



Social Protection Floors

Semana de Protecção Social
20 & 21 June 2012, Maputo,

*Christine Bockstal,
Chief, Countries operation group
ILO Social Security Department, Geneva*



The Social Protection Floor Initiative

The Bachelet Report..

Social Protection Floors Recommendation

The next steps



The SPF Initiative

A UN CEB joint crisis initiative

SPF Social Protection Floor

In April 2009, the UN Chief Executives Board (UN CEB) agreed on **nine joint initiatives** to confront the crisis, accelerate recovery and pave the way for a fairer and more sustainable globalization:

1. Additional financing for the most vulnerable
2. Food Security
3. Trade
4. A Green Economy Initiative
5. A Global Jobs Pact
6. **A Social Protection Floor (SPF)**
7. Humanitarian, Security and Social Stability
8. Technology and Innovation
9. Monitoring and Analysis



Global lead agencies: ILO and WHO.

Coalition Members: UN ESCAP, UN CEPAL, UN Habitat, UNAIDS, UNDESA, UNDP, UNESCO, UNFPA, UNHCR, UNICEF, UNODC, UNRWA, UNWOMEN, WFP, WMO, FAO, OHCHR, UNFPA

IMF, World Bank, Asian Development Bank,

European Commission, OECD, Swedish International Development Cooperation Agency (SIDA), the Netherlands, Luxembourg, France, Finland, German Development Cooperation, GIP SPSI, Education and Solidarity Network, HelpAge International, International Council of Social Welfare, NGO Committee for Social Development, Save the Children, Concern...

At national level, the process is country-led.



The SPF Initiative

Activities



Activities of members of the SPF Initiative Coalition:



- Advocacy and international recognition
- Financial and technical cooperation
- Development of analytical tools and methodologies (*eg. joint UNICEF-ILO costing tool and RAP*)
- Capacity building
- Collection of evidence, documentation of experiences and South-South cooperation facilitation (*eg. members contributed to ILO-UNDP-SU/SSC publication on 18 SPF success stories*)

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Country activities



More than 25 ongoing country advisory activities including:

Support development of **national social protection strategies and action plans**

Rwanda, Honduras, Cambodia, Ethiopia etc

Rapid SPF assessment and costing studies (RAP) of SPF benefits and poverty impact to support/feed into national dialogue

Togo, Indonesia, Thailand, Cameroon, Nepal etc.

Collaboration with the IMF in the context of pilot projects **exploring the fiscal space available** to extend social security and close parts of the SPF gaps

Mozambique, El Salvador and Viet Nam

Initiatives to **consolidate national SPFs** by building on existing schemes

Cape Verde, Togo etc.

In-depth studies on social protection and employment policies (*ILO - EU*)

Burkina Faso, Cambodia and Honduras



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The Bachelet Report

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Social Protection Floor Advisory Group

Composition and purpose

- The Social Protection Floor Advisory Group (SPF-AG) was convened in August 2010 by the ILO, with the collaboration of the WHO, under the framework of the UNCEB Social Protection Floor Initiative.
- Its purpose was to enhance global advocacy and provide guidance on the conceptual and policy aspects of the SPF.
- This presentation highlights the main conclusions of SPF-AG and recommendations,
- The report argues that SPFs are:
 - *Necessary*
 - *Feasible*
 - *Effective*

Composition of the SPF Advisory Group

Chair	Michelle Bachelet Aurelio
Members	Fernandez López Ebrahim Patel Eveline Herfkens Kemal Derviş Margaret Wilson Martin Hirsch Sudha Pillai Zheng Silin
Ex officio members	Juan Somavia Margaret Chan

The Bachelet report structure:

The SPF – a policy coherence approach
The global social challenge
The case for the Social Protection Floor
Implementing the Social Protection Floor
Recommendations

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The SPF - a policy coherence approach

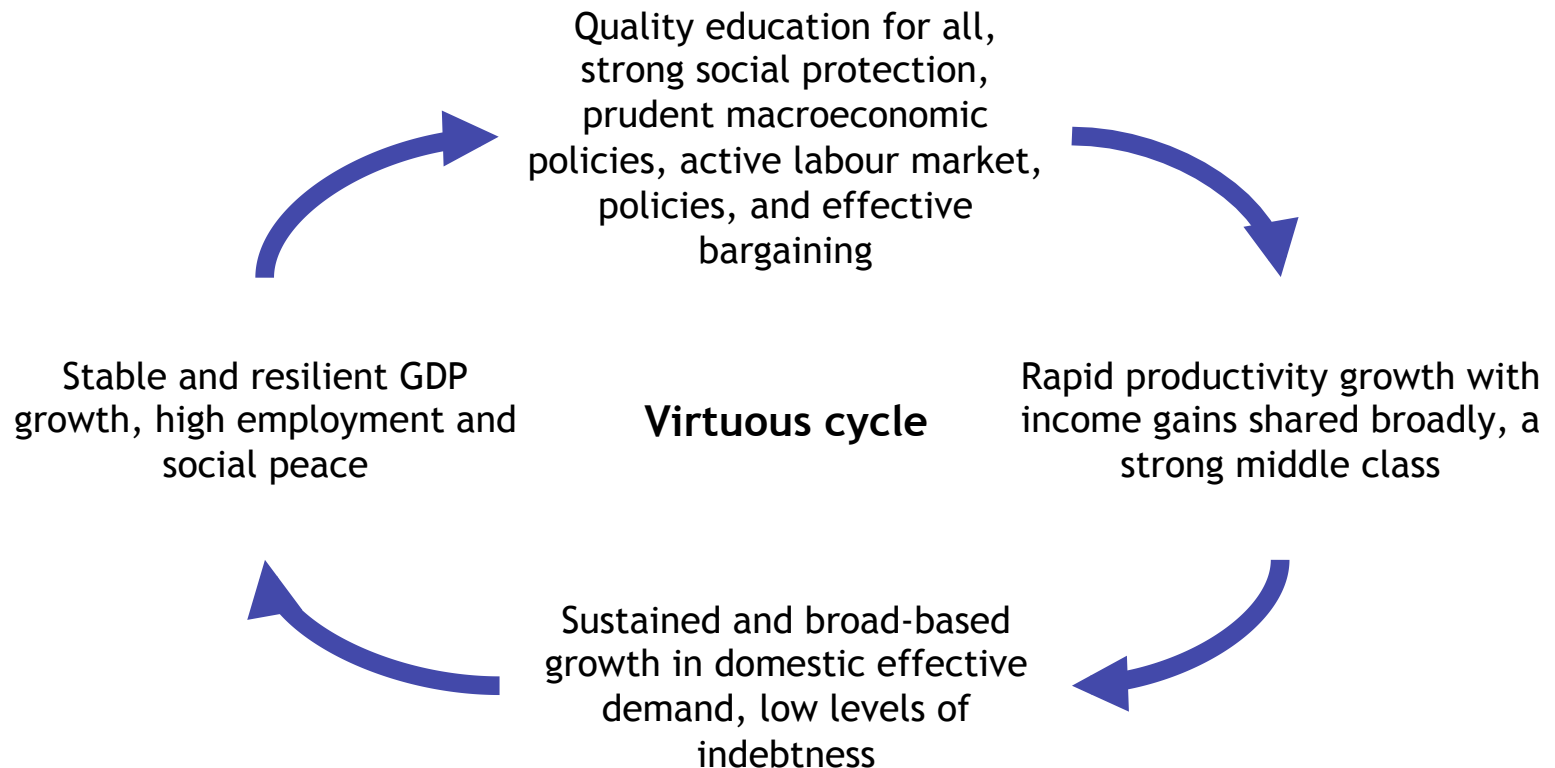
- The SPF is anchored in shared principles of social justice and the Universal Declaration of Human Rights, Article 22 and 25.
 - It is an integrated set of social policies designed to guarantee income security and access to social services for all, paying particular attention to vulnerable groups. It includes guarantees of:
 - **Basic income security**
 - Universal **access to essential and affordable social services**
 - The 2011 International Labour Conference demonstrated resounding support for SFPs and the 183 member states agreed on a common definition that has further fine-tuned the concept, and decided to initiate a **standard-setting item at ILC 2012**.
- It is a policy coherence approach.

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The SPF - a policy coherence approach

The virtuous cycle effect

SFPs can stimulate a virtuous circle of development that provides an exit route from poverty and inequality, and towards long-term economic resilience and inclusive growth.



Source: SPF-AG discussion notes, by Kemal Dervis.

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The SPF - a policy coherence approach

- A number of countries are already implementing a social protection floor, achieving substantial results in terms of poverty and inequality reduction.

Latin America

Argentina

- Universal child allowance (*Asignación Universal por Hijo*)
- Pension plan (*Plan de Inclusión Previsional*)

Brazil

- Rural pension scheme
- *Bolsa Família* conditional cash transfer
- Universal Unified Health System (*SUS*)

Europe

France

- *Revenu de Solidarité Active* links minimum income and active labour market policies



Asia

China

- Increased basic health coverage
- Rural pension scheme

India

- *Mahatma Gandhi National Rural Employment Guarantee Scheme*
- Social insurance scheme *RSBY*

Africa

Cape Verde








- Non contributory social pension scheme
- Social insurance extension to informal economy workforce

South Africa

- Child Support Grant
- Old Persons Grant

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The SPF - a policy coherence approach

Explicit linkages and ways in which social protection accelerates MDGs	
 MDG1: Eradicate extreme poverty and hunger	<ul style="list-style-type: none"> • Reducing poverty and inequality. • Stimulating people to participate more actively in the economy. • Supporting the full utilization of productive entrepreneurial capacity and increasing labour market participation. • Improving food consumption and nutritional level of beneficiaries' households, including children.
 MDG 2: Achieve universal primary education	<ul style="list-style-type: none"> • Improving educational attainment, higher school enrolment rates, fewer school drop-outs by removing demand-side barriers to education. Reduces the intensity of child labour. • Supporting inclusive education by introducing changes in the supply side to address the specific needs of children who are marginalized or excluded (such as girls) to ensure they can access and benefit from education.
 MDG 3: Promote gender equality and empower women (see point 8).	<ul style="list-style-type: none"> • Addressing barriers to gender equality and empowerment of women. • Encouraging increased participation of women in the economy and greater labour market participation. • Enhancing through social transfers women's position in the household and intra-household resource allocation and reducing their domestic burden.
 MDG 4: Reduce child mortality	<ul style="list-style-type: none"> • Removing financial barriers that prevent people from accessing health services and prevents deeper impoverishment caused by medical expenses.
 MDG 5: Improve maternal health	<ul style="list-style-type: none"> • Improving access to quality preventive and curative care for child and maternal health. • Reducing risk factors for diseases among disadvantaged populations.
 MDG 6: Combat HIV/AIDS, malaria and other diseases	<ul style="list-style-type: none"> • Social transfers can directly mitigate the impacts of illness, specifically AIDS, and have helped mothers and children affected by HIV and AIDS. • Such cash transfers might prevent new infections, as they reduce the need for female and child household heads to resort to transactional sex to survive. • Social pensions enable grandparents in 'missing-middle generation' families to care more adequately for orphaned and vulnerable children under their guardianship. • There is evidence that social pensions also contribute to preventive health care for children.
 MDG 7: improved access to safe water, sanitation	<ul style="list-style-type: none"> • Improving access to safe water sources and basic sanitation facilities

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The case for the Social Protection Floor

- Two main questions related to affordability:
 - Does sufficient **fiscal space** exist, or can be developed, in competition with other national objectives, for the ongoing financial needs of a Floor package ?
 - Is long-term **fiscal sustainability** ensured ?
- Expansion of the fiscal space should be based on progressive taxation.

The SPF is an investment

- International experience shows that **effective country-specific floors**, which can gradually expand, are not only affordable, but **can pay for themselves in the long run** by enhancing the productivity of the labour force, the resilience of society and the tax revenues often forgone because of ineffective collection.

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The case for the Social Protection Floor

*A fundamental objective of the Decent Work Agenda is to offer pathways to economic opportunity and inclusion, and a **permanent exit route for those in poverty**.*

➡ **Unlocking previously untapped productive capacity improves macroeconomic performance.**

WORKERS IN THE INFORMAL ECONOMY, THE WORKING POOR:

- Progressive inclusion in the labor market
- Higher social protection

Higher Levels of Social Protection

Higher levels of income

Access to Sustainable employment
(Micro-Enterprise or Formal jobs)

Increase employability: human capital (health, education) + work experience & training

Employment Services

+

Basic social protection

- Skills assessment & training ...
- Access to PWP's ; Job placement
- Business Development Services

- Access to health, education, food security
- Income security

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The case for the Social Protection Floor

→ Gender empowerment tool

The present situation

Women are disproportionately represented among the poor including the chronic and extreme poor.

- ☞ Overrepresented in **low paid and precarious jobs**.
- ☞ **Most affected by coping measures.**



The SPF potential

The SPF emphasis on a rights-based approach plays a further key role in:

- Guaranteeing **equal access** to benefits and protection for women and,
- **Unlocking the productive capacity** and enabling women to participate in the labour market.

The SPF effect

Social transfers are particularly important for women, and where appropriate girls, particularly when such transfers can be **disbursed directly to households and to women themselves**:

Elevates their social status.

+

Permits women to exert more control over how household income is spent.

=

“Freedom enhancing”, or gender empowering.

→ **Enhancing social cohesion**

A beneficial by-product of SPF implementation mechanisms : **giving “voice”** to disadvantaged groups.

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Implementing the Social Protection Floor

Design choices have to be made along a wide range of aspects for each element of the Floor in a way to **ensure the political, financial, technical and administrative feasibility** of the programmes to be introduced.

- The most visible change has been the introduction of **large-scale social assistance programmes** in **populous middle-income countries**.
- A growing number of countries in sub-Saharan Africa and Asia have introduced transfer programmes **on a pilot basis**.



**Grant beneficiaries
tend to use cash
where public services
fail**

- Payment of school fees,
- Transport,
- Health services,
- Basic services such as electricity and water.

Present
Targeted coverage



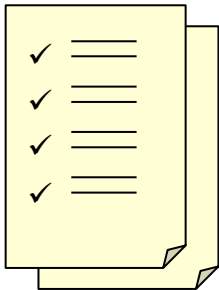
Future
Full coverage

It is important that there be a **phased extension of coverage**, with the eventual **aim of full coverage**.

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➡ There is **no “one size fits all” solution** in implementing SPF.

- The SPF design and implementation should be country-led and responsive to national needs, priorities and resources.
- However a **list of principles** to ensure full potential of SPF interventions



- ☞ Combining the objectives of preventing poverty and protecting against social risks (thus empowering individuals to seize opportunities for decent employment and entrepreneurship).
- ☞ A gradual and progressive phasing-in process, building on already existing schemes, according to national priorities and fiscal constraints.
- ☞ Coordination and coherence between social programmes (human development on a life cycle basis, address vulnerabilities and multidimensional causes of poverty and social exclusion).
- ☞ Combining income transfers with human development objectives (educational, nutritional and health).
- ☞ Combining income replacement functions with active labour market policies.
- ☞ Minimizing disincentives to labour market participation.
- ☞ Ensuring economic affordability and long-term fiscal sustainability (predictable and sustainable domestic funding sources; international solidarity to start the process).
- ☞ Long-term sustainable development strategy (coherence between social, employment, environmental and macroeconomic policies).
- ☞ Maintaining an effective legal and normative framework.
- ☞ An adequate institutional framework (sufficient budgetary resources, well trained professionals, effective governance rules, participation of the social partners / stakeholders).
- ☞ Ensuring mechanisms to promote gender equality.
- ☞ Effective health-financing systems to ensure quality health services.

The Bachelet Report Recommendations

- Establishment of a **mechanism for collaboration and coordination** that includes experts of the relevant UN agencies, programmes, funds, regional commissions and international financial institutions involved in social protection-related issues.

- The ad hoc inter-agency group also focus on:

- Establishing a global social protection platform for knowledge sharing,
- Setting up a panel of appropriate indicators to monitor global progress towards extension of social protection.
- The SPF-AG recommends that international organizations join forces at national level to support a group of self-selected pilot countries.

The international community can play a role in:

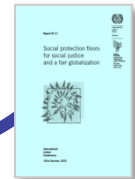


Knowledge sharing,
transfer of technologies
& global observatory

Promotion of the concept
Endorsement at
global & national levels



Guidance & principles
(e.g. Recommendation)



Support South-South and
triangular cooperation in
designing, implementing,
M&E, building capacities



- The SPF-AG recommends that the G20 elaborate an action plan to implement its conclusion and put in place effective mechanisms to monitor and report on the implementation and to map progress towards extending social protection coverage in low- and middle-income countries.

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International standard setting mechanisms

- The SPF-AG suggests that governments and social partners adopt the future ILO recommendation on the SPFs.
- It also invites the relevant treaty bodies and committees to consider preparing a general recommendation on the contribution of the implementation of national social protection floors to the realization of the social rights under the different conventions.

Linking to the MDGs and beyond

- SPF = coherent policy tool in achieving MDG objectives by 2015 and beyond...
- Should be used in the design of future development commitments

	Goal 1: Eradicate extreme poverty and hunger
	Goal 2: Achieve universal basic education
	Goal 3: Promote gender equality and empower women
	Goal 4: Reduce child mortality
	Goal 5: Improve maternal health
	Goal 6: Combat HIV/AIDS, malaria and other diseases
	Goal 7: Ensure environmental sustainability
	Goal 8: Develop a global partnership for development
	Goal 9: De-mining, UXO and victim assistance



The Social Protection Floor Initiative

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Social Protection Floors Recommendation

The next steps

The elaboration and adoption of the Social Protection Floors Recommendation

ILC June 2011

Recurrent Discussion
on social protection
(social security)

Adoption of
Resolution and
Conclusions

August 2011

Law and
practice report
Including
questionnaire

Replies to questionnaire:

**221 replies
from 118 member States**

- 98 governments
- 27 employers' organizations
- 96 workers' organizations

March 2012

Office draft of the
proposed
Recommendation

based on responses
questionnaire

June 2012,
101th session of the ILC

**Adoption of the
*Recommendation
concerning national floors
of social protection, 2012***



Social Protection Floors Recommendation

Objective

Provides guidance to Members to

(a) establish and maintain, as applicable, social protection floors as a fundamental element of their national social security systems; and

(b) implement social protection floors within strategies for the extension of social security that progressively ensure higher levels of social security to as many people as possible, guided by ILO social security standards.

Social Protection Floors Recommendation

Definition

Definition (Paragraph 2):

“Social protection floors are nationally defined sets of basic social security guarantees which secure protection aimed at preventing or alleviating poverty, vulnerability and social exclusion”

Legal roots

- Recalling that the Declaration of Philadelphia
- Considering the Universal Declaration of Human Rights, in particular Articles 22 and 25, and the International Covenant on Economic, Social and Cultural Rights, in particular Articles 9, 11 and 12
- Considering also ILO social security standards

Social Protection Floors Recommendation

NATIONALLY-DEFINED GUARANTEES:

The guarantees should ensure at a minimum that, over the life cycle, all in need have access to essential health care and to basic income security which together secure effective access to goods and services defined as necessary at the national level.

They should comprise at least the following **basic social security guarantees**:



access to a set of
goods and services
constituting
essential health
are



basic income
security for
children



basic income
security for
persons in active
age unable to earn
sufficient income



basic income
security for
persons in old age

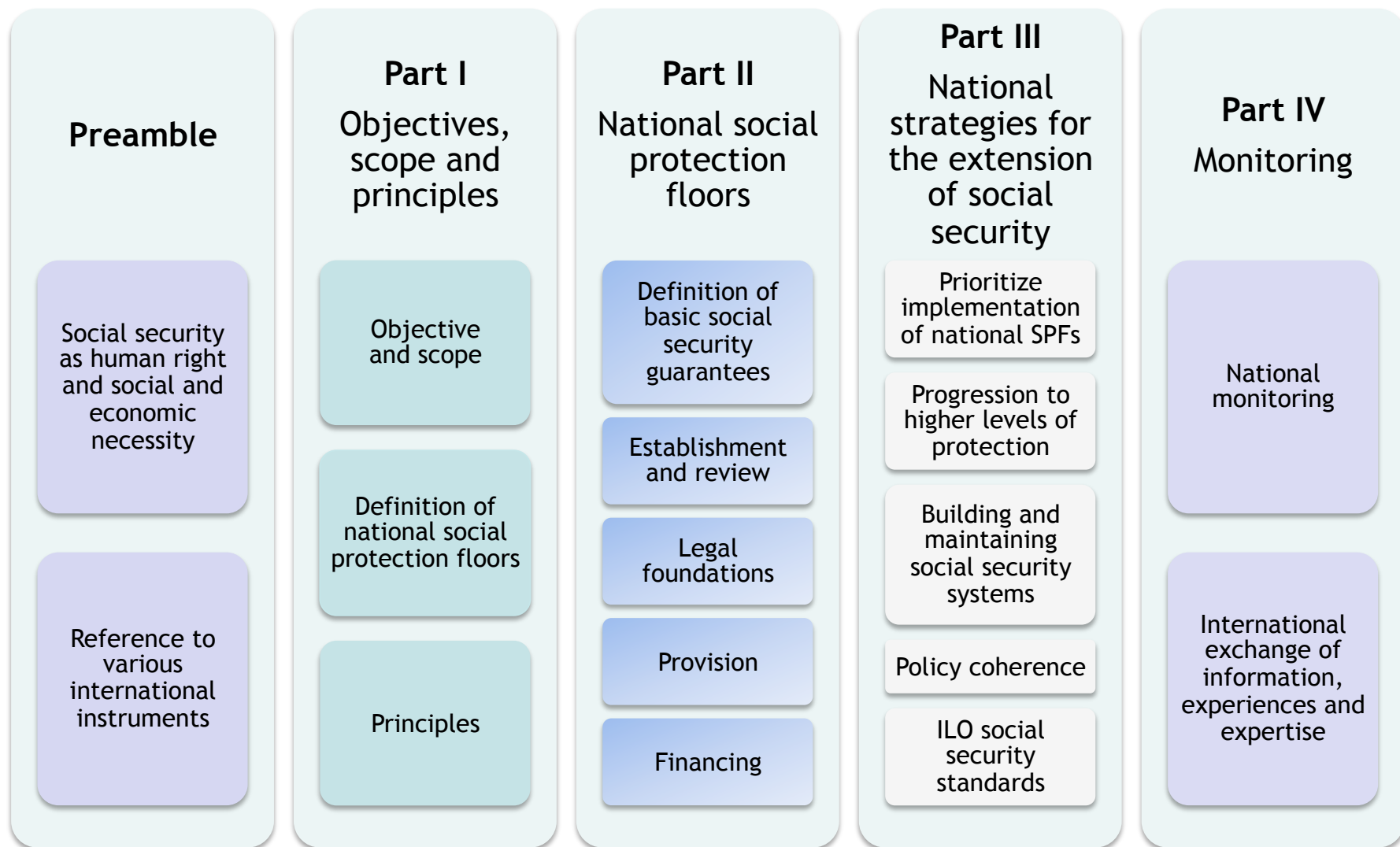
national definition of minimum levels

SCOPE:

Guarantees should be provided to at least **all residents and children**, as defined in national laws and regulations, subject to Members' existing international obligations. (para. 6)

Social Protection Floors Recommendation

Overview



Social Protection Floors Recommendation

Recognizing the overall and primary responsibility of the State in giving effect to this Recommendation, Members should apply the following **principles**:

Universality

- universality of protection, **based on social solidarity**;
- **non-discrimination**, gender equality and responsiveness to special needs;
- **social inclusion**, including of persons in the informal economy;

Legal framework

- entitlement to benefits **prescribed by national law**;

Rights and dignity of beneficiaries

- respect for the **rights and dignity of people** covered by the social security guarantees;

Progressiveness

- **progressive realization**, including by setting targets and time frames;

Financial solidarity and sustainability

- **solidarity in financing** while seeking to achieve an optimal balance between the responsibilities and interests among those who finance and benefit from social security schemes;
- **financial, fiscal and economic sustainability** with due regard to social justice and equity;

Policy coherence and coordination

- coherence with **social, economic and employment policies**;
- coherence **across institutions** responsible for delivery of social protection;

Diversity of methods

- consideration of **diversity of methods and approaches**, including of financing mechanisms and delivery systems;

Good management and administration

- **high-quality public services** that enhance the delivery of social security systems;
- transparent, accountable & sound **financial management and administration**;
- efficiency and accessibility of **complaint and appeal procedures**;
- **regular monitoring** of implementation, and **periodic evaluation**;

Consultation and participation

- **tripartite participation** with representative organizations of employers and workers, as well as **consultation with other relevant and representative organizations** of persons concerned.
- full respect for **collective bargaining and freedom of association** for all workers;

Social Protection Floors Recommendation

Formulating and implementing national social security strategies

When formulating and implementing social security extension strategies, Members should (para. 14):

- (a) **set objectives** reflecting national priorities;
- (b) **identify gaps** in, and barriers to, protection;
- (c) seek to close gaps in protection through **appropriate and effectively coordinated schemes**, whether **contributory or non-contributory**, or both, including through the extension of existing contributory schemes to all concerned persons with contributory capacity;
- (d) complement social security with **active labour market policies**, including vocational training or other measures, as appropriate;
- (e) **specify financial requirements** and resources as well as the **time frame** and **sequencing** for the progressive achievement of the objectives;
- (f) **raise awareness** about their social protection floors and their extension strategies, and undertake **information programmes**, including through social dialogue.

SPF Guarantees	Existing	Gaps	Recommen dations
HEALTH			
CHILDREN			
ELDERLY			
WORKING AGE			





The Social Protection Floor Initiative

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Social Protection Floors Recommendation

The next steps

Next steps?

- Country support to be continued and undertaken
- **SPF-I action plan to be implemented**: Funding strategy to be developed; role of civil society to be strengthened, following the SPF I meeting NY January 2012, call for active role of SC in SPF WG and SP F implementation, etc.
- **Social Protection Inter-agency Board (SPIB)** to be launched in July: activities in pilot countries to be undertaken
- Support the G20 process
- **Knowledge sharing platform** on social protection to be established (UNDP/ ILO); individual platforms strengthened and linked up with gateway platform
- South-South learning dialogue to intensify
- **Major campaign to defend minimum national social floor budgets** in a globalised economy : collaboration with IMF to be intensified based on exercise 3 pilot studies (El Salvador, Mozambique and Viet Nam)
- Promote the integration of SPF in Rio+20, post MDGs, UN system mechanisms (GA, ECOSOC, UNDG, human rights mechanisms), a UN instrument?... Support regional initiatives



“As we continue to confront the fallout of the global financial and economic crisis, meeting this challenge is more important than ever. For the tens of millions who have lost their jobs since the crisis began, the global recession is far from over. That is one reason why the UN system-wide response includes an initiative to establish a social protection floor.”

Ban Ki-moon, UN Secretary-General

“The world does not lack the resources to eradicate poverty, it lacks the right priorities.”

Juan Somavia, ILO Director General

“Achieving social justice and decent work in a globalized era has proven to be a daunting task for many developing countries, especially in Sub-Saharan Africa where the majority of the poor nations are.

... The extension of social security can be achieved through tripartite collaboration and adherence to international labour standards. Innovative policy mechanisms and dialogue between employers, employees and governments are essential.”

Jakaya Kikwete, President of the United Republic of Tanzania

To learn more about the SPF...

- SPF website: www.socialprotectionfloor.org
- GESS platform: www.social-protection.org
- SPF-I website: www.socialprotectionfloor-gateway.org
- SPF-AG Report:
<http://www.social-protection.org/gimi/gess/RessShowRessource.do?ressourceId=25842>
- Recommendation on Social Protection Floors, 2012 and info on ILC 2012: <http://www.ilo.org/gimi/gess/ShowNews.do?nid=13089>
- Conclusions of the G20: http://www.g20.org/pub_index.aspx

