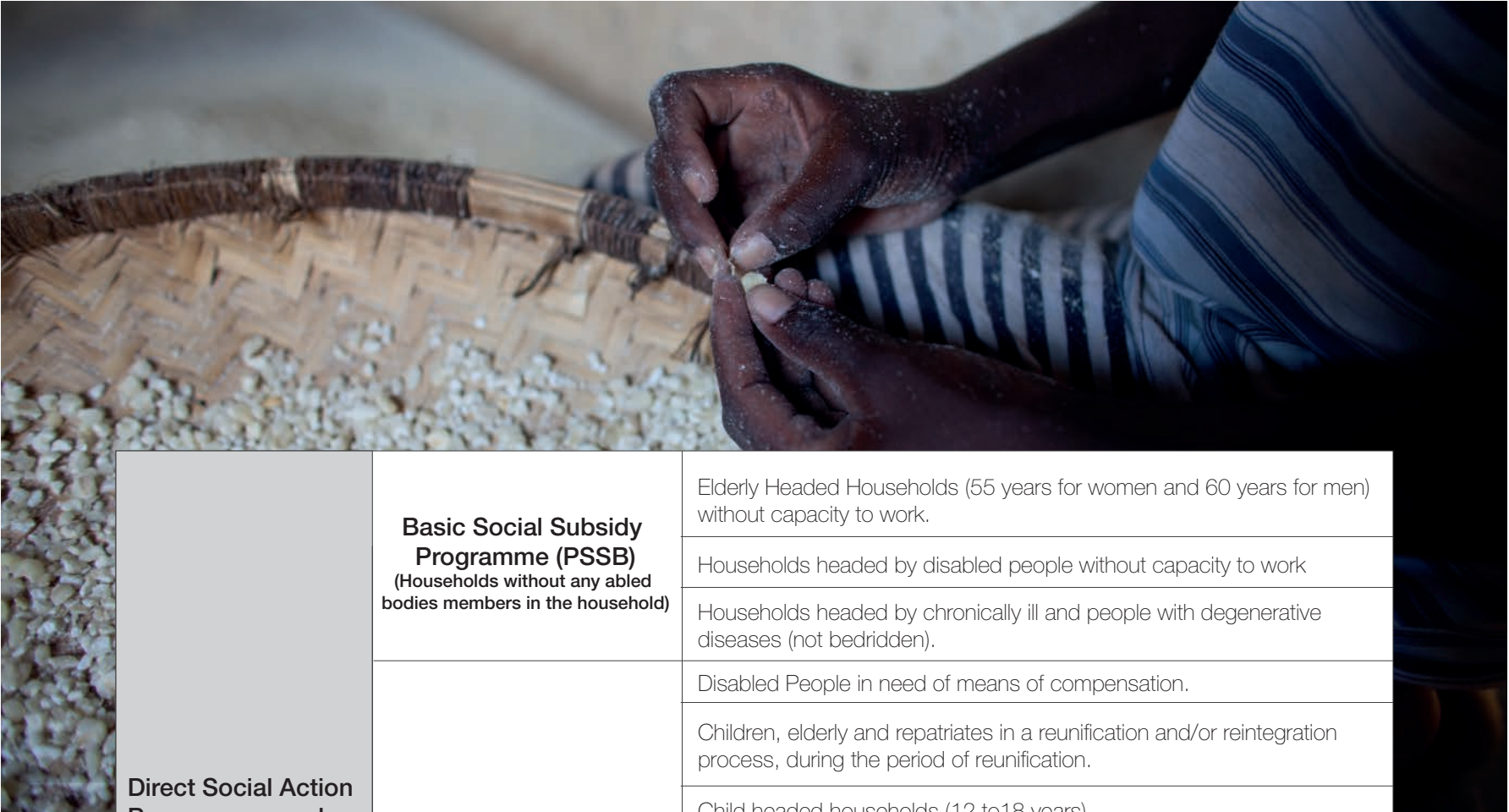


REPÚBLICA DE MOÇAMBIQUE  
Ministério da Mulher e da Acção Social

## Basic Information on Programmes of the National Basic Social Security Strategy 2010-2014

|   |   |  |
|---|---|--|
| <b>Legal and Policy Framework</b>                                   | The Social Protection Law – Law n.º 4/2007, 7 February  |  |
|   | The Regulations of the Basic Social Security Sub-system, approved by Decree n.º 85/2009, 29 December.   |  |
|   | National Basic Social Security Strategy 2010-2014, approved by a Resolution of the Council of Ministers n.º 17/2010, 27 May   |  |
|   | The new package of Basic Social Security Programmes, approved by the Council of Ministers in September 2011   |  |
| <b>Coordination Body</b>  | Decree No. 85/2009 of 29 December approved the creation of the Council for Coordination of the Basic Social Security Sub-system. This is an inter-sectoral coordination body, comprised of the Ministers responsible for managing the sub-system components, as well as representatives of public and private entities which are involved in the area of Social Security. |  |
| <b>Components of the National Strategy and Responsible Entities</b> | <b>Direct Social Action</b>   | Ministry of Women and Social Action (MMAS)<br>National Institute for Social Action (INAS)  |
|   | <b>Productive Social Action</b>   | Ministry of Planning and Development (MPD)   |
|   |   | Ministry of Women and Social Action (MMAS)   |
|   |   | Ministry of Agriculture (MINAG)  |
|   |   | Ministry of Labour (MITRAB)  |
|   |   | Ministry of Public Works and Housing (MOPH)  |
|   |   | National Institute for Disaster Management (INGC)  |
|   |   | National Institute of Education and Professional Training (INEFP)  |
|   | <b>Social Action of Health</b>  | Ministry of Health (MISAU)   |
|   | <b>Social Action of Education</b>   | Ministry of Education (MINED)  |
| <b>Programme Objectives</b>   | <b>Basic Social Subsidy Programme (PSSB)</b>  | Aims to provide regular, monthly cash transfers for an undetermined period in order to give assistance to households without any members with working capacity and without means to satisfy their basic needs.   |
|   | <b>Direct Social Support Programme (PASD)</b>   | Aims to provide social transfers (in-kind or payment of services) for a determined period in order to respond to situations of shock which increases the degree of vulnerability of poor people or households who are without own means to satisfy their basic needs.  |
|   | <b>Social Action Social Service Programme (PSASS)</b>   | Aims to guarantee the institutional care in (temporary) residential care centers for children, old age homes, transit centers, open centers and centers for disabled and helpless people as well as provide guidance and family reunification to the most vulnerable and helpless groups who live in a situation of poverty. |
|   | <b>Productive Social Action Programme (PASP)</b>  | Aims to develop activities that promote the socio- economic inclusion of people in a poverty and vulnerability situation who have labour capacity.   |





|   |   |  |
|---|---|--|
| <b>Direct Social Action Programmes and Target groups</b><br>(People living below the poverty line)  | <b>Basic Social Subsidy Programme (PSSB)</b><br>(Households without any abled bodies members in the household)              | Elderly Headed Households (55 years for women and 60 years for men) without capacity to work.  |
|   |   | Households headed by disabled people without capacity to work  |
|   |   | Households headed by chronically ill and people with degenerative diseases (not bedridden).  |
|   | <b>PASD</b><br>(Households temporarily incapacitated to work or living in a situation of vulnerability)                     | Disabled People in need of means of compensation.  |
|   |   | Children, elderly and repatriates in a reunification and/or reintegration process, during the period of reunification.   |
|   |   | Child headed households (12 to 18 years).  |
|   |   | Heads of households who are temporarily incapacitated to work. Support till a maximum of one and a half years.   |
|   |   | Households with children who are in the recuperation phase after a situation of acute under nutrition. Support for a period of two years, which can be prolonged for an equal period on the basis of a medical evaluation. |
|   |   | Elderly, chronically ill people or people with degenerative diseases (bedridden).  |
|   |   | People living with HIV and AIDS and in Anti-Retroviral Treatment. Support for a period of 6 months.  |
| <b>Social Action Social Service Programme</b><br>(Helpless people living below the poverty line)  | <b>PSSAS</b><br>(Children, elderly and disabled people in a situation of poverty situation, helplessness and vulnerability) | Children in difficult circumstances.   |
|   |   | Elderly and helpless people.   |
|   |   | Disabled people.   |
|   |   | Repatriates.   |
|   |   | Victims of violence and trafficking.   |
|   |   | Population living on the street and in a reintegration process.  |
| <b>Productive Social Action Programmes and Target Groups</b><br>(Vulnerable HH with at least one member with capacity to work, with priority for the listed families) | <b>Public Work Component</b>  | Female Headed Households.  |
|   |   | Households headed by a disabled person, a chronically sick person or an elderly person.  |
|   |   | Households with malnourished children.   |
|   |   | Foster Families.   |
|   | <b>Componente Apoio ao Programa Geração de Rendimentos (CPGR)</b>   | Female Headed Households.  |
|   |   | Households headed by a disabled person, a chronically sick person or an elderly person.  |
|   |   | Households with malnourished children.   |
|   |   | Foster Families.   |



|                                   |  |
|-----------------------------------|--|
| <b>Selection of Households</b>    | <p>The Institute for Social Action (INAS) collaborates with local intermediates (Permanentes) who are people from the community who have a high standing in the communities and serve as a link between INAS and the communities. They have a role in the selection, case management and transfer of cash or kind to beneficiaries. Although the payment mechanism may change in the near future the involvement of the Permanentes in the selection and case management is most likely to continue. The activities of the Permanente are guided by the orientation manual and the eligibility criteria and means of verification for each specific programme.</p> |
| <b>Delivery Mechanism</b>         | <p>In the context of implementation of previous programmes, the delivery of benefits was made by the National Institute of Social Action, with involvement of the Permanente. This delivery mechanism will, in the context of the general revision and modernization of processes and mechanisms, be reviewed to identify the most efficient and effective mechanism.</p>  |
| <b>Monitoring and Evaluation</b>  | <p>The new Basic Social Security System will have new implementation, monitoring and evaluation instruments which will facilitate planning and budgeting as well as monitoring and evaluation of the impact of the programmes. In the long term this system will be multi sectoral; all the Basic Social Security Programmes will be reflected in the system to ensure a holistic and harmonized response to the necessities of the poorest and most vulnerable households.</p>  |
| <b>Financing and Partnerships</b> | <p>The Basic Social Security Programmes were, until 2008, entirely funded by the State Budget. From 2008 onwards Cooperation Partners (DFID, Embassy of the Kingdom of the Netherlands, SIDA, ILO, WFP, UNICEF) started contributing with financial and technical assistance. In the implementation of current programmes it is foreseen that the funding modality will continue; the state budget will continue to support the majority of the costs but will also continue to count on contributions from the Cooperation Partners, possibly in the context of the introduction of a Common Fund for Social Protection.</p>                                      |





# ULLA ANDÉN

## Swedish Ambassador in Mozambique

**Although Mozambique has been registering considerable improvements on the Social Protection sector, the investment made on the education is responsible for a sustainable reduction of the levels on population vulnerability. Advocates the Swedish ambassador, Ulla Andén, which considers, that Social Protection is a complementary area of the private sector investments.**

**Given the fact that Sweden is a country with a vast and rich full tradition when it comes to Social Protection, how do you perceive the social protection most recent programs implemented in Mozambique?**

We perceive a positive scenario, because a Basic Social National Security Strategy exists. It is a very advanced strategy, since it contains extremely and fundamental components. The regulation of the organisms that are directly involved on the Social Protection sector is in place, which includes members of the society in general and of religious confessions. Therefore we consider that these programs have a satisfactory scope level.

When i mention the advanced strategy aspects i refer to its scope, because it does not consider only a small amount of children or of people in need, but because it has a global understanding of the problem. It is an advantageous strategy because it brings an holistic approach to the problem.

**On that basis, can we state that a modernized system and approach on handling this matter exists, and that up to a certain point, it does supply the urgent needs of the sector?**

I do not, perceive it on that basis, because the country's needs are vast and diversified, although the budget was increased on two 2%, and a growth of one percentual point is verified, when compared to Sweden, the investment made on the social protection, is estimated to be on the order of 25%, of the State annual budget. The differences between the two countries are extremely big, but I do believe that the national strategy has made Mozambique advance on the matter.

**Taking into account your experience, do you consider that social protection can be a key factor on the promotion of progress and social and economic stability?**

Surely it is a key factor, but far more important, is that it, must be the cover page of the absolute poverty reduction program, which implies working towards generating new labor. Social Assistance must be a complementary factor. Every society has vulnerable groups, because of, diseases, age; therefore, the existence of social assistance during a certain time frame is necessary, but always as a complementary factor to the income which is generated by those specific groups.

**SOCIAL PROTECTION MUST NOT SUPERSEDE THE INVESTMENTS ON THE PRIVATE SECTOR**



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**Health and Education are two special areas of social protection programs. How do you measure its impact on productivity?**

That is the reason that led them to be contemplated on this strategy, because without health and education the productivity capacities are surely reduced amongst people.

**What is the main form of support used by Sweden when it comes to the Social Protection system?**

It is being done through the United Nations Support Program, which is a program consisting of 13 agencies, through which we channel the necessary support to the people in need. Sweden has a budget of 208 Million Meticals, for the next two years.

**Besides monetary contributions, which other form of support does Sweden offer in order to implement the Social Protection programs?**

Funds channeled through the United Nations are destined to the empowerment programs of government institutions, such as, MMAS, INAS, and also to the general civic society throughout the existing provinces. We provide technical support to the development of modern systems, in order to, allow more efficiency to be achieved and reduce the transaction costs. We actively participate on the implementation of Food subsidies program, supporting malnourished families.

**Which have been the most important finding when evaluating the implementation of the programs amongst the most vulnerable layers of society?**

It still is a bit difficult to state, because the programs are still ongoing, and during this first year we did not gather enough results. At the moment there are few activities, because our aim is to modernize the system, in order to allow that the most vulnerable layers of society are empowered.

**When it comes to the support of Social Protection, one of the most important areas is related to the effort coordination guarantees. On which form is Sweden analyzing the support that the partners are giving to this specific area in Mozambique?**

In my opinion the support of the various institutions through the United Nations is a very positive mean. Sweden is not the only one that supports; we also count with the help of, England, Denmark, Ireland, and Netherlands amongst others. Therefore, we think that the coordination between partners is good. The area of social protection is seen as a good example of coordination between the involved parties.

**Does Sweden want to continue to support the development of the Social Protection system in years to come? In your perspective is this a good investment area?**

The continuity of the support to this area is predicted, our understanding is that people must have social security, however I cannot positively affirm that it will in fact occur,



since, Sweden strategic plan of Mozambican support is coming to its end, and everything else depends of the Swedish government decisions. The probabilities of an ongoing support in Mozambique when it comes to investments in this area exist, because we understand that this is a complementary sector to the others.

**What message would you leave on Sweden's behalf to the Mozambican when it comes to social protection?**

I would repeat the same message, that the investment on people's education is absolutely necessary, because educated people lack the need to social assistance. Although we are partners, there is the necessity to understand that social protection, cannot, replace the investment on the production areas, it must constitute a complementary mean, in order not to let people vulnerable. But I do believe that Mozambique is on the right path, it developed systems that correspond to the existing needs.



# INTERVIEW

## with Laura Rose

Human Development Sector Lead  
WORLD BANK

### SOCIAL PROTECTION • ONE OF OUR PRIORITIES SECTOR IN MOZAMBIQUE

**The World Bank recently launched its new strategy to the social protection area. What new approach does this strategy brings?**

On the World Bank Social Protection Strategy, it is recognized the productive impact of the SP, on the lives of poor women, man and children. The SP has an immediate and direct impact over extreme poverty and vulnerability, supporting the households to face the adverse effects of diverse consequences, and, contributes to increase productivity and the growth, through, funding opportunities for income generation.

The World Bank considers the SP to be financially sustainable, including the low income countries in Africa.

The strategy aims to strengthen the Social Protection Systems, on reducing poverty and vulnerability, throughout the support of poor people on:

- (1) Managing and responding to adversities
- (2) Creation of productive goods and the improvement of the access to basic services
- (3) The participation of income generating opportunities in a productive mode

Trough these actions, the strategy will contribute to an inclusive economic growth, fulfilling in this way, an essential role in Africa equitable development.

**What is the World Bank perspective, on the role that Social Protection can achieve on the development strategy of a country such as Mozambique?**

The Social Protection role is based on poverty reduction, welfare promotion and economic growth.

People will need to be participative in three types of measures during their lifetime: (i) Prevention measures to face adversities of income and expenditure; (ii) Protection measures against human capital losses, and lastly; (iii) Promotion measures in

order to create new opportunities and improve their way of life, throughout the creation of employment opportunities.

To achieve these goals, it is necessary to create a system that coordinates interventions and avoids fragmentation, which happens in other countries where the population receives several means of support, which on a general view does not have the desired impact.

**In which form does the Social Protection is included on the World Bank plans to support our country?**

Social Protection is one of the priority areas of the World Bank in Mozambique. Currently the World Bank is supporting the Mozambican government, on the implementation of the national Strategy of Basic Social Security, trough the strengthening of Social Protection networks.

The World Bank will support both the Woman and social activism Ministry and the National Institute for Social Activism, on the development of a Social Protection system, contributing to the sketch of operational tools, which will ease the implementation of the programs. These tools include the focus systems, the payments systems, and the information management systems, amongst others. The poverty and vulnerability analysis support also is an important element when drawing the policies and programs; therefore, the World Bank will support the Mozambican Government on the creation of different studies and works that will contribute in this aspect.

At the same time, the World Bank will support the Mozambican Government on the drawing and the implementation of the Productive Social Activism Program, aiming to economically develop impoverished households – with work capacity on both rural and urban areas. The referred group members that are work capable individuals will participate on public works strategies, in order to create community goods and services. Public works will be complemented by financial and professional empowerment interventions, to allow the households members, to leave the program more capable, and able to



to face the employment market.

**Taken into consideration your experience in other countries, which would be the main advice that you would give the Mozambican Government in Social Protection matters?**

The main advice that the World Bank can give to the Mozambican Government, when related to the investment of a more steady Social Protection system, which includes mainly a good definition of the inter-institutional coordination, a good drawing of the focus system and beneficiary registration, which eases the inclusion of the impoverished population and allows the creation of a secure information management system.

The Mozambican Government must avoid the fragmentation of programs and work on a coordination perspective. The System must secure that the beneficiaries receive their Social Transfers on due time and on a satisfactory amount which will allow the achievement of the objectives.

The government must equally consolidate the current stage based on the approved four programs by the Ministers Council, through a good definition of the forthcoming year's operational objectives, and the implementation of the programs, prioritizing the most vulnerable districts and administrative posts. On a second stage the government must focus on the definition of the complementary processes, in order to reach other vulnerable groups, such as, families with children, systematic support to young people and others.

**Is there an experience in another country which the World Bank considers as being a good example for Mozambique. What are their most positive aspects?**

There are many positive experiences in the region, when regarding the Social Protection programs. The clearest example is the Productive Safety net Program (PSNP) of Ethiopia,

which has a good experience when it comes to the coordination between donators and the Government, and on the risk management integration in Social Protection programs. PSNP currently supports over 7 million households in Ethiopia.

Other good experiences are the social protection networks of Tanzania and Ghana, where the programs combine different forms of support such as, conditional transfers or public works, to face the risks that the families encounter during the year.

In Tanzania, an effective system has been developed that focus on the most impoverished ones which is defined in three stages: (i) A geographical focus which utilizes the poverty and vulnerability indicators, (ii) A community focus to identify the most impoverished households, in each locality and finally, (iii) A verification system that allows reducing inclusion and exclusion errors.

The World Bank promotes the dissemination of good experiences and lessons learned, through a knowledge network, which involves different regional countries, and that organizes virtual and physical meetings, to the dissemination of these good practices.



A portrait of Victor Lledó, a middle-aged man with glasses, wearing a grey suit, white shirt, and a pink tie with small colorful dots. He is smiling and looking towards the camera. The background is a blurred bookshelf filled with books.

# INTERVIEW

## with Victor Lledó

IMF PLEASED BY IMPROVEMENTS IN SOCIAL PROTECTION PROGRAMS IN MOZAMBIQUE

*"Mozambique is one of the pilot programs along with various other countries participating in this initiative along with Vietnam and El Salvador. Among the various pilot projects, Mozambique stood out due to its capacity to coordinate with its partners and the Government at all levels".*



**The IMF has pointed out the investment potential in Social Protection within Mozambique, why?**

Social Protection (SP) in a country such as Mozambique is important, due to the nation's distinct characteristics; a low income country that is very vulnerable to external shocks, such as those caused by the increase in international food prices, along with natural and climatic shocks. Mozambique has also shown lofty and sustainable growth levels, but sadly said growth has not benefited the majority of the population. At times, this has induced some tension socially. In its various forms, SP plays an extremely important role in order to resolve these problems.

In particular, in terms of support for vulnerable populations, PS acts as an income floor, insurance for difficult moments such as when a family loses its principal resource provider, or for individuals without family support and incapable of generating their own income, as is the case with orphans and the disabled. PS creates opportunities, amongst other things, so that children receive the necessary nutrition for intellectual development which in turn will help them become economically productive adults; PS impedes these children from being removed from school to help their parents if they lose their jobs; PS also prevents family disintegration in difficult moments, when there is poor access to resources that are normally used for their livelihoods and the possibility of amassing income. In summary, SP is crucial in helping people maintain income levels and in guaranteeing an increased productive capacity for low income families. This increase will be fundamental to the growth of these families' incomes in the future, and to the reduction of their vulnerability.

**In a nation with such low income levels, is it not somewhat unrealistic to think it possible to create fiscal capacity to invest in SP?**

Recent studies show the well planned basic SP programs cost a small percentage of national revenue even in low income countries. The work that the IMF developed in partnership with the Mozambican authorities, the United Nations, particularly with UNICEF and the ILO, and the World Bank showed that creating additional fiscal capacity for SP in Mozambique is possible. The IMF estimated that this fiscal capacity, defined as a type of public spending that does not put at risk macroeconomic stability or debt sustainability, could grow gradually until 2.5% of GDP from 2012 until 2022.

This figure can be allocated to cover SP expenses and other prioritised state expenses in the healthcare and education areas, among other. The current Government objective to reach 815 thousand poor homes demands an annual allocation of public funds of between 0.4% and 0.8% of GDP in the coming years, which will be sourced from the aforementioned fiscal capacity.

**Since the IMF is an institution that essentially deals with economic predicaments, what is your understanding of the relationship between SP with economic growth and development?**

Without doubt, the relationship exists. I can point to at least two channels through which SP induces sustainable and inclusive economic growth.

The first channel relates to SP as a base floor that exists to help avoid sudden loss of income, as mentioned above, and preserves the potential growth in people's future productive capacities. For example, if I were to lose my job, I would have difficulty keeping my children in school, thus reducing their future employability. The same happens to small farmers who have to sell their cows or ploughs to overcome breaks in a given crop year, thus losing the ability to rely on these resources in the next campaign, compromising their future output and productivity. Therefore, PS has an impor-

tant role in preserving human capital and increasing agricultural productivity. Both are essential to sustainable and inclusive economic growth.

The second channel relates to the fact that PS negates excessive increases in socioeconomic disparities. Increases in income inequality between people impede the economic development process.

These disparities, in turn, are often a catalyst for social tension, crime and violence. Beyond its immediate effect on people's quality of life, these social tensions repel investors and reduce the supply of new jobs that this investment would bring. Thus, PS, to the extent that it reduces economic disparities and alleviates possible social tensions, also helps generate an economic environment conducive to investment and job creation, leading to economic growth for everyone.

**Considering this logic, does the IMF feel that its objectives are being reached in the implementation of Social Protection programs?**

There are many hurdles that need to be surpassed in order to implement the new protection programs effectively. These include the improvement of the Government's beneficiary identification system, along with the betterment of payment and monitoring procedures.

The technical capacity building of public servants involved in such programs, especially at district level, is also fundamental for the successful implementation of these programs. The continued commitment of the Government led by MMAS, along with technical and financial support from development partners will be essential also.

**Is this initiative limited to Mozambique, or is the IMF developing the same kind of activities in other countries?**

The Social Protection Floor initiative derives from the United Nation's family of agencies, and is lead by the International Labour Organisation in collaboration with the IMF and the World Bank. Mozambique is one of the pilot programs along with various other countries participating in this initiative along with Vietnam and El Salvador. Among the various pilot projects, Mozambique stood out due to its capacity to coordinate with its partners and the Government at all levels.

**If you could leave a piece of advice for the Mozambican authorities, what would you say to them?**

Firstly, I would like to congratulate the Mozambican authorities for displaying the initiative to carry out the expansion and improvement in quality of Social Protection in Mozambique. I would encourage them to continue to consider PS as an important element in their plan for combating poverty and generating more inclusive growth. Looking forward, I would again emphasize that for the fiscal capacity of PS in Mozambique to be maintained and expanded, the Government will have to ensure the successful the approval and implementation of new programs, sustained by efforts to reduce low quality costs such as fuel subsidies.