From international ivory towers to national realities:

The challenge of creating national social dialogues for social protection floors

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Responsible:
Dr. Cäcilie Schildberg | Social Justice and Gender
Phone +49-30-269-25-7461 | Fax: +49-30-269-35-9246
http://www.fes.de/GPol/en

To order publications:
Christiane.Heun@fes.de

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FOREWORD

In December 1948 the United National General Assembly in Paris proclaimed the Universal Declaration of Human Rights (UDHR), a milestone in the history of human rights and a founding document for human development after World War II. It sets out a common set of standards for all peoples and all nations and demands that fundamental human rights be universally protected regardless of political, economic or social circumstances. Since its proclamation it has served as a moral obligation to ensure that every person enjoys the same rights and a life in dignity. But even after seventy years, the global fight against poverty and social exclusion has still not been won.

It is contradictory indeed, that the world as a whole has been getting richer in material and financial terms for more than three decades, yet the distribution of that wealth is becoming more unequal. Moreover, the rise in global inequalities between countries, as well as within many countries (including industrialized ones) negatively affects access to health, employment, education, knowledge and environmental goods and services, such as clean air and fresh water.

Hence, the world remains an unfair, unequal, insecure and unhealthy place for virtually half its population. About 30 percent of the global population have no access to adequate health care when needed and 40 percent face the loss of income security when a personal or a national economic crisis strikes. At least one third of the global population live in abject poverty (under 3.10 US$ per day), the cruellest form of insecurity. Every second child is poor and between five and ten million children die every year of preventable causes, while millions of older people die prematurely for the same reason. Inequality is on the rise in many parts of the world. The rich get richer and the poor poorer. This is a scandalous state of affairs. That state is not God-given, it is human-made or at least human-tolerated.

We have known for more than a century what needs to be done. Social protection effectively reduces poverty, inequality and poverty. We know that some effective social protection is affordable almost everywhere. Social protection systems are tools for achieving a life in dignity, creating inclusive and equitable societies, contributing to social peace, and supporting sustainable economic growth. Recently we have seen a growing recognition of that fact. The right to social security and social protection was already enshrined in the Universal Declaration of Human Rights of 1948, and has been reiterated by two international instruments. In summer 2012 the International Labour Conference unanimously adopted Recommendation No. 202 on national Floors for Social Protection (R. 202). R. 202 demands that the more than 180 ILO member states commit to four basic social security guarantees for all residents: access to essential health care (1) and basic income security for all during childhood (2), adulthood (3) and old age (4). As soon as possible all countries should seek to provide higher levels of protection for as many people as possible. The importance of national social protection was further acknowledged by including an explicit social protection agenda in the Sustainable Development Goals (SDGs).

SDG Target 1.3 requires states to
"implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable."

Target 3.8 demands
"Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all."

The SDGs and R. 202 are fully compatible and both demand effective floors of social protection for all. Virtually all countries have agreed to pursue that goal.

And yet, appropriate levels of social protection for all will not emerge by themselves or as a by-product of laissez-faire economic and development policies. Social protection for all has to be demanded by people. Demands generally have to be formulated by interest groups and initiatives of civil society, trade unions and faith-based organizations that seek to improve people's lives. Governments and ruling economic and political elites cannot be relied upon. The rich and powerful in a society are normally those who least need social protection – or they think they do not need it – until a personal disaster hits.

One of the main objectives of R.202 and the SDGs is to create policy space for national social protection policy demands. These demands can be legitimized by the promises made by governments in the international arena.

In response an international civil society and trade unions coalition, the so-called Global Coalition for Social Protection Floors (GCSPF), was founded to help national interest groups to occupy the policy space that was created by the international instruments and fill that space with concrete and reasonable demands. In short the Global Coalition seeks to support national coalitions for social protection to fill the policy space with real life. The Global Coalition now has more than one hundred international and global NGOs and trade union organizations as its members and has become a powerful voice in global and national debates on social protection.

National social protection systems will affect the lives of several generations. Hence, these systems have to be carried by strong national consensuses that are independent of the often short-term political objectives of changing governments. We have seen that the most important component of a national policy formulation and design process in social protection is to create that societal consensus. And that consensus can only be achieved in honest, transparent, evidence-driven national dialogues, where all interest groups and stakeholders meet and decide on protection levels and make difficult choices. Policy formulation through national dialogue processes may be tedious, but they ensure that the decisions made in the end are owned by the people rather than external advisors and sometimes remote government agencies.

When national social protection systems have been devised or reformed over past decades many societies have been subjected to external advice that ignored public preferences. And as it stands there is more of that to come. The IMF's brand-new institutional social protection strategy, for example, will most likely affect the lives of millions of people. And its timely to remind the IMF and the global community of advising experts that all technical advice on social protection should be bound by the aforementioned international instruments and national preferences worked out in proper dialogue processes, rather than the often untethered and ex-cathedra promotion of economic growth and the containment of public expenditure at any cost.

This publication seeks to support national dialogues on social protection. It reports on a project that the FES undertook in collaboration with the GCSPF. With it we seek to achieve two things. First we describe the policy space that is mapped out by the international instruments and reiterate how little of our global wealth and income is needed to achieve some level of social security for all. That in itself should already strengthen the political legitimacy of national social protection policy demands. The second objective is to find out how the pivotal national social protection dialogue processes can be initiated, nurtured and strengthened. This is done by analysing the experience in nine countries where the extension and improvement of social protection has become a national policy priority. The results give grounds for hope. Social protection policies can be shaped in national dialogue processes. However, the country cases also show that this takes no small amount of work and commitment – as most good things do.

Kurt Beck
President of the Friedrich-Ebert-Stiftung
Berlin, 1 November 2019

ACKNOWLEDGEMENTS

When FES started the project "Social Security for All" in 2016, we wanted to find out under which conditions national implementation processes for social protection floors can best be fostered through the creation of bottom-up demand from civil society organizations and trade unions. The project was therefore centred around strengthening the role of civil society and trade unions in the design and implementation of effective social protection systems, holding their governments accountable to their responsibility to provide a social protection floor as required by ILO Recommendation 202 in 2012 and the Sustainable Development Goals in 2015.

Nine country offices of Friedrich-Ebert-Stiftung agreed to participate in the project: Costa Rica, El Salvador, Iraq, Mongolia, Morocco, Myanmar, Namibia, Nigeria and Zambia. On the basis of the experiences during the project, this book evolved as a joint effort not only of the three editors but of all persons involved in the project between 2016 and 2019. The publication seeks to contribute to the core objectives of the Global Coalition for Social Protection Floors and to foster ongoing discussion at the national and international levels on how to better support the achievement of the SDGs and the practical realization of Recommendation 202, as a necessity for any kind of social-ecological transformation towards just and sustainable development.

The work carried out by our teams at the country level established a new strategic approach on how to promote the right to social security in practice and to link the international debates on social protection to national realities and policy debates. The aim was clear but the task was not at all easy – depending highly on the capacities of the FES offices as well as on the actual political situation in the respective countries. But it was worth all the effort. I would therefore like to express my deep gratitude for all the time and effort invested in this project by our country offices and their teams. The authors of the country chapters are also those who conducted the project at the national level. Without their courage to engage in this project and their contributions to this book, we wouldn't have been able to present you the reality check we thought is timely and necessary. We would have only been able to write yet another theoretical book leaving out the real challenges on the ground. Secondly, I would like to give my special thanks to my co-editor and author Michael Cichon and Mira Bierbaum, without whom this volume would never have become possible. Special thanks also go to the Global Coalition for Social Protection Floors, for the confidence shown in our work and the support provided whenever we needed it. This volume is part of the work of the GCSPF at the national level and aims to contribute to the coalition's objectives. And last but not least we would also like to thank all colleagues at FES in Berlin, our partner organizations at the country level, and our longstanding partners in this field, such as the International Labour Organization (ILO) and the International Trade Union Confederation (ITUC), who have all supported our work on social protection for many years.

We very much hope that our results will be of use and inspire all to do what is possible in order to achieve what is necessary – dignity and social security for everybody.

C. Schildberg

Dr. Cäcilie Schildberg
Friedrich-Ebert-Stiftung

INTRODUCTION, PURPOSE AND OBJECTIVE

Cäcilie Schildberg

This book reports on the results of the Social Security for All (SoSiAl) Project that was undertaken by the Friedrich-Ebert-Stiftung (FES) on behalf of the Global Coalition for Social Protection Floors (GCSPF). The project ran from 2016 to 2019.

Background

The Global Coalition for Social Protection Floors (hereafter, the Coalition) was formed in June 2012 to represent like-minded civil society organizations wishing to collaborate in promoting universal social protection policies, including floors. Since its inception the Coalition has strongly supported International Labour Organization (ILO) Recommendation 202 on national social protection floors (SPFs) as the best strategy for achieving universal economic and social security through basic guarantees on income and essential social services throughout the life course. Such guarantees reduce vulnerabilities, risks and deprivation, and enhance the capacities and resilience of all people, particularly those living in poverty.

The objective of universal, rights-based social protection is enshrined in numerous international laws and agreements, including the Universal Declaration of Human Rights, ILO Convention 102 on Social Security, ILO Social Protection Floors Recommendation No. 202, and most recently the UN Sustainable Development Goals. It is also a declared objective of the Global Partnership on Universal Social Protection, bringing together the World Bank, ILO, OECD, African Union, IADB and numerous other stakeholders.

In its work, the Coalition embraces the principles of inclusivity, solidarity, non-discrimination, gender equality, openness and transparency, fostering a supportive team environment to achieve the shared objectives. The vision of the Coalition is to promote the implementation of social protection floors and the expansion of social security to all. Its mission is to work strategically, collaboratively and in a spirit of global solidarity to provide a space and virtual platform for different civil society and trade union organizations united by the common purpose of promoting universal social protection systems, including floors. The Goals of the Coalition are to:

- Strengthen collaboration between civil society organizations, trade unions and other stakeholders to promote social protection systems, including floors, by creating a platform for learning experience and exchanges;
- Strategically influence member states of the United Nations and Specialized Agencies working within the remit of various intergovernmental organs to encourage debate and action on social protection systems, including floors;
- Coordinate initiatives and activities at all levels, national, regional and international, enhancing the effectiveness of collective political strategy aimed at establishing universal and rights-based social protection;
- Facilitate the formation of inclusive national and regional coalitions aimed at promoting the design, implementation, monitoring and evaluation of social protection systems, including floors.

Raise the visibility of research by civil society organizations promoting inclusive rights-based social protection floors and social security systems to inform national and global policy discussions.

The Social Protection Floor

Seven years ago, in 2012, all ILO member states adopted the Recommendation concerning national floors of social protection (No. 202) that spells out their commitment to four basic social security guarantees for all residents (including children): (1) "access to a nationally defined set of goods and services constituting essential health care – including maternity care – that meets the criteria of availability, accessibility, acceptability, and quality"; (2) "basic income security for children at least at a nationally defined minimum level providing access to nutrition, education, care, and any other necessary goods and services"; (3) "basic income security, at least at a nationally defined minimum level, for persons in active age who are unable to earn sufficient income, in particular in cases of sickness, unemployment, maternity, and disability"; and (4) "basic income security, at a nationally defined minimum level, for older persons" (ILC 2012).

Social protection in general and national social protection floors (SPFs) specifically are tools for allowing a life in dignity, creating inclusive and equitable societies, contributing to social peace and supporting sustainable economic growth (Ortiz, Schmitt, and De, 2016). Following the unanimous adoption of Recommendation No. 202, the importance of national SPFs was further acknowledged in 2015 by explicitly including the roll-out of floors in the Sustainable Development Goals (SDGs). SDG Target 1.3 commits states to "implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable."

Project objectives

The overall objective of the project is to support the implementation of sound social protection floors and social protection systems on the national level. Years and decades of experience with national social protection policy design processes have shown that national dialogues and the formulation of sound policy demands through civil society and trade unions is the engine that drives national social policies forward. The project consisted of three main steps, depending on and adapted to the national context of each country. The first step entailed an analysis of existing stakeholders in the field of social protection in order to identify possible partners for building a national civil society coalition or platform on social protection floors. The second step was to analyse the current state of social protection in the country and to identify social protection gaps. Based on these analyses and information, the third step involved forming a civil society and trade union coalition or platform to elaborate a strategy for initiating or engaging in a national dialogue on social protection issues aiming to create the political will to develop a national strategy for the implementation of a social protection floor.

Hence, the pragmatic objective of this project is to derive from national experience best practices that can lead to successful societal and stakeholder dialogues.* The publication will thus contribute to the further development of national and global strategies to make the SPF relevant for all. The detailed objectives of the project are listed in the box on "Project objectives".

PROJECT OBJECTIVES

The overall objective of the project "Social Security for All" is to support and promote the development and expansion of social security systems around the world and thus to contribute to the reduction of poverty and social inequality. The implementation of national social protection floors will be essential to cushion a transformation to socially, ecologically and economically just and sustainable development paths.

Detailed objectives of the project are:

- To inform FES partners on the strengths and weaknesses of national social security systems;
- To support the development of a global SPF index as a tool to monitor progress of national social protection floor policies, to allow measurement of the gaps in national social protection floors;
- To initiate or accompany national dialogue processes on social protection, for example through networking at national level and training of network partners in the application of robust analytical methods to measure and improve the effectiveness, efficiency and financial sustainability of social security systems;
- To support national partners in their efforts to implement or expand social protection systems;
- To generate and document examples of best practices in social protection and make them available as an evidence base for South-South and North-South dialogues;
- Help to further strengthen the role of social protection – and in particular the SPF strategies – in the international development agenda.

Rationale

National SPFs will only be established if national demands for SPFs are powerfully voiced.

Only well-articulated and researched demands for SPF policies will ultimately create the policy space and fiscal space to implement such policies. All SPF systems have to be carried by national consensus. Consensus can only be built when concrete demands are formulated. The main purpose of the project is to support national SPF design processes through instigating national dialogues between interest groups and national stakeholders in SPF policies, notably social partners, CSOs, academia, and members of parliament and government agencies in such a way as to lead to the formulation of concrete demands for SPF policies.

Structure

The book starts out with an analysis of the pivotal roles that civil society and social dialogues play in the overall process of social protection policy development and design (chapter 1). The next chapter analyses the policy space that has been opened up internationally by R. 202 and the Sustainable Development Goals and examines how that can be used to create action on the national level. Chapter 3 assesses the fiscal and financial size of the social protection gaps at the national level and hence measures the size of the problem that national policy initiatives for social protection have to address. Chapter 4 then describes the challenges that the process of creating political will and national dialogues can face in reality. Efforts to instigate and maintain national social dialogues in nine countries (Namibia, Nigeria, Zambia, Iraq, Morocco, Myanmar, Mongolia, Costa Rica and El Salvador) are presented by authors from national FES offices. Chapter 5 then concludes by analysing to what extent the global social protection policy instruments, i.e. R.202 and the SDGs, have in theory and in reality supported national dialogues that seek to open up national policy space for better social protection. Without pre-empting the results it is fair to say that there is reason to be optimistic but also room for improvement and further commitment.

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* *With societal dialogues we do not question the importance and necessity of established tripartite social dialogues. Societal dialogues are an expanded form of social dialogues which includes other stakeholders such as civil society organizations and aims at generating a broad societal consensus on matters of social protection for all.*

1| THE CENTRAL ROLE OF CIVIL SOCIETY AND SOCIAL DIALOGUE IN SOCIAL PROTECTION POLICY DESIGN PROCESSES[1]

Michael Cichon and Cäcilie Schildberg

1.1 Introduction

Policy design is a craft or an art rather than science. There are no hard and fast scientific rules about how to organize policy design. Policy design is a dynamic and pragmatic process that accompanies the introduction of a new policy from the initial formulation of a policy demand to the point where legislation is developed and administrative action is taken to implement a policy and monitoring process.

Policy design usually reacts to policy demands that are formulated by the populace through interest groups or stakeholders. Interest groups can be spontaneous or more permanent groups/organizations that help people to articulate their policy demands, i.e. what we commonly define as civil society groups and trade unions. These can be, for example, groups who want to abolish old age or child poverty, or pursue better social protection in general. Social dialogue is the central process by which the interest expressed and demands articulated by the different groups are confronted with the interests of others and those of political and economic stakeholders in the policy process. In this context, stakeholders are parties that have a stake in the political decision-making processes, such as organizations whose economic or political interests are affected by a certain policy process. These can be, for example, doctors' organizations, hospital organizations, organizations of social workers, taxpayer organizations, government agencies, political parties etc. Since a multitude of interests are affected by a policy decision to alter the national social protection system, the decision-making process is usually complex.

There is no blueprint to guide that decision making process. At the heart of policy decisions are often – some say far too often – considerations of economic and financial affordability. Affordability – other than in extreme cases of irresponsible spending and excessive generosity, which are rare in social protection polices – is often a question of judgement and political will rather than clear facts and figures. The help that decision-makers, policy planners and civil society can expect from economists is generally limited because they generally provide unhelpfully diverging answers to simple affordability questions. And yet decision-makers and policy planners have to find answers to policy demands. Finding a responsible answer is decision-making under uncertainty, or in other words the art of good governance. We assume here that policy design takes place in a democratic environment – not just because that is ethically the preferred way of governing, but also because that is the most complex environment for policy design. The other assumption that we make here is that the objective of policy design is to reach consensual decisions on social protection policy issues wherever possible. Social protection policy decisions often affect the lives of people for generations and should not be left to accidental parliamentary decisions by the government of the day. They have to be based on broad and solid societal agreements that can ideally be maintained for generations. Widely supported national agreements of that nature can only be brokered in an open, transparent and serious social dialogue process. The following section seeks to develop a typical logical structure of a policy design process and to identify the crucial roles of social dialogue within that process.

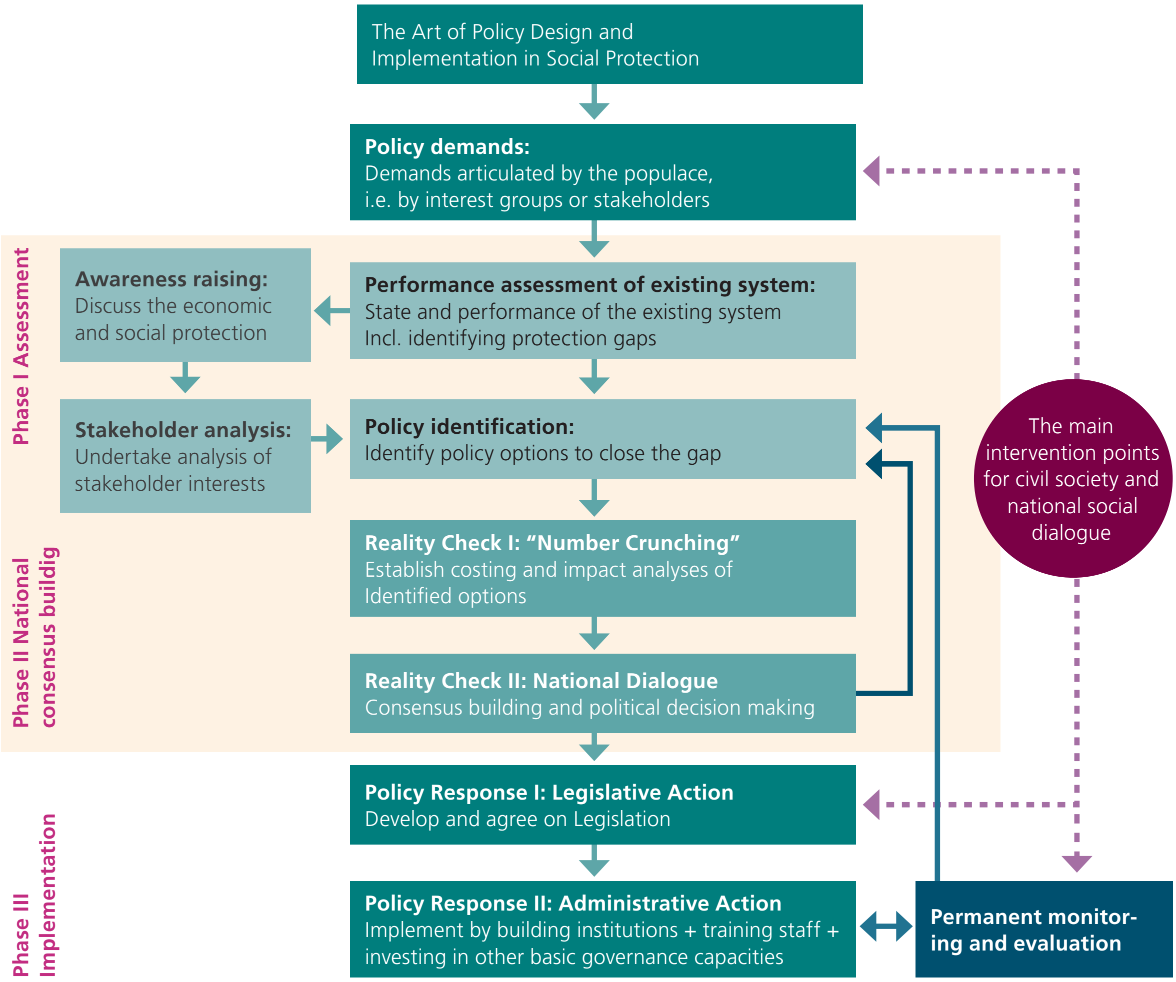
1 *This chapter draws on the draft syllabus of the course Social Protection Policy Design in the forthcoming generic ILO outline for master programmes in social protection by M. Cichon.*

1.2 The overall structure of a policy development and design process

Policy design should be a logical sequence of actions. A theoretically ideal sequence is mapped out in Figure 1.1.

First, policy demands are formulated by civil society groups or stakeholders. These demands are usually not yet formulated in a social dialogue process but rather subjective demands raised by groups. They then need to be scrutinized in the policy design process. One core of the design process is the analysis

Figure 1.1: From policy demand to policy response

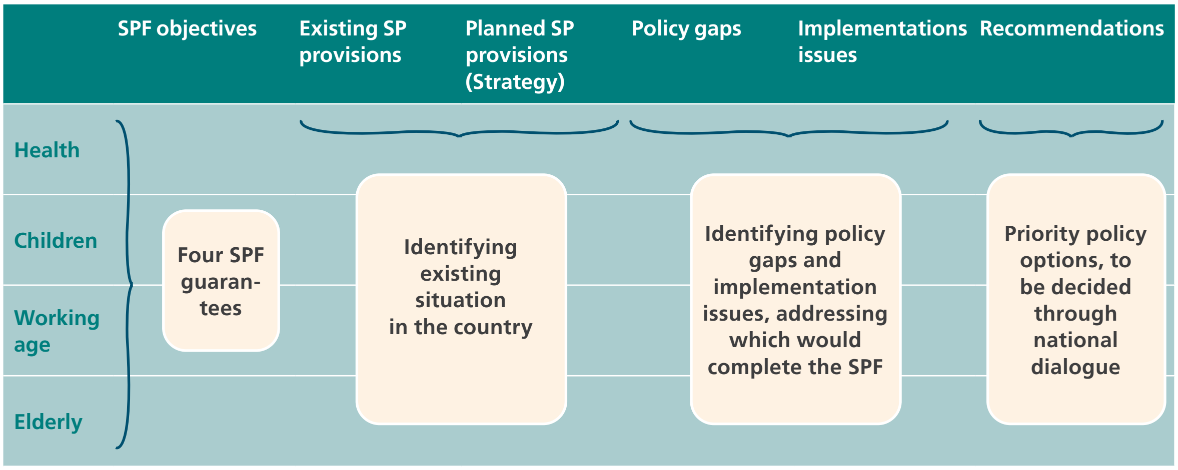


of existing gaps in national social protection systems to verify whether national policy demands are actually warranted. That diagnostic step is followed by the identification of possible options to close the identified gaps and a subsequent iterative process that creates the factual bases (largely cost and redistributive effects of alternative policy options). Then follows the wetting or modification of the policies in national dialogue processes. Public education on the advantages of social protection and its – often only perceived – economic opportunity cost is a prerequisite for a well-informed national dialogue (see chapter 2). A preparatory analysis of the positions of the different stakeholders by all interested groups and in particular the conveners of national social dialogue processes is also useful for any policy dialogue. This would help to ensure progress in policy dialogues. National social dialogues are ideally officially convened institutional national social and economic councils, which exist in some countries, such as NEDLAC in South Africa. In other cases spontaneous issue-defined structures, like the Presidential Advisory Commissions on pensions in Chile (2006 and 2016) or the Irish Commission on Social Welfare (CSW) that developed social protection reform proposals in the 1980s, may have to be organized.

The key diagnostic tool for national dialogues is the assessment matrix developed by the ILO's Assessment-based National Dialogues (ABND) process.[2] It maps out the tableau of theoretical policy options that address identified protection gaps. These options then have to be subjected to reality checks that are inevitably predominantly number-crunching ex-

2 *Once the diagnostic tools (CODI tools I) presently being developed by the Social Protection Interagency Board for Co-operation (SPIAC-B) are fully developed and field tested, these may be used, as they will be much more detailed than the diagnostic approach used in the ABND guide (see http://www.social-protection.org/gimi/gess/ShowWiki.action?wiki.wikiId=2361).*

Figure 1.2: The Assessment Matrix: A key tool in national dialogues on social protection



ercises seeking to establish the possible distributive effects of the different policy measures as well as their cost. The matrix follows the lifecycle concept of the four social protection guarantees identified in ILO Recommendation R. 202 (see Figure 1.2).

1.3. The individual steps of the policy design process

Step 1: Formulating policy demands

Governments hardly ever take the initiative to offer major improvements in social protection unless considerations of political economy make such a move appear opportune. The latter generally occurs in conjunction with politically hotly contested elections when votes need to be "bought". Normally policy demands are formulated by interest groups that demand solutions to problems that affect a certain clientele. Often some of these clientele groups are promoting a number of specific policy actions in parallel. Not all of these demands are successful and many – if not most – are forgotten. The better they are formulated, the better they are promoted, the more allies in society can be recruited to the cause, and the better they are researched, the better are their chances of getting onto the national social policy agenda.

Step 2: Identification of protection gaps

Specific policy demands may be convincing at first sight. Nonetheless, before a policy design process can address such gaps they need to be put in the context of a wider social protection gap analysis. Without such systematic analysis to examine gaps in social protection, the validity of policy demands and their societal priority cannot be responsibly assessed. The four guarantees of the ILO. R. 202 can be used as a roadmap to assess the performance of existing social protection with respect to scope, coverage and adequacy and identify protection gaps on that basis (see Figure 1.2).

Step 3: Stakeholder analysis

Before a policy design process is set in motion civil society needs to know its friends and foes; or in other words one needs to know the political and policy positions of all stakeholders and interest groups that could be affected by a policy proposal. The positions and their degree of "hardness" and potential influence on decision-makers and the public need to be mapped in 360-degree analyses. Only then can coalitions be built, opposition anticipated and supporters identified. Consensus-building strategies cannot be worked out without that knowledge base.

Step 4: Awareness raising

In parallel to the assessment of existing social protection gaps and the development of remedial policy options, the public needs to be competently informed about the need for and benefits of social protection. Without convincing the public of the advantages of social protection, the creation of political will is generally impossible. Civil society needs an awareness-raising strategy to ensure that the public fully appreciates the role that social protection can play in a society and its beneficial impact on the economy. These campaigns should not only "sell" the advantages of social protection but should also point to the limits of affordability and the way these can be determined in a societally acceptable way.

Step 5: Policy identification

Once a gap analysis and a stakeholder analysis have been undertaken, policies for closing protection gaps can be identified. This requires sufficient knowledge of the full range of alternative policy options to close specific gaps in contexts ranging from social assistance and social insurance schemes to universal benefits. For example, in some cases, such as healthcare and some other care needs, cash benefits may be substituted by benefits in kind (for example, certain care services). Options need to be identified and their pros and cons explored. A major component of that discussion would be to assess whether the different types of possible benefits satisfy the requirements of the four social security guarantees of Social Protection Floors in terms of scope, coverage and adequacy.

Step 6: Reality check one: Number crunching

Analysing the potential financial and fiscal effects of the introduction of a new social protection measure has become the critical milestone in most policy design processes. This is often done by social budgeting, which is a method to capture the expenditure and revenues of a country's overall social protection systems and their major components (such as the pension system, the healthcare system, the social assistance schemes etc.). It is also used to estimate the financial and fiscal effects of the introduction of new social protection benefit systems. Social budgeting usually also undertakes short-term to medium-term projections of cost and revenues that support the government's annual budgeting process or the development of medium-term financial planning. Cost projections form the basis for financing proposals. The latter may require adaptations of social insurance contribution rates, or an increase in fiscal resources in the case of tax-financed benefits, or they may require the reduction of other expenditure. These issues will normally be discussed in the national dialogue process as they demand – often difficult – priority decisions.

The dialogue may also explore the possible economic side-effects of the introduction of a new social protection benefit scheme, although these are much more difficult to capture by simple social budgeting models. To support these discussion either complex econometric modelling is necessary (which still depends on a number of assumptions on key parameters) or sensitivity tests using the social budgeting model have to be undertaken. Sensitivity tests allow pessimistic or optimistic scenarios to be modelled. A pessimistic scenario could, for example, assume that a new benefit negatively affects the labour market participation rate and hence compromises economic growth. An optimistic scenario could assume that a new health benefit will increase worker productivity in the medium to long term and hence have a markedly positive effect on economic growth.

Step 7: Reality check two: Redistributive impact analysis

In addition to estimated overall budget effects of a social protection policy measure, information about the impact of the measure on the income of individuals, groups of individuals and households is needed. A number of commonly used indicators help to capture that impact and are usually calculated before and after a micro-simulation exercise. The difference between these indicators before and after the exercise describes the redistributive effects. Such indicators include poverty headcounts, poverty gaps and severity of poverty, the Gini coefficient (measuring inequality), income ratios between different income subgroups, and winners and losers analyses.

The analysis of redistributive effects also usually requires modelling, as only in rare cases can or should the introduction of social protection benefits be tested in real-life conditions. Although it has become fashionable to "pilot" the impact of social transfers, this generally cannot be done for major benefit systems such as national pension or healthcare schemes. Pilot testing has also been criticized on ethical grounds, as it can lead to the unethical withdrawal of benefits after the pilot phase. Policy design processes thus often substitute real-life experiments by a micro-simulation. Micro-simulation usually simulates the impact of a transfer (i.e. a benefit in cash or kind) on each individual and on the household in a sample of households. The idea of the methodology is relatively simple: New benefits or new taxes, for example, are simply added to or withdrawn from the individual income attributed to individuals (as represented by a data set) or a household in a sample.

Step 8: Creating consensus in national dialogue processes

Ideally national dialogues already start when policy options are identified and quantitatively analysed. Decades of experience at the ILO – notably with the actuarial valuations of pension systems and pension reform or social budgeting analyses – have shown that stakeholders and interest groups are easier to convince of the results of quantitative exercises if they are already involved when the assumptions for the modelling process are set. We all know the golden rule of modelling which says "garbage in ➔ garbage out". Inclusive ownership of model inputs improves acceptance of model outputs. The key message to take from these experiences is that dialogue processes need to be built on trust. Only then can consensus on policy design be achieved. As stated above, consensus is needed as a social protection system affects the lives of many people for many decades. Successful change cannot be achieved by the simple parliamentary majorities of the government that is in power when a social policy reform is societally negotiated.

Policy design needs to go through a number of iterations between quantitative analyses and the policy dialogue process before consensual solutions can be found that can hold for decades.

Step 9: From policy design to implementation

All policy plans need to progress from discussion to implementation. The first step is to draft the primary and secondary legislation that governs the implementation of a new policy, generally the introduction or modification of an existing benefit scheme. A piece of legislation is only as good as its administrative implementation. Each new legal provision needs people who are ready, able and equipped to implement the new policy successfully. Staff training and preparation of a new administrative machine are key to successful implementation.

Step 10: Monitoring and error management

Another vital issue is long-term error management in policy design. No policy design is ever perfect. Some policies lead to serious unintended side-effects. For example, excessively restrictive eligibility conditions in a benefit scheme may exclude people who would need support and hence lead to "exclusion errors". Not all effects of social protection benefits can be perfectly modelled before they are introduced. Models never capture reality in full. Building in permanent checks and evaluation to correct policies before major long-term damage is done is the only way to keep social protection schemes "on track" in the long run.

These loops require two things: firstly, people or institutions or groups that watch and monitor the performance of national social protection systems and secondly, schemes and tools that allow performance to be judged objectively.

Indicators that measure the performance against a number of benchmarks are important tools that allow us to monitor and judge performance. Such benchmarks can be defined by public expectations or objectives set by the policy planning process and legislation. Observed performance shortfalls can then act as triggers for corrective action. Actuarial valuations may serve as example. They provide financial and adequacy performance indicators that should normally trigger corrective changes in the evaluated systems. Due to the stochastic nature of the process that they model, the generally deterministic actuarial scenario analyses can only capture and project financial developments and benefit levels with a considerable margin of error. That margin of error widens with the length of the projection periods. Since actuaries and policy-makers are aware of this the legislation normally requires valuations to be repeated every three years and uses them as an evidence base that justifies adjustments of benefits and contribution rates etc.

Of equal importance are the monitoring actors, i.e. the guardians of the interests of interest groups and stakeholders. Finance ministries can generally be trusted to closely monitor the financial and fiscal state of public benefit systems. Tracking the adequacy, coverage, accessibility and reliability of benefits and the responsiveness of delivery systems generally falls to welfare ministries and perhaps more importantly to civil society and trade unions. Observed implementation deficits of otherwise well-designed laws should trigger demands for administrative corrections. Identification of legal loopholes that cause failure to implement agreed national policies should trigger demands for corrective legislative action. Identified remaining gaps in protection should trigger another round of national dialogues on options to close such gaps.

1.4 Conclusion: The pivotal role of social dialogue in policy development and design

There are clearly identifiable points in social protection policy design and development where social dialogues have a policy-shaping and corrective role to play. These are the creation of societal consensus on policies that often determine the well-being of several generations and the monitoring of the performance of such systems.

The role of individual civil society organizations and trade unions is even more wide-ranging. They have to accompany the process through all its steps and phases. They have to critically follow the policy evaluation process, ranging from the design of coverage and benefit levels, through the organization of benefit delivery to the analysis of financial and fiscal feasibility. The most important task, however, is the identification of social protection needs and the subsequent formulation of policy demands. The latter critically implies the creation of national policy space and the political will to turn that space into legal action. Nobody else in society focuses in the same way on public interests and needs and can be trusted to play that role.

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2| THE GLOBAL POLICY CONTEXT: INTERNATIONAL SOCIAL GOVERNANCE, MISGUIDING ECONOMIC NARRATIVES AND LOCAL POLICY SPACE[3]

Michael Cichon and Cäcilie Schildberg

2.1 Introduction: The global social protection challenge

We may have made progress in recent decades but the world remains a miserable place for more than half of its population. Each person in that majority suffers from at least one of the triple human-made or at least human-tolerated plagues of societies: gross inequality, debilitating insecurity and desperate poverty.

We have known for more than a century what needs to be done.

Social protection effectively reduces poverty, inequality and social exclusion. And if systems are managed and designed well, they will achieve these objectives efficiently as many national examples demonstrate. Civil society has pointed out for decades that – contrary to stubborn myths – at least a solid basic level of social protection is affordable everywhere. Not in some distant better future either, it is affordable now. With the human right to social security and social protection the global community has adopted a moral commitment and a globally accepted compass that should have established social protection for all at some time during the last seventy years. We now examine the reasons why this did not happen and illustrate new developments that give rise to hope.

During recent decades the global community has renewed the commitment and given itself two new and potentially powerful international guidelines on the principles, objectives and minimum levels of national social protection schemes: ILO Recommendation R.202 on national Floors of Social Protection and the social protection agenda of the Sustainable Development Goals (SDGs). The challenge for national social protection policy-makers and advocates is now to turn the international policy space that these instruments create into national policy action that actually improves the lives of people in a tangible way. That can be done through universal child benefits, unemployment benefit schemes or universal pensions, to name but three.

This chapter will first outline the moral compass required to achieve social protection for all. Then we will look back and identify why we failed in the past to make social protection a reality for than half of the global population. And finally, as a consequence, we will make the case for strong national dialogues on social protection that have to be instigated by civil society and trade unions. Nobody else can be relied upon to do that. At a time when the IMF has just put out its – rather conservative yet no doubt influential – institutional social protection policy, civil society should – globally and nationally – use the policy space that the global commitment to social protection for all creates to make a strong, ambitious and realistic case for social protection based on the political and ethical legitimation created by the two instruments mentioned above.

3 *A much shorter version of this chapter was published in IMF: Finance and Development, December 2018, pp. 14–15: M.Cichon: "Hardly anybody is too poor to share". Elements from an earlier draft of this chapter were also used by the Global Coalition for a draft statement on social protection financing in February 2018.*

2.2. We have a clear moral compass on social protection for all

The global society has adopted global ethical norms when it comes to social protection. Starting in 1919 with the first ILO social security convention,[4] and expanded in 1948 with the Universal Declaration of Human Rights and the explicit recognition of the right to social security and a minimum standard of living (Articles 22 and 25), UN organizations have over the decades gradually and progressively defined the content of the right to social protection. Social security or social protection is globally recognized as a Human Right, at the latest since the Universal Declaration of Human Rights (UDHR, 1948), the ILO's Recommendations R. 67 and R. 69 on income security and medical care of 1944, the ILO's Social Security (Minimum Standards) Convention C.102, and the International Covenant on Social, Economic and Cultural Rights (1966).[5]

The moral compass for the global society is thus clearly set out and accepted – so far more in words than in deeds – by the vast majority of the world's nation states. However, the compass was not very exact. It was not clear how the basic right of all individuals to be socially secure in their society was to be implemented. Two recent international instruments (ILO Recommendation R. 202 of 2012 and the Sustainable Development Goals of 2015) have given concrete shape to the right to social protection. They have been unanimously accepted by the ILO and UN member states and hence embody an important international consensus on – at least a basic level – of social protection that should be universally afforded to everyone. Both of them are at the same time ambitious and pragmatic instruments. They have been negotiated word-by-word between governments, trade unions and employers' organizations from over 180 countries. Civil society was heard and influenced the outcome. In short, the instruments are moral heavyweights and ideally should carry a commensurate political weight.

ILO Recommendation No. 202 (R. 202; ILO 2012; FES 2015) demands member states introduce a basic level of social protection (the social protection floor) that should be available to all and upon which higher levels of security should be built for as many people as possible as soon as possible. Together these two dimensions create a comprehensive national social protection system. The overall social protection system should be governed by nineteen principles, including: overall responsibility of the state for its functioning, universality of protection, benefit defined by law, adequacy, non-discrimination, respect for the dignity of recipients, and regular monitoring and evaluation.

According to R. 202 national social protection floors should comprise four social security guarantees, i.e. access to essential health care and basic income security for all residents (ILO 2012, p. 35). The term "guarantees" underlines that the focus is on the protection that can be achieved by different types of benefits and different types of schemes (i.e. social insurance, social assistance, universal benefits and labour market measures). The provision of non-stigmatizing, adequate and individually means-tested social assistance to all in need of protection at the one end and the provision of universal basic income at the other end mark the two extreme boundaries of the range of possible national choices. The overriding objective is to provide security to all who need protection, i.e. to achieve universal protection.

R. 202 also formulates a protection objective: according to Article 4 *"these guarantees should ensure that all in need have access to essential health care and basic income security which together secure effective access to goods and services defined as necessary at the national level".* This clearly defines two central objectives of national social protection systems, i.e. the provision of income security and health security for "all in need of such protection".[6]

The SDGs likewise pursue a wide social protection agenda that includes social cash transfers, healthcare, education and other essential services, and extends the definition of social protection under R.202 (which pursues the achievement of income and health security). The core social protection targets are 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")* and 3.8 *("Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all").* Furthermore, after scrutinizing the seventeen SDGs in more detail it becomes clear that eleven have a direct link to social protection systems. In other words national social protection systems can help to achieve eleven out of seventeen SDGs. Twenty-seven of the targets belonging to these eleven goals likewise have a link to social protection (Cichon 2019). Hence, the entirety of these twenty-seven targets constitutes a comprehensive *social protection agenda of the SDGs.*

A closer look at the SDGs reveals that there are four sub-categories of target, i.e. social transfer targets (target 1.3, possibly a cash-for-work cash benefits scheme under target 8.5), *health care targets* (3.1, 3.2, 3.4, 3.7, 3.8), *education targets* (4.1, 4.2, 4.5), and *other essential services targets* (6.1, 6.2, 7.1, 11.1, 11.2). Together these four categories spell out a comprehensive, complementary and interlocking concept of social protection transfer in cash and in kind.[7] Furthermore, none of the individual social protection goals can be achieved without achieving the other goals and providing for a rational mix of cash transfers and social services. Health security cannot be ensured without income security and vice versa. Nobody can remain healthy without the purchase of sufficient nutritional food. And one cannot ensure one's long-term ability to purchase necessary goods and services without being healthy. No pupil can acquire sufficient knowledge and skills without good health and a minimum level of income security to avoid having to earn income on the labour market. And so on.

Together, and only together, the above four categories of targets define a complete social protection agenda. Achieving the agenda would imply achieving a national floor of social protection. Achieving a floor, where income and health security requires guaranteed access to all essential goods and services, means in turn achieving the social protection agenda of the SDGs.

The crucial difference between R. 202 and the SDGs is that R. 202 is a long-term instrument that is not likely to lose its validity for the setting of national social policy objectives in the coming decades. The SDGs and by implications their SP agenda have a "sell by date" of 2030. This leads to a mutual reinforcement of the two instruments. R. 202 defines a long-term objective, and the SDGs add a welcome sense of urgency and political topicality as they stipulate that that objectives should be achieved by 2030. Looking back to the precursor of the SDGs, the Millennium Development Goals (MDGs), we can safely assume that the SDGs will dominate national and international development strategies for the next decade. National progress towards fulfilling the SDGs will be closely monitored and societies and governments will be held accountable for any lack of progress. For the coming decade the two instruments are powerful allies and define our moral compass towards social protection for all.

4 *"The mandate of the ILO to act as the primary standard-setting agency in social protection was reaffirmed in 1944 in the Declaration of Philadelphia and incorporated subsequently in the ILO Constitution. It explicitly recognizes the "solemn obligation of the International Labour Organization" to further among the nations of the world programmes that will achieve, inter alia, "the extension of social security measures to provide a basic income to all in need of such protection and comprehensive medical care". ILC 2011: Social Security and social justice for a fair globalization - Recurrent discussion on social protection (social security) under the ILO Declaration on Social Justice for a Fair Globalization, 201, Report VI, ILC Geneva 2011, free download under: www.social-protection.org*

5 *The right to social security is recognized in particular in the Universal Declaration of Human Rights and the International Covenant on Economic, Social and Cultural Rights (ICESCR). Article 22 of the UDHR stipulates the right of "everyone as a member of society" to social security, while Article 25 states the right of everyone to an "adequate" standard of living. Together they constitute an inalienable right of every individual to social protection. 168 countries are state parties to the ICESCR, which means they accept the obligations of the Covenant, including Article 9, which states: "The States Parties to the present Covenant recognize the right of everyone to social security, including social insurance". That fact cannot be ignored by any IMF strategy or policy advice or conditionality on a national level.*

6 *This formalization used in the ILO's Declaration of Philadelphia of 1944, which is a constituent part of the ILO's constitution.*

7 *If for example, a social protection cash benefit would ensure that school fees can be paid by parents then the direct investment of the respective government in the provision of "free" access to schooling could be reduced by that amount. Or, by reverse logic, if a government were to provide free education then the cash transfers of a social assistance schemes would take that into account when calculating adequate benefit levels. Again, in other words, if – for example – a social transfer scheme provides sufficient income for all recipients to afford to purchase all essential services then the government has to ensure that such services are available and – if necessary – build or extend the respective delivery infrastructure.*

2.3. Looking back with some anger: Why did the global community not follow its moral compass?

So, if we have had a moral compass latest since the end of the 1940s why is the planet still – despite some modest progress over the last decades – a pretty miserable place for about half its population? Well, the answer is that a compass and roadmap cannot work without signposts. And the signposts were often misleading. These were put up deliberately by those who preferred low taxes to highly redistributive policies and the intellectual elites that served them. Most societies and governments adhered to an often unreflected development narrative that ignored the global moral compass and led to wrong policy paths. That narrative is based on a number of policy myths and fetishes often brought forward when national policy debates turn to the possible implementation of the right to social protection.

The development trade-off and trickle-down myths

Two of these myths are the alleged trade-off between economic performance and redistribution, and the trickle-down myth. The former says that less redistribution would lead to higher growth. The latter says that poverty and equality automatically reduce as economies grow and develop (Cichon and Scholz 2009). There is no need for extensive econometric models to show that these myths are wrong.

First, virtually all developed economies have substantial social protection systems, with expenditures around or exceeding 20 percent of GDP.[8] All of them introduced extensive social transfers when they were relatively poor. If the trade-off had held, they should probably still be in much deeper poverty, inequality and insecurity. There is no proof that they gave up much growth as they combated poverty, inequality and insecurity to get where they are today. If anything, we could argue that they could afford to do more. One of the key policy questions is: Will investments in a country's infrastructure, for example – an alternative use of government resources – or the limitation of tax revenues reduce poverty in the long run more than income transfers and other investments in people today? Even if that were the case – which is by no means clear – why would potentially fewer future poor weigh more than actually fewer poor today?

If the trickle-down myth held true, we would not see a wide variation of poverty and inequality between countries without major redistributive systems at similar high levels of per capita GDP, or vice versa a wide variation of GDP per capita between countries with similar levels of poverty and inequality. Hence it is not even clear that the higher growth path allegedly made possible by fiscal restraint on social expenditure would lead to less poverty in the future. The reason is that markets – left to themselves – do not automatically develop conduits for redistribution other than vulnerable informal intra-family, intra-kinship kinds of transfers.

The non-affordability myth

However, the real knock-out myth that stops progress in social protection at early stages of a country's economic development is the non-affordability myth (also sometimes called "unsustainability"), which asserts that countries do not have or cannot mobilize the resources to finance at least a basic level of social protection. For some time now the ILO and other UN organizations have tried to combat that myth by facts, figures and calculations.

The first set of global calculations that showed that the price tag for some level of social protection is not too high even in most developing countries is now almost fifteen years old.[9] In the meantime these calculations have been fine-tuned by a number of other authors.[10] The most recent comprehensive global study comes from the Global Coalition for Social Protection Floors itself (Bierbaum et al. 2016; Bierbaum et al. 2017). The GCSPF has developed an index that actually calculates the quantitative size of the gaps in social protection. These gaps can be interpreted as the minimum level of resources that those countries would have to mobilize if they were closing income security and health security gaps (for more details see chapter 3). The index shows that out of the 150 countries for which World Bank, WHO and OECD data were available about 50 percent could close their SPF gaps with less than 2 percent of GDP and 80 percent by an additional resource allocation of under 5 percent of GDP. Only twelve or thirteen countries would certainly need international solidarity to finance a floor level of social protection. If a Global Fund were to support these countries by footing about 50 percent of their SP bills an annual amount of 10–15 billion US $ would be needed (Cichon 2015[11]). For comparison, that amount is equivalent to about 0.09 percent of the estimated global military spending of about 1.7 trillion US$,[12] i.e. a level of solidarity that we should be able to afford.

The above costs are calculated on the basis of a perfectly targeted SP system and mark the absolute minimum level of additional investment in SP systems for the different countries. The figures clearly have to be verified by country-specific studies before national policy decisions are taken but they represent an indication of a lower bound for necessary additional investments. Since there is no perfect targeting and targeting systems are fraught with exclusion errors, many countries will resort to more universal systems. Such benefits will have to be combined with effective and progressive tax systems that allow a part of the redistributed resources to be clawed back from people who might not need them as urgently as others. But every country should pragmatically ask itself whether it does not make more sense to invest in a properly functioning income tax collection mechanism rather than elaborate means-testing mechanisms that are at least equally complex. The latter only help to save a fraction of a few percent of GDP in transfers at the price of inter alia creating social stigma and exclusion. A proper income tax system can help to collect much more additional resources than a means-testing system could ever save. Unfortunately the discussion of targets vs. universal benefits has become quasi-religious, which often hampers good sober governance decisions.

A forthcoming ADB publication shows ways to close the resource gaps in a number of Asian countries. It finds that in twelve out of sixteen Asian countries an increase in government resources allocated to social protection of less than 20 percent over the next decade or so would be required if the countries were seeking to complete the wider social protection agenda of the SDGs (including SP transfers, health, education and essential services) (Cichon 2019).

One could even question whether better social protection would really require "new" resources or whether much of the need is actually a reallocation of existing social protection resources. Extending or introducing formal social protection schemes to a large extent just formalizes existing informal intra-family and inter-family transfers. Informal transfers would normally ensure the survival of people who fall on hard times. Such informal social protection systems are vulnerable to shocks as the informal risk pools are small. Enlarging the risk pool – at best to the entire society – requires their formalization. Reducing vulnerability by formalizing creates transaction costs in the form of administration, but also leads to greater reliability, fairness and equality. The ILO estimated in 2004 that the normal levels of total formal and informal transfers in societies ranged between 27 to 35 percent of GDP in the different regions of the world (Cichon et al. 2004, p. 45). Outside Western Europe, the share of informal transfers was higher than 50 percent in most parts of the world. Formalizing social protection not only protects beneficiaries, it also protects the sharers of income against major unpredictable informal costs of protecting people close to them.

Perhaps more importantly, most countries *cannot afford not to invest in social protection*. No country will be able to fully exploit its economic potential if it does not invest in the health, education and material security of its people. Most of such investments are usually channelled through social protection. The lack of formal social protection is synonymous with low levels of labour market formalization, which in turn is a major block for the overall level of productivity of the workforce and hence the productive capacity of the economy as a whole. As a facilitator of higher economic growth and associated higher public revenues most developed social protection systems have probably paid for themselves.

In short, we conclude that while some countries are so poor that they cannot afford much in terms of protection without – what turns out to be just a little – help from the international community, the vast majority can afford some solid level of SP. Furthermore, they cannot afford not to do so if the wellbeing of the *"many"* matters more than that of the *"few"*. What stopped many governments and decision-makers taking care of the "many" were ideologically driven, wrong and often socially reckless economic and fiscal narratives. One of the most prominent examples is the narrative that drove the so-called pension reform in the 1980s and 1990s. As a consequence of the widely promoted complete or partial privatization of pension schemes many people face uncertain and low pension levels today. See text box 2.1 for more details.

TEXT BOX 2.1: THE HISTORY OF THE GLOBAL PENSION REFORM DEBATE OR THE DANGERS OF WRONG ECONOMIC NARRATIVES

In the thick of ideology-driven social policy debates it matters how a story is told. Historical experience shows that we can get the narrative wrong. Dramatically! A prominent example is the pension debate between 1980 and roughly 2010. Following the privatization of the Chilean social security pension scheme by the Pinochet junta in 1981, the World Bank and other financial institutions embraced and promoted national pension reforms that replaced solidarity-based PAYG Defined Benefit Schemes by individual Mandatory Retirement Savings (MRS) schemes. The ensuing debate between the World Bank on the one hand and the ILO, trade unions, and a large part of civil society on the other hand was bitter and prolonged. Up to the onset of the international financial crisis in 2007/2008 about thirty countries privatized their national social security pension schemes wholly or in part. Most of these reforms turned out to be disastrous in terms of population coverage, benefit predictability, reliability and administrative cost. Transition costs occurring when simultaneously honouring old rights and accumulating new entitlements turned out to be prohibitive for many governments and were yet largely ignored by those who promoted the idea of privatization in the first place. These "reforms" did not produce social security, but did increase old age poverty and aggravate inequality. They produced winners in financial intermediaries who collected contributions, charged high management fees and assumed no responsibility for ensuring adequate pension levels. And reforms produced losers everywhere else. As a result eighteen "reform" countries have to date reversed their reforms (Ortiz et al. 2018), putting an end to a costly social experiment. Millions of present and future pensioners footed the bill.

The point is to remember how powerful the global advisory and advocacy industry can be, especially if backed by powerful IFIs. The pension debate was fired up to no small extent by the World Bank book *Averting the Old Age Crisis*. Needless to say, that book did not avert a perceived and vastly exaggerated demographic crisis (that is a point for another debate), but it did create a perfectly avoidable pension and old age poverty crisis in many countries.

TEXT BOX 2.2: THE FUZZY CONCEPT OF FISCAL SUSTAINABILITY

Social protection systems are promises that have to be kept for several generations. Ensuring the "fiscal sustainability" of a social protection scheme or a whole system hence has to be a very long-term concept. A SP scheme or system is fiscally sustainable if it is in financial equilibrium throughout a period of several decades. In actuarial terms this means that the present value of all expected future revenues is equal to the present value of all expected future expenditure. It must be taken into account that contribution levels and tax allocations may well change in relative terms (i.e. as a percentage of future GDP).

The first crux obviously lies in the term "expected". Expected expenditure or resources can only be established through long-term projections that are necessary built on – usually bold – assumptions. These assumptions are inevitably subject to the personal judgements of analysts. Long-term projections are hence inevitably and always uncertain. Actuaries normally deal with that uncertainty by repeating their valuations at the latest every three years. Ensuring something like financial equilibrium is thus a permanent effort and yet remains a fuzzy normative process rather than a clear-cut concept.

A more important crux is that it is absolutely impossible to judge the sustainability of one major element of public expenditure, like a social protection system, in isolation, without analysing projections of the likely future development of all other expenditure and revenue items in general government accounts. While a social protection system proper may be projected to fall short of revenues of its own (that could be contributions and tax revenues at a level that are "usually" allocated to the SP system), there may be new fiscal space due to declining resource needs in other expenditure categories (such as reduced education expenditure in ageing societies or – even if this appears unlikely at present – lower needs for national defence). We are not aware of such comprehensive long-term scenario-based projections being undertaken regularly by international organizations (including IFIs) before they judge the "fiscal sustainability" of social policy projects (apart from some long-term social budgeting projections by the ILO).

The sustainability fetish

Closely affiliated with the non-affordability myth is the ever-present policy objective of maintaining fiscal sustainability. That objective has an obvious appeal to every responsible policy-maker. Who wants to be accused of implementing unsustainable policies? Yet, the objective of sustainability is often used expediently by so-called fiscal experts and not often enough critically questioned by social policy-makers.

The term "sustainability" is nowhere precisely defined. And for technical reasons it most likely eludes precise definition. There simply cannot be a hard and fast rule as to what level of social protection is affordable or sustainable for a specific country in a given economic situation. The fact that countries at the same level of per capita GDP (across all levels of GDP per capita) show a wide range of social protection expenditure (measured as a percentage of GDP), demonstrates clearly that countries use considerable discretion when choosing the fiscal and financial size of their social protection systems, without necessarily having to fear a detrimental impact on their economies.

However, it is obvious that social expenditure has to be "efficient", but that efficiency should refer to the "mandate efficiency", which means that schemes should achieve the objectives that have been set politically and consequently legally (such as providing pensions to all people over a certain age) with the highest possible degree of *productive efficiency and effectiveness*. Otherwise a system inevitably becomes – as unfortunately too many national examples have shown – politically unsustainable in the longer run as it loses public support and people start to question its raison d'être.

Judging the allocative efficiency of a policy, i.e. judging whether societal resources are being spent on the right purposes, is subject to consensual national and societal decisions and is not the responsibility of fiscal policy experts or outside international agencies. If a society decides to spend money on a certain purpose, like socially protecting its populace, then it has to decide at the same time how the necessary resources are to be mobilized. As long as it does the latter, almost any policy (within reasonable limits of course) is financially and fiscally sustainable. For example, if a society decides to priorities social protection policies and spend an additional 5 percent of GDP on social protection and consequently accepts increasing its tax-to-GDP ratio accordingly, then there is no reason why the policy should be unsustainable. Of course, overall tax-to-GDP ratios can theoretically reach levels that cripple economic activity. However, if revenue levels in high-tax industrialized countries are considered a "sustainable" level then most low- and middle-income countries have considerable fiscal space to exploit. Text box 2.2 discusses the concept of fiscal sustainability in more technical detail. It concludes that fiscal sustainability is an ethologically fuzzy and highly normative and subjective concept.

8 See ILO: World Social Protection Report 2017-2019, ILO Geneva 2017.

9 See ILO 2004.

10 See ILO 2018.

11 An update of the figure for this paper on the basis of the 2013 index values puts the figure at about 15 to 20 billion US$.

12 See SIPRI, https://www.sipri.org/media/press-release/2018/global-military-spending-remains-high-17-trillion.

2.4 Looking forward realistically: There will be fiscal challenges

No good thing comes for free. And social protection is without doubt a good thing. Countries that seek to introduce or complete their SPFs will have to reallocate resources or collect new ones. The fiscal challenges are thus most likely considerable. If the achievement of the social agenda of the SDGs is to be taken seriously, then it is imperative that countries commit to long-term financial and fiscal planning and its administrative implementation – which in turn will have to lead to a review of existing resource allocations in the national budget and an increase in revenues. Countries must identify ways to raise revenues or reprioritize public expenditure in order to ensure adequate and sustainable fiscal space for social protection. Enhancing progressive taxation and tackling tax evasion could also go a long way to covering budget shortfalls. Expanding contribution revenues for social security coverage, along with policies to increase formal employment, could also be helpful in this regard (Ortiz, Cummins and Karunanethy 2017). As said earlier, a forthcoming Asian Development Bank publication shows that many developing countries have realistic options at their disposal at the national level to close the resource gaps (Cichon 2019). It finds that in twelve out of the sixteen Asian countries examined, even tackling the wider social agenda of the SDGs (including social transfers, health, education and essential services) would only require an increase in government resources of less than 20 percent over the next decade or so. However, it will take effort to create the political will to implement resource reallocation and mobilize new resources.

In many developing countries overall effective tax collection is simply too low. UN ESCAP, for example states *"Tax collection in Asia-Pacific developing countries is currently neither sufficient nor equitable. … Only a few countries collected tax revenues of more than 20% of GDP in 2011 … far from the 25–35% of GDP that is considered one of the prerequisites for being able to provide the financing and expenditure to become a developed country"* (UN ESCAP 2014). In particular personal income taxes are notoriously low in a number of Asian countries. Increasing them would certainly have a positive impact on the level of income equality in the region. Better enforcement of tax laws alone could be a major source of additional revenues. Overall UN ESCAP (2014, p. 88) considers that *"… in many countries tax collection is below potential. In some countries, the gap between actual revenues collected and the level that would be appropriate given the economy's structure is equivalent to 5% of GDP or more."* Filling that gap alone would ensure sufficient resources to close national social protection gaps in the vast majority of countries around the world.

While cash transfers and public investments in health, education and other essential services are complementary and part of an overall social protection agenda, competition for resources might easily develop. If the benefits that are provided by the four categories of social protection are not considered part of a holistic agenda, where national policies should aim at an optimal composition of cash transfers, entitlements and direct delivery of goods and services, imbalances in the allocation of public resources might emerge that will lead to suboptimal social outcomes.

When it comes to the implementation of the SP agenda of the SDGs there will be no such thing as a free lunch. It will be a manageable task in some countries and a tough call in others. Some will not be able to do it alone – for some time to come. International support for the poorest countries could come through the establishment of a Global Fund for Social Protection, an idea put forward by former UN Special Rapporteurs Olivier de Schutter and Magdalena Sepulveda, and strongly supported by the Global Coalition.[13] Such a Global Fund could support the financing of technical assistance with regard to social protection in low-income countries where limited resources exist at national level; it may also support the financing of benefits, when sudden excessive demand for social protection is experienced due to economic or environmental shocks. In addition to such a new fund, existing development assistance could better contribute to reducing national financing gaps for social protection. So far, only a very small portion of Official Development Assistance (ODA) tends to be directed towards social protection, and in such cases assistance is often used to support small-scale social protection projects and highly targeted schemes, rather than supporting the development of adequate, sustainable social protection systems.[14]

13 For more information see O. De Schutter and M. Sepúlveda, Underwriting the Poor: A Global Fund for Social Protection (2012), Briefing Note OHCHR October 2012 https://www.eldis.org/document/A76157

14 See for instance the conclusions of the ITUC 2018 Global Conference on Financing Social Protection.

2.5 Moving from the heights of international ivory towers to the plains of national policies

The international legal instruments and development goals and the affiliated global cost and financing considerations are opening up national policy space. Policy development and implementation, however, remains an often daunting national task.

Assuming that most societies – or at least the global society as whole – are not too poor to invest in social protection and hence long-term economic and social development, the question is how to organize swift progress towards the extension of social protection to all? If it is not the non-affordability of social protection that renders it inaccessible for most people in the world, it must be the lack of political will nurtured by misguiding economic and fiscal narratives. And we all know that fiscal space is not God-given but human-made and can generally be extended as long as the society agrees to pay the required taxes and contributions, so proponents of social protection should seek to create political will to align our development paths to their moral compass. History shows that it can be done.

A lot of political stamina is needed to introduce major investments in proper financial and fiscal governance and establish an affluent state. Before we share money we generally need to collect it – at least at some point and in the long run. That simply means we need fair and progressive tax regimes and sound collection mechanisms. There is ample evidence that Reaganite or Thatcherite "small" states can neither abolish poverty, reduce insecurity and nor increase equality. Without a well-resourced state that can finance sound redistribution only the rich and powerful "few" will be socially secure and benefit from global growth. *"Only the rich can afford a poor state"* a former German Chancellor once said.

Civil society's perhaps most important role is to create political will to spend money on social protection. Ruling political and economic elites cannot be relied on. In order to move national policy agendas "sustainably" forward, civil society has to do two interconnected things.

Civil society has to invest in its own analytical capacities

Civil society needs to develop the courage and the capacity to refute the ideologically motivated advice and formulate rational policy demands. It is most important to create the evidence-based capacity to identify and convince decision-makers to overrule misguided self-serving advice from neo-classical economists, "small-staters" and ruling elites and then muster the stamina to create conduits of redistribution. Fiscal sustainability has become the key excuse for all the fiscal austerity measures that increasingly limit national social spending. Unmasking "fiscal sustainability" as an often ideologically misused pseudo-technical term is one of the key tasks that proponents of social protection have to accomplish.

It cannot be accepted that decisions on the future wellbeing of a major part of a country's population, i.e. on the size, structure, coverage and levels of protection offered by society, are made behind closed doors in consultation with the international financial institutions (IFIs) or development banks. Text box 2.1 demonstrates how detrimental social protection policies pushed by the World Bank without wide national consultations were to national pension systems during the last decades. The GCSPF Statement documents the often devastating impact of past IMF policies that promoted fiscal consolidation at the expense of social fairness in a number of countries, such as Argentina, Greece,[15] Iran, Kyrgyzstan and Ukraine. On the pretext of helping countries ensure fiscal sustainability, IFIs de facto often behave like economic colonial powers.

Counteracting neo-classical paradigms demands an analytical skill-set that civil society still often lacks. While we might be able to muster the analytical firepower at the international level we have not solved the problem of how to bring insights, experience and knowledge to bear on national policy processes. Massive investments in training in good governance on the national levels is needed. Projects like the Maastricht School of Governance, the Global Labour University – that were both promoted and supported by the ILO and have a demonstrable impact on the analytical and policy design capacity of experts in trade unions and civil society – might serve as models. Engagement of national governments, major donors and foundations, and probably UN organizations, is needed to disseminate knowledge and good social governance skills to the national levels.

Civil society has to initiate sound national policy dialogues

Sustainable political will, based on long-term societal consensus on desired levels of social protection and acceptable levels of tax and contribution burdens, can only be found and formulated in true and transparent national social dialogue processes. As many national examples and examples of failed IMF-instigated national policies have shown, policy decisions concerning long-term societal projects like social protection systems cannot be based on short-sighted, elite-driven and opaque governance processes. Decisions concerning the long-term future of a society have to be sound enough to survive repeated scrutiny over decades. Social protection systems, such as the National Health Service in the UK, the universal pension in Namibia or the social insurance systems in Germany, have to become innate features of a society to be political sustainable in the long run and survive lack of support or even attacks from passing governments and political fads. In order to acquire that resilience, social protection systems have to be founded on a broad-based long-term national consensus stretching across many generations.

The only way to work out sturdy national consensuses of that calibre is to organize serious and well-informed national dialogue processes. This is pivotal, but easier said than done. To organize a meaningful dialogue, disinterest, ignorance, unwillingness to pursue transparent governance must be overcome. The task of demanding processes like that falls to civil society. As said earlier ruling economic and political elites – who generally have no interest in changing the status-quo – cannot be relied upon. Chapter 4 shows how tedious that task can be on the national level and yet there is only this one way to overcome opaque dealing and the sacrificing of welfare on the altar of containing the size of the state.

15 *The statement (GCSPF 2019) inter alia reports on the case of Greece. "Reduced benefits, increased pension eligibility ages and more stringent forward eligibility criteria for public pension systems were the most important austerity measures carried out by Greece during the period starting with its first 'troika' (European Central Bank-European Commission-IMF) loan in 2010 until the expiration of its last programme in 2018. While the IMF and other creditors were critical of the high level of spending for pensions compared to other jurisdictions, the high costs of the system relative to the size of the economy were due in large part to the drastic austerity package imposed on Greece from 2010, which led to the country's GDP shrinking by about one quarter, the unemployment rate climbing to 28 per cent by late 2013 and the departure of many working-age Greeks to seek employment elsewhere. It was estimated in 2017 that, due to a series of restrictions and benefit cutbacks applied since 2010, slightly more than half of Greek pensioners – 1.5 million out of 2.9 million – received income below the poverty level. After the IMF's role as monitor of a European Stability Mechanism loan ended in August 2018, the Greek parliament voted in December to cancel an additional round of pension cuts that the IMF had asked be implemented in 2019."*

2.6 A very brief conclusion

Civil society has the moral compass and we have understood that the economic and fiscal arguments that often seek to stop progress are politically rather than factually motivated. We know and can prove that almost no country is too poor to share and invest in social protection. All that together creates policy space. We need to use it. In order to do so we have to do our own homework and get technically better and politically more astute. We have to drag the economic and social pros and cons of decisions that affect the long-term well-being of entire societies into the open. That can best be done in true, open and transparent national dialogues. National dialogues have to become permanent features of national governance processes. Only then can a political system demonstrate that it cares and is responsive to the needs of the population.

If economic and political systems are perceived as being "uncaring" and non-responsive, there is risk that social unrest and political upheavals triggered by a feeling of being "left behind" will undermine the credibility of governments and put the survival of entire political systems at risk. Unfortunately, shifting political landscapes in large parts of Europe and the US show that that risk is real.

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3| THE GLOBAL CONTEXT: THE QUANTITATIVE SIZE OF SOCIAL PROTECTION GAPS AROUND THE WORLD[16]

Mira Bierbaum

3.1 Introduction and main findings

Before we try to show how international mandates and national dialogues can be used to enhance national social protection systems and in particular to complete national social protection floors we should understand the quantitative size of social protection gaps. The Global Coalition for Social Protection Floors (GCSPF) has undertaken a major investment in quantifying the gaps in national social protection floors. It developed the Social Protection Floor Index (SPF Index) to indicate the financial size of national SPF gaps in 2015.

The SPF Index measures the amount of resources that a country would have to allocate to social transfers and health services in order to achieve the minimum level of income and health security that is required by ILO Recommendation R. 202 on national social protection floors. Due to its – for an index – unorthodox methodological definition, the SPF Index has a direct meaning in terms of the minimum levels of national resources that would be required to close social protection gaps. It is thus distinctly different from other composite indicators whose values cannot be directly interpreted and often only serve to rank countries by a certain criterion. The SPF Index does both. Its values contain direct information on the financial size of protection gaps for policy-makers and analysts, but can also be used to rank countries. The first results of the SPF Index were published in 2016 and referred to data from 2012. This chapter presents results based on data for 2013. A new update with data from 2015 is planned in the first half of 2019.

National positions in the ranking can be used by national stakeholders to place the state of social protection in a country in the global context. The SPF Index position of a country inevitably should and does give rise to political questions, such as why a specific country has a low/high index ranking while neighbours with a similar economic performance have a higher or lower position. Stakeholders can also use the index to ask why the index position of a country has changed over time (horizontal comparison over time). Boxes referring to specific national situations in four of our project countries also demonstrate how the index value can be used as a point of departure for deeper analyses of the shortcomings of national SPF systems and hence as a starting point for a national dialogue on the adequacy of national SPF policies. Furthermore, the index can be used to compare progress over time, and draw comparisons with other countries in the region. Consequently, the SPF Index is a monitoring tool that can be usefully employed for discussions at both the international and the national levels.

Finally, the chapter recommends that in the future, SPF Index values for resource requirements should also be related to the fiscal capacity of countries, by using a corollary indicator of an SPF-related fiscal challenge. This indicator should be developed in more depth in one of the later reports on the SPF Index.

Summary of main findings

The Index values of this SPF Index and the global rankings confirm our previous conclusion that national SPFs are affordable for most countries.[17] The results show that for most countries a national SPF that guarantees that all residents and children can take part in society and have access to essential health care is **within short-term** reach, as:

- thirty-two countries would require no more than 1 percent of GDP;
- thirty-nine countries would require between 1 and 2 percent of GDP

to close protection gaps.

In the medium term,

- forty-five countries with SPF gaps of between 2 and 4 percent of GDP and
- nine additional countries with gaps of between 4 and 6 percent of GDP

should be able to close most of their gaps.

In the longer term,

- twelve further countries might be able to close most of their gaps of between 6 and 10 percent of GDP.

For thirteen countries, a SPF does not seem achievable with domestic resources alone, as more than 10 percent of GDP would be required. The latter result calls urgently for support from the international community for those countries for which the achievement of even very modest living conditions and access to essential health care would require excessive amounts.

3.2 Methodology

The following section briefly explains how the SPF Index is calculated. The data bases for the Index are listed and explained in the technical Annex.

Calculation of the SPF Index

The SPF Index was constructed to reveal the extent to which protection gaps remain in a country, both in terms of income security over the life cycle and access to essential health care.[18] This section focuses on the key idea of the SPF Index.

Gaps in income security are detected by assessing to what extent each individual in a given country – children, people of working age that are unable to earn a sufficient income, and the elderly – have access to a minimum level of income. If an individual has access to fewer resources than this, the amount of money that would have to be given to them to lift them just to this level is calculated. These individual gaps are added up for all people that fall below the minimum income level. The sum of these individual gaps is usually known as the aggregated poverty gap and is expressed as a share of a country's gross domestic product (GDP). We refer to this as the **"income gap"**.

What constitutes a minimum level of income is a contentious debate. ILO Recommendation No. 202 solves it by referring to nationally defined minimum income levels. For the purpose of a global comparison and ranking, however, it is necessary to apply similar criteria across all countries. The SPF Index is presented for three different minimum income levels that are typically used in international debates. The first two levels are based on the two absolute, international poverty lines set at \$1.9 and \$3.1 a day in 2011 purchasing power parity (PPP). These poverty lines try to measure the absolute shortfall in incomes (in PPP) that people living in poverty face compared to the cost of a minimum basket of goods and services that are essential for survival.

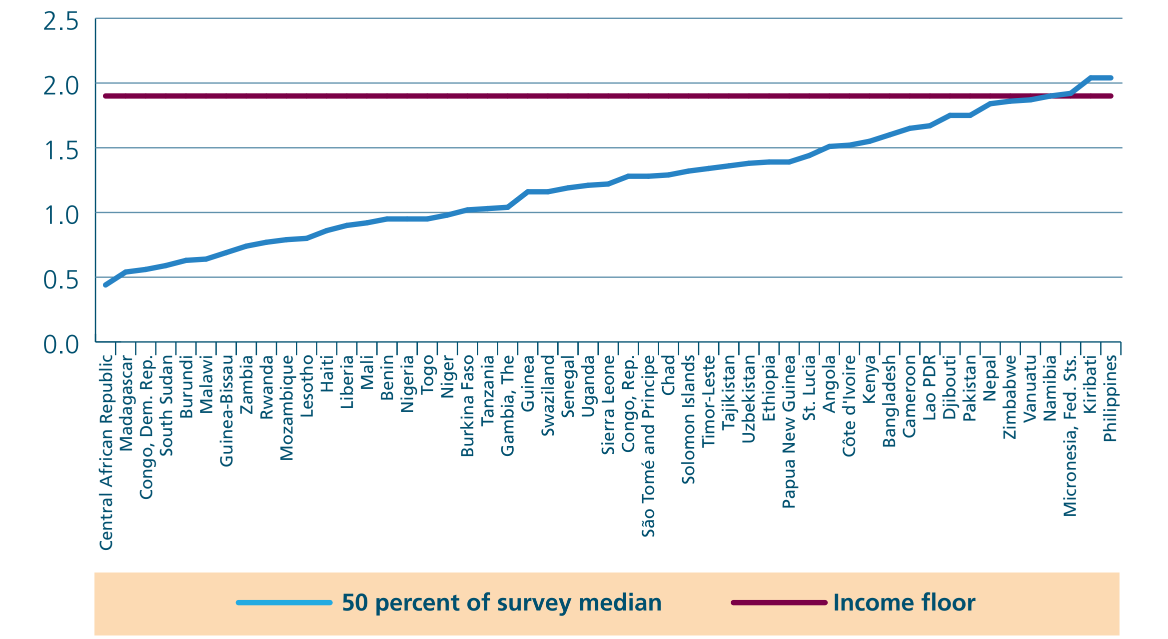
The third and final level is based on an internationally comparable relative poverty line that is also meaningfully applicable in high-income countries. In contrast to the absolute international poverty lines that are fixed across time and space, relative poverty lines are defined in relation to the distribution of income within a given country at a certain point in time. The rationale of this approach is that, as a result of inadequate income in comparison to others, members of society might be marginalized or excluded from activities that are considered the norm within this society. Hence, an indicator that is based on a relative income criterion not only measures hardship in absolute terms, but is also a proxy measure of inequality and social exclusion.

For calculating the SPF Index, the relative minimum income level is set at 50 percent of median income in a given country. This reflects SDG indicator 10.2.1 (proportion of people living below 50 percent of median income), which monitors SDG 10 seeking to reduce inequality within and among countries. A poverty line set at 50 percent of median income is also in line with the approach followed by the Organization for Economic Co-operation and Development (OECD).

For many low-income countries, however, a poverty line that is set at 50 per cent of median income falls below \$1.9 a day in 2011 PPP, as illustrated in Figure 3.1. In these forty-seven countries with relative values lower than \$1.9 dollar a day, we apply an **income floor** set at \$1.9 a day in 2011 PPP. This amount arguably constitutes an absolute minimum that barely allows for survival. As soon as 50 percent of median income is equal to \$1.9 per day (as in Namibia), or above (starting with Micronesia (Fed. Sts.), Kiribati, and the Philippines), this value is taken as a relative poverty line. With this approach, we follow the unifying framework for measuring poverty in developed and developing countries as proposed by Atkinson and Bourguignon (2001).

The **"health gap"** is the second component of the SPF Index, indicating whether or not a country guarantees access to essential health care to all residents and children. It is calculated, first, by comparing public health expenditure as a percentage of GDP to an

Figure 3.1: Comparison of 50 percent of survey median and income floor for 51 low-income countries, 2013



Source: Authors' own calculations based on the World Bank's PovcalNet (2016b).

empirically derived benchmark based on a global average staffing ratio for health professionals per 1000 population. This benchmark takes the value of 4.1 per cent of GDP in 2012 and 4.3 per cent of GDP in 2013. If a country spends less than this amount on healthcare, it is assumed that it is not possible to put the health security guarantee into effect.

Even though enough resources dedicated to health is a necessary condition to realize this social security guarantee, it is not sufficient. Parts of the population could be systematically excluded for different reasons, for instance based on socio-economic characteristics, ethnicity or race, or location. Therefore, a second criterion is the extent to which resources are adequately allocated. It looks at a critical event over the lifecycle as referred to in Recommendation No. 202, namely, when a mother gives birth to a child. If a delivery is not attended by skilled personnel, it is assumed that the health system does not provide adequate care for pregnant women. There is another link to the SDGs here, as skilled birth attendance is included as an indicator under Target 3.1, which commits states to "reduce the global maternal mortality ratio to less than 70 per 100,000 live births".

The benchmark requires skilled personnel to be present at a minimum of 95 percent of births. If the indicator falls below this value, it is assumed that an allocation gap exists that needs to be addressed. The allocation gap is calculated by subtracting the indicator from the benchmark of 95 percent of births attended by skilled personnel, and multiplying this shortfall with the resource benchmark. If a country falls short of one of these benchmarks, there remains a gap in access to essential health services, either in terms of resources and/or allocation. The larger of these two gaps – if there are gaps at all – constitutes the health gap.

The final SPF Index is the sum of the income and the health gap. This is possible as both gaps are expressed as share of a country's GDP. The SPF Index values can hence be directly interpreted as follows: **The SPF Index value provides an indication of the minimum share of its GDP that a country would need to invest or reallocate to national SPF policies to close existing income and/or health protection gaps.**

16 *This chapter draws heavily on the FES Publication: M. Bierbaum et al., (2018): Social Protection Floor Index – Update and Country Studies 2017, Berlin. FES on behalf of the GCSPF developed and released the Index in 2016 (first Edition) and 2018 (second Edition). Online available at: http://www.socialprotectionfloorscoalition.org/2016/02/social-protection-floor-index/ (1st Edition) and http://www.socialprotectionfloorscoalition.org/2017/12/social-protection-floor-index-2017/ (2nd. Edition)*

17 The SPF Index based relative income can be calculated for 150 countries in 2013. Note that several of the countries for which no data are available certainly belong to the most vulnerable countries, for instance conflict-ridden countries such as Afghanistan or Iraq.

18 The principles that guided the development of the SPF Index, and the formulae that are used to calculate it, are explained in more detail in Bierbaum et al. (2016). The original idea of estimating the potential costs to close social protection gaps is based on Cichon and Cichon (2015).

19 The benchmark is calculated as average public health expenditure (unweighted) of countries that fall within half a standard deviation of the average number of physicians, nurses, and midwives across all countries for which data is available. Since it is based on countries' public health expenditure in a given year, it is recalculated for each year.

3.3 Global results

This section presents the results of the SPF Index for 2012 and 2013. Due to adjustments to the methodology, plus revisions and updates of the underlying data, it would be misleading to compare these ranks and values to those previously published in 2015. Furthermore, small changes in values over time and/or small differences across countries should be cautiously interpreted. These might not be statistically significant, but simply arise from sampling variation of underlying household surveys. The detailed results of the Index calculations are displayed in tables A.1 to A.3 in the Statistical Annex.

The SPF Index can be calculated for 129 countries when \$1.9 and \$3.1 a day in 2011 PPP are used as minimum income criteria (Table A.1 and Table A.2). It increases to 150 countries (adding OECD countries) when a relative minimum income criterion of 50 percent of median income is used (Table A.3). Table A.4 of the Statistical Annex disaggregates the index result by respective income and health gaps.

Table A1 (Annex) shows the ranking of countries based on the SPF Index values calculated at \$1.9 per day in 2013, with results for 2012 given in parentheses. The values vary substantially (between 0.0 and 57.3 percent of GDP). Approximately one third of countries for which the SPF Index can be calculated have achieved SPFs, or would have to invest or reallocate no more than 1.0 per cent of their GDP to national SPF policies. There is another group of thirty-four countries that would have to invest no more than 2.5 per cent of their GDP to close remaining protection gaps. In contrast, thirteen countries would need more than 10 percent of their GDP to guarantee basic social security to all residents and children. Most of these countries are located in Sub-Saharan Africa.

TEXT BOX 3.1: WHAT DOES IT MEAN WHEN A COUNTRY HAS A PROTECTION GAP OF 0.0 PERCENT OF GDP?

Based on the \$1.9 or \$3.1 per day criteria, roughly a dozen countries from the Europe and Central Asia region (Bosnia and Herzegovina, Czech Republic, Estonia, Hungary, Lithuania, Moldova, Poland, Romania, Serbia, Slovak Republic, and Slovenia) and the Latin America and the Caribbean region (Costa Rica and Uruguay) have no shortfalls in either the income or the health dimension. What does that mean?

The first point is that the two international poverty lines of \$1.9 and \$3.1 per day are still an absolute minimum needed just for survival, but do not necessarily allow a life in dignity. For all these countries, the SPF Index values are already higher when a relative minimum income criterion is used that takes into account the costs of social inclusion.

Second, while these achievements in terms of national SPFs should of course be acknowledged, they are only one part of the ILO's two-dimensional strategy to extend social protection. The rapid implementation of national SPFs in line with Recommendation No. 202 is the horizontal dimension of this strategy. The vertical dimension is the progressive achievement of higher levels of protection within comprehensive social security systems according to the Social Security (Minimum Standards) Convention, 1952 (No. 102). This is also expressed in article 13 of Recommendation No. 202, which states that Members should "seek to provide higher levels of protection to as many people as possible, reflecting economic and fiscal capacities of Members, and as soon as possible".

For most countries, there are no big changes between 2012 and 2013. One exception is Ecuador, which increased public health expenditures considerably along with an on-going health reform process.

Another example is the Central African Republic, where the economy contracted by 37 per cent in 2013. The huge increase in resources expressed in relation to its GDP reflects not only deteriorations in social protection, it also points out the increasing challenge to achieve a national SPF independent from external help.

The results for the SPF Index based on a $3.1 per day criterion are shown in Table A.2. An increase in the minimum income criterion results in correspondingly larger income protection gaps. While there is still a large group of countries that could relatively easily close gaps, thirty-four countries would require more than 10 percent of their GDP to achieve national SPFs. Table A3 in the Annex shows results based on a relative minimum income criterion that adds estimates for OECD countries. For most countries a national SPF that guarantees that all residents and children can participate in society and have access to essential health care is within reach: Thirty-two countries would require less than 1.0 per cent of GDP, and an additional thirty-nine countries less than 2.0 per cent of GDP. For thirteen countries, a SPF does not seem achievable with domestic resources, as more than 10 per cent of GDP would be required.

TEXT BOX 3.2: WHY DO SOME COUNTRY RESULTS CHANGE MORE DRAMATICALLY THAN OTHERS WHEN A RELATIVE INSTEAD OF AN ABSOLUTE MINIMUM INCOME CRITERION IS APPLIED?

A comparison of the results based on the international absolute poverty lines and a relative poverty line reveals that protection gaps differ more dramatically for some countries than for others. Consider for instance Romania and Uruguay. For Romania, protection gaps increase only minimally from 0.0 to 0.1 per cent of GDP when a relative minimum income set at 50 percent of median income is used. Uruguay equally leads the country rankings when $1.9 or $3.1 per day are used as minimum income criteria. However, based on a relative income criterion, its protection gap amounts to 1.1 per cent of GDP, which ranks it thirty-sixth along with Colombia and Samoa.

A good way to understand the difference is to look at the values of the relative poverty lines in those countries. As outlined above, relative poverty lines are based on the distribution of income in a given society at a specific point in time. In Romania, 50 percent of median income amounts to $3.9 per day, while it takes the value of $8.9 (all in 2011 PPP) per day in Uruguay. What this reflects in combination with the calculated income gaps is that the underlying income distributions are very different in those two countries. In Romania, the median income is much lower than in Uruguay, hence, the "middle" living standard is considerably lower. Yet, the income differences between individuals are much less pronounced; the distribution is less spread. Even though the median living standard is higher in Uruguay, income differences are more extreme. Hence, more people are excluded or marginalized in relative terms, as reflected by the SPF Index value based on a relative poverty line.

The values and global ranking of the SPF Index for 2012 and 2013 confirm again that achievement of national SPFs is affordable for most countries, at least as far as data is available. At the same time, the results urgently call for the support of the international community for those countries for which the achievement of even very modest living conditions and access to essential health care is out of reach. In this sense, the SPF Index serves as a focused measure for advocacy (cf. Jahan 2017).

3.4 The use of Index values at the country level

It is also possible to use the SPF Index as an analytical and advocacy tool at the country level. We demonstrate this in our country profiles in chapter 4. Text boxes referring to specific national situations in four of our project countries demonstrate how the index values can be used as a point of departure for deeper analyses and as a means to position a country's social protection systems within a group of comparison countries. The boxes illustrate how SPF results can serve as factual bases for national dialogues on social protection.

The four countries that have been chosen for our country based analyses are all lower-middle-income countries, but come from four different regions around the world and have to deal with various challenges in terms of social protection.

El Salvador is a country in the Latin America and the Caribbean region. Most countries in this region, except for Haiti, have comparably small protection gaps, yet inequality is an overarching problem. Mongolia, a country in East Asia, has in global comparison a medium-level protection gap. Recently, a national SPF was defined and a costing exercise was carried out to which SPF Index values can be compared. Morocco, located in North Africa, is an example where data availability is currently a limiting factor, so that SPF Index values have to be interpreted cautiously.

Finally, Zambia is the country with the largest protection gaps presented here. Even though these gaps are smaller than in many other Sub-Saharan countries, the country is faced with substantial challenges to achieve a national SPF.

Moreover, these country studies revealed a further possible use of the SPF Index. In conjunction with globally available data on government revenues as a share of GDP, it can provide rough indications of the dimension of the possible fiscal challenge that governments would face if they were to set out to close the SPF gap. Table 3.4. compares the relative SPF gap in our four sample countries with the government expenditure in the respective countries and the average government expenditure of all lower-middle-income countries.

Table 3.4: Indicators of the SPF-related fiscal challenges in four sample countries

Country	SPF gap at the relative poverty line in 2013 as percent of GDP	Government revenue as percent of GDP*	SPF gap as percent of government revenue*	SPF gap as percent of mean revenue of lower-middle-income countries*
El Salvador	0.8	18.7	4.3	5.2
Mongolia	2.1	27.7	7.6	13.6
Morocco	2.8	32.7	8.6	18.2
Zambia	7.0	17.5	40.0	45.5

Source: World Bank (2017) and own calculations.

*Notes: * The latest country data available in the World Development Indicators (World Bank 2017) were used for this preliminary fiscal challenge indicator.*

Based on the rough preliminary indicators of fiscal challenges that countries would face if they were to close the protection gaps by the least costly social transfers, it can be confirmed here that at least three out of our four sample countries would likely be able to cope with the additional fiscal challenge during the coming years or perhaps a decade. They would have to increase their resource allocation by less than 10 percent of general revenue. These allocations can be achieved through increasing revenues or the reallocations of existing resources.

3.5 Conclusions

The explicit commitment to floors of social protection in the SDGs in 2015 has been a major achievement since the adoption of Recommendation No. 202 and ensures that national SPFs remain visible on the international agenda. The SPF Index makes an important contribution to monitoring progress towards this goal, in a way that is as transparent and accessible as possible for members, trade unions, civil society organizations and other stakeholders. This chapter presented the results for the SPF Index in 2012 and 2013.

The SPF Index values and global rankings confirm our previous conclusion that national SPFs are affordable for most countries. For those countries that would require excessive resources to close existing protection gaps, the need for international support is emphasized once again. In this way, the SPF Index can be used as a “focus measure” (Jahan 2017) to open up discussions at a global level.

In addition to a global ranking, four case studies on lower-middle-income countries from different regions illustrated how the SPF Index can be used for initial analytical and advocacy purposes at the country level. In this context, the SPF Index can be understood as open a door to deeper analyses, and as a tool for comparisons with other countries and a factual base for national social dialogues.

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4| COUNTRY EXPERIENCES WITH CREATING NATIONAL SOCIAL DIALOGUES ON SOCIAL PROTECTION

4.1 Introduction

This chapter provides reality checks. It describes the state of national social protection systems in eight countries from four regions: Africa, Asia, Middle East and North Africa and Latin America. We have selected developing and emerging economies and portray the state of the national discourse on the future development of these systems. By analysing these discourses we try to establish to whether they have led or will likely lead to national policy decisions in the near future or whether they still are at stages of raising awareness of protection gaps and defining policy demands.

By analysing the nature of these processes we try to establish what role the two recent international instruments on social protection, i.e. R. 202 and the SDGs, play in these processes. Are these instruments really used by interest groups to create national policy space or is that use of the international instruments a mere theoretical possibility that has yet to be fully exploited? We also seek to delineate under what conditions societal dialogue processes can a) be started and b) are likely to be successful and c) can be meaningfully supported by external advisory capacities that are respectful of national preferences and values.

In four of our sample countries (El Salvador, Mongolia, Morocco, and Zambia) we also demonstrate how the results of the SPF Index can be used for an initial analysis of the state of their national social protection systems.

4.2 Africa

Over the last decades social protection has been seen to gain centrality in the development agenda of many African countries and several factors can be used to explain this high level of interest, one of which is that social protection is now being seen as an approach to reduce poverty and vulnerability. This factor has emerged as a critical area for increased policy attention in Africa over the last decades. (Holmes / Lwanga-Ntale 2012)

The key factors that resulted in the turning point of the establishment of the social protection policy and its legal framework development in Africa include the Constitutive Act of the African Union adopted by the thirty-sixth ordinary session of the Assembly of Heads of State and Government on 11 July 2000 in Lomé, Togo, which reinforces the need to promote a common agenda to address issues affecting the people of the continent. Additionally, at the third extraordinary session of the Assembly of Heads of State and Government of the African Union in September 2004 in Ouagadougou, Burkina Faso, poverty and unemployment were high on the agenda. The Ouagadogou Declaration and Plan of Action promote the Decent Work agenda of the ILO including the enhancement of the coverage and effectiveness of social protection for all sectors in society, particularly the poor and vulnerable. In March 2006, the Livingstone Conference was yet another turning point in African governments' commitment to promote social protection as an urgent response to the increasing vulnerabilities to chronic and new crises in the region. A call for action was adopted at the meeting, now known as the Livingstone Call for Action on social protection in Africa. (Taylor 2009)

Africa's momentum is also aligned with global developments. The establishment of the Social Protection Floor Initiative (SPF-I) by the UN System Chief Executives Board in 2009; the adoption of the Social Protection Floors Recommendation (No. 202) at the International Labour Conference 2012; and the launch of strategic frameworks and policies by international actors including the European Union, World Bank, and UNICEF, have all contributed to a strengthened international commitment to the expansion of social protection systems and their coverage. (Taylor 2009)

The African Agenda 2063 and the global 2030 Agenda for Sustainable Development "offer a unique opportunity for Africa to achieve inclusive, transformative and sustainable development, aspirations that are urgent in order to put the continent on a sustainable development path". (AU 2014)

The social protection policy development has been strengthened across Africa by promoting active civil society engagement and partnerships in their design and delivery. "However, an emerging trend in many countries in the continent is the progressive move from fragmented programmes to nationally-owned social protection systems. Countries like Lesotho, Ghana and Kenya are moving towards a systems approach by bringing together programmes under a single social protection structure and linking them with essential services. Zimbabwe, Mali, Malawi, Rwanda and Mozambique are in the process of developing and strengthening key mechanisms and structures such as national case management systems, and management and information structures that would facilitate coordination and integration of different social protection programmes." (AU 2014-August)

Recent decades have seen substantial progress in the region in putting social protection on the national development agenda. However, sustainable and tangible national progress has to be carried and shaped by informed and constructive national dialogue. The following chapters show that the state of national dialogues on social protection still varies greatly from country to country.

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4.2.1 Namibia: Navigating the social protection space – No Namibian should feel left behind

Heiner Naumann and Kenandei Tjivikua

The present social protection systems and their gaps

Namibia is located on the western side of Southern Africa and gained its independence from South Africa in 1990. It is a multiparty democracy and a secular state. Namibia is classified as an upper-middle-income country with a per capita income equivalent to US$4,710.[20] The country is considered one of the most unequal countries regarding its wealth and income distribution. Its Gini coefficient declined from 0.60 (2003/04) to 0.57 (2015/16).[21] Poverty remains a challenge although poverty levels have dropped significantly since independence. However, Namibia is classified amongst the top ten most unequal countries in the world.

According to the latest World Poverty Clock report just over 18.2 percent of the Namibian population – 476,372 people – live in extreme poverty. The country is ranked among those unable to reach THE UN's SDG target at the current poverty escape rate. Amongst the challenges that would impede progress regarding the implementation and achievement of SDGs – in addition to the high Gini coefficient – are huge disparities in terms of who has access to sustainable income, productive assets, food, water, energy, and basic services.

Namibia has one of the lowest population densities in the world. Its population of roughly 2.3 million is dispersed over an area of 823,680 square kilometres, resulting in a population density of 2.8 persons per square kilometre. The low population density has implications for the provision of public services, access to markets and cost of accessing markets.

Namibia's budget for the financial year 2017/18 amounts to NAM$62.5 billion and non-contributory social assistance grants absorb 6.4 percent of the total budget.

The ILO's "Namibia Social Protection Floor Assessment Report" of 2014 states that *"Compared to the rest of sub-Saharan Africa, and indeed large parts of the developing world, Namibia has a comprehensive social protection system (both in terms of risks covered and types of schemes) that plays a critical role* *in its economy and society."*[22] However, high rates of unemployment, and consequently poverty and inequality remain key challenges.

The social protection system in Namibia consists of social insurance (contributory), occupational and private provision, and social assistance (non-contributory).

Social insurance (contributory) consists of two autonomous institutions established by acts of parliament. They are the Social Security Commission (SSC), which runs three schemes, namely the Maternity Leave, Sick Leave and Death Benefit Fund (MSD Fund); and the Employees' Compensation Fund (EC Fund) which pays benefits with regard to work accidents and illnesses. In addition, the Motor Vehicle Accident Fund (MVA Fund) provides assistance and benefits to persons injured in motor vehicle accidents and to dependants of persons killed in such accidents.

Relative to tax-financed schemes (social assistance and universal benefits) and private and occupational insurance, levels of social insurance coverage and expenditure are much smaller. This small role of social insurance in the social protection system is partly the result of a lack of development of a number of social insurance benefits. The country still lacks systems of mandatory unemployment, retirement and health insurance. Another reason for the small scope of social insurance is the relatively high levels of unemployment and informality, which hamper the development of social insurance in Namibia as in many other most developing country contexts.

There are occupational and private (voluntary) retirement schemes, health insurance funds and medical aid schemes catering for the higher-income end of the labour market, which are regulated by the Namibia Financial Institutions Supervisory Authority (NAMFISA). Occupational and voluntary retirement schemes are the single largest category of social protection schemes in the Namibian social budget. This category of schemes includes the Namibia Agricultural Retirement Fund (NARF) and the Government Institutions Pension Fund (GIPF).

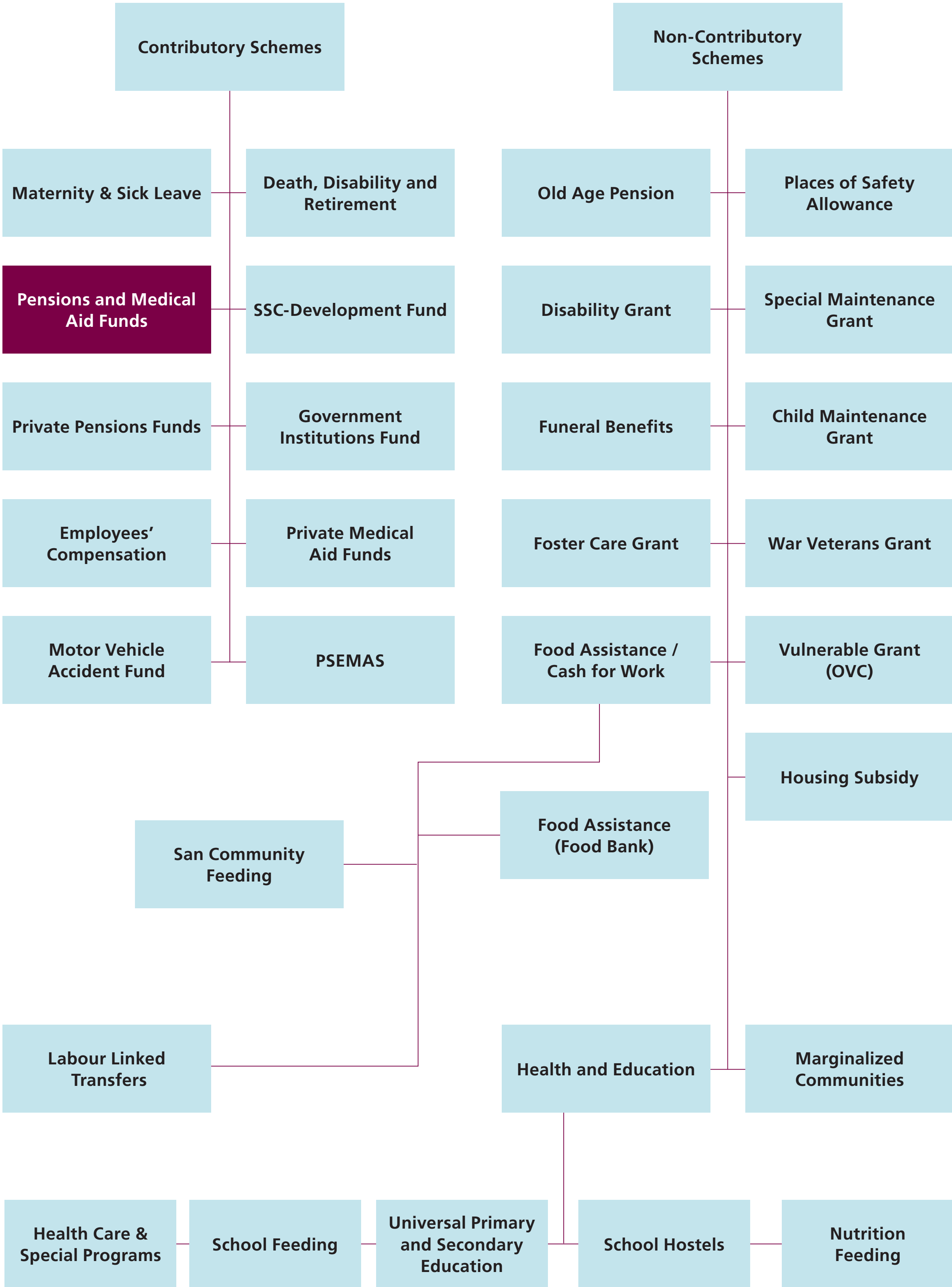
Non-contributory schemes consist mainly of three broad groups of benefits, namely universal social pensions payable to the elderly and disabled; a number of grants payable to parents of children under certain limited conditions (child maintenance grants); and war veteran grants. In addition, the government and agencies fund a number of schemes aimed at poverty alleviation, job creation and promoting tertiary education. There is a comprehensive legal framework that creates mandates to provide benefits and various security nets in place to tackle these risks, including private or informal mechanisms, for instance when households support each other through hard times with cash, food or labour. There are also formal programmes run by government and others that aim to provide additional income or in-kind help to vulnerable households. However, these programmes still seem to fall short of appropriate delivery and are subject to many challenges.

The overall structure of the Namibian social protection system is shown in Figure 4.2.1 (the National Pension Fund and National Medical Benefit Fund marked in red still have to be put into operation).

The government established a Food Bank in 2016 as part of its Integrated Poverty Eradication Framework to alleviate hunger and provide for the basic needs of vulnerable people. As Namibia is a net importer of commodities and is experiencing unfavourable economic conditions (including a cash crunch) and eroding fiscal space, the sustainability of the Food Bank is doubtful. However, it is considered more a "political programme".

Additionally, the Government has been considering proposals for the introduction of a universal grant, namely the Basic Income Grant (BIG), which is based on principles of equity and social justice and which would provide a regular basic transfer payment to all citizens under certain conditions. There are arguments for and against it and it is unclear whether BIG is being considered in addition to or as a replacement for the Food Bank and whether the fiscal space would allow its introduction. Unproven estimates made by proponents indicate that the cost for a BIG providing NAM$200 monthly for every Namibian citizen earning below NAM$4,000 annually would amount to 5 percent of the national budget. Implementation of the BIG would depend amongst other on the feasibility of the financing strategy, considering a wider range of different macroeconomic scenarios.

Figure 4.2.1: The overall structure of the social protection system in Namibia



The ILO review states that despite the relative comprehensiveness of the Namibian social protection system, the following key gaps exist:

Within the social insurance system main gaps were detected with regard to:

1. Retirement: voluntary; no mandatory state system in place; low replacement rates, underprovision and high costs. Occupational and private retirement benefits options are likely to exclude informal workers, the self-employed and those working for smaller employers, who are likely to be unable to afford market-driven pensions.
2. Sickness, disability, employment injury and maternity benefits are available but mostly only for formally employed workers, excluding informal workers, workers in small workplaces and the self-employed.
3. No access to a contributory system that provides unemployment benefits.

Within the tax-financed system, the following gaps were found:

4. No general support for poor households and children. The system of child grants is inequitable as well as badly targeted.
5. No mechanisms for supporting the unemployed. Youth unemployment is very high, negatively affecting the country's long-term growth prospects.

According to the 5th National Development Plan (NDP5) for 2017/18–2021/22, other social protection challenges in a wider sense include:

6. Exclusion and limited coverage of some poor and vulnerable people;
7. Lack of integrated database on beneficiaries of the social grants and other social assistance;
8. Lack of access to media (TV, radio) and to basic services which makes participation in the economy difficult;
9. Lack of access to energy, water and other basic infrastructure, especially in rural areas;
10. Lack of access to quality education and training opportunities.

The deprivations listed above make it much harder for individuals to maintain good health and to acquire the necessary skills for participating in the labour market through which they could lift themselves out of poverty.

Further, benefits for social insurance and cash grants (for social assurance) are not inflation-linked and perceived to be inadequate. Overall, civil society and many other experts consider it necessary for the government to create more fiscal space to ensure a sufficient level of resources for social protection programmes and services.

There are other major challenges for the social protection system in Namibia. For instance, there is no single registry to store and secure information on all potential households and individuals eligible for social protection interventions, and consequently there are disconnects between the various databases and management information systems that make the facilitation of targeting beneficiaries of social protection measures in Namibia a daunting task.

There are over thirty social services falling under the mandate of seven ministries that can be considered to be instruments of social protection for poverty eradication and inequality reduction. The fragmentation and overlaps in the social protection system contribute to weak governance, coordination, coherence and linkages and create challenges in effectiveness, quality of provision and outcomes. The fragmentation and overlaps create difficulties in the implementation of social protection programmes and services and the absence of a comprehensive national social protection policy (that is being developed) and implementation framework has contributed to inefficiency in the system. The government should consider having a lead ministry or agency assume overall responsibility for social protection in the country.

Furthermore, there are challenges in equality of access, coverage, adequacy, targeting, administration, collaboration between institutions, financing and sustainability. One of the major achievements of the social protection programmes is that there is promotion of gender and social equality as a central cross-cutting issue in all elements of social protection.

The policy positions of key stakeholders

The Namibian government's plans have provided for various policies and strategies to bring about improvements in social and human development and assert that the implementation of social protection programmes will help to alleviate severe poverty and vulnerability. These plans include (1) 5th National Development Plan (NDP5) 2017/18–2021/22, (2) Harambee Prosperity Plan 2016/17–2019/20, which is the Namibian Government's Action Plan Towards Prosperity for All, and (3) the Blue Print [sic] on Wealth Redistribution and Poverty Eradication (BPWRPE). It should be highlighted that these plans focus more on "safety nets", and "social protection" is mentioned as part of the "safety nets".

The government introduced the Blue Print on Wealth Redistribution and Poverty Eradication (BPWRPE) to fast-track the implementation of short-term programmes as longer-term policies take effect. The Blue Print's objectives are[23]:

- "to protect and help the poor, vulnerable people, deprived communities and the unemployed by investing in programmes, sectors and communities where opportunity and equitable inclusion is a reality for all;
- to improve and sustain the food and nutrition status of children and the poor and vulnerable;
- to enhance the provision of social safety nets;
- to enhance access to basic social services;
- to achieve sustainable employment creation through skills development and appropriate employment creation strategies;
- to support gender equality and women empowerment; and
- to lay the foundation for a stronger, more sustainable economy that distributes benefits more fairly and equitably to all Namibians."[24]

These plans and blueprints are largely the results of policy dialogues within the ruling party and the government. This is largely due to the important role that the ruling party played and the credibility it earned during the liberation struggle. Other stakeholders were traditionally less influential, but recent activities show that their influence has increased.

Key stakeholders in the Namibian social policy environment, in addition to government, are various trade unions, employers' organizations, civil society organizations (CSOs), including churches. Government very occasionally consults with a variety of CSOs in an unstructured, incoherent way. For instance, the Ministry of Poverty Eradication and Social Welfare (MPESW) held consultations with stakeholders that included communities, religious and traditional leaders on the BPWRPE in all fourteen regions of the country in 2015 and a national conference in Windhoek, whose objective was to validate the findings and recommendations from regions on what needs to be the priorities in order to eradicate poverty and reduce inequality.

The BIG campaign, which aims at achieving the introduction of a BIG in Namibia, is to date the biggest civil society project fighting poverty and working towards economic empowerment in Namibia. In April 2005, a broad-based civil society coalition, called "BIG Coalition", spearheaded by consisting of the Council of Churches in Namibia (CCN) came into existence, bringing together the umbrella body of NGOs (Namibian Non-Governmental Organizations Forum, NANGOF), the umbrella body of AIDS organizations (Namibia Network of AIDS Service Organizations, NANASO), the National Union of Namibian Workers (NUNW), the Legal Assistance Centre (LAC), and the Labour Resource and Research Institute (LaRRI). The most successful social dialogue in Namibia – albeit unstructured – took place with the formation of the BIG Coalition.

Experience in this environment has shown that key stakeholders generally do not formulate, develop and present positions, proposals and strategies in a well-planned and structured way. This is due to many difficulties and challenges such as lack of capacity (including intellectual understanding and know-how), resources, etc. Added to this, some key stakeholders are not keen to be seen publicly to have opposing views, as some are affiliated with the government and/or rely on it for financial support.

What is very disturbing is that no comprehensive social policy framework has been developed for Namibia. Nevertheless, legislation and instruments (policies, programmes and services) are developed in the absence of an approved overall social policy framework. The lack of the latter contributes to haphazard approaches and incoherence. Likewise, a unified strategy that would tie together elements of the national social protection system and streamline the operations and service delivery does not exist yet.

Despite the aforementioned, the Namibian government has emphasized the importance of a broad, comprehensive approach to social protection, or, rather, "comprehensive social policy approach" that emphasizes the need for consideration of social aspects and equity in all sectors of society. Further, and as stated in the BPWRPE, "it recognizes that the fight against poverty should be inclusive, coordinated, holistic, and no Namibian should feel left behind as all Namibians deserve a dignified life, with employment, adequate housing, sanitation, education and access to good health care".[25]

What is very disturbing is that no ideas on social protection are expressed by the Committee on Human Resources and Community Development and the Committee on Gender Equality, Social Development and Family Affairs of the Namibian Parliament. Mildly put, these committees are not vibrant or vocal on many prominent issues, which are left to the respective offices/ministries to deal with.

In conclusion, there are no properly formulated positions of key stakeholders on policies within and outside of government with respect to closing the coverage gaps of social protection. However, key stakeholders have been expressing their discontent with, for instance, the current state of the economy, increasing inflation, increasing unemployment, lack of proper housing for many citizens and appalling poverty. Sadly the ILO Social Protection Floors Recommendation of 2012 (No. 202) has not yet been used as a guide to identify gaps in social protection and the formulation of policies to fill that gap. The instrument is well known to some government officials, who were present when it was adopted by the ILO in June 2012, as well as to some representatives of the trade unions and employers. However, awareness among the key players in civil society remains poor despite efforts of the FES office to promote the concept.

The challenge of creating a stakeholder dialogue

Namibia does not have a good record when it comes to stakeholder and societal dialogue. Consultation between the government and social partners on the development of national plans and strategies has never been optimal and mostly been accidental and haphazard. Although plans and strategies are formulated, the fact that social partners do not feel properly engaged contributes to weak implementation and a lack of cooperation from the social partners. Added to this, there seems to be no commonly held view, conception and understanding amongst social partners and civil society as to what social dialogue is.

Another major challenge is that stakeholders differ in opinions and approaches on fundamental issues and matters of common interest, with trade unions and employers' organizations for example differing on possible amendments to labour legislation or retrenchment of employees. Positions are sometimes so entrenched that they hinder the search for common ground on other policy issues.

The principal form of tripartite dialogue is the Labour Advisory Council (LAC), which was established under the Namibian Labour Act and comprises individuals representing the interests of the state, registered trade unions, and registered employers' organizations. The LAC is tasked with researching a range of labour market–related issues and advising the Minister of Labour, Industrial Relations and Employment Creation (MLIREC).

A study commissioned by the Trade Union Congress of Namibia (TUCNA), concluded that the LAC is inadequate as a means for achieving a social contract. It also found that LAC is of limited value in its current operational form, even as a mechanism of meaningful consultation between the MLIREC and social partners, satisfying the technical requirements of ILO Recommendation 138 and Convention 144, rather than the spirit and intent of these instruments. To its disadvantage, the LAC is beset by functional and resource-related difficulties.

The LAC faces many challenges, including but not limited to the premise that its purpose is to advise a single ministry, the Labour Ministry, which isolates the impact of the tripartite dialogue and devalues any consensus that may be reached by the social partners on broader socio-economic issues. It seems that it fails to achieve substantive dialogue due to its nature as an advisory body to a single ministry.

Social dialogue does take place at various levels and platforms beyond the LAC, but does so in an ad hoc and uncoordinated way. It appears that the government favours more pragmatic and ad hoc consultations with social partners rather than a systemic model such as corporatism. This has resulted in inconsistent policy development and dialogue practices. Some trade unions are of the opinion that the government is comfortable with an ineffective LAC as it reduces the pressure to deliver on demands and expectations and places it in a comfortable position to do what it wants and to change or adjust policies as it sees fit.

The LAC has not achieved much in terms of building greater trust and understanding between social partners. It appears to fall somewhere between information sharing and consultation on a continuum of all possible dialogue processes. In addition, the LAC also appears to suffer from a number of operational problems, which further detract from its potential and execution.

The labour movement is highly fragmented and many trade unions have competing positions on issues. Added to this, the major trade union umbrella organisation, the National Union of Namibian Workers (NUNW) is affiliated to the ruling party, SWAPO, whilst others are not. This exacerbates divisions, lack of collaboration and politics. Employers' organizations are perceived to protect and represent the interest of the "capitalists" and in most instances the relationship is hostile. Hence it can be asserted that the social partners do not collaborate to any great extent.

Bipartite engagements beyond collective bargaining rarely occur and bilateral national engagements between labour and broader civil society could be considered extremely weak. All social partners have severe capacity constraints which directly undermine the potential of dialogue.

Trade union representatives seem to lack conceptual and intellectual know-how on many pertinent issues, including social protection. This is especially so because appointments to positions are decided by electoral processes in an environment of populism. Added to these is the observation that most of the organizations are not properly resourced (human, financial and intellectual) and their administrative capabilities leave much to be desired. Therefore, there is a clear need for capacity-building in trade unions.
Considering the political history of the country, trust or social capital is low amongst social stakeholders and strong tribal, racial, class, cultural and political divides continue to define perceptions and interactions. Conflict-based low-trust relations that go beyond mere competitive differences define engagements between labour federations but strong tensions are also observable between government and some elements of the social partners as well.

Social dialogue will require that government or the leading employers' and workers' organizations or CSOs take a lead in sensitizing and supporting stakeholders to become active participants. This is necessary as social dialogue could build the trust or social capital that is a necessary ingredient for the nation to develop and prosper. A strong intervention will be required that addresses both institutional and constitutional features of social dialogue whilst at the same time facilitating stronger cooperation amongst and within the partners.

Similar challenges beset other societal partners, like CSOs, including non-governmental organizations (NGOs), churches and farmers' associations, informal economy organizations, consumer organizations, etc., as there is no formal or coordinated format of dialogue. No particular activities and strategies are employed by the government to involve them. In many instances, the political sphere takes precedence and influences views, and social partners are not perceived to be independently able to advance positions and demands on issues that seem complex. There is also a perception that most social partners and CSOs are fundamentally internally focused, fail to consult their membership and concentrate mostly on demands that are in their specific interest.

One important player is the media, which seems not to be well informed or to know or understand the concept of social protection floors and therefore lacks the qualifications to start a structured public discourse. Given that, it is perceived that the media is failing to inform and educate the nation and its contribution is seen as superficial because there is hardly any evidence of media contribution in any policy or programme of social protection. Hence, there is a need to educate and sensitize media practitioners in order to improve media coverage and encourage public discourse.

Many dynamics – some by omission and some by commission – have created challenges in gaining trust and support within and between social and societal partners to engage in constructive stakeholder dialogues that aim at formulating views and policies that could meaningfully contribute to social protection and socio-economic development.

National conclusions and a possible way forward

The concepts of "tripartism", social dialogue and public discourse (organized societal dialogue) has not taken full effect in Namibia though the government has been seen consulting and involving representatives of trade unions and employers' organizations in the formulation of some socio-economic policies at the national and industry levels and in particular in the legal framework of labour relations and labour-related policies, through the LAC. Social dialogue is paramount in ensuring that the social partners' views and concerns are reflected in the policies and laws formulated, and through the process ensure buy-in and support of social partners.

At the moment, dialogue is often cosmetic and not effective as it should be. Some social partners and CSOs feel that engagements are not thorough, constructive and effective enough for them to influence policies to contribute to socio-economic development and through that fulfil their roles in society. This is especially informed by the fact that there is no social policy for the country in place and therefore legislation and strategies are formulated in its absence.

While there are clearly overlapping and multiple forms of social and other societal dialogues in Namibia these vary in terms of formality and effect. It is widely acknowledged as a problem that the influence of inputs in these initiatives and integration of such efforts in policy formation (or simply to determine a way forward on issues) is not always clearly established with social partners and CSOs. Overall, the lack of integration of consultative dialogue initiatives detracts from the impact of the broader national dialogue process, and public discourse indicates the need for institutionalized dialogue to have a broader mandate.

There are a few government agencies and state-owned enterprises (SOEs) where the establishing legislation makes provision for tripartite representation (representatives of government, trade unions and employers' organizations) and others that make provision for representation of other civil society organizations. For instance, the Social Security Act of 1994 (Act 34 of 1994) makes provision for tripartite representation. These legal provisions and arrangements are commendable but do not necessarily fulfil the requirements of stakeholder, social or societal dialogue.

In order to ensure constructive developments in the national dialogues, the government should contemplate the following:

- Establishment of a platform for societal dialogue, cross-cutting government ministries/offices/agencies, preferably under the Office of the Prime Minister (who is the head of government business). This platform should include civil society umbrella organizations. The platform could serve to enhance and broaden consultation and democratic participation of stakeholders and thereby gain buy-in and achieve social equity and effective implementation of programmes, policies and strategies.
- Explore with social partners and civil society organizations ways to create a structure that is more effective and broad in representation and mandate to provide for joint decision-making on socio-economic issues.
- Development of a social policy and a social protection strategy and implementation plan for the country, which should be negotiated in order to balance as many interests as possible. This could assist in ensuring that legislation and related instruments (policies, programmes and services) are made effective and embedded in public discourse. ILO Recommendation 202 should be used as a guiding framework.
- Ensure that the right attitudes and mechanisms are adopted, especially at government level, in order to ensure that social dialogue and stakeholder consultations are not cosmetic but a meaningful and effective process.

On the other side, with regard to social partners and civil society, it is necessary for stakeholders to build capacity to contribute to national dialogue and to influence policy formulation and ensure the effectiveness of consultative mechanisms.

There is a need for the domestication of international instruments, such as ILO Recommendation 202 and the UN SDGs. Government, social partners and civil society should establish national dialogues on how Namibia could best support, promote and assist in the worldwide endeavour for comprehensive social protection systems, for the good of the country.

Contributions of projects and the FES Namibia office

Realizing the shortfalls of the national dialogue processes in Namibia, Friedrich-Ebert-Stiftung (FES) strategically partnered with the University of Namibia (UNAM) and established the Forum for Experts on

Social Protection in Namibia (FESP) in early 2017. FESP was established as a creative informal institutional means for open debate and policy discussion for experts on social protection issues. It facilitates, enables and promotes dialogue and debate and exchange of information, experiences, ideas and views on social protection, with specific focus on Namibia. The response so far has proven that that the demand for such a forum is high. The inaugural session of FESP was used to introduce the concept of the SPF to expert groups well as a wider audience.

As at the end of August 2019, twenty public lectures were held, with the participation of local and international speakers and discussants. In addition, with assistance of consultants, a two-day training workshop on social protection was offered to some trade unionists. FESP also held a two-day conference on Social Protection in November 2018.

Experience thus far is that the concept of social protection is still in its infancy in this environment and many are not informed and/or lack understanding. There is also an element of ignorance and disinterest. Added to this, very few organizations have undertaken educational and information-sharing work. Therefore, a lot of information-sharing and education will be needed for the foreseeable future.

Namibia has what it takes to become a role model for social protection in Africa, namely political will and functioning administration and to some extent financial and fiscal resources. However, the latter have been dwindling for many reasons including the fact that the national economy has not been doing well. An institutional assessment of Namibia's social protection system undertaken in 2017 highlighted shortcomings with regard to inclusiveness, adequacy, appropriateness, governance and institutional capacity, coherence and integration, responsiveness, cost effectiveness and incentive compatibility.

Generally, there are inadequacies in the nature, content, quality and impact of the discourse on the future direction of social protection in Namibia. What is needed as a point of departure is the translation of the global policy space for social protection and social policies in general – as created by international instruments such as Recommendation 202 and the SDGs – into national policy demands by social partners and civil society. This requires investments by national stakeholders, as well as their international partners such as the FES and the GCSPF. The latter does not even have a partner organization in Namibia.

Conclusions

The 1st Namibia Social Protection Conference of 2015 concluded that *"a discussion with relevant stakeholders will be initiated to see how best the process of crafting the National Social Protection Strategy for Namibia could commence"*. As a way forward, the Conference also recommended that *"a discussion with relevant stakeholders be initiated to see how best the process of crafting the National Social Protection Strategy for Namibia could commence"*.[26]

In support of efforts to strengthen the social protection system in Namibia, the government agreed in 2016 to participate in a global Social Protection Systems (SPS) initiative, funded by the European Union, the OECD and the government of Finland. This programme is called EU-SPS Programme, and is implemented by government of Finland's National Institute for Health and Welfare (THL) and the OECD Development Centre, in close coordination with the German Gesellschaft für Internationale Zusammenarbeit (GIZ). Local support is provided by UNICEF Namibia and the local partner is the Ministry of Poverty Eradication and Social Welfare. Considering the multifaceted nature of social protection, a "Social Protection Core Team" (SPCT) was established, comprising government offices/ministries/agencies as well as some stakeholders. A consultant was engaged to assist the government in preparing a National Social Protection Strategy, which was expected to be finalized before the end of 2018.

An informal coalition of stakeholders in Namibia has successfully managed to put a radical policy proposal, namely the BIG, on the national policy agenda. This shows how susceptible the policy formulation process in Namibia is in principle to concentrated stakeholder dialogue and initiatives. Giving the dialogue a permanent forum would probably help to make further participatory and societally negotiated progress in SP possible.

Consolidated social protection policies and strategies require a coherent dialogue in a permanent national forum. This could take the form of an extended LAC or a new forum that includes the LAC members but also other key government agencies and key CSOs and NGOs. This approach will assist in reducing the information, knowledge and analytical asymmetry between the government on one side and social partners and civil society on the other side.

Whilst there is considerable information about social protection in Namibia, no routine compilation and dissemination of data and regular assessment of evidence on the extent and impact of the social protection programmes/schemes is undertaken. Given this, there is a need for the development of an overall monitoring and evaluation framework.

Even though social protection is considered a human right, government implementation is not strongly promoted and advocated for by the social partners and CSOs. Thus, people-centred and rights-based awareness and advocacy in the implementation of SPFs still has to be consolidated in Namibia.

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4.2.2 Nigeria: Combating extreme poverty and vulnerabilities through social protection

Oluremilekun Ihejirika

Nigeria currently struggles with its population growth as the population is growing faster than its economy. It has become the country with the – world-wide – largest share of people living in extreme poverty. According to the 2018 figures from the World Bank, Nigeria has 86.9 of its population living in extreme poverty – the largest percentage globally (World Bank 2018). According to the African Development Bank 152 million Nigerians live on less than 2 dollars/day representing about 80 percent of the country's estimated 190 million population. Other social issues that have plagued Nigeria include high youth unemployment rates, huge number of children out of school, increased insecurity, gender inequality and poor literacy rates.

Nigeria, like most other African countries, has responded to the growing challenge of poverty by introducing social protection strategies. Despite its rising popularity as an anti-poverty intervention throughout Africa, social protection is still substantially inadequate in Nigeria. However, recently the government has argued that its social protection programmes are a direct response and strategy to reduce poverty and socio-economic vulnerabilities in the country. The Federal Government in 2017 approved a National Social Protection Policy to enhance social justice, equity and all-inclusive growth in the country. A National Council on Social Protection was also established for the smooth implementation of the policy.

The present social protection systems and its gaps

- The main objectives of social protection policies in Nigeria are to assist people who are too poor to get out of poverty, provide income support to the poorest especially the sick and retirees, increase enrolment and attendance rates of students in public schools and to address short-term employment needs by developing skills.

The major social protection schemes pursued by the Nigerian government over the years are:

- National health insurance scheme (NHIS) – aims to provide easy access to health care for all Nigerians at an affordable cost. It covers health care benefit for the employee, spouse and up to four biological children below the age of 18. It does not cover workers' in the informal economy.
- The Nigeria social insurance trust fund (NSITF) – employees' compensation scheme targeted at protecting private sector employees from financial difficulties in old age, disability or death. It is a contributory scheme paid by the employer.
- The Pension Scheme is a contributory and fully funded scheme managed by pension fund administrators. Employees and employers in the private sector contribute a minimum of 7.5 percent each.
- The universal Basic Education Programme was introduced by the government because many poor parents could not afford to send their children to school.
- The Conditional Cash Transfer programme (CCT) provides a direct transfer of 5,000 NGN (14 US$) to targeted poor and vulnerable households. This is operational in eight states of the federation.
- The Home Grown School Feeding (HGSF) programme assists vulnerable families, provides school children in primary classes 1–3 with one nutritious meal a day and provides incentives to send children to school. This programme is designed to feed 5.5 million children.
- The N-Power programme is designed to put 500,000 young Nigerian graduates into employment and train 100,000 non-graduates with necessary tools to create, develop and build projects that will benefit communities.
- The Government Enterprise Empowerment Programme (GEEP) is pursuing financial inclusion and provides empowerment loans programme to economically under-represented groups. It is targeted at about 1.6 million beneficiaries.

The scale of most social protection programmes in Nigeria is small compared to the number of people who require support from such policy interventions. Social protection programmes reach only a small fraction of the poor. The Conditional Cash Transfer programme covers only eight states out of the thirty-six states of the federation. The 5,000 NGN paid to the extremely poor households is grossly inadequate in light of the basic needs of the average household and the low purchasing power of the naira due to rising inflation.

To sum up, in the context of high levels of poverty and inequalities, the existing social protection systems have the following gaps:

1. Low coverage of existing programmes – for example the national health insurance scheme covers only 4 percent of the population. The Nigeria Social Insurance Trust Fund (NSITF) excludes informal workers who produce over 58 percent of GDP. Informal jobs account for 90 percent of all new jobs in the country. This means that a huge number of people have to finance medical care out of pocket. The overall health status of the population is poor. Life expectancy in Nigeria is just fifty-eight years.
2. Only a narrow set of instruments and services are in operation, the services provided are deficient, and quality varies across the country.
3. The lack of involvement of beneficiaries in the formulation and implementation of social programmes results in policy failures.
4. The institutional capacities of institutions responsible for implementing social protection programmes at the federal, state and local government are weak.
5. There is a lack of strong political will to implement social protection. The sustainability of the national social investment programme after the Buhari Administration is very much in doubt since the policy lacks a permanent legal framework.
6. There is a palpable fear of abuse of the programmes, especially among implementers in a country where corruption holds sway. Instances of diversion of public funds into private pockets appear to be frequent.
7. Lack of coordination between government agencies and duplication of programmes by donor agencies is widespread.
8. The budgetary allocation of resources to social protection programmes is too small to have any impact. In 2006–2007, Nigeria spent merely 0.9 percent of its GDP on social protection. Funding is a major challenge; most of the social protection programmes are donor driven and terminate at the end of funding cycle.

The policy positions of key stakeholders

Interviews conducted with key stakeholders exposed the gaps in social protection and helped to identify the following policy demands by stakeholders:

Trade unions

Pension is contributory in Nigeria, but covers only employees in the formal economy. Because self-employed workers are excluded the trade unions raised the issue of extending pension coverage to workers in the informal economy which accounts for over 80 percent of the workforce. Trade unions argue that universal health coverage and old age income support reduce the problem of access to health especially by the poor and vulnerable.

The trade unions also call for unemployment benefits for the increasing numbers of young unemployed as a means of reducing violence and crime. A section of the legislation establishing the National Directorate of Employment recommended the payment of unemployment benefits to the unemployed, but no government ever implemented the clause. Furthermore, there is no unemployment register.

Unions also want concrete provisions made for nursing mothers in the form of crèches in every workplace in the formal and preferably even the informal sector.

Civil society organizations

ActionAid as a strong supporter of social protection in Nigeria is concerned about sustainability of the federal government's Social Assistance Programme. They are particularly interested in the following questions: Who are the programme beneficiaries? What is the poverty test used in determining the poor? How is the teacher recruitment programme operating and which part of the country has a specific need for more teachers?

Local NGOs advocated citizens' participation from design to process implementation and monitoring in the SP programmes. Government should also intensify the fight against corruption by sanctioning corrupt officials. Transparency and accountability in governance needs to be strengthened in general.

Ministry of Budget and National Planning

The Ministry of Budget and National Planning is concerned that the lack of resources may hamper its ability to organize and monitor the implementation of social protection policies. It therefore suggested there was a the for developing sustainable financing through increased budget allocation to social protection.

Ministry of Labour and Employment

This ministry was involved in designing the National Social Protection Policy. Unfortunately, a different ministry is responsible for implementation. There is an obviously disconnect and lack of involvement beyond policy development. The Ministry of Labour and Employment would like greater involvement especially in the area of monitoring and evaluation of the National Social Protection Policy. Empowerment and social protection for artisans and traders is a central concern, but the ministry lacks adequate funding to carry out its activities. The Ministry advocated for increased social protection funding by the government.

UNICEF and Save the Children

UNICEF has concerns about the social protection policy in Nigeria. They include frequent rotation of personnel after elections, lack of capacity and misguided interest of some civil servants as well the delay in implementing certain aspects of the SP policy. The fragmentation of social protection programmes will hamper efficiency and effectiveness. UNICEF advocated the need to build a comprehensive, holistic, coherent, fair and efficient social protection framework. It also advocated for greater investment in the youngest and vulnerable children especially in the zones ravaged by violence. The prioritization of investment in early childhood development and reaching to the most disadvantaged and marginalized children as a way of addressing social exclusion resonates in the interview with UNICEF.

Save the Children is another organization working with the government on social protection. The Child Development Grant programme is a five-year DFID-funded project tackling poverty and hunger and reducing malnutrition in children in Jigawa and Zamfara states. Save the Children is leading the INGO consortium delivering the programme in partnership with Action against Hunger (ACF). The programme provides 48 million GBP to tackle poverty among poor and nursing mothers through monthly cash transfers of NGN3,500 (about 10 USD) to all pregnant women from the moment their pregnancy is confirmed until the child reaches the age of two years.

Based on the analysis, the major drivers and spoilers of social protection in Nigeria are the following:

The major drivers of Social Protection in Nigeria are:

- Federal government and some state governments,
- Ministries, department and agencies of government at the state level,
- Development partners such as World Bank, UNICEF, WHO,
- Local government authorities,
- Community development authorities who ensure that the voice of the local communities is heard, encourage their participation in resource allocation, decision making at the local level, local NGOs, community-based organizations and faith-based organizations.

Spoilers of social protection in Nigeria include:

- Some state governments which are unable to meet their own share of counterpart funding for social protection programmes, due to high debt burdens,
- Corrupt officials at all levels of government,
- Cultural and religious factors especially in northern Nigeria, affecting the polio immunization campaign and bias against female education,
- Very weak institutions at the state level where key social legislation has not been passed, which negatively affects the implementation of social protection policies passed at the federal level,
- Weak civil society organizations;
- Trade unions that do not yet see the issue of social protection as a priority,
- The federal government policy still excludes workers in the informal economy from social protection coverage.

The challenge of creating a stakeholder dialogue

Creating stakeholder dialogue in a highly diverse country like Nigeria involves massive challenges. What the FES office has been able to do is to facilitate the coming together of various non-state actors and key stakeholders to discuss social protection issues and challenges and initiate dialogue with government.

The national dialogue on social protection in Nigeria had not reached an advanced stage before the SOSiAL project. We discovered during the stakeholder analysis that most key stakeholders do not have enough knowledge and skills to competently engage in social protection discussions. This applies in particular to civil society organizations. Limited resources are a major challenge. The government frequently changes its bureaucratic and policy course. In Nigeria, the policy space for engagement is very narrow, and government prefers to engage big players like ILO and UNICEF. The clear intention here is to get funding for its social protection programmes.

Major international instruments like ILO Resolution 202 and the SDGs have not been domesticated by the National Assembly; their objectives have not yet been incorporated in Nigerian laws and implementing them therefore becomes a challenge for the national government. The lack of awareness about these international instruments, especially among the public, affects policy engagement by stakeholders. Most NGOs work in isolation, their interests are sometimes very narrow and they are often oblivious to the possibility of collaboration with other stakeholders to influence government policy. Before an informed and constructive national dialogue on social protection can commence, a lot of preparatory work has to be undertaken.

FES and project activities

The FES approach was to identify and collaborate with an existing small network of civil society organizations already involved in the dialogue on social protection at the national level. In collaboration with the Society for Family and Social Protection (SPSF) (a network affiliated to the Africa Social Protection Network), we brought together other organizations and individuals to work with SPSF. These included other international non-governmental organizations like ActionAid, the Centre for Democracy and Development (CDD), trade unions, academics, organizations for older people, informal workers' organizations and youth organizations. This activity has broadened the membership of the network, provided opportunity for it to work with other CSOs and labour organizations across the nation and afforded it the opportunity to send delegates to the 56th Commission for Social Development in New York in February 2018.

The main focus of the network is to:

- strengthen the network especially in the areas of capacity and knowledge,
- share experiences and knowledge on social protection,

- seek collaborative engagement with government on the issue of social protection.

The network has been building its internal capacity, it has held three capacity-building workshops to help build the capacity of the members of the network especially on current discussions on rights-based approaches to social protection. A meeting held in Lagos was attended by participants from West African countries and Zambia. The chair of the network is an experienced and active player in the national discussion on social protection. She has been able to use her influence to promote the network in the national dialogue and facilitated an exchange between the network and the National Coordinator of Social Protection in Nigeria.

The focus this year will be to get the network properly involved in a national dialogue process. This can be done through:

- Supporting national institutions in the implementation and evaluation of social protection programmes,
- Strengthening the capacity and skills of stakeholders and national institutions for the implementation of social protection policy,
- Encouraging exchange of knowledge and promoting discussions on innovations and good practices in the implementation of the social protection programmes.

National conclusions and possible ways forward

Social protection in Nigeria has been a neglected policy area for decades. The most developed existing schemes are mostly formal sector focussed and have narrow population coverage. Schemes for the informal sector or the total population, like a cash transfer scheme, are embryonic. All existing schemes are riddled with problems of underfunding, low administrative capacity, low benefit levels and corruption. There is no real overarching social protection coordination framework.

The promotion of social protection as a poverty-alleviating and equality-enhancing mechanism needs a major concerted push by all national and international players. All international agencies, notably ILO, IMF, the World Bank, UNICEF, WHO and the UN, need to coordinate their activities to support the government and society in developing a comprehensive, coherent and sustainable policy framework for social protection. The capacity of administrators and planners of social protection needs huge investments.

Trade unions and civil society organizations need to be empowered to formulate social protection demands.

The main obstacles to fostering effective national dialogue are:

- Negative experience of organizations working with others; this creates an atmosphere of mutual suspicion and distrust,
- Fear of domination by a few who seem to have all the answers,
- Lack of funding, lack of organizational capacity
- Cost of working together sometimes may outweigh the benefits: internal fighting, rivalry and competition for positions.

To sum up: The challenges are enormous. The most important next step for civil society is to find the coherence and courage to make a first step towards real social protection of all Nigerians. This will be a long journey through territory characterized by adverse political interests, indifference and bad governance.

The international instruments are not used by civil society and trade unions because there has not been a clear-cut, inclusive and consultative social dialogue on the SDGs. There is a lack of awareness-raising on these issues among civil society organizations and trade unions. People feel there is no connect between SDGs and country context, socio economic and political realities. The SDGs have not been mainstreamed into the nation’s development plan and not enough funds are allocated to the SDGs in the national budget. Not a lot of work or research has been done on the connections between the SDGs and the realities in the workplace.

Future technical assistance efforts should be focused on connecting the SDGs to realities in the workplace, to mainstream the SDGs into trade union education. It may also be important to assist in building partnership and networks with like-minded advocacy organizations. Especially faith-based organizations could be integrated into the coalition. Development of a training manual in advocacy and communications may help.

The Ministry of Finance plays a key role in national discussions of SP, as it is responsible for the formulation of fiscal policies in Nigeria. It implements the national social protection reform agenda and many World Bank–assisted programmes in Nigeria. The Ministry of Finance works with other development partners in tackling poverty and reducing the numbers of the poor and vulnerable. In cooperation with the National Social Safety Nets Coordinating Office under the office of the Vice President, the Ministry of Finance is responsible for coordinating all social safety net initiatives in the country.

Consolidating the existing SP programmes, which are relatively small and fragmented, into large national schemes with a good level of coverage and better administrative systems, will prevent duplication and waste of scarce resources. Also, the establishment of clear accountability between ministries, donors and implementing agency is needed. Engagement of experienced NGOs and inclusion of local communities in coordination activities is important. Reviewing as well as monitoring and evaluation of SP programmes to determine their efficiency and the effectiveness is of the utmost importance.

For creating the necessary fiscal space increasing international aid flows are needed, but improved financial monitoring has to ensure that project funds are actually spent on the intended purpose. At the national level improved public financial management is needed. Corruption has to be reduced significantly and resources reallocated from military expenditure to social investment. Reducing debt, raising domestic revenues through proper tax administration and increasing political commitment by the government are further prerequisites for the improvement of social protection. This is an enormous challenge, but with international support and national pressure coming from civil society and trade unions, the political will for change can be created.

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4.2.3 Zambia: Rights-based social protection: Getting the politics and economics of social protection right

Vince Chipatuka and Helmut Elischer

Social protection systems in Zambia: From national social protection policy to social protection law

The original Zambian constitution had no provision for guaranteeing socioeconomic rights. The first reference to social protection was in 2005 with the creation of the National Social Protection Strategy (NSPS). The NSPS differentiated social protection from the larger social policy framework. Social protection emerged on the government's policy agenda in 2006 in the Fifth National Development Plan (FNDP) (Cha and Ramesh 2017).

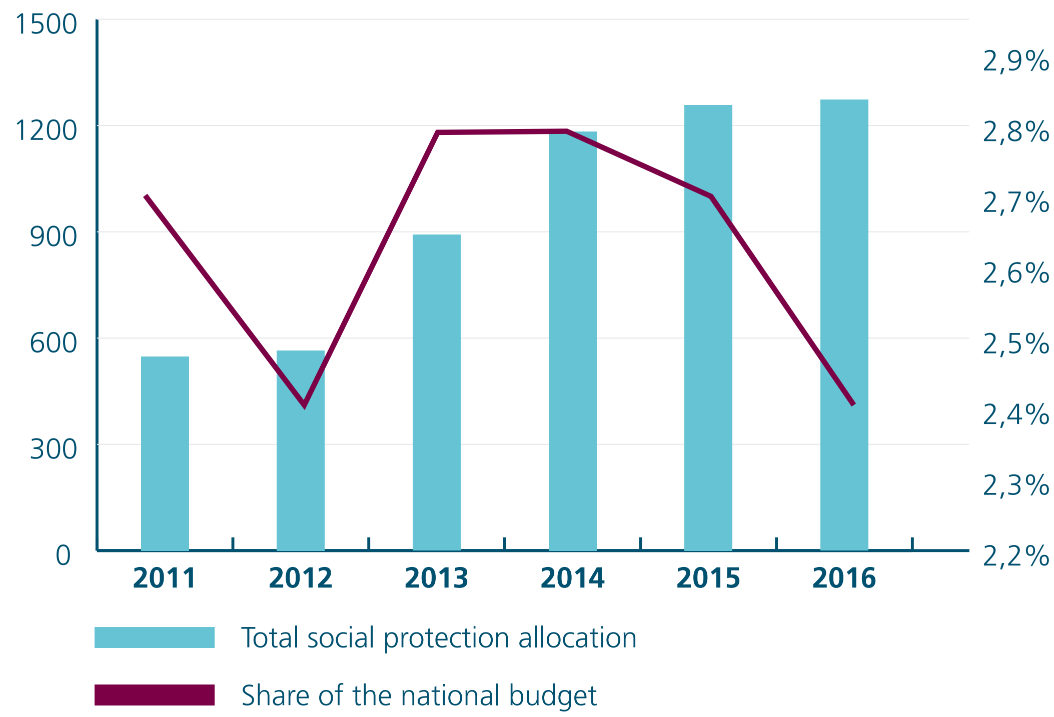
Following this, the policy and regulatory framework for social protection in Zambia has evolved over a period of time. The Zambian social protection sector is undergoing rapid expansion due to greatly increased government commitment. In 2014, after a framework consultation with various stakeholders and cooperating partners, the government adopted the National Social Protection Policy (NSPP) which provides a basis for a more integrated, coordinated approach and informed scale-up decisions on the expansion of social protection provisions. The Ministry of Community Development and Social Services is the lead government institution implementing and coordinating social security policies and programmes in Zambia. The Social Protection Policy was launched because the government wants to provide the Zambian people with social assistance, social security and health insurance. Many ministries are involved in setting up the social protection policy. However, the government additionally solicits the involvement of the judiciary, cooperating partners, the private sector, non-governmental organizations, faith-based organizations and civil society in making the policy work. The government intends to reform old laws and policies and introduce new ones to help the National Social Protection Policy work. Additionally, the government wants to look at the international legal framework and make sure the rules are the same in the Zambian laws (MCDSS and UN 2017).

In Zambia, a small proportion of the labour force is employed, with an even smaller proportion in the relatively formal economy. This group benefits to some extent from the employment-related contributory schemes. For most of the labour force in the informal economy and notably women burdened with heavy family responsibilities, very limited opportunities exist for protection against contingencies such as old age, sickness or death of the main breadwinner. There are relatively small non-contributory programmes financed by the government, private households, communities, church organizations, and donors who target specific, rather small, groups (Holmes and Lwanga-Ntale 2012).

The employment-related national social protection institutions operating in Zambia are the National Pension Scheme Authority (NAPSA), the Public Service Pensions Fund (PSPF), and the Local Authorities Superannuation Fund (LASF). In addition, several private occupational pension schemes exist. There is also an occupational disease and work injury scheme: The Workers Compensation Fund Control Board (WCFCB). A major problem in the social insurance system in Zambia is that all pension schemes are designed only for people in the formal sector. Non-formal workers remain disadvantaged (Holmes and Lwanga-Ntale 2012).

However, national budget allocation to the social protection sector in Zambia increased by 133 per cent in the six years to 2016, although as a share of the national budget the sector's share declined by 0.3 percentage points from 2.7 percent in 2015 to 2.4 percent in 2016. The social cash transfer allocation increased by 67 percent between 2015 and 2016, and more than seven-fold over six years. The share of donor support in the social cash transfer scheme declined from 76 percent in 2013 to 17 percent in 2015 and 2016 (UNICEF Zambia 2016). The following Index Box uses SPF index results to place the state of social protection in Zambia in the context of comparable countries.

Figure 4.2.2: Evolution of the Social Protection Budget: Absolute Amounts and share of the national budget



Source: Annual national budget address from 2011 to 2016

INDEX BOX 4.1: THE SPF AND ZAMBIA

Its 2013 Zambia's SPF Index values were 7.0 per cent and 15.6 per cent of GDP respectively, depending on whether the minimum income criterion is set at $1.9 or $3.1 per day in 2011 PPP (Table A1 in Annex).). When a relative minimum income criterion is used, the gap amounted to 7.0 per cent, similar to the gap with the lower absolute poverty line. What this indicates is that Zambia is a country where an "income floor" is applied: In 2013, median income was only $1.5 per day in 2011 PPP; half of which would be slightly more than $0.7. Since living on $1.9 per day is already a low threshold that barely avoids utter destitution, it is this value that is used to calculate the SPF Index based on a relative minimum income criterion.

Protection gaps in the income dimension are substantial. In 2013, 60.5 percent of the population lived on less than $1.9 per day and more than three out of four individuals had less than $3.1 per day. To ensure that all individuals in the country had at least these amounts, Zambia would have to invest or reallocate 5.5 or 14.0 percent of its GDP respectively. To substantiate these figures, this information can be supplemented by more detailed insights into living conditions in Zambia. For instance, analysis of the household survey (from 2010) reveals that poverty is a strongly rural phenomenon and varies, along this urban/rural divide, between different regions (Beazley and Carraro 2013).

The protection gap in the health dimension was 1.5 percent of GDP in 2013. This results from insufficient resources directed towards public health expenditure. In addition, these resources are also not distributed in such a way that women who give birth are adequately taken care of, as indicated by the allocation gap of 1.4 percent of GDP. In 2013, only slightly more than six out of ten births were attended by skilled personnel. Additional secondary sources suggest that this ratio is lower in rural than in urban areas and, moreover, that women in remote rural areas are particularly at risk of a delivery that is not attended by skilled personnel (Jacobs et al. 2017). There are also inequities in terms of socioeconomic status (ILO 2015). The observation that public health expenditures are allocated in a manner that does not ensure access to essential health services for all residents and children is also supported by a study that finds that even though people in poverty report higher needs of care, they are less likely to use public health facilities, particularly public hospitals, than the more affluent. However, people in poverty are more likely to use primary care facilities (Phiri and Ataguba 2014).

		2012								2013							
		Income gap			Health gap		**SPF Index**			Income gap			Health gap		**SPF Index**		
Countries	GDP per capita, PPP (constant 2011 int. $), 2013	$1.90 per day	$3.10 per day	50 per cent of survey median	Resource gap	Allocation gap	**$1.90 per day**	**$3.10 per day**	**50 per cent of survey median**	$1.90 per day	$3.10 per day	50 per cent of survey median	Resource gap	Allocation gap	**$1.90 per day**	**$3.10 per day**	**50 per cent of survey median**
Angola	6,185	1.0	3.8	1.0	2.0	2.0	**2.9**	**5.7**	**2.9**	1.0	3.8	1.0	1.2	2.1	**3.0**	**5.9**	**3.0**
Congo, Dem. Rep.	685	44.7	103.9	44.7	2.4	0.6	**47.1**	**106.3**	**47.1**	38.5	92.4	38.5	3.0	0.6	**41.5**	**95.4**	**41.5**
Malawi	1,062	21.7	55.0	21.7	0.0	0.3	**22.0**	**55.3**	**22.0**	21.3	54.5	21.3	0.0	0.3	**21.6**	**54.8**	**21.6**
Mozambique	742	18.7	51.6	18.7	1.3	1.7	**20.3**	**53.3**	**20.3**	16.9	47.8	16.9	1.2	1.8	**18.7**	**49.5**	**18.7**
Tanzania	2,316	4.4	16.8	4.4	1.3	1.9	**6.3**	**18.7**	**6.3**	3.9	15.5	3.9	1.7	2.0	**5.9**	**17.5**	**5.9**
Zambia	3,577	5.9	14.7	5.9	1.6	1.3	**7.4**	**16.3**	**7.4**	5.5	14.0	5.5	1.5	1.4	**7.0**	**15.6**	**7.0**
Zimbabwe	1,901	1.8	9.7	1.8	1.3	1.2	**3.1**	**11.0**	**3.1**	1.4	8.1	1.4	1.5	0.6	**2.9**	**9.5**	**2.9**

Source: Bierbaum et.al: Social Protection Floor Index, Update and Country Studies 2017, Berlin 2017, p. 27

In regional comparison, the neighbouring low-income countries of Congo (Democratic Republic), Malawi and Mozambique face even greater challenges in fulfilling the four basic social security guarantees. Moreover, Tanzania and Zimbabwe, two countries with considerably lower GDP per capita than Zambia, have much smaller protection gaps, namely 5.9 and 2.9 per cent of GDP (at $1.9 per day in 2011 PPP) respectively. Even though Zimbabwe had similar levels of public health expenditure in 2013, its allocation gap is considerably smaller. This means, with the same resources directed towards health (as a per cent of GDP), more deliveries are attended by skilled personnel, for example 80 percent in 2014.

One reported challenge in Zambia is to extend social protection towards workers in the informal sector (Phe Goursat and Pellerano 2016). At present, it is also difficult to prioritize expenditures and, for instance, to identify the poorest 10 or 20 percent of the population (Beazley and Carraro 2013). Overall, stakeholders in Zambia could further investigate to what extent country examples in the region could be used as blueprints (for instance, considering the very different achievements in terms of births attended by skilled personnel in relation to a country's economic capacity), to what extent fiscal space could sufficiently be created at the national level (also given its natural resources, cf. Urban 2016), and whether these figures of the SPF Index can be used to advocate for the support of the international community.

In general, the 7.0 percent SPF gap (using the relative poverty line) is the equivalent of 40 percent of total government revenue. Increasing the allocation to social protection accordingly would pose a considerable challenge and is not likely to be feasible within the next few years. However, some progress towards closure of the protection gaps may be possible. Zambia's revenues levels have been highly erratic over the last few decades. Revenue declined in terms of percentage of GDP by about 6.5 percentage points between 1990 and 2011 and increased again by approximately 3.6 percentage points between 2010 and 2011. Later data is not available in the WDI database.

The reason for the spread of the fluctuation is most likely the volatility of commodity prices which has a major impact on the large mining sector in Zambia. The challenge in Zambia will be to identify a stable source of income for a social transfer system that is immune to the fluctuation in commodity prices and can possibly even be used as a source of financing for countercyclical, demand-stabilizing transfers in times of economic contraction. A national fiscal space analysis is needed for a detailed exploration as to how the fiscal challenges can be met.

In summary, Zambia will have to close considerable protection gaps in the health and particularly in the income dimension. Even though these challenges are substantial, progress can most likely not be achieved rapidly, and the support of the international community is needed, comparisons with Tanzania and Zimbabwe suggest that continuous progress towards a national SPF should be possible in any case.

Policy positions of key stakeholders in Zambia

The change in regime in 2011, when the Patriotic Front government took office, marked a realignment of social protection. Social protection was now a key government investment area and benefits were shifted to the poor and vulnerable. The language of the Fifth National Development Plan (FNDP) and Sixth National Development Plan (SNDP) surrounding social protection focused on justifying the need for social protection. The release of the Seventh National Development Plan (7NDP) in June 2017 evinced a changing impression of social protection. (Cha and Ramesh 2017)

Following Zambia's failure to meet the millennium development goals (MDGs), there is a growing realization of the need for other stakeholders such as civil society organizations to complement government efforts to attain sustainable development. To that effect, from March 14 to 15, 2018, Caritas Zambia organized a national conference on sustainable development goals (SDGs) titled "Zambia towards Agenda 2030". Realistically, the government cannot achieve the SDGs on its own. This necessitates creation of development stakeholder partnerships, especially with civil society organizations (CSOs). CSOs operate as the voice of the voiceless. Therefore, they engage with local communities so that they are aware of the development issues affecting them. Achieving this requires CSOs to create opportunities, spaces and platforms for engaging with people in order to promote genuine dialogues, build community awareness and develop strong relationships. However, it has often proved to be a challenge for them to have sufficient impact without the support of international organizations and the state. This factor has proved to greatly limit the impact of CSOs in the formulation of policy demands. Additionally, in order for CSOs to participate and be integrated into development processes (planning, implementation, monitoring and evaluation), they must ensure that they monitor the progress Zambia is making on the path to meeting the SDGs. In doing this, CSOs need to have adaptable tools for data collection, monitoring and evaluation processes relevant to the implementation of the SDGs. However, this has been a challenge to the trade unions and the CSOs. It is important to note that achieving poverty reduction requires a shift in the development paradigm, but it also requires development partnerships based on shared responsibilities and combined complementary efforts among major stakeholders. Nevertheless, one significant area of progress over the past decade has been the growing influence of local, national and global CSOs and networks in driving policy change. Non-governmental organizations (NGOs), community organizations, professional associations and other civil society groups are regularly called on to help design and implement poverty reduction strategies (Daily Mail, 18 April 2018).

The growing concern for social protection in Zambia has brought forth partnerships between national and international stakeholders to support this cause. In 2017, the International Labour Organization and the Finnish Ministry of Foreign Affairs signed an agreement to develop the Social Protection for Informal and Rural Economy Workers Sub-Project in Zambia (SPIREWORK). SPIREWORK complements support for the Social Cash Transfer scheme, which is a non-contributory component of social protection in Zambia (ILO 2017).

Additionally, in partnership with the government, UNICEF, the International Labour Organization, the International Organization for Migration (IOM), and civil society organizations, the World Food Programme is supporting efforts to empower the poorest and most vulnerable cooperating partners and will give technical and financial assistance to the implementation of the National Social Protection Policy (NSPP) for the period 2016–2018 (WFP 2016).

The Friedrich-Ebert-Stiftung (FES) Zambia office has been working to support and facilitate the work of social protection at national, regional and continent level through its Social Compact and Social Justice Project and the Rights-Based Social Protection in Africa Project. These social protection projects work towards fostering inter-African knowledge-sharing on social protection by promotion of information-sharing, networking, capacity-building and advocacy. The projects bring together different stakeholders to share experiences and best practices in social protection, share research findings, and champion the cause of putting social protection on a legal basis, because social protection has a significant development significance, promotes social justice and is a prerequisite for democratic participation and poverty reduction. (Friedrich-Ebert-Stiftung n.d.). Through its existing engagements with global institutions such as the United Nations, regional bodies such as AU and SADC, and the government at the national level, FES has been able to increase awareness of the SPF and its potential role in the development of national social protection policy frameworks. This is made possible by an increase in the number of presentations in conferences, workshops, information-sharing sessions and capacity-building activities as well as the utilization of more innovative ways of information sharing, such as through the www.saspen.org website. We hope to create a Social Protection Floors community of practice and enhance our collaboration with the International Labour Organization and Global Coalition for Social Protection Floors (GCSPF) through dialogue meetings.

Finally, we need to communicate to the state and non-state actors through conferences, publications and other meetings evidence that the SPFs are affordable and plausible (evidence of other countries that have embraced the SPF).

Challenges of creating stakeholder dialogue

For the purpose of obtaining necessary information regarding the challenges involved in creating stakeholder dialogue, FES Zambia conducted short interviews with individuals from stakeholder institutions and obtained responses concerning their experiences regarding challenges of stakeholder dialogue in Zambia. These experiences are reported in the boxes below. What they show is that – while a comprehensive national social protection framework is in place and national discussions on social protection are topical and lively – an organized national dialogue process that leads to tangible progress – notably for the informal sector – still has to take off.

"If you look at the mandate of this ministry, this is one of the ministries key in poverty reduction. It is a ministry mandated to ensure that we reduce the suffering of Zambian people so all the programmes that we are engaged in are programmes that are aimed at improving the standards of the poor. And when you look at social protection, you are talking about programmes, policies that are aimed at alleviating poverty and that is exactly what we are doing. We know that government alone cannot tackle all the issues of social protection so we realise the importance of working together with other stakeholders and currently we have an MOU with the UN family, we are calling it the United Nations Joint Social Protection Programme, where we come together to see how best we can improve our programming. One of the key issues we have identified to be a challenge is the issue of coordination. You may know that social protection is not just our ministry, it is in other ministries for example Ministry of Gender, Ministry of Labour and Ministry of Education. Another challenge is that even though we have a Social Protection Policy, there is need to turn this policy into law so that even the citizens may be able to demand and know what they need and is entitled to them. This will also help with consistency even with the change of governments."

Edmond Mwakalombe, senior planner, Ministry of Community Development and Social Service

"In terms of the coordination the government has the national development plan framework … through this plan stakeholders have been factored in through the development planning process and the thematic area relating to social protection, which are called Sector Advisory Groups or SAGs. These are sort of committees where various stakeholders gather together, to compare notes, to monitor progress of projects and also to compare progress with regards to trends in analysis. …

When you look at the employment-based risks, there is dialogue for example under the tripartite arrangement in the labour sector, where the employers, employees and the government come together. They call it 'Social dialogue' and that social dialogue is covered I think in what they call the 'decent work country program'. The current challenges right now I think are the areas of policy, areas of coordination and sort of harmonisation. Because there are so many social protection programs scattered all over segmented. So there is need to sort of harmonise and bring them together."

Ngosa Chisupa, independent Zambian consultant

"With regard to the issue of dialogue, we see challenges and opportunities at different levels. Our involvement here is primarily through UN joint programmes … the national social protection policy is quite an inspiring framework because it brings out in one single document a very holistic vision of social protection that goes from insurance to protection to assistance, to livelihood empowerment to disability. So it really gives this sense of both the different functions of social protection and of course the responsibilities that span across different line ministries. What has been one of the difficult aspects of dialogue has been to foster continued collaboration between line ministries on the implementation of the policy. There is too often a sense that the policy belongs to the Ministry of Community Development so they are the ones taking responsibility for it and there are no structural mechanisms to foster cross-ministerial planning, budgeting and accountability over the implementation of the policy."

Dr. Luca Pellerani, ILO Chief Technical Adviser

"The 7NDP is an interesting development, because under the cluster tool on poverty reduction it still reflects that vision of the national social protection policy by having a mix of targets that speak to different parts of the system. But again our assessment is that the technical advisory groups or the cluster advisory groups who were supposed to be there to provide that cluster-based coordination platform are not necessarily yet functioning that effectively so information is still very much fragmented and also the programming is very much fragmented. There are limited opportunities really for technical colleagues across the ministries to sit together and share the vision but also maybe share some of the practices. … At the beginning there was a lot of drive from government to pursue this quite ambitious vision but it seems like recently maybe ministers tend to fall back on their traditional ways of working or within their sectors rather than of course across sectors … The other concern of course is financing which is currently of course programme-based so people still think about specific programmes, no-one has the mandate to have an overarching vision of what is the realistic cost but also the contribution of social protection to poverty reduction. … Because there is no permanent place where this dialogue can take place the conversation ends up being between each line ministry and the Ministry of Finance but there are no concerted efforts around."

Dr. Luca Pellerani, ILO Chief Technical Adviser

National conclusion and possible way forward

The primary responsibility for social protection lies with the state, which acts in collaboration with other stakeholders. A comprehensive social protection strategy will need to be anchored in an elaborate inter-ministerial collaboration and coordination of all the ministries and stakeholders involved in the implementation of the social protection strategy (i.e. ministries of labour, social welfare, health, education, gender, agriculture, finance and economic planning, and others). Further, in order for social assistance programmes to have both long- and short-term impacts, it will be imperative that these are linked to basic services. For instance, linking cash transfers to education on child and maternal health, prevention and treatment of illness, and provision of nutrition; agricultural expansion and immunization will be of essence.

An additional recommendation is improved and sustainable funding for social protection from both domestic and external sources, in particular resources that can facilitate scaling up of effective interventions. There is a call for a more effective role for the trade unions, especially in safeguarding the funds against speculative tendencies by pension fund managers.

There is a great need to extend coverage to the majority of the people that are currently excluded. A useful starting point would be to develop specifically targeted programmes for the vulnerable groups in a comprehensive and coordinated fashion.

Furthermore, there is need to look to strengthen local institutions and deal with the issue of ownership so that the programmes of social protection can start to be driven by them. Currently the research and development agenda has a number of ideas coming up mainly from international concepts shared with the country. But it is now important to decide whether to domesticate these concepts into laws and programmes. It is also key to establish the role of informal social protection and the traditional forms of social protection in the country.

It is important to note that a lot of investment into research needs to be done. Issues for consideration should be: institution building, capacity development and also the issues of income distribution and income inequality. Zambian institutions involved in social protection are technically competent, but they need arguments and evidence that they can rely on to make their advocacy more effective. It would be beneficial if there was a permanent institutional arrangement to facilitate exchange between government and non-government organizations on the state of social protection in Zambia.

Civil society organizations also need to do more evidence-based work, inter alia through community monitoring tools that they may use to get the overall temperature of how people are feeling about social protection. They may also play an enhanced role in grievance complaint mechanisms and be more engaged in expenditure reviews and analysis, to generate an evidence and analytical foundation on which they may build their strategy. Institutions also need to be more strategic on how they may ride on existing state platforms such as the 7NDP and make sure government is not always in the lead with no actual argument made.

Finally, it is important to raise media awareness on social protection and the role that they can play not only in telling the story of what is working well but also of what could be done better in the country.

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4.3 Middle East and North Africa Region

Unlike Africa, there is no strong regional movement towards the improvement of comprehensive and fully inclusive social protection in the Middle East and North Africa Region. The ILO describes the state of social protection in the region as follows: *"Today in most Arab states, social security schemes tend to focus on the provision of pensions while other risks, such as unemployment, maternity or sickness are not or only partly covered. Some pension insurance schemes face challenges in terms of effectiveness, equity, sustainability and governance, while large portions of the population remain out of the scope of coverage. Most social insurance systems cater to public and formal private sector workers with long-term contracts, excluding other categories of workers. High rates of informality, low female labour market participation rates and high levels of unemployment further contribute to low coverage. Another concern is access to affordable quality healthcare for the population. Non-contributory social security schemes, such as social assistance schemes, tend to be fragmented and weakly coordinated with contributory schemes."*[27]

Depending on the national political circumstances progress on social protection varies greatly in the region. We have selected two extreme cases to show the entire range of national social protection realities in the region: the state of social protection under political uncertainty in Iraq and in relative political stability in Morocco.

4.3.1 Iraq: Moving to social protection after war and terrorism

Camilla Schritt

The social protection system in Iraq and its gaps

Whereas Iraq's health system was considered the most advanced in the region prior to the 1980s and Iraq was one of the first countries to eliminate illiteracy, wars and conflicts led to the failure of not only the health system but the whole range of social protection systems. The improvement of the Iraqi health care system until the 1990s was sharply interrupted by the Gulf War in 1991. The infant mortality rate almost doubled and life expectancy dropped until the turn of the millennium, where it reached only 60 years (European Commission 2015, 17). The Invasion of Iraq in 2003 caused further deterioration of the situation. Since 2014 the occupation of parts of the country by ISIS has caused a major economic and humanitarian crisis.

The social protection system in Iraq has generally been marred by periods of instability, violence, and recurrent foreign invasions (World Bank 2017, 3). Social protection provisions in Iraq can be broken down into four main programmes: the state employee retirement system, the social security system for workers, the Public Distribution System and the Social Protection Network (SPN) (in the form of subsidies and services) (ibid., 35) The Public Distribution System (PDS) mainly focuses on the distribution of food through ration cards to secure adequate nutrition for the whole population. It accounts for a major share of governmental activities. These activities further include the management of pension funds and support for internally and externally displaced persons (Alzobaidee 2015, 28)

Almost two thousand civil society organizations were registered in 2015. A number of them deal with social protection issues, though they are limited in their actions by scarcity of resources. Religious organizations also play a role in social security provision and are further engaged in healthcare and education. Resources are mobilized through various forms of Islamic-based donations, such as zakat, khums and alms. Social assistance accounts for a large share of the social security system in Iraq. Ration cards for food distribution were held by around 95 percent of households in 2012 (Alzobaidee 2015, 36)

Social assistance and protection systems show a lack of internal cohesion and suffer from problems of efficiency, consistency and unclear objectives of discussed reforms. The health sector, for example, lacks a coherent national strategy, which adds to its other major problem, a serious brain drain. However, the issue of social protection is discussed widely and enjoys high levels of political support. Healthcare is treated as a priority in current attempts to renew the social security system, such as in the National Development Plans (European Commission 2015, 18). With almost 40 percent of GDP used for public spending and a considerable share of that expenditure going to social protection, the economic and social impact of social security is of major political relevance. The dedication of political elites to the topic of social protection is in part a consequence of the substantial government spending on social protection.

Iraq is changing in many ways. In political terms due to the recent parliamentary elections in May 2018. Several plans and strategies have been initiated to close the gaps in Iraq's social protection system. Social protection measures not only absorb a huge proportion of the mandatory spending of the public budget, but international organizations also invest heavily in the reconstruction of Iraq's infrastructure and improvements in social protection. Recent developments include reforms carried out together with the World Bank, such as the social protection reform, the strategic protection roadmap and a poverty reduction strategy.

Effectiveness, efficiency and quality of the social protection system in Iraq are not only challenged by internal divergence and rivalries, corruption and deterioration of governmental institutions but also by external financial pressures and developments such as the fluctuations in oil prices. The income from the oil sector provides more than 90 percent of government revenue, which is why dependency on the oil price also matters for social protection. Ideally, stable non-oil sources of income would be needed to secure social security (Index Mundi 2018). During the last years the fluctuations in the oil price repeatedly hit social protection, in addition to shifts of public expenditure from social spending towards military expenses.

There are significant gaps in social protection between private and public sector workers. While the coverage for public-sector workers is comparatively good, only 300,000 out of 4.5 million private-sector workers are covered by social security provisions. This leads to a distortion of the labour market, as incentives for employees to work outside the public sector are very low. From 2004 to 2014 the number of workers employed in the public sector tripled and only 2.5 percent of workers are employed in the formal sector.
One of the main challenges for social security in

Iraq is the inadequate coverage for private-sector employees and the absence of coverage for the informal sector. Coverage inequalities leave about five million workers uncovered by social security. In 2012, 88 percent of the urban poor and over 90 percent of the rural poor were not reached by social protection (Alzobaidee 2015, 39). There is also a substantial lack of social workers who could improve the targeting mechanisms of social assistance and help in the implementation of social security policies. Further gaps in the social security system in Iraq include the lack of an integrative and effective health insurance system. In 2014, a new social security law was implemented, creating a single fund for civil servants, the army and the police. This law represented a step towards a unified social security law for all workers in Iraq. The existing martyrs' commission and commission for political prisoners could also be merged under this law. Although according to the new law social protection was to be raised and target mechanisms were to be improved, the respective law did not specify targeting mechanisms. Newly initiated decentralization tendencies caused further insecurity over the distribution of administrative tasks.

The system of social protection in Iraq does not effectively provide the four social security guarantees of ILO R. 203, i.e. income security during childhood, active age and old age, and access to healthcare. Approximately one in four children can be considered poor. While about 23 percent of children in urban areas fall into this category, poverty affects about 34 percent of children in rural areas. Moreover, the unemployment rate is high for young people while older people suffer from a lack of services. Social assistance mechanisms are mainly based on ad hoc provisions, such as food distribution. Amendments to the system have been initiated and partly classified as a "success story" (World Bank 2017) but further reforms will be needed to improve the targeting mechanisms and develop long-term strategies to improve social assistance for the informal sector and social security for the formal sector.

The policy positions of key stakeholders

Although a variety of stakeholders are involved in social protection issues in Iraq, the government dominates the design and implementation of these policies. Among most stakeholders there is a lack of awareness of the importance of social protection policies. Stakeholders can be classified according to four main categories: (1) political decision-makers such as the government and ministries, especially the Prime Minister Advisory Commission (PMAC); (2) influential groups that have an impact on decision-making processes like trade unions and international foundations and institutions; (3) beneficiaries of social protection; and (4) experts who possess specific knowledge on social security.

Representing the most important stakeholder, the government and ministries have the biggest scope for action. However, they are not only dependent on the oil price but are also heavily influenced by international organizations. About 16 percent of government spending is dedicated to social protection provisions, which is ten times more than in Jordan and eight times more than the respective figure in Turkey. Therefore, the financial situation of the government has a crucial impact on the actual functioning of social protection policies. Another key actor is the Council of Representatives of Iraq. Its approval is needed to pass legislation. However, its powers are restricted to supervision of the system and do not include the authority to participate in the process of planning social protection measures. Although the government aims to ease the social protection system's financial constraints, present decentralization attempts make it hard to work on social protection effectively. Disagreements between the government and the members of parliament further complicate decision-making processes.

Several frameworks have been elaborated to improve the social protection system in Iraq. Quite unusually, the International Monetary Fund plays a key role in the elaboration of these frameworks. Although a rise in the oil price might give the Iraqi government more scope to modify its agreements with the IMF, government policies are expected to adhere to the following frameworks: the United Nations Development Framework (2015–2019), the Humanitarian Response Plan and the National Development Plan (2013–2017; 2018–2022), the Private Sector Development Strategy and the new Social Insurance Law (not passed yet). In addition a poverty reduction strategy has been elaborated in connection with the Agenda 2030 (World Food Programme 2017).

One of the key principles of human rights that have been stated in the constitution is the State's commitment to provide care and social protection to members of the community through appropriate protective and preventive measures that aim at alleviating poverty. (Republic of Iraq Ministry of Planning (2013, 182)

The National Development Plan sets the goals that should be reached in terms of economic and social development for the duration of the plan. It addresses the four dimensions of social protection and explicitly mentions the importance of social protection and social justice (ibid.). The Private Sector Development Plan addresses the specific challenges for the private sector in Iraq. International Organizations are explicitly mentioned and expected to "coordinate their agendas for assisting Iraq's economic and social development, as well as to provide technical assistance and capacity development as appropriate and as needed" (Prime Minister's Advisory Commission 2014, 6). The goal of the draft of the new social insurance law is to cover private and public sector workers as an important step in closing a gap in the Iraqi social protection system. To address the social security issues, social services have been expanded as part of the Social Protection Reform, communication campaigns have been launched and a social protection commission has been introduced. In addition to the draft social insurance law a conditional cash transfer pilot has been launched. Cash assistance and urgent help for the areas liberated from ISIS by the Iraqi forces and displaced people are part of the programme. Furthermore, the main cash transfer programme (SPN) has been changed in collaboration with the World Bank to "improve" the targeting system in terms of effectiveness (World Bank 2017). In 2015, a new Proxy Means Testing system was introduced to establish regional poverty assessments as the main criteria for the provision of aid. Geographical targeting is used, and the importance of social workers is emphasized. To reduce the exclusion errors associated with proxy means testing, a social assistance database and a unified social security database are being developed. In addition the Social Protection Strategic Roadmap was put into operation for the period of 2015 to 2019. It is based on three main pillars in which social workers play a crucial role. Capacity building is meant to improve the effectiveness of the system by providing social workers with knowledge and by strengthening their motivation, skills and attitude (World Bank 2017, 2–3).

Trade unions have an interest in the application and completion of social protection floors and push for the implementation of the labour law. The Labour Law can serve as an example of the influence of international organizations, in this case of the International Labour Organization. The special feature of this law – unusual for the region – is that it addresses sexual harassment. It was passed quickly in times of social unrest and is based on the respective conventions of the ILO.

International organizations such as the International Monetary Fund and the World Bank are increasing their influence and left their imprint on the structure and content of the government budget. The European Union is heavily involved too, as it granted Iraq 86 million euros for the purpose of social stabilization. International organizations not only function as funding organizations but are also partly responsible for pushing through austerity measures, which have led to a weakening of social protection provisions. From 2016 to 2017 social assistance expenditure was reduced by over 12 percent, reaching the lowest figure since 2003. Since 2015 Iraq received 423 million euros in humanitarian aid from the EU with a funding of 38 million euros for 2019 (ECHO 2019). Through this impact on the public budget of Iraq the EU also influences the outlines of social security policies (European Commission 2015, 20) The EU aims to promote decentralization and good governance and therefore reaches out to create and strengthen stakeholder dialogues. Prior to the new National Development Plan for 2018–2022 there was an attempt to install a bottom up-approach by setting up discussions between different stakeholders in the form of a conference. This EU-funded project brought together the Ministry of Planning, the Local Area Development Programme and representatives of the private sector, civil society and international organizations. One major issue was the sketching out of the national development goals according to the Sustainable Development Goals (European Commission 2015, 20). Furthermore, the National Development Plan 2014–2017 contains a whole chapter on good governance and decentralization in order to enhance accountability and strengthen participation of citizens in decision-making processes (European Commission 2015, 20). The International Labour Organization is promoting stakeholder dialogues as well, especially on the development of the new social security law. Discussions were set up between the Ministry of Labour and Social Affairs, representatives of the public and private sector, trade unions and civil society. However, a permanent national coalition of NGOs for the implementation of R. 202 or a wider social protection policy does not yet exist.

The challenge of creating a stakeholder dialogue

The creation of a constructive stakeholder dialogue in Iraq is constrained by several obstacles. The main challenges for social protection in general are the impact of war, austerity measures, falling oil prices and the long-term impact of ISIS. Accordingly, one major challenge is the funding of investments in social security policies. International organizations play a crucial role and the funding of social security provisions is highly dependent on international aid, such as the 30 billion USD which were granted to Iraq during the Kuwait conference for reconstruction (European Civil Protection and Humanitarian Aid Operations 2018) However, a continuing increase in the oil price would also certainly help to reliably and sustainably finance social protection provisions.

Inadequate communication and the lack of feedback mechanisms between the different stakeholders impede attempts to implement an effective dialogue, which could strengthen and develop the current system. An issue that is causing tensions between different stakeholders is the proposed new social security law, which should cover all workers and merge pension and social security funds for all workers with the public national pension fund. Since the first pension and social security law was adopted in 1971 several modifications have been made towards a unified social security and pension law that would cover all workers. The new social security law could finalize the attempts. But discussions are hindered by a lack of clarity on the actual political state of the draft. Moreover, trade unions criticize that the law does not comply with the provisions of ILO conventions and recommendations (e.g. R. 102 and R. 202). In addition, there is a lack of trust in the government and a fear of losing control of the funds once social insurance schemes are merged into a governmental institution.

The outlines of social protection plans follow the recommendations of the IMF, although an improved funding structure could enable the government to modify these agreements. Furthermore, Iraq is prudently adopting a more secular style of government. Social justice is a new powerful term and the value of education and health care is increasingly emphasized.

Structural problems and inefficiencies complicate the instigation of a meaningful stakeholder dialogue. If government officials secure their positions through a system of corruption, patronage and clientelism, this leads not only to a lack of understanding of the concept of good and corruption-free governance but can also easily create deadlock in political processes. For Iraq, this issue is very real. According to the Corruption Perception Index of 2017, Iraq is ranked 169 of 180 countries with a very low score of 18 out of 100. Ministers are generally empowered to take independent decisions and ministries act mostly independently from each other. Cooperation between different ministries and with the international community therefore depends heavily on the relationships that each minister has with his or her national counterparts.

Another issue to be mentioned is Iraq's internal fragmentation and inequalities. Kurdistan plays a special role as trust between Erbil and Baghdad remains low. The eagerness for independence, disagreements on the distribution of oil income and the subsequent inability of the Kurdistan Regional Government (KRG) to pay salaries of public sector employees cause tensions, so that these issues compromise the efficiency and effectiveness of social protection policies of the government. KRG thus developed its own comprehensive Social Protection Strategic Framework. Moreover, it is recognized as a partner of the World Bank and incorporated into special agreements (Ministry of Planning, Kurdistan Region 2015). There is also an important difference between the southern and the western governorates. Most reconstruction investments targeted the western governorates, which suffered major destruction during ISIS/Daesh rule. However, as big as the territorial differences may be, Iraq is historically a very centralized state. The concepts of decentralization so far remain alien to the country.

Stakeholder dialogues in the form of discussions and conferences are mostly headed by international organizations such as the European Union, the International Labour Organization and the World Bank to mention just a few. However, these organizations focus on different political roles. The EU, for example, aims to promote decentralization and good governance. The World Bank sees itself as a "key strategic partner of the [central] government of Iraq" and the ILO offers workshops for the Iraqi government.

Prior to the new National Development Plan for 2018–2022 there was an attempt to install a bottom-up approach by setting up discussions between different stakeholders in the form of a conference. This EU-funded project brought together the Ministry of Planning, the Local Area Development Programme and representatives of the private sector, civil society and international organizations. One major issue was the outlining of the national development goals (European Commission 2015, 20). The influence of the EU can be thus seen in the National Development Plan 2014–2017 which contains a whole chapter on good governance and decentralization for better accountability and stronger participation of citizens in the decision making processes (European Commission 2015, 20). Other international organizations are also pursuing similar efforts to create a stakeholder dialogue.

Despite these attempts to set up discussions, there is a lack of profound knowledge in social policies and of well-experienced experts, which compromises a constructive and inclusive approach. There is a lack of expertise among governmental officials that cannot be bridged sustainably by international experts. Moreover, civil society organizations and institutions lack experience in effectively representing their interests so as to influence social policy. Thus, advisors with profound knowledge on the implementation of social protection policies are needed. The prevailing political instability and insecurity in Iraq and the lack of comprehension of key political and economic issues lead to incoherent dialogues between the different stakeholders. The quality of the dialogue also varies by region, social network, religion and ethnicity of the key players. Internal conflicts between leaders further complicate attempts to renew the current social protection system and add to the disagreements between different stakeholder groups. NGOs often have a poor reputation and their relationship to other stakeholders such as the government and trade unions is troubled. There is thus a substantial need for a clear consensual social protection strategy that involves all stakeholders.

National conclusions and a possible way forward

Social protection is considered an important national issue for Iraq: Constructive societal dialogues should be fostered, as should the involvement of community organizations, NGOs and civil society organizations. Unions and labour organizations need to play a role in the improvement of social conditions. Mechanisms of coordination between the different social protection schemes and the different stakeholders should be evolved and clear mechanisms of communication should be developed and implemented. However, a national dialogue on social protection is restrained by profound obstacles, which are mostly rooted in political cleavages. The political landscape is severely fragmented. Social protection in Iraq is also facing a number of additional challenges in respect of funding, the setting of tangible specific and common goals, and the implementation of the latter.

However difficult it is to talk about achievements in a fragile environment such as Iraq, developments should be mentioned that have been initiated and should be fostered in the future. First of all, the growing awareness of the importance of social protection on the local and national political levels should be used to strengthen stakeholder dialogues. Within the different policy frameworks that have been elaborated important issues have been identified, clarifying a possible way forward for the social protection system. Some important future goals have been identified within the different frameworks on social protection, such as the necessary adaptation of targeting mechanisms, so as to avoid widespread exclusion, the creation of a unified database and the role of social aid workers. Technical resources have been deployed, such as the social protection commission. They should be strengthened and better equipped. What is missing so far is a comprehensive vision of a social protection system that provides universal protection for the entire country and is carried by the consensual political will of the populaces that goes beyond the narrow residual welfare state concept that is genuinely promoted by the international financial institutions.

The most important prerequisite for improving the social protection system, creating constructive stakeholder dialogues and fostering direct awareness of the role and usefulness of social protection in national economic and social development is political stability. The fragility of the Iraqi state and the importance of this issue could be seen in the 2018 elections. After the elections the results were questioned, accusations of fraud and other violations were expressed and a storage building, which contained election ballots, was set on fire. These developments put Iraq at risk of even greater political stability and make it harder to insist on the importance of the reform of the social protection system. Thus, the first step would be to form a stable government, fight corruption and increase public trust in the government.

International organizations already play an important role in social protection policies, but an increased engagement could still improve the national dialogue on social protection. An enhanced involvement of international organizations could facilitate necessary improvements not only through funding but also through expertise and technical experience. When developing a national SP financing concept it is also important to decrease the dependency on international funding and create sustainable national funding mechanisms. The rise in the oil price represents a short-term chance to move towards this objective; however investments to enhance non-oil income sources remain crucial in the long run.

Moreover, the stakeholder dialogues that have been set up should be used as a basis to establish an Iraqi network to support social protection programmes and prepare a roadmap to empower civil society organizations and labour unions to monitor and support the social protection programmes in Iraq. The dialogue on the new labour law can be considered a precedent as it included trade unions, civil society organizations and government representatives. Taking into account the decentralization approaches already initiated, local governments need to be included in these dialogues.

The new proposed insurance law could constitute an important legal amendment to close some of the biggest gaps within the social security system of Iraq: the lacking coverage of private sector workers and the resulting distortions of the labour market. One lasting challenge will be to formalize the informal sector and to provide coverage for these workers.

Closing the gaps in social protection in Iraq after war and terrorism is a daunting task that has to be undertaken in a fragile political environment with weak institutions. Only if the central government, local government, civil society organizations, trade unions and all other stakeholders reach a common understanding and develop a common vision of a sustainable and adequate future social protection system for the country and international agencies put themselves at their service and provide assistance without peddling their own ideological preoccupations does this endeavour have a chance to succeed.

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27 See https://www.ilo.org/beirut/areasofwork/social-security/lang--en/index.htm

4.3.2 Morocco: The Challenge of Universal Social Protection

Boutaina Falsy

ACRONYMS

AMO	Assurance Maladie Obligatoire (Mandatory Health Insurance)
ANAM	Agence Nationale de l'Assurance Maladie (National Health Insurance Agency)
ANAPEC	Agence Nationale de la Promotion de l'Emploi et des Compétences (National Agency for the Promotion of Employment and Skills)
ANHI	Agence Nationale de lutte contre l'Habitat Insalubre (National Anti-Substandard Housing Agency)
CMR	Caisse Marocaine des Retraites (Moroccan Pension Fund)
CNOPS	Caisse Nationale des Organismes de la Prévoyance Sociale (National Fund for Social Security Agencies)
CNSS	Caisse Nationale de la Sécurité Sociale (National Social Security Fund)
EN	Entraide Nationale (National Mutual Aid Agency)
INDH	Initiative Nationale de Développement Humain (National Human Development Initiative)
HCP	Haut-Commissariat au Plan (Office of the High Commissioner for Planning)
MAGG	Ministre des Affaires Générales et de la Gouvernance (Ministry of General Affairs and Governance)
MEAS	Ministère de l'Emploi et des Affaires Sociales (Ministry of Employment and Social Affairs)
MEF	Ministère de l'Economie et des Finances (Ministry of Economy and Finance)
MENFPESRS	Ministère de l'Éducation nationale, de la Formation professionnelle, de l'Enseignement supérieur et de la Recherche scientifique (Ministry of National Education, Professional Training, Tertiary Education and Scientific Research)
MHAI	Ministère des Habous et des Affaires islamiques (Ministry of Habous and Islamic Affairs)
MI	Ministère de l'Intérieur (Ministry of the Interior)
MJL	Ministère de la Justice et des Libertés (Ministry of Justice and Freedoms)
MJS	Ministère de la Jeunesse et des Sports (Ministry of Youth and Sports)
MS	Ministère de la Santé (Ministry of Health)
MSFFDS	Ministère de la Solidarité, de la Femme de la Famille et du Développement social (Ministry of Solidarity, Women, Family and Social Development)
ONEE	Office National de l'Electricité et de l'Eau Potable (National Office of Electricity and Drinkable Water)
ONEP	Office National de l'Eau Potable (National Drinkable Water Office)
RAMED	Régime d'Assistance Médicale (Medical Assistance Scheme)
RCAR	Régime collectif d'allocation de retraite (Group Retirement Allowance Plan)
UNICEF	United Nations International Children's Emergency Fund
WB	World Bank
IMF	International Monetary Fund
CAS	Caisse d'Aide Sociale (Social Assistance Fund)
CIMR	Caisse Interprofessionnelle Marocaine de Retraites (Moroccan Inter-branch Pension Fund)
UNDP	United Nations Development Programme
PJD	Parti Justice et Développement (Justice and Development Party)
ILO	International Labour Organisation

Introduction

The construction of mechanisms and systems of solidarity and social inclusion in a given society is a result of the combination of societal factors and interactions between economic and political constraints and the cultural and religious values of the society. In Morocco, a large number of social welfare institutions originate from tribal customs and are based on Islamic precepts. Religion and the tribe establish the rules for collecting and redistributing the community's wealth and establish the relevant procedures. This reality remains manifest in the legislative supports set up after independence. The social benefit management institutions are certainly governed by financial and sustainability rules, but the opening of rights to benefits is closely linked to socio-professional status, employability, and laws largely inspired by the Islamic model (family law, inheritance law, etc.).

This contribution seeks to provide an updated and analytical overview of the current situation of the Moroccan social security system, and the interactions of the actors operating therein, and concludes by making realistic proposals.

The Moroccan social security system: decades of a futile search for integration

The origins of the modern Moroccan social security system date back to the protectorate era, which introduced, for the first time, a modern social security system based on social insurance for the sole benefit of French workers posted to Morocco. The protectorate's initial actions in the field of social security focused on establishing a system of compensation for industrial accidents and illnesses; this system represented a revolution in this field because it subjected the employer to no-fault personal liability. Thus, it freed employees who suffered an industrial accident or an occupational illness from having to prove negligence on the part of their employer. Under this scheme, employees who suffered accidents or illnesses only received a lump-sum compensation, while the employer had no obligation to take out insurance with an insurance company.

At the same time, family allowances were paid, for the first time, by the colonial state. The first organization in charge of this measure was the Office of Large Families (l'Office des familles nombreuses), created in 1928. Support for large families was further intensified in the early years of the Second World War with the adoption of a policy to stimulate the birth rate by providing family and maternity allowances through the Social Assistance Fund (CAS) created in April 1942. The allowances paid by the C.A.S. were not the same for all benefit claimants. Moroccan employees received less than the allowances paid to European workers, which is completely discriminatory.

It is undoubtedly for these reasons that the first social security initiatives organized by professional circles were established in the field of medical care exclusively in the form of mutual societies. This movement would later experience tremendous growth, especially in the public sector. In the private sector, similar initiatives were also developed, but rather tentatively due to the lack of a sufficiently developed private sector. The best-known specific case is the Moroccan Interprofessional Pension Fund (CIMR), created in 1949.

This evolution explains why social security coverage in Morocco has resulted in a highly heterogeneous social security system with insufficient and unequal coverage of social risks both in terms of benefits (the system does not provide all social benefits), and in terms of population (the schemes are based on employment status) There are schemes for private sector employees, civil servants and semi-public employees, while the self-employed do not yet have operational coverage; there is a scheme for a population category classified as vulnerable.

The current challenges faced by the system are enormous and generate a lot of debate and questions about its very future.

The Moroccan population is estimated at 35 million with 50 percent male and 50 percent female; young people comprise 30 people of the population and those over 60 years old 10 percent. The population is concentrated in urban areas (60.3 percent). 10 percent of the population are self-employed, 53 percent are economically inactive (unemployment) and 37 percent are illiterate. Social security coverage in Morocco has always been designed and conceived according to the income received and the level of social precariousness, but unfortunately all the indicators are not properly integrated to have a real impact on the population.

Indeed, social security coverage is closely linked to socio-professional status; civil servants, semi-public employees and employees in the private sector are the only ones to benefit from basic compulsory social benefits (health, pension and industrial accident insurance, family allowances). There are exceptions: contractual workers with the state do not benefit from the same pension scheme (capitalization scheme instead of pay-as-you-go scheme) and private-sector workers suffer from insufficient or sometimes even no contributions for many years, depriving them and their families of access to their social rights.

The number of self-employed workers in Morocco is estimated at nearly a third of the labour force (3.5 million); these workers and their dependants represent more than 10 million people. This category, despite its right to compulsory basic coverage, has always been directed by public authorities to acquire coverage with the private insurance sector; it was only in 2017 that a law was adopted to enable them to acquire health insurance and pensions coverage, but implementation is expected to take a few years (about five) because it is conditional on studies being carried out for each sector in order to calculate the relevant contributions and define the payment terms. Other so-called vulnerable populations, namely children, older people, persons with disabilities, the poor or unemployed, informal sector workers and domestic workers, fall under separate categories and are covered only by assistance mechanisms (rather than schemes) that grant either direct financial aid (e.g. cash transfer programmes for children in precarious situations) or limited and conditional access to medical coverage (e.g. the medical assistance scheme for the poor – RAMED – which covers people on very low incomes by treating them in the public health sector).

Migrants in Morocco, Moroccans residing abroad, and students are beginning to have partial access to health care with embryonic schemes (law on health care coverage for students) or access linked to immigrant status without being based on a sustainable legislative or regulatory framework.

SOME KEY FIGURES:

- Two thirds of the working population (60 percent) are not covered by a retirement pension scheme;
- Almost half (46 percent) of the working population does not have medical coverage;
- Almost all working people (except a minority of employees in the formal private sector) do not enjoy specific social insurance against industrial accidents and occupational illnesses;
- In the first quarter of 2018 the unemployment rate was 9.1 percent. The highest unemployment rates are found, in particular, among women (11.1 percent compared to 8 percent among men), young people aged 15 to 24 (23.1 percent compared to 6.8 percent among those aged 25 and over) and those with a degree (16.5 percent compared to 2.9 percent among those without a degree). The unemployment rate is 13.7 percent in urban areas and 3 percent in rural areas;
- The overall population in multidimensional poverty decreased from 7.5 million in 2004 to 2.8 million in 2014 (from 25 to 8.2 percent at the national level, from 9.1 to 2 percent in urban areas and from 44.6 to 17.7 percent in rural areas). (Cited from: HCP 2014)

Source: MAGG, UNICEF (2016): études réalisées par le MAGG avec la collboration de l'UNICEF: "Vision intégrée de la protection sociale au Maroc : mapping de la protection sociale au Maroc", Février 2016 ; "Vision pour une politique intégrée de protection sociale au Maroc ", Avril 2016.

With reference to the nine social benefits listed in ILO Convention 102, Morocco currently covers all branches, with a nuance relating to unemployment benefits.

In 2013, Morocco introduced a loss of employment allowance, but only for employees in the private sector who are already insured under the social security system, i.e. less than 10 percent of the labour force is entitled to claim such a right. Also, to benefit from the loss of employment allowance (IPE), one must accumulate 780 days of salary statements during the 36 months preceding the date of loss of employment, including 260 days during the 12 months preceding that date. In 2017, approximately 24,000 claims were received by the CNSS, only 12,000 claims were paid out and the remaining 50 percent rejected given the reality of the Moroccan labour market, which is predominantly characterized by discontinuity (only 23 percent of employees are declared throughout the year), this is considered a serious matter, particularly by the trade unions.

With regard to social security, for example, there is a trend towards a multiplicity of schemes and their compartmentalization (several funds are in charge of insurance management and basic medical assistance: AMO is managed by CNOPS for the public sector and by CNSS for the private sector, while ANAM provides technical supervision and regulation of AMO; RAMED is managed by the Ministry of Health, the Ministry of the Interior, the Ministry of Economy and Finance, and the National Health Insurance Agency (ANAM), which is responsible for registering cards and collecting financial contributions from the vulnerable and managing RAMED resources; and the regime for former resistance fighters and former members of the liberation army is managed by SAHAM Assurances.

Table 1: Summary of social security programmes by sector

PROGRAMMES	GOVERNANCE
SOCIAL INSURANCE: INCOME SUPPORT	
Family benefits	CMR/CNSS/RCAR/Government employer
Short-term benefits: sickness, maternity, maternity leave, death benefit for the family	CNSS
Short-term benefits: Loss of employment allowance	CNSS
Retirement pension	CMR/CNSS/RCAR/CIMR
Disability pension	CMR/CNSS/RCAR
Survivor's pension	CMR/CNSS/RCAR
Industrial accident and occupational illness schemes	Private insurance companies
SOCIAL ASSISTANCE: REDUCTION OF POVERTY AND VULNERABILITY, AND ACCESS TO BASIC SERVICES AND INFRASTRUCTURE	
Direct assistance to widows in precarious situations with dependent children	*MSFFDS/Ministry of Interior*
Family Mutual Aid Fund	*MJL*
Subsidy for butane gas and sugar	*MAGG*
Cities without Slums Programme	*Ministry of Housing and Urban Policy, Ministry of the Interior, Al Omrane, local authorities, other public urban development institutions*
PAGER (Programme d'Approvisionnement Groupé en Eau potable des populations Rurales)	*Local authorities, National Drinkable Water Office, INDH*
PERG (Programme d'Electrification Rurale Global)	*National Electricity Office*
National Rural Road Programme	*Ministry of Equipment and Transport*
Lump sum allowance and disability pension for veterans and former members of the liberation army	*CMR*
HEALTH: ACCESS TO BASIC HEALTHCARE	
Maternal and Child Health Programme – National Pregnancy and Childbirth Monitoring Programme (PSGA)	*MS*
National Immunization Programme	*MS*
National Nutrition Programme	*MS*
School Health Programme	*MS, MENFP*
University Health Programme	*MS, MENFP*

Source: Delegated Ministry to the Head of Government in charge of General Affairs and Governance MAGG

More generally, including direct aid and remittances, Morocco has an increasing number of social security initiatives and is committed to their implementation, illustrating a form of political will to provide social security to all citizens and to move towards a more systematic approach in designing and organizing the elements of social security. Nevertheless, there is still a very low level of integration in the development of these different policies and in their implementation (integration at the political level).

The mapping identified about 140 different initiatives, each focusing on a particular part of the population or a specific risk; this is achieved by mobilizing public funding as well as support from donors such as the IMF, African Development Bank, World Bank and more recently the Deauville Transition Fund.

The constraint of external debt, as well as a lack of convergence of public policies, makes these initiatives increasingly fragmented and their real impact on the ground is only temporary and weak.

What is the current Moroccan debate on social security?

Following the Arab revolutions of 2011, Morocco has been living in an unstable political context; indeed, the coexistence between political parties, trade union and societal political forces on the one hand and the state's governance apparatus (headed by the monarchy) has proved to be more than fragile. Various social protests broke out in different Moroccan cities (Al Houceima, Jerrada and Zagoura) to demand access to education, health, road links and equitable freedom of expression in all regions of Morocco. The different components of the entirety of Moroccan society are rediscovering themselves in a struggle for dignity and social justice. In this context, the debate on the social role of the state and social security policy is omnipresent, both at institutional levels and in public debate. But the deadlock in the national social dialogue mechanism and the loss of confidence in the state through its representatives (government, parliament, local authorities, local elected officials), are all factors that have made it impossible to complete the current social security mechanisms or to discuss the possible future of the system that would make it possible to meet the demands and expectations of Moroccans.

It should also be noted that the government's approach and the demands of the trade unions are fragmented and limited: both sides still focus on segments of the population or benefits that are isolated and treated separately, the integrated and systemic approach to universal and equitable social coverage has not yet been adopted as an objective either within or outside the framework of social dialogue.

Currently in Morocco, the main visible debate in terms of social security concerns the financing of social benefits and safety nets, especially the financing of pensions and health insurance as well as the targeting of direct social assistance. The Moroccan government tends towards a liberal policy largely coordinated with foreign donors, especially the IMF and World Bank, and it has committed itself in recent years to encouraging the private sector to manage education, health and certain social security benefits (industrial accidents, pension coverage for self-employed workers). This is a result of the state of the country's overall indebtedness. Public debt increased by 4.8 percent in 2016, to MAD 827 billion, thus standing at 82 percent of GDP, instead of 80.4 percent a year earlier. A strategic choice to finance infrastructure projects (extension of the motorway network, high-speed rail, construction of dams) as well as massive investment in renewable energy, especially wind and solar, further relegates social policies to the background as government priorities.

According to WHO data, Morocco devoted 2 percent of annual GDP to public health spending in 2011, which is less than in the rest of the MENA region (2.83 percent). Morocco devotes only 6 percent of its general state expenditure to health compared to 8.12 percent in the MENA region. Total health expenditure (public and private) as a percentage of GDP represented 6 percent for Morocco in 2011 compared to 7.5 percent for the region; Morocco achieved coverage of 54.6 percent of the total population by the end of 2016.

Also, a lot of the discussions between the state and trade unions concerning social security are devoted to the issue of financing; the extension of coverage to the entire Moroccan population and the quest for universal coverage should occupy most of the debate and be a priority, but it does not and is not. As a reminder, the Moroccan trade union landscape is currently fragmented: there are about twenty professional trade unions in Morocco. However, this trade union landscape is marked by an "exaggerated" pluralism. Among the ten million Moroccan workers, only 6 percent are union members (about 600,000). The main unions in this fragmented landscape are the Moroccan Labour Union (UMT), the General Union of Moroccan Workers (UGTM), the Democratic Labour Confederation (CDT), and the National Labour Union in Morocco (UNTM). The ideological affiliations and the history of creation of each of these bodies mean that they often hold divergent positions in their defence of workers' rights (economic, social, political, etc.); this is also the case in the struggle for the establishment of a universal social security system, where each body has its own orientation and there is no common front, which is regrettable. A recent example of this fragmentation is the unions' position on the government's proposal for social dialogue dating from March 2018: the CDT rejected the methodology of working through thematic commissions and is calling for a new vision and guarantees for the success of the dialogue, while the UGTM has no objection to this methodology.

It should be noted that even trade unions do not consider social security a sacred priority, it always comes after wage demands (wage increases), demands related to the labour code (domestic work, seasonal work, guaranteeing freedom of association), criminal law and tax reform. Moreover, in recent years (especially since 2013) placing social security on the agenda of the national social dialogue has been an initiative of the government and not of the trade unions.

In addition to the various actors listed in table 1 above, there are also regulatory bodies (ANAM, ACAPS), legislative bodies and national consultative institutions such as the EESC, and operational institutions (MRE foundation, court of auditors, etc.); in addition to the essential socio-economic actors: trade unions, employers' confederation and civil society.

Despite their importance, trade unions still fail to develop a vision for social security and to defend it strongly in negotiations with the government and employers' confederations; they themselves deal with the issue from a sector perspective and advocate isolated social benefits. For example, the most representative trade unions strongly opposed the government's proposal in 2012 to reform all pension systems in Morocco, creating a universal basic income system and integrating the private and public sectors as well as self-employed and liberal professions. One reason for the opposition was that the state as en employer had failed to meet its obligations towards public pension funds and should cover the existing deficit in public funds alone, another reason was that the retirement age should not be increased when unemployment affects a large proportion of the population.

After many clashes between the government and the unions, this reform was postponed, but a parametric reform of public sector pensions was nevertheless implemented unilaterally by the government (increasing age and contributions and changing the way the base is calculated). This example is very revealing of the power relationship between the government and the trade unions, which do not succeed in putting a social and integrated vision based on universality on the negotiating table in this area of social security.

Equally, civil society is practically in the same situation with much less visibility than trade unions. In Morocco, there are very few organizations specialized in social security or at least social rights, and the few that do exist advocate either for the right to health or for the care of vulnerable or disabled people. Some of them have taken an interest in social security by participating in the various iterations of the World Social Forum, after meetings with trade unionists and civil society in Latin American countries in particular (Brazil, Chile). The public debate on Social Security can be strengthened and get more visibility, if a civil society coalition can be created and advocate for the cause. Examples showed that mobilizing public opinion can leave a strong imprint in the design of public policies, such as women's rights and human rights in general.

Do we have a civil society, political parties, intellectuals and trade unions that advocate for social security?

Political parties and trade unions advocate social security in general in response to the finance laws proposed by the government in the autumn of each year, or in response to social movements like the "Arab Spring" in 2011 or the so called "RIF HIRAK" in 2016, another protest movement in the north of Morocco, but yet they weren't able to institutionalize a process of constant dialogue with public authorities. Coordination between parties and trade unions in the field of social security or other areas is almost non-existent, except sometimes to stand together against the government which is led by conservative Islamists (PJD), but again the comfortable majority enjoyed by the government generally allows it to pass laws that implement its government programme.

Still in the field of social security, there is no civil society group or coalition that frankly advocates for this right, and whose ideas are supported by recognized intellectuals with visibility in the Moroccan public debate. Certainly, international organizations such as UNICEF, UNDP and UN Women are beginning to support and finance associative initiatives but these have low influence and visibility within the general public.

Other actors such as the IMF, the World Bank or the ILO interact mainly with the government and national institutions that request their support in the area of social security coverage. Well knowing that the government reacts mainly to the monarch's speeches, like for example to the Speech of the Throne from 31 July 2018, which focused on the low impact of social initiatives despite their multiplicity and called for better targeting and efficiency in the establishment of a single social register. In another speech last year at the start of the parliamentary year, the king pointed out the inefficiency of the country's economic development model and called on political, economic and social actors and the government to think of a new model that could combine economic efficiency and social justice.

It should be noted that the "Social Protection Floor" is the tool that should constitute the background of all social policies for the twenty-first century, just as Bismarck's reforms made it possible to initiate social changes at the end of the nineteenth century, when social policies were on the rise as a result of industrialization.

This also implies that the major forces that dominate the paradigms of the economic mainstream with a form of neoliberalism and are merely seeking technocratic solutions based on the free market can break out of their typical frame of reference and finally even envision a common, inclusive future. This thinking can only work if the IMF, the OECD, the business world, conservative governments and their protagonists in the spectrum of political parties (right-wing, conservative or liberal) will be successfully directed towards another understanding on how the world and societies should be shaped in order to function for the well-being of all people.

The ILO, with its history of being stablished after a war that was regarded as imperialist and hugely harmful to the world, could play a pivotal role with its tripartite functioning (entrepreneurship, trade unions, governments) to bring about this change of thinking.

The Friedrich-Ebert-Stiftung, founded in the same spirit as the ILO in the post–World War I period, is quite willing to act as a socio-political communication agent and facilitator of platforms for a "cross-border" dialogue that is politically and socially effective. At the national level in Morocco, the theme of social security is inherently present in the portfolio of FES Morocco's projects, the foundation could therefore build a multidimensional social security project highlighting the interplay of the labour market, with the rights of young people and women, and the rights of migrants. Support could take the form of funding targeted research work as well as support for civil society and trade unions networking on social security issues, and this can be executed in tandem with the national actions of the Moroccan office.

The gradual integration of policies towards a universal social security system is a very difficult objective to achieve, but it is not impossible either; the question is how:

- Awareness of the importance of social security as an essential right and a human right, through the education of young people, the training of actors at all levels, as well as communicating this to the general public;
- Harmonization of public policies in the hands of a single institutional actor with the power to decide and design an integrated social security policy, and supervisory authority over the bodies managing social benefits;
- Design of economic income calculation mechanisms to democratize access to the law and the calculation of benefits, by first evaluating the current targeting policy;
- Guarantee spaces for social dialogue;
- Ensure the sustainability of social security systems by considering them as priorities, by pro-

moting the management of the funds in these systems, and by considering them as priorities also in the event of recourse to financing from the state budget;

- Establish regulation of the social security system, with real power of arbitration and sanction;
- Broadening the contributor base by gradually extending social security benefits to the entire working population;
- Implementation of social identification and the mandatory benefit path by guaranteeing inter-communication upstream between actors and competent institutions.

Conclusion

In Morocco, the question of social security is above all a societal choice, there can be no social mechanisms in the absence of a clear economic, social, cultural and democratic model of society. However, the country is currently in a phase of self-assessment on the viability of its economic and social model, as well as on the role of political actors, especially political parties and trade unions. Such a context is perhaps a great opportunity to engage in a national dialogue and to decide on a new ideological direction for designing public policies.

INDEX BOX 4.2: THE SPF AND MOROCCO

In contrast to El Salvador and Mongolia (see Index Boxes 4.3 and 4.4) , the first point to notice is that the underlying household survey that is used in PovcalNet stems from 2007. PovcalNet adjusts estimates in order to correspond to the respective reference years, in our case 2012 and 2013. These adjustments assume that everybody in the country was affected by economic growth in the same way. It is, however, possible that poorer parts of the population benefited less from growth than the rich, or vice versa. To understand who profited from positive economic developments and who was left behind, there is no alternative to new survey data. Consequently, the results presented here need to be interpreted with some caution and the question to what extent more recent data is made publicly available and included, for instance in PovcalNet, should be addressed.

Keeping these limitations in mind, the SPF Index values for Morocco in 2013 range between 2.4 and 2.8 percent of GDP depending on the minimum income criterion (table A3 in Annex). In global comparison, Morocco is ranked 76th (together with Armenia) and 65th out of 129 countries based on the two absolute international poverty lines, and 96th out of 150 countries when a relative criterion is used. Morocco would have to invest or reallocate substantial, yet not excessive resources to national SPF policies.

		2012								2013							
		Income gap			Health gap		**SPF Index**			Income gap			Health gap		**SPF Index**		
Countries	GDP per capita, PPP (constant 2011 int. $), 2013	$1.90 per day	$3.10 per day	50 per cent of survey median	Resource gap	Allocation gap	**$1.90 per day**	**$3.10 per day**	**50 per cent of survey median**	$1.90 per day	$3.10 per day	50 per cent of survey median	Resource gap	Allocation gap	**$1.90 per day**	**$3.10 per day**	**50 per cent of survey median**
Morocco	6,996	0.0	0.3	0.5	1.9	0.9	**1.9**	**2.3**	**2.4**	0.0	0.3	0.5	2.3	0.9	**2.4**	**2.6**	**2.8**
Tunisia	10,579	0.0	0.2	0.6	0.0	0.9	**0.9**	**1.0**	**1.4**	0.0	0.1	0.6	0.1	0.9	**0.9**	**1.0**	**1.5**

Source: Bierbaum et.al: Social Protection Floor Index, Update and Country Studies 2017, Berlin 2017, p. 24

Approximately 2.3 per cent of GDP would be required to close the existing health gap. The health gap stems from insufficient resources directed to public health expenditure. This apparently also results in shortcomings with regard to adequate care for pregnant women and inadequate allocation of resources within the health care delivery system in general, as the allocation gap indicates. In 2011, the most recent estimate available, more than one out of four pregnant women had to deliver their baby without the presence of trained personnel. What this indicator still masks are disparities at the regional level. Whereas more than 90 percent of babies were delivered by skilled personnel in urban areas, only 55 percent of births in rural areas were attended by a health care professional (Ministère de la Santé 2016). Additional health resources would hence have to be invested or reallocated in a way that is sensitive to these gender and regional inequalities. A similar issue arises with regard to income security. In Morocco, poverty rates across regions vary substantially and inequality remains a challenge (World Bank 2015). Addressing existing income gaps would therefore require a detailed understanding of who is currently not protected and why.

In comparison to 2012, the SPF Index values increased by approximately 0.4 percentage points, which was driven by a further decline of public health expenditure as a percentage of GDP. Public health expenditure as a share of total health expenditure decreased as well (from 35.5 to 33.0 percent), as did public health expenditure as a share of government expenditure (from 6.0 to 5.8 percent). This raises the question of national priorities in terms of health spending.

In terms of regional comparisons, the issue of limited data availability is pertinent in the whole region. Tunisia is the only other North African country for which sufficient data is available to calculate the SPF Index. What is noteworthy is that even though Tunisia's public health expenditure nearly reached the benchmark of 4.3 per cent of GDP in 2013, it did not provide adequate care for pregnant women and faces similar shortcomings in terms of births attended by skilled personnel.

These observations point towards a problem that Morocco and Tunisia reportedly share, namely fragmented, and according to the World Bank inefficient social protection systems (World Bank 2015, 2016a). There are currently more than 140 insurance or social assistance programmes in Morocco, in which approximately 50 stakeholders are involved (African Development Bank 2016). An even more serious concern is that social assistance schemes are limited in scope, suffer from fragmentation and do not reach the most vulnerable parts of the population. In 2012, for instance, nearly half of all food and fuel subsidies were directed towards the richest 25 percent of Moroccan households. Social insurance schemes, in turn, have low coverage rates and according to the World Bank, may encounter financial problems in the long run (World Bank 2015). A politically prioritized pursuance of the closure of the SPF gap would probably automatically lead to the identification of uncovered population subgroups, shortcomings of the current schemes as well as indications for the improvements in the coordination of the existing transfer systems.

In general, the 2.8 percent SPF gap (using the relative poverty line) is the equivalent of 8.6 percent of total government revenue. Considering the fluctuation in the level of government revenues during recent years, increasing the allocation to social protection by a similar amount should be manageable within the next few years. The size of these fluctuations since 2008 is almost of the same level as the presently discernible fiscal challenge. Thus, increases of the revenue-to-GDP ratio in order to achieve the fiscal space for the closure of the SPF gaps would not lead to unprecedented levels of revenues as measured in percent of GDP. Once again, a detailed exploration as to how the fiscal challenges can be met has to be undertaken in the context of a national fiscal space analysis.

Overall, the SPF Index values for Morocco have to be interpreted cautiously as the timeliness of data used for calculating the income gap is a serious problem. Protection gaps in the income and particularly the health dimension need to be closed. Using the concept of a national SPF to address these protection gaps might be a particularly useful framework in a country such as Morocco, where the social protection system is currently highly fragmented and inefficient.

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4.4 Asia

The economies in Asia can broadly be classified as follows: historically market economies such as South Korea and Thailand, Malaysia and Singapore, historically socially-oriented market economies such as Bangladesh, India and Sri Lanka, and historically centralized now decentralizing planned economies such China, Laos, Vietnam and the Central Asian Republics. The economic and political heritage determines the nature of the social protection systems in the Asian countries. Cichon and Cichon summarize the state of social protection in Asia as follows: *"The diverse political and economic history in Asia led to a wide range of social security strategies. In the historically market economies the approach has been a "classical" Bismarckian scheme design based on a social insurance scheme complemented by social assistance, in socially oriented market economies the social security provision has been based on mandatory individual savings in form of provident funds probably coupled with some residual social assistance, although some of the elements of these funds are also found in Malaysia and Singapore. In historically centrally planned economies, notably China, a distinctive approach was developed by delegating a high degree of responsibility to sub-national authorities to finance benefits by taxation and public enterprises (inter alia providing security through inefficient labour hoarding). The increasing decentralisation and liberalisation of economies required adaptations of social protection systems notably in socially oriented and planned economy countries which were largely undertaken during the last decade"*(Cichon and Cichon 2015).

Despite major progress towards universal protection in a number of countries like China, South Korea and Thailand, effective social protection coverage remains a major problem in many Asian countries. Cichon and Cichon conclude: *"The sometimes wide discrepancy between legal coverage and effective coverage (in case of the Philippines and Sri Lanka the difference is more than 50% of total employment) shows that the potential to increase national coverage through full enforcement of existing national social security legislation is substantial. When designing national strategies to achieve universal protection of all residents this fact should play a major role. However, there will remain a high proportion of the workforce, ranging from 20% in fairly developed economies (like Korea and Malaysia) to 80% of the workforce (in countries like Bangladesh and Myanmar) who will not easily be reached by classical social security schemes designed for the formal sector.*

"Due to prevailing overall low levels of social protection spending (except in some countries of Western and Central Asia that have inherited socialist social protection systems), i.e. an overall expenditure level of public social expenditure of 4.4% of GDP in Asia and the Pacific (2011) – which stands for exactly half of the global average – and the wide dispersion of total public expenditure between countries with the same level of per capita GDP in PPP there is reason to assume that there may be additional fiscal space for investments in social protection, which may have a relatively fast positive impact on Asia's level of poverty and inequality and a longer-term positive effect on the level of informality in developing Asia and hence on employability and economic growth in the long run" (Cichon and Cichon 2015).

Against this background we have selected two rather different cases to demonstrate the challenge of national societal dialogues seeking to contribute to the shaping of national social protection systems: Myanmar, whose social protection development is in its infancy, and Mongolia, which has a long social protection tradition but faces a number of challenges that force it to adapt its social protection system to new economic realities.

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4.4.1 Myanmar: High hopes, low priorities

Alexey Yusupov

Myanmar's political transition of recent years has been subject to intense attention and high hopes. Especially the formation of the civilian government after the landslide victory of Aung San Suu Kyi and her party in the first openly contested elections in 2015 seemed to mark a turn in the historic path of the Southeast Asian nation. After decades of military rule, civil wars, international isolation and socioeconomic underdevelopment the unequivocal sentiment in the country seemed to wish for rapid and radical economic reforms. The hyper-focus of past military governments on the security sector, the near-autonomous military economy and the system of discriminatory privileges for members of the armed forces has left very little fiscal and political room for economic modernization and social upgrading. Characterized by high levels of income poverty and underperformance on the Human Development Index, Myanmar also suffers entrenched and historic exclusion of different social and ethnic groups. Reaching a GNI per capita of 1,255 US$ in 2018 and thus ready for the first time to graduate from the group of the Least Developed Countries, the new democratic government, still kept in check by the military-authored constitution of 2008, struggles to deliver reforms in order to boost development and transform the relationship between the formerly oppressive state and its subjects towards the model of modern social protection and dignified and inclusive citizenship.

Caring for the nation – why social protection matters for Myanmar's transition

Some researchers of Myanmar's political transition argue that the junta's awareness of the deeper need for structural and political reform was at least partly triggered by the devastation of the worst recorded natural disaster in the history of the country, Cyclone Nargiz in 2008. The sheer scale of impact on the civilian population (about 140,000 dead, total damage estimated at 10 billion US$) and the subsequent inability of military administrators to plan, facilitate and coordinate relief efforts demonstrated the immense fragility or frankly absence of social protection systems in Myanmar.

Thus it is not surprising to see the turn towards social protection policies as part of the nation-building strategy of the military elites. The planned and top-down transition towards a modernized, civilian form of government included not only giving Burma a new constitution, a new name and new capital, but also a phase of interim half-civilian governance under the guidance of the pro-military Union Solidarity and Development Party (2011–2016). In 2014 the USDP formally adopted a National Social Protection Strategy Plan (NSPSP) and thus formalized the commitment of the state to provide substantial protection for the most vulnerable parts of the population. Although primarily driven by the quest to renew legitimacy, this can be seen as one of the most progressive evolutionary steps in Myanmar social policies of the recent years. After the NLD victory in 2015 the newly elected democratic government kept the NSPSP in place despite its natural political opposition to the USDP and the "ancien regime", which can be seen as confirmation of the genuine nature of this policy turn.

Legacies of an unprotected society

There is quite some research and historical literature on the formal macro-instruments of social protection in Myanmar, mostly aimed at assisting the poorest and most vulnerable parts of the population. Less has been written on traditional forms of preventing and protecting people from economic shocks, health problems, social conflicts and natural disasters. The biographies of the overwhelming majority of Myanmar communities, families and citizens are clearly marked by poverty cycles and extreme vulnerabilities, especially if one is to consider the extreme complexity of multiple civil and ethnic conflicts plaguing the country.

Obviously communities in Myanmar have always had mechanisms of traditional social protection. They still exist, relying on local ties and rural resources, especially when it comes to horizontal solidarity systems for young families and in cases of sickness and disability. Also there is vast array of faith-based institutions focusing on charitable work, eldercare and basic poverty alleviation all over the country. Last but not least there is a whole landscape of ethnic organizations, tending to the needs of constituencies that have been internally displaced or otherwise directly affected by armed conflict with the central government or a rival ethnic armed organization. During the nearly seven decades of civil war some ethnic armed organizations and their political counterparts have developed quasi-state-like social services (especially the Kachin Independence Organisation (KIO) and Karen National Union (KNU)) and provide medical and eldercare, basic education and disaster relief in areas which are not controlled by the central government or the Tatmadaw, the Myanmar armed forces.

But even in the core areas of the majority Bamar population of Myanmar, where ethnic conflicts have not unfolded in the same brutality as in the seven ethnic states (Rakhin, Chin, Kachin, Shan, Kayah, Karen, Mon), social assistance and social security have not been an element of any active social policy of central government, be it during civilian rule before the first coup in 1962 or thereafter. Poor and rural populations have not been in the focus of explicit state interventions, as the Myanmar state and military defined the political sphere of their actions in a very narrow and security-oriented way: deflecting foreign threats, preserving the territorial integrity of the country, and fighting insurgents and armed minorities. Another feature of opaque authoritarian politics was the creation of numerous stand-alone social security systems inside the hierarchies of specific ministries and state agencies, which still only encompass specific and small target groups and serve primarily as instruments to generate corporate loyalty and incentivize joining the governmental service. Despite its pro forma socialist heritage between 1962 and 1988 Myanmar only developed a very limited, underfunded social security system for the formally organized part of its economy. Operational since 1954, it encompasses around 2 percent of the population, includes both medical care and cash benefits, and covers some limited provisions on healthcare, maternity, funeral benefit and work-related disability for approximately 1,200,000 workers. The responsible governmental body – the Social Security Board – has only three hospitals in the country and a number of outpatient facilities, which dramatically constrains accessibility, even for eligible workers, making social security a rather abstract concept for the overwhelming majority of the workforce. In 2012 the semi-military government under the USDP updated the Social Security Law and recently the Social Security Board initiated an internal organizational reform to make this existing contributory system more widely known and used.

The NSPSP: A new system of coordinates

Besides the contributory system just described, social protection policies have started to emerge recently in Myanmar. A non-contributory programme addressing the needs of those who do not have the ability to contribute (i.e. informal workers, children, older people, disabled people) and aiming to reduce poverty and vulnerabilities through social assistance has been formalized through the aforementioned *National Social Protection Strategic Plan (NSPSP)*.

The feasibility of actually implementing any form of social protection in a country with such massive development challenges as Myanmar often provokes some scepticism, so that a Costed Social Protection Sector Plan (CSPSP) was drafted in February 2018 to provide specific and tangible funding models for piloting projects with technical support from UNICEF. It also outlines a reevaluation and further implementation plan of the social protection scheme in place for 2018–2023. The Social Protection Sub-Sector Coordination Group, a part of a broader donor coordination body DACU, instituted by the NLD government, has brought together different international organizations to comment on the CSPSP and centre their activities around it. FES has been part of consultations of the Sub-Sector Coordination Group, aiming at structuring involvement of civil society and parliamentarians into the process of policymaking in the field of social protection.

The NSPSP defines social protection as *"policies, legal instruments and programmes for individuals and households that prevent and alleviate economic and social vulnerabilities, promote access to essential services and infrastructure and economic opportunity, and facilitate the ability to better manage and cope with shocks that arise from humanitarian emergencies and/or sudden loss of income"* (NSPSP 2014).

The NSPSP has been praised for adopting **a lifecycle approach** to social protection based on universality and integration. Stated goals are contributing to human capital by facilitating access to essential social services, protecting people from risks and shocks, addressing economic and social vulnerabilities and food insecurity over the lifecycle, promoting economic opportunities and alleviating social exclusion. It addresses poverty and vulnerabilities through social transfers (cash or kind) and human resource–intensive services (case management).

The NSPSP outlines eight flagship programmes that represent the most immediate and transformative steps that would achieve social protection for all in Myanmar:

1. Maternal and child allowance
2. Universal child allowance
3. School feeding
4. Disability allowance
5. Programme on employment and vocational education
6. Social pension
7. Older people self-help groups
8. Integrated social protection services – social work case management

Out of these only three are currently being implemented by the government, and are still at the pilot stage with donor funding.

The mother and child allowance (MCCT)

Pilot programmes started in three states in mid-2017, providing 15,000 MMK/month to pregnant and lactating mothers with a child up to twenty-four months of age (1,000-day approach). The Ministry of Social Welfare, Relief and Resettlement (MSWRR) is the lead implementer, but as it does not yet have functioning offices at the township level, the General Administration Department (GAD) is responsible for the logistics of delivering the cash, with village heads and township wards responsible for registering the beneficiaries. The programme is set to expand to another five states by 2022, in addition to a reform of delivery platforms by employing mobile payments and banks. The flagship child allowance is planned to be implemented as an expansion of the MCCT over the course of the next five years.

Social pension

Rolled out in 2015, the monitoring, budgeting and accountability of this programme lies with the MSWRR, with the assistance of HelpAge International (HAI). As with the MCCT programme, delivery is currently handled through the GAD. Initially, the programme provided a cash benefit of 10,000 MMK to those over 90. The NSPSP originally aimed to expand the programme to cover all over 65, providing universal cash grants of 25,000 MMK/month by 2024. However, the CSPSP's (2018) target group only extends to 80-year-olds by 2022 with a benefit of MMK 15,000 per year.

Integrated Social Protection Services

This flagship was officially launched mid-2015, when the Department of Social Welfare implemented a Case Management System with support of UNICEF. Based at the township level, the programme started with child protection cases and now includes a social protection cash transfer programme. It is planned to expand to gender-based violence cases.

In addition to expansions of these three flagships, the 2018 CSPSP sets out to begin the implementation of the other flagships over the next five years (particularly the Older People Self-Help Groups). It also aims to expand the Social School Stipend programme, which is not one of the flagships, by expanding its budget from 592,095 million MMK to 2,593,977 million MMK by 2022–23. The introduction of a Kinship Care Allowance supporting the deinstitutionalization of children who have been forced to separate from their parents for socio-economic reasons has also been announced. Finally, the CSPSP places increased importance on linking disaster risk management to the individual flagships to reduce social and economic vulnerabilities to disasters and shocks.

Challenges and pitfalls

Divided responsibilities

Firstly, as can be deduced from the above outline, the implementation of social protection spans a variety of ministries and offices (Dutta 2015; Koehler 2017). Despite the Ministry of Labour/Social Security Board (MoL/SSB) being lead implementors for the Social Security Law, and the MSWRR being appointed lead coordinators among government and non-government stakeholders, there are no overarching institutional and financial arrangements in place. Further, as implied in its name, the Ministry of Social Welfare, Relief and Resettlement has a very broad range of responsibilities. The ongoing internal conflicts, especially in Rakhine, North Shan and Kachin state draw resources and energy away from the social welfare aspect.

Financing

This is linked to the issue of financing. For instance, although the government allocates 15,000 million MMK to the MSWRR for supporting social protection programmes, implementation costs, for instance for MCCT through GAD, are not channelled through separate budget lines dedicated to this programme, but by using existing resources of the Department of Social Welfare (DSW) and GAD. The CSPSP addresses this to some extent by planning to gradually shift responsibility for the implementation of the social pension from the GAD to the DSW.

Financing for social protection is supposed to be sourced from domestic resources (Chan 2017). Although sustained economic growth supported fiscal reform have led to a continued expansion of Myanmar's available fiscal space, there is still a very narrow tax base (Tessier 2015) and low tax compliance.

Although there has been progress with the social protection budget being increased from 0.9 percent of GDP (2015–16) to 2.5 percent of GDP (2017–18), it is still far too modest "given the country's enormous social cleavages juxtaposed with tremendous economic wealth" (Koehler 2017). The 2014 NSPSP aimed to commit 5 percent of GDP to social protection, yet the total expected annual expenditure for 2022–23 will only be 500 million US$ for covering the eligible population on the basis of the outline of the CSPSP 2018, equivalent to less than 1 percent of GDP that year.

Technical issues

Thirdly, there are several challenges related to the technical implementation of social protection. A key issue for delivery is the lack of presence of the responsible ministries at township level, as seen in the dependency on the GAD for the implementation of the MCCT and Social Pensions. In addition to a risk of funding leaking out at local level, the GAD is not elected, but part of the Ministry of Home Affairs, and deeply mistrusted by local populations (Lewis and Schjoedt 2015). With most payments being in cash and information-gathering still largely paper based, a technological upscaling for implementation and monitoring is also necessary. There is no shared information platform, making inter-ministerial coordination even more difficult (Dutta 2015, note 11; Bonnerjee 2017; Tessier 2015). This is also crucial for identification and registration of beneficiaries. There are for instance currently no certification mechanisms in place defining the eligibility criteria of disabled people. The CPSP states that preliminary registration and certification is planned in two townships in 2018–19. It also allocates funds and attention to an improved monitoring and evaluation system for the social protection schemes.

Lack of access

This links to a fourth key issue concerning lack of access. Due to shortage of basic infrastructure, especially in rural areas, many people still rely on community-based safety nets. Although the CSPSP does articulate a plan to include more clinics at township level into the coverage system under the Social Security Board, there seems to be little recognition of the need to invest substantially in infrastructure. Further, restrictions on freedom of movement and discrimination prevent many from accessing adequate health care, nutrition and education.

Limited coverage and weak enforcement

A fifth issue relates to the very limited coverage and weak enforcement of the social protection system. Although there is a plan for expanding services, the flagships under implementation only cover a few townships and regions and are still at the pilot stage. Currently only 6 percent of the population (3.2 million) are covered according to the 2018 CSPSP. Due to a labour market largely characterized by a high degree of informal employment, only one million out of a total workforce of thirty million workers have social insurance. Although there has been an overall decline in poverty in Myanmar (32.1 percent in 2004, 25.6 percent in 2009, 19.4 percent in 2015 according to the CSPSP 2018), there are still substantial regional and geographical disparities, with most of the development taking place in urban centres, while the 70 percent of the population living in urban areas suffer poverty and food insecurity.

Many of the issues mentioned above can partially be explained by a lack of human and financial resources (Tessier 2015). As mentioned in the financing section, there is fiscal space to dedicate more resources to staff capacity within the ministries and on implementation level to ensure sustainability, enforcement and coverage (Tessier 2015, Bonnerjee 2017, CSPSP 2018). Looking at the MCCT, Social Pension and Scholarship programmes, Koehler and Rabi (2017) conclude that fiscal expenditures for a universal rollout of these would decrease over time with respect to the share of the fiscal budget related to Myanmar's GDP, costing only 1 percent of GDP. This reinforces the case for a universal social protection system in Myanmar.

What can civil society do?

Nation-building: A turn towards the citizen

Despite the many challenges outlined above and relative economic underperformance under the NLD government, Myanmar's economy is growing and revenue increase is expected to continue over the medium term (Asian Development Outlook [ADB] 2017). The fiscal space will surely remain contested, especially between the weak civilian part of the government and the power domains of the military-led ruling establishment. In a political environment where territorial integrity, hard infrastructure, and robust governmental presence on the ground are all securitized as matters of national sovereignty, spending funds on social protection still requires a lot of advocacy and lobbying. The rank and file bureaucracy of the Ministry of Social Welfare, Relief and Resettlement may be well acquainted and familiar with the spirit and logic of social protection, but the same does not really apply to the wider governmental bureaucracy and the political elite. The relationship between the state and its citizens in Myanmar has not been one of transparency and accountability, but much more one of patronage and/or exclusion. The recent turn towards humanization and modernization of this relationship will require extensive confidence-building measures. Especially in conflict-ridden parts of the country the most vulnerable parts of the populations are often simultaneously the ones having zero or minimal experience with perceiving governmental services as non-threatening and non-discriminatory. Civil society organizations like Myanmar Buddhist Orphanage Association (MBOA), Myanmar Independent Living Initiative, Yaung Chi Thit (YCT), Ar Yone Oo – Social Development Association and many others working on poverty reduction, gender-sensitive disaster prevention, emergency assistance etc. have accumulated decades of experience in dealing directly with communities. Including them in the governmental turn towards active social protection policies would be crucial for trust-building on the grass-roots level and generating continued output legitimacy for the political transition of Myanmar.

Bridging the divide – social protection in the longest civil war in modern history

The internal, primarily ethnic conflicts in Myanmar started immediately after independence and are often described as the world's longest-running civil war. De facto it means that social services in contested areas like Mon, Karen, Chin, Kachin, Karenni and Kayah states are actually provided by organizations linked to ethnic armed groups (EAOs), as well as ethnic national civil society actors that are autonomous of EAOs. Today, this sometimes occurs fully parallel to governmental services such as schools and health care facilities. Primary social services provided by these organizations include education (often in the ethnic language, as opposed to the government-run schools which only teach in Burmese), health services including mobile clinics, volunteer organizations and church groups. Women's associations such as the Karen Women's Organization (KWO) and the Karenni National Women's Organization (KNWO) support women's and children's health through "baby kit" distribution and training for traditional birth attendants, nursery school support, emergency assistance; and care for elderly IDPs. The KWO also runs a project focusing on educating and achieving basic rights for children and youth with disabilities and their families. Youth organizations such as the Karen Youth Organization focus on adolescent reproductive health and HIV/AIDS awareness; basic relief, school construction and support for youth boarding houses in IDP communities; sports and physical education programmes; youth leadership skills development; and youth empowerment (including public speaking, and political and rights awareness) for youth in government-controlled areas. FES has been working with comparable organizations particularly in Karen state in order to help them articulate their experiences and demands in the official national peace process. The unfortunate reality is that the current peace process does not really focus on the question of how to bring these worlds of social services and social protection closer together. The official national peace process strives to address major design issues of the constitutional set-up of the country, whereas it is fully unclear how social protection mechanisms of the ethnic groups and the government could coexist in the many years until a comprehensive peace solution is agreed and becomes implementable.

Keep the life-cycle approach alive

Surely even the two pilots of the NSPSP (mother and child allowance, social pension) are still yet to generate enough reliable monitoring results to prove a success. Still it does not mean advocacy for other parts of the life-cycle approach should be put on the back-burner until then. In terms of advocacy and public awareness the trade unions of Myanmar have been heavily engaged in this issue. With 70,000 members and about 810 trade unions, the Confederation of Trade Unions of Myanmar (CTUM) is the biggest national trade union federation, alongside two smaller federations: the Myanmar Industries, Crafts and Services Trade Union Federation (MICS) and the Agriculture and Farmers Federation of Myanmar (AFFM-IUF). The CTUM provides training on social protection and workers' rights, and educates on how paying taxes can contribute to a social security system. The unions also engage with the Social Security Board and the Ministry of Social Welfare, Relief and Resettlement, lobbying for workers' rights and to extend the coverage of the Social Security Board. All three national unions (CTUM, MICS, AFFM-IUF) have been supportive of the reform of the occupational safety and health (OSH) regulations, giving input for a new OSH law, yet to be enacted, and training unionists on monitoring work safety and providing assistance in cases of work-related injuries. All the unions are supported by FES while engaging with an ILO-led Vision Zero Fund project to modernize the services on work-related injuries and further elements of the Social Security Board.

FES and stakeholder dialogues

The main contribution by FES towards a national stakeholder dialogue was twofold. Firstly, becoming part of the Social Protection Sub-Sector Coordination Group inside the governmental donor coordination mechanism DACU has allowed policy inputs by FES partners to be channelled into the ministerial deliberation process on the NSPSP.

As mentioned previously, there are clear deficits in coordination and delivery of the NSPSP as there is no overarching body responsible for implementation of social protection services rendered by non-governmental organizations, both ethnic-based and in the Bamar majority population. Partnership between the government ministries is still weak. The Social Protection Sub-Sector Coordination Group for the NSPSP meets on a quarterly basis, but without active participation of trade unions, civil/ethnic groups, local NGOs and employers, since its primary function is to coordinate donors, not stakeholders. The main engagement is between the government and international organizations such as UNICEF, UNDP, ILO, WB, HelpAge International and ADB, which provide funding, technical support and capacity-building. Further, implementation and knowledge sharing occurs through a top-down process, rather than making use of knowledge structures already in place and taking part in dialogue with locally engaged stakeholders.

So secondly, FES has been advocating for creation of a dialogue platform open for civil society organizations. The overall engagement of CSOs in policy reforms is still restricted due to political, legal and judicial systems in place, necessitating further political and legal reforms (EU 2018). Although there is growing recognition within the government of the need to consult with CSOs, which have long played a crucial role in service delivery (as is clear from the information provided above), so far no-one has attempted to convene actual platforms.

Although there are several umbrella organizations connecting CSOs and doing lobby work on their behalf, there is a need for CSOs to join forces and to a greater extent work together in formulating their policy suggestions and demands. Further, many CSOs are sceptical about increasing their engagement with the government. A lack of awareness of laws, regulations and international standards (for instance relating to labour rights), in addition to a lack of capacity, is another challenge hindering their engagement in the development of social security and social protection.

FES has been planning to support the creation of a civil society dialogue mechanism linked to a profile committee on social protection in the Houses of the Union Parliament of Myanmar (a profile committee is a parliamentary committee with a specific policy mandate for social protection). This has been initially communicated as a plan by the NLD, in order to structure respective policy developments. Unfortunately the preparatory work and the long waiting period have not paid off, and a committee with this profile has never been established. Furthermore regressive developments have also affected the broader field of social policies in general. Topics like labour rights, land rights and educational reform have all been significantly downgraded in urgency and importance. Top-level government initiatives have focussed on attracting investment, relative liberalization of selected sectors of the economy, the Rakhine crisis, and first and foremost the peace process. The seemingly weak interest in social protection issues is especially regrettable as this is a policy area mostly unaffected by the overarching division of power between the civilian and the military parts of the government. If the NLD were to advance the agenda of making social protection policies viable and well-known, it would not only tend to its rural electoral base ahead of the national elections in 2020, it would also, as argued before, make a decisive contribution towards a new form of peaceful, human-oriented nation-building which is so pressingly needed in Myanmar.

CONCLUSION – AND WHAT CAN BE DONE?

The turn towards social protection policies in Myanmar is a new, ambitious and good development. The NSPSP has powerful tools to protect human rights, contribute to the wellbeing of vulnerable citizens, break the poverty cycle and allow weak communities to develop. It has been a promising start under the USDP government and can still become an integral part of the political transition of Myanmar. It can be a contribution to a culture of redistributive policies, never practised before in this way. Enhanced social protection is also a way to prevent Myanmar returning to extensive child labour, which historically has been a huge problem in the country. Despite the relative disappointment over how little the civil society of Myanmar was engaged in these first phases of social protection policies in the transitional period and the lack of parliamentary engagement with INGOs and local CSOs, there is still room and definitely a need for continued action. Creating an alliance of grass-roots NGOs, trade unions, international humanitarian organizations working in contested areas and ethnic organizations would help to solidify the experiences on the ground and present the real experience of social protection to the decision-makers in central government. Furthermore it would ensure that the pilot projects of NSPSP could actually be scaled up and expanded into territories where governmental services have been limited or absent so far. Involving parliamentarians – from the NLD, the USDP and the ethnic parties – will contribute to anchoring the issue of social statehood and social protection in public debate, so that it can become a matter of electoral and public conversation in the run-up to the national elections in 2020. FES will continue exploring avenues and opportunities for such engagements, hoping to contribute to giving the transition a social, caring, ergo a human face.

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4.4.2 Mongolia: Protecting protection in times of economic distress

Oyungerel Chogdon and Niels Hegewisch

The current system of social protection and its shortcomings

Up until 1990, Mongolia was a satellite state of the Soviet Union and, in keeping with the Soviet model, the system of social protection was comprehensive and state organized. In the Mongolian People's Republic, healthcare, pensions, accident insurance and maternity benefits were all funded by the state. The most significant socio-political innovation after the democratic revolution was the introduction of a government unemployment insurance system funded by employee and employer contributions. Under socialism, there was officially no unemployment.

With the onset of democratization and the demise of the Soviet Union, Mongolia plunged into economic meltdown. The collapse of virtually the entire national economy resulted in massive social repercussions including high unemployment, low wages, a significant deterioration of public infrastructure and food shortages. "Shock therapy" exacerbated the situation. This policy, prescribed by international donors, stipulated that Mongolia make as radical a break with its socialist past as possible and rapidly introduce a capitalist market economy in keeping with the Washington Consensus model which was the prevailing approach at the time. The plan was to conduct structural reforms, specifically liberalization and privatization, to transform Mongolia into a capitalist market economy as quickly as possible. However, the hasty restructuring of the socialist state and its extensive welfare benefits hit vulnerable groups such as the elderly, disabled, orphans and the poorly educated particularly hard. Unemployment skyrocketed and many people, including nomadic cattle herders, were forced into the informal economy.

Today, however, the main problems are less about legal benefit entitlements and much more about insufficient benefit levels and a lack of government resources to fund them. Many of the key benefits from the socialist era, such as public healthcare, basic income security and family benefits have been retained. Under market economy conditions, however, there are simply fewer financial resources to pay for them. Thus Mongolia faces a widening gap between the social protection provided in theory and the practical implementation of the system. Among the population, the general consensus is that it is the responsibility of the state to protect its citizens from the major life risks. Politicians across the party spectrum endorse this, particularly during election campaigns. Yet a sustainable and fully funded system of social protection has so far failed to materialize in Mongolia.

Mongolia is currently in the process of transition from a country whose economy was largely based on nomadic agriculture to one that supplies raw materials to the global market. Its increasing dependency on the export of raw materials has resulted in boom and bust cycles. Phases of strong economic growth and large budget surpluses are followed by slumps and large budget deficits. Moreover, although Mongolia's domestic policy is democratic and constitutional, it is also characterized by the political players constantly prioritizing short-term tactical advantages over long-term development strategies. This combination of factors has resulted in delays in implementing the much-needed reforms of social protection systems and persistent problems with financing pensions, healthcare and the provision of basic income security by the state

The mixture of socialist legacy and capitalist reforms is evident in all four dimensions of the social protection floor.

(1) Healthcare: According to the Mongolian constitution, every citizen is entitled to protection of health and access to medical care.[28] The healthcare system is financed by income-based contributions paid by employers and employees, and by tax revenues. The unemployed, low-wage earners and cattle herders pay reduced contributions. The contributions for the most vulnerable population groups are paid by the state. In 2013, Mongolia's healthcare system covered about 98 percent of the country's inhabitants. A total of 58 percent of the population received state support for their contributions. However, these impressive figures are put into perspective when we look at how the system actually works in practice. Particularly in rural areas, the healthcare system is facing major funding problems. Here there is a shortage of well-trained doctors, medicine, diagnostic technology and transport infrastructure. But even in the national capital, Ulaanbaatar, the public hospitals lack modern diagnostic devices (for instance, CT scanners) and drugs for advanced therapies (such as chemotherapy). As a consequence of the low wages received by doctors, getting an appointment or having an operation scheduled often involves paying a bribe. Specific medication that is not available in Mongolia, such as morphine administered in palliative care, often has to be imported from abroad with the patient and their family footing the bill. Particularly with complex conditions, the patient's only option is to go to one of the better equipped private hospitals in the capital or to undergo costly treatment abroad. In these cases, whether or not an individual receives good healthcare is increasingly dependent on whether they can pay for it.

(2) Basic income security for children: Poverty has been a major problem in Mongolia for a very long time. Depending on the criteria and statistics used, between 30 and 40 percent of the Mongolian population lives in poverty and these figures have been stable for some years. One of the reasons for this problem is that the low wage level has resulted in the emergence of a working poor phenomenon. Unemployment, underemployment and precarious employment in the informal sector further exacerbate the risk of poverty. All of this also has a negative impact on family income. At the same time, the birth rate in Mongolia has always tended to be on the high side – and this is particularly true for low-income families. Children in Mongolia, therefore, frequently suffer from income insecurity. Government child allowance cannot really do much to change the situation because it is not dependent on a family's income. Moreover, at just 7 euros per month and child, the benefit is very low, even by Mongolian standards. Particularly large families (upwards of four children) are entitled to one-off payments of between 35 and 80 euros. But even this does not do much to guarantee any kind of sustainable income security.

(3) Support for the unemployed, underemployed and people living in poverty: To be entitled to the contribution-based unemployment insurance that was introduced after the transition to democracy, an individual must have made contributions for a period of eighteen months. The benefit level is based on previous earnings (80 percent in the first six months, followed by a successive reduction). As the duration of unemployment increases, the payments received gradually drop. The long-term unemployed are therefore no longer entitled to receive unemployment benefit. The generally low wage level also results in low levels of unemployment benefit in most cases. The underemployed receive no government assistance.

Protection against dismissal is not particularly strong in Mongolia. Employment law only stipulates a prohibition of discrimination based on age, sex etc. The proportion in informal or precarious employment is high (around 25 percent of the total employed population). This is linked to the large number of small and micro enterprises, which are often run by families and promote self-exploitation. Such companies rarely pay any social security contributions, which, in turn, results in an absence of benefits in the event of unemployment or in old age.

(4) Income security for the elderly and disabled: In terms of coverage, public and private sectors employees and the self-employed, including herders, are subject to different pension schemes. Every older person is entitled to receive a pension. The Mongolian old-age pension system comprises both a social insurance and social welfare pension schemes. The social welfare pension provides a minimum income security to those who have not qualified for a social insurance pension.[29] The plan is for Mongolia's pay-as-you-go pension system to be replaced with a funded scheme in future. Due to the disparity between the number of people paying contributions and the number receiving benefits, the current system is unsustainable. The basic pension provided through the social welfare system is very low (somewhere around 100 euros per month). Because of the low wage level and lack of pension contributions, many older citizens have to be content with this modest basic pension. Their social protection is also dwindling due to the fact that the care for the elderly traditionally provided by the family network is on the decline. Nowadays, it is even the case that, with their pensions, older people are frequently the only family members with a regular income. They also find themselves under pressure to use their pensions as collateral to take out loans for their children and grandchildren. This is a widespread phenomenon and has resulted in older people often living in extreme poverty with limited access to basic foodstuffs and medicine.

People with disabilities are not entitled to a basic pension. Instead, they receive a disability pension which is dependent on the degree of their impairment but is usually lower than the basic pension. In other words, the social protection of the disabled is particularly weak. This is also exacerbated by the absence of a state long-term care insurance scheme. Here too, the willingness of families to provide long-term care for their disabled relatives is on the decline. Although there is a statutory quota for the employment of people with severe disabilities (one person with a severe disability for every twenty-five employees) and the law even stipulates financial sanctions in the case of non-fulfilment, even public employers fail to adhere to the quota.

The policy positions of key stakeholders

Fundamentally, there is broad social consensus in Mongolia that a strong system of social protection is needed. This opinion is also shared by the main political parties, social partners and – as demonstrated by opinion polls – the vast majority of citizens. There is a lack of agreement about the feasibility, funding and recipients of this social protection. During this project, this was made particularly evident by the extraneous circumstances of a widespread economic crisis.

From 2014, falling commodity prices along with high levels of public debt destabilized the Mongolian state budget. Together with high unemployment, this resulted in tax revenues and social security contributions both declining at the same time. This combination of factors placed the existing systems of social protection under huge pressure.

Although there was no lack of political will (from the government and the Ministries of Labour and of Population Development and Social Protection) to maintain the level of healthcare, basic income security, pensions and unemployment benefit at the pre-crisis level, social assistance spending generated envy at a time when austerity measures were being implemented everywhere. This is one of the reasons behind the landslide victory of the opposition social democratic Mongolian People's Party (MPP) in the 2016 parliamentary elections. During their election campaign, not only did the MPP promise not to reduce social spending any further but they even went a step further by committing to increase it. However, the new government faced the same funding issues as its predecessor and was in crisis management mode as soon as it took power.

Mongolia's economic crisis worsened to such an extent that by spring 2017 the only way to avert the impending national bankruptcy was a multi-billion credit programme bankrolled by the International Monetary Fund (IMF) and other international donors. In return, Mongolia committed to far-reaching reforms. The IMF called on the government to restructure the country's system of social protection to make it more targeted and efficient. According to the IMF programme, the level of government spending on social assistance should remain at over 2 percent of GDP but the benefits should be paid out in a more targeted fashion to the most vulnerable. In light of this, the IMF programme stipulates, for instance, that only the poorest 40 percent of children should be entitled to child allowance, and that the resulting savings be used to finance programmes targeted at the poorest families (food vouchers, for instance). To date, however, the Mongolian government has only managed to reduce child allowance coverage to the poorest 80 percent of children and is currently even discussing a return to universal child allowance coverage. There has been minimal progress in implementing the more targeted benefit payments called for by the IMF.[30]

The economic crisis and IMF package put Mongolian trade unions in a very difficult position. On the one hand, they advocated universal social protection of all citizens provided by the state, on the other hand, they were also keenly aware of their political responsibility in light of the cataclysmic situation in the country. The principal demand of the Confederation of Mongolian Trade Unions (CMTU) was, therefore, that the IMF measures not be restricted to just cutting spending and benefits. The CMTU was strongly opposed to increasing the retirement age, which, given Mongolia's low life expectancy (women: 77 years, men: 67 years), would have dramatically shortened the length of retirement. On this occasion, the CMTU was unable to push its demands through. However, it was able to successfully oppose an income tax reform which introduced progressive bracket tariffs instead of a universal tax rate of 10 percent thus resulting in a higher tax burden for middle and higher income earners. CMTU argued that middle and high earners were taxed too heavily under the new tariffs. The government was forced to revoke the reform three months after its introduction. Although increasing commodity prices from summer 2017 meant that the economic situation in Mongolia improved again, the wages of civil servants in particular (especially teachers and doctors) remain a contentious issue between the trade unions and the government. Only after nationwide strikes did the government partially meet demands to drastically increase low wages. The IMF refrains from taking a position on this issue, simply referring to the general targets agreed with Mongolia on the development of the state budget.

Even though the tripartite dialogue is proving effective, the parties are taking a hard line in the negotiations. Employers' associations and the government as the country's biggest employer reject the enhancement of social protection by introducing long-term care insurance, for instance, because of the costs involved. The government in particular is not keen on making any additional demands on an already overstretched budget. However, the level of social protection already achieved is not up for debate.

The challenge of establishing a stakeholder dialogue

Thanks to the aforementioned broad social consensus in favour of social protection, there were no major obstacles to establishing a dialogue. This was already evident in the assessment-based national dialogue (ABND) conducted by the International Labour Organization in 2013–15. The assessment showed that Mongolia would only have to invest an additional 1.19 percent of its GDP by 2020 (applicable as of end of 2016) to achieve universal social protection. The focus of this additional investment should be on fulfilling existing benefit commitments in the fields of health, education and employment. In the pension system alone, major modifications are required to link provisions for old age to the cost of living and to protect citizens from old-age poverty.[31]

As a result of the dialogue, participants proposed implementing changes or making adjustments in the following areas: statutory health insurance with support benefits for vulnerable people and cattle herders; a universal, high-quality healthcare system; free education; protection of children from the consequences of poverty; enforcement of the rights of the child in rural areas; universal social protection for employees; government subsidies for the social protection of herders, the self-employed and those in informal employment; payment of full wages for mothers on maternity leave; training and education programmes for young unemployed and young herders. The future pension system would have to be based on three pillars: a universal basic pension covering the cost of living, statutory pension insurance with subsidies for herders, the self-employed and those in informal employment, and supplementary private pension provisions.[32]

Dialogue activities coordinated by FES were focused on areas of social protection that are largely unknown in Mongolia. It quickly became clear that the participating stakeholders were unfamiliar with the key laws and legal instruments and the ensuing legal obligations of the Mongolian government (the UN Convention on the Rights of Persons with Disabilities [CRPD], for instance). The most important objective of the stakeholder dialogue, therefore, was to disseminate information, for example about the ILO conventions that have been ratified by Mongolia. Through the dialogue project, an adequate information basis was created and work on concrete political projects focusing on social protection could have commenced. However, this was precisely the point at which the deepening economic crisis brought the dialogue to a standstill. The stakeholders were forced to devote their attention to the funding problems suddenly being faced by established systems of social protection. Instead of discussing the enhancement of social assistance, the dialogue focused on cutbacks in government funding, increasing insurance contributions and limiting social benefit recipients.

During the economic crisis, FES particularly focused on advising the trade unions and, after the change of government in 2016, also the parliamentary majority, as well as the Ministries of Labour and of Population Development and Social Protection on possible paths out of the crisis that were compatible with the objective of social protection for all. FES advised against a one-sided focus on benefit cuts and recommended instead that revenues be increased by levying higher taxes and contributions from the better off. But the structural problems of the Mongolian political system and political culture presented an obstacle here. Political actors tend to be too focused on short-term gains, while neglecting long-term strategic planning. The result is that election campaigns, such as in the run-up to the 2017 presidential election, often involve the electorate being promised social benefits in the form of immediate cash payments instead of a longer-term reform programme with the aim of a sustainable system of social protection. Instead of developing ideas like how to protect people from growing old-age poverty or how to improve the integration of people with disabilities (who currently have particularly poor access to social protection) into the labour market, lump-sum payments for large families or increases in child allowance are promised. These also benefit wealthier families and are a significant strain on the national budget.

The negative consequences of politicizing social protection for tactical reasons are clearly illustrated by the case of Mongolian herders who, even today, still lead traditional nomadic lives. Under socialism, these individuals were organized into cooperatives, while nowadays they form independently managed small and micro enterprises, which, to a great extent, practice subsistence farming. Very few nomads pay pension insurance contributions because they are either unable to afford it or they use their savings for other purposes. Since 2012, cattle herders and inhabitants who were unemployed between 1990 and 2000 can pay the arrears in pension contributions to ensure that they receive a pension in old age. However, the amount due is significantly lower than the contributions paid by employees with a standard employment contract during the same period. This means that individual groups profit at the expense of the remaining contributors. It is therefore hardly surprising that the contribution-based pension system in Mongolia is expected to face financial difficulties in the foreseeable future.

National conclusions and a possible way forward

Despite the difficult extraneous circumstances, thanks to the commitment of the FES this project has already been able to strengthen the coalitions of interests, which existed previously in the form of loose networks.

This was particularly successful in the field of social protection for people with disabilities. FES managed to bring the different associations, trade unions and the Ministries of Labour and of Population Development and Social Protection around the table. These stakeholders are now working together to ensure that regulations that are already in place, such as the quota for the employment of people with disabilities, for example, are actually implemented. It is paramount that the state as an important employer sets a good example here.

INDEX BOX 4.3: THE SPF INDEX AND MONGOLIA

Mongolia is a landlocked country in East Asia, surrounded by China and Russia. It has a population of approximately 3.0 million and is classified as a lower-middle-income country. In 2012 and 2013, its GDP per capita was $9,789 and $10,720 respectively (PPP, constant 2011 international $). The most recent available estimate from 2016 was $11,328. In both 2012 and 2013, GDP grew by approximately 12 percent. Since then, growth has slowed considerably, and was below 1 percent in 2016. As with El Salvador, data availability is very good. The estimates of the income gap are based on underlying household surveys from 2012 and 2014.

The SPF Index value for Mongolia was 2.1 percent of GDP in 2013, regardless of the chosen minimum income level. This ranks it 68th (with Congo (Rep.), Djibouti, Kazakhstan, Malaysia, and Uzbekistan) on the SPF Index calculated at $1.9 per day at 2011 PPP, and 56th (together with Kazakhstan, Malaysia and Namibia) on the SPF Index calculated at $3.1 per day at 2011 PPP. When a relative minimum income criterion is used, Mongolia would have to invest or reallocate at least 2.1 percent of its GDP in national SPF policies to close existing protection gaps

		2012								2013							
		Income gap			Health gap		**SPF Index**			Income gap			Health gap		**SPF Index**		
Countries	GDP per capita, PPP (constant 2011 int. $), 2013	$1.90 per day	$3.10 per day	50 per cent of survey median	Resource gap	Allocation gap	**$1.90 per day**	**$3.10 per day**	**50 per cent of survey median**	$1.90 per day	$3.10 per day	50 per cent of survey median	Resource gap	Allocation gap	**$1.90 per day**	**$3.10 per day**	**50 per cent of survey median**
Kazakhstan	22,973	0.0	0.0	0.1	1.7	0.0	**1.7**	**1.7**	**1.8**	0.0	0.0	0.1	2.1	0.0	**2.1**	**2.1**	**2.2**
Kyrgyz Republic	3,121	0.2	1.6	0.3	0.0	0.0	**0.2**	**1.6**	**0.3**	0.1	1.8	0.2	0.4	0.0	**0.5**	**2.2**	**0.6**
Mongolia	10,720	0.0	0.1	0.3	1.8	0.0	**1.8**	**1.9**	**2.2**	0.0	0.1	0.0	2.1	0.0	**2.1**	**2.1**	**2.1**
Tajikistan	2,441	1.5	10.0	1.5	2.2	0.2	**3.8**	**12.2**	**3.8**	1.4	9.0	1.4	2.2	0.3	**3.6**	**11.3**	**3.6**
Turkmenistan	13,236	0.0	0.4	0.3	2.8	0.0	**2.9**	**3.2**	**3.2**	0.0	0.3	0.3	2.9	0.0	**2.9**	**3.1**	**3.2**
Uzbekistan	5,067	1.1	5.3	1.1	1.0	0.0	**2.1**	**6.3**	**2.1**	0.9	4.5	0.9	1.2	0.0	**2.1**	**5.7**	**2.1**

Source: Bierbaum et.al: Social Protection Floor Index, Update and Country Studies 2017, Berlin 2017, p. 23

Future endeavours should pursue two objectives: (1) The social systems and legislation on social protection that already exist in Mongolia must be reinvigorated. Too frequently, entitlements to social benefits only exist on paper. There is a lack of clearly defined responsibilities and all too often there are also insufficient funds. Stakeholders should therefore be focusing on practical implementation before beginning to discuss new areas of social protection. (2) Linked to this is the sustainable funding of existing forms of social protection. It is, for example, conceivable that in the near future, Mongolia's pension funds will no longer be able to cover existing claims. Although the switch to a funded pension system has been agreed, there are still no concrete plans – particularly for those members of society who are not in a position to accumulate any or only insufficient capital during their working lives due to low earnings. Politically sensitive decisions, for instance, regarding the aforementioned preferential treatment of herders who only pay a fraction of the contributions but enjoy a full pension, also need to be tackled. Long-term strategic planning is the most important prerequisite for effective social protection for all of Mongolia's citizens.

Since summer 2017, the economic situation has been improving. This should have a positive impact. Despite the increasing revenue from commodity exports, we must not lose sight of the fact that every rescue and foreign assistance programme adds to Mongolia's mountain of debt. Combined with a political process focused on short-term tactical advantages, this rarely leads to sustainable results. The role of FES and other international organizations is to convince political decision-makers of the benefits of longer term planning and also to provide them with the necessary knowledge and skills to enable them to take this approach. FES is also well placed to share that knowledge with the Mongolian trade unions.

These resources would have to be directed towards public health expenditure, as a closer look at the two components of the SPF Index reveals. More precisely, the gap does not arise from shortcomings in the allocation of current resources, as virtually all births are attended by skilled personnel, but from an overall lack of public expenditure on health.

Even though the income gap is close to zero when our criteria are applied, the national poverty line is set at a higher level. In 2012, the poverty headcount index in Mongolia was reported at 27.4 per cent, which corresponds to a national poverty line of $5.75 per day at 2011 PPP. This amount is deemed necessary to satisfy basic needs in Mongolia (Peyron Bista, Amgalan, Sanjjav, and Tumurtulga 2015). When this minimum income criterion is applied, the income gap amounted to 1.5 and 1.2 percent of GDP in 2012 and 2013 respectively. As mentioned before, these figures provide an indication of the overall resources needed, but they cannot tell us who should get them and which programmes or schemes would be needed.

A comparison of the SPF Index values for 2012 and 2013 shows that the health gap increased over this period. The income gap, in turn, further decreased. In terms of regional comparisons, Table 3, displays results for Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. However, these countries differ considerably, in terms of population size as well as their levels of economic development.

Kazakhstan, Tajikistan, and Turkmenistan have similar health resource gaps to Mongolia. As in Mongolia, income gaps tend to be small in Kazakhstan, the Kyrgyz Republic and Turkmenistan. Overall, in a regional comparison Mongolia performs well. Yet there are, especially in comparison with other countries, gaps in access to essential health care. Notably, this observation matches reports on excessive out-of-pocket payments: In 2013, 44 percent of total health expenditure comprised out-of-pocket payments.

Mongolia is an example of a country for which a SPF was defined based on a national dialogue, and a costing exercise was implemented (Peyron Bista et al. 2015). This included identifying elements of a national SPF that are already in place and existing coverage gaps, assessing policy options to address those gaps and their costs, and endorsing these options at the national level. Particularly in the health and childcare domains, several programmes are already in place, for instance Social Health Insurance, or the Child Money Programme, yet need to be strengthened (Peyron Bista, Amgalan, & Nasan-Ulzii 2016). Guaranteeing income security for older people, in turn, would require new programmes, such as a three-pillar pension system.

According to this assessment, the costs of achieving a national SPF would be 0.9 per cent of GDP in 2015. The costs would rise to 1.7 percent of GDP by 2020, when full coverage is projected to be achieved, which corresponds remarkably well to the income gap that is calculated based on a national poverty line. Of these 1.7 percent of GDP, 0.6 percent would be directed towards children and people in working age respectively, and 0.5 percent to older people. By 2020, no additional costs would be projected in the health domain, yet the estimates do not include the costs of infrastructure, such as quality healthcare facilities and personnel (Peyron Bista et al. 2015). However, this is needed to guarantee de facto access to goods and services of adequate quality. These costs, in turn, are part of public health expenditure, which could explain the discrepancy between the estimates derived from the SPF Index and the costing exercise in the health domain.

In general, the 2.1 percent SPF gap (using the relative poverty line) is the equivalent of 7.6 percent of total government revenue. Increasing the allocation to social protection in that order of magnitude should be manageable within the next few years, especially if one takes the fluctuation in the level of government revenues during recent years into account. The size of these fluctuations since 2010 exceeds the level of the presently discernible fiscal challenge. A detailed exploration as to how the fiscal challenges can be met has to be undertaken in the context of a national fiscal space analysis.

To sum up, the implementation of a national SPF currently hinges on resources dedicated to health. In this respect, there are remarkable similarities across different countries in the region. A national SPF is on Mongolia's agenda, as the national dialogue and the costing exercise clearly show. How to exactly meet the resulting fiscal challenges should be the topic of further investigations.

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28 *Constitution of Mongolia, Art. 16, https://www.conscourt.gov.mn/?page_id=842&lang=en*

29 *Universal old-age pensions in Mongolia, https://www.social-protection.org/gimi/gess/RessourcePDF.action?id=53958*

30 *https://www.imf.org/en/Publications/CR/Issues/2018/07/05/Mongolia-Fourth-Review-under-the-Extended-Fund-Facility-Arrangement-and-Request-for-46044*

31 *https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_369999.pdf*

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4.5 Latin America

Formal social protection has a long tradition in Latin America. The need to enshrine the right to social protection in national laws and constitutions was first promoted by the reformer Simon Bolivar in his famous Angostura address of 1919 when he stated *"The most perfect system of government is that which results in the greatest possible measure of happiness and the maximum of social security [seguridad social] and political stability."* Laws on protection for specific vulnerable groups were instituted by a number of Latin American nations during the nineteenth century and early twentieth century. Income transfers for families were introduced, for example, in the Uruguay Family Allowances Scheme in 1914. However, the most important components of national social protection systems in Latin America were social insurance schemes. Barrientos and Hinojosa-Valencia trace their emergence as follows: *"Mesa-Lago distinguishes three groups of countries in the region. … In the first group, the pioneer countries, stratified social insurance funds developed in the 1920s. This group includes Chile, Uruguay, Argentina, Cuba, and Brazil. A second group of intermediate countries includes Colombia, Costa Rica, Mexico, Paraguay, Peru and Venezuela, in which social insurance developed after the 1940s. A third group of mainly Central American countries, the latecomers, developed social insurance institutions much later, in the 1950s and 1960s. The 'pioneer' countries from the Southern Cone managed to make significant advances towards a European-style social insurance. … The emphasis on social insurance and employment protection meant that social assistance was at best residual, both in terms of contingencies and groups covered. … By the end of the 1970s, in Chile, Brazil, Uruguay and Argentina the share of the labour force covered by social insurance schemes reached over 70 percent (Barrientos 2004a). For most other countries in the region, informality set hard limits to the development of social insurance funds. … Social protection in Latin America was 'truncated' at the margins of formal employment (Barrientos 2004a; Fiszbein 2005). … Emergency responses to the rise in poverty and vulnerability in the wake of the crisis proved inadequate. The residual social assistance institutions in place before the 1980s did not have the capacity to provide an effective response to the rapid rise in poverty."* (Barrientos / Hinojosa 2009)

Consequently since the late 1990s there has been a marked increase in social assistance schemes with a much wider scope and coverage. The perhaps most successful social transfer schemes, i.e. modern social assistance schemes, that set out to combat poverty and hunger were set up in Mexico (first called Progresa in 1997, then Opportunidades in 2002 and now Prospera) and Brazil (Bolsa Familia). They became models for many later social transfer schemes around the world. The success of these two schemes together with some basic pension provisions in Latin America (e.g. Costa Rica, Chile and Brazil) and parts of Africa (e.g. in Namibia and Mauritius) and Asia (e.g. in Nepal and later Thailand) gave rise to the development of the concept of social protection floors in the ILO.

On the other hand Latin America also saw the first major regression of the social protection concept in the 140-year history of formal social protection. As mentioned in chapter 2, in 1981 the Pinochet dictatorship in Chile with the support of the World Bank replaced the Pay-As-You-Go (PAYG) defined-benefit pension scheme with an individual savings scheme. The scheme found followers in a number of Latin American countries. "Reforms" were implemented inter alia in Peru (1993), Argentina and Colombia (1994), Uruguay (1996), Mexico and Bolivia (1997), El Salvador (1998) and the Dominican Republic (2003). Experience quickly showed that these schemes did not provide real social security, as they failed to provide reliable and adequate benefits, failed to achieve wide population coverage and in the end mostly benefited the financial sector. The "reforms" have in the meantime been reversed in Argentina, Ecuador, Nicaragua and Venezuela. (Ortiz et al. 2018). Chile had to introduce an additional social assistance pillar to its pension system to compensate for low pension levels and population coverage of the privatized pillar in 2008.

Some if not most of the "reforms" were only possible because there was virtually no inclusive and well-informed public debate and consultation on the possible consequences of the reforms. The general public was not informed about the potential risks of the new pension schemes, notably the capital market risk and the immense transition cost. As a consequence of the latter experience R. 202 inter alia demands wide consultations in form of "tripartite participation with representative organizations of employers and workers, as well as consultation with other relevant and representative organizations of persons concerned" when new social protection floors are introduced or completed. We selected two countries, one with a strong tradition of consultative governance and one with a less prominent role of civil society in governance, i.e. Costa Rica and El Salvador, to try to establish what role societal dialogue can play in shaping national social protection policies.

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4.5.1 Costa Rica: Completing and protecting the almost perfect

Sandra Cartín and Hajo Lanz

Costa Rica is widely recognized as an island of peace and stability as well as of relative prosperity and security not only among its Central American neighbours. Its tropical rainforests and enormous biodiversity are as famous as are its favourable subtropical climate and endless beaches on two oceans. The country abolished its army many decades ago and instead reallocated its military budget into education. This tiny country – only slightly bigger than Slovakia – considers itself, and rightly so, an eco-giant due to the fact that its electricity is produced almost entirely from renewable sources and it is trying hard to become the first country ever to achieve carbon neutrality (by 2021). No wonder the five million Ticos and Ticas – as Costa Ricans affectionately call themselves – regularly rank at the top of the World Happiness Charts and consider their middle-income country a well-qualified candidate to join the club of presently thirty-five global heavyweights, the Organization for Economic Co-operation and Development (OECD). Even though it will have to settle into last place with its comparatively modest US$ 12,000 GDP per capita, Costa Rica will be proudly representing Latin America alongside Mexico.

Costa Rica has also experienced a long history of social and labour protection that has allowed it to register many economic and social achievements and currently enjoys a significant level of well-being, with almost universal access to health services, pensions and primary education.

Past forward: A long tradition in social protection

Costa Rica has historically stood out for promoting a social development agenda since the mid-twentieth century, based on universal social policies and recognition of citizens' rights, with the state as guarantor and principal agent of the realization of these rights. Costa Rica can therefore look back on a very long tradition of developing and building a social protection system. The present system of social security began to take shape in the 1940s and since then has become one of the most developed social security systems in Latin America. The beginnings were marked by initiating substantive public policies in employment, education and basic services, along with the creation of important institutions for the development of the country, which sought to guarantee a basic set of rights and social benefits for all citizens, to facilitate processes of upward social mobility and equal opportunities.

Today, the country has ratified fifty-one international conventions of the International Labour Organization (ILO) and entertains a broad network of social programmes and services that – without being formally designated as such – constitute a Social Protection Floor (SPF) that assures and seeks to guarantee basic rights and needs throughout the life-course.

Costa Rica's social protection architecture is basically composed of three main pillars:

1. A solid social security system oriented mostly towards the economically active population, that includes economic benefits covering disability, old age and death *(Régimen de Invalidez, Vejez y Muerte,* IVM) as well as health, illness and maternity (*Seguro de Enfermedad y Maternidad,* SEM) and a minimum wage regime;
2. Public policies in essential services: education, health, water, housing, a national strategy for employment, protection of the environment and social services; and
3. Public compensatory policies that include measures and specific programs for vulnerable and poor segments of population, as part of a broad social protection floor of the country.

The compulsory social insurance was incorporated into the constitution in 1943 together with a Labour Law, and the Costa Rican Social Security Fund (*Caja Costarricense de Seguro Social,* CCSS) was established as a government institution responsible for social protection. The CCSS manages the general social security system as well as non-contributory pensions and health care and other social programs. Two contributory components do stand out: on the one hand health insurance, which ensures complete health protection for the entire population, and the insurance for invalidity, old age and death (introduced in 1947). In 1961, the universality of social security was granted constitutional status for the whole population.

The health system of Costa Rica and its services are available to all persons who are in the country – regardless of whether they are contributors or citizens of the state. The CCSS today commands twenty-nine hospitals and more than one thousand basic health care centres. The contributory coverage for health insurance in general is over 94 percent, representing 72 percent of the economically active population of the country as a whole.

The strategically important decision for universal social security benefits is complemented by targeted measures to support the poorest and most vulnerable sections of the population: in the early 1970s, the Joint Institute for Social Welfare (*Instituto Mixto de Ayuda Social,* IMAS) and the Social Development Fund and Family Allowance Fund (*Fondo de Desarrollo Social y Asignaciones Familiares,* FODESAF) for targeted poverty alleviation. As the main tool for combating poverty, FODESAF alone manages twenty-eight of the existing fifty separate programmes that constitute the Social Protection Floor in the country. The IMAS, for example, essentially finances its duties by compulsory contributions, which all employers in the country pay as part of salaries (0.5 percent). In addition, there is a wide range of services for children, whether for school meals or for transport or day care. Costa Rica set up a dense care network for children, people with disabilities and elderly people, of which almost 1,200 are children's centres financed totally or partially by the state, serving over 50,000 children throughout the country.

In the field of old-age pensions too, Costa Rica has an advanced and differentiated system, based on pillars ranging from a non-contributory social assistance pension for the impoverished elderly to a compulsory contribution based scheme and individual supplementary voluntary pensions. Covering more than 60 percent of people of retirement age, the country thus occupies a leading position in Latin American comparison.

The data registered in 2016 on human development indicators speaks for itself and are witness to a solid and extensive achievement record: life expectancy at birth is 79 years, the total fertility rate (births per woman) is around 1.8, infant mortality rate is 7.5 deaths per 1,000 live births, malnutrition of children under six years of age 3 percent, basic general education is compulsory and free, around 90 percent of the population has completed primary and 30 percent secondary education, the literacy rate is 95 percent.

But despite tremendous progress in virtually all areas of human development over the past fifty years, more than 20 percent of households remain poor. Even though they are covered by several social protection programmes, Costa Ricans living in single-parent households and those with a higher-than-average number of children and dependants (children under 14 years old or adults over 65 years and living in the same home) are more likely to remain poor. More than 77 percent of Costa Ricans who work in the informal sector are poor and have roughly three years less schooling than their peers who are not poor. The increasingly unequal distribution of incomes (Gini 0.52), rising unemployment (10 percent), especially among the youth (25 percent) and modest growth (3 percent), with simultaneous funding bottlenecks of the entire social security system, reflect existing as well as future challenges to the society and its political decision makers.

Although there are twenty-four occupational categories in the country with a legal minimum wage, not all employers consistently meet the minimum requirements. There is an abundant workforce "easily" available – also due to migrant workers from neighbouring countries – and in addition trade unions are only weakly represented in the private sector. ILO Convention 189 on domestic work was ratified in 2012, and only recently a health and pension agreement was approved for part-time domestic workers who work for different employers. In 2016, after endless debates and finally overcoming a presidential veto, one of the most important labour law reforms of the last four decades was approved by parliament. Despite the favourable policy framework, the country faces significant challenges. Employment opportunities for low-skilled people, women, youth and migrant workers are scarce. Despite recent improvements, inequality and poverty remain high, and wealth redistribution mechanisms have been weak and fail to achieve adequate impact. A large part of the labour force is lacking skills, and the combination of a skill mismatch with the relatively high proportion of informality in the labour market has impeded their transition to higher-quality jobs that are more productive and better paid. Wages do not necessarily meet the applicable legal minimum levels, either. In addition, social dialogue between employers and workers is fragmented and this constitutes an important obstacle to generally improving working conditions and sometimes even delays implementing many of the approved labour reforms.

The neoliberal legacy: Rising inequalities and shrinking protection

The social protection model of Costa Rica has been sustained over time, but has undergone substantial changes in the last decades: it has gradually converted from universal policies aimed at the entire population into target group–oriented policies combating poverty as a priority. Several factors have impacted this transformation of focus: Not only the neoliberal policies – introduced as the Washington Consensus and applied in the country since the 1990s – constrained social policies and caused the reduction or even disappearance of some of its programmes, as well as refocusing and opening up the health sector to market forces, but also increasing unemployment and the growth of the informal sector (43 percent in 2017), and therefore exposing a large part of the economically active population (EAP), making it more and more difficult to eradicate poverty and social inequality. Domestic private health insurance was not legalized until 2006. International private insurance companies were not allowed to operate in Costa Rica until a free trade agreement was signed with the United States in 2009. The changes in the health care model have over time proven to increase costs and consume more resources in general. The current health system follows a curative-hospitalized-specialized approach, which has been imposed on the former preventive-generalized approach. The preventive health approach focused and acted on the basic and general sanitary conditions: massive vaccination; campaigns on hygiene, health and nutrition; eradication of mosquito breeding sites that cause dengue, malaria, Zika, etc. At the same time, strategies were developed to favour fundamental conditions to prevent diseases. The focus was changed because health began to be seen as a very profitable commodity and business. This has led to an increase in (avoidable) diseases and premature and avoidable deaths, and has in the end made the cost of providing health services substantially more expensive.

Many major challenges remain unsolved today: the financial sustainability of the CCSS and the pension schemes is at high risk, since costs and expenditure are on the rise, while income and contributions from the formal labour force are stagnant; the management capabilities and institutional effectiveness of large parts of the social security system are eroding; there are unacceptable waiting lists for specialized care; medication is often not available.

Whenever and wherever scarcity of goods or services prevail, corrupt practices will emerge, and Costa Rica unfortunately does not seem to escape this general rule. Corruption has affected the social security system and has weakened in particular the health sector as well as the CCSS. Practices such as favouritism and clientilism are not the only dysfunctionalities observed by researchers as well as "clients": extra charges for services provided, working for private gain during working hours, subcontracting services to private third parties – instead of making use of and investing in equipment and services of the CCSS – and without previous study of cost versus benefits, preferring patented drugs to generic ones for the difference in commissions paid, to mention just a few examples. For many years, political or party orientation has been more important and helpful in order to qualify and enjoy benefits of social (welfare) programmes than criteria of need or urgency, but in recent years the lists of beneficiaries have been refined, i.e. it has become much more difficult for someone to benefit from a programmes without actually belonging to the intended beneficiary target group.

The fiscal crisis that the country has been facing for more than a decade and that has been exacerbated in recent years by the current government limits the resources available for social investment and improving social protection. Although poverty decreased by 1 percent in 2017, for the first time in years, the many programs designed to combat it still do not (or no longer) seem to really bear fruit.

There are so many programmes, fragmented and redundant, often with overlapping functions and in general rather low efficiency in the use of resources as well as their meagre effectiveness. But once established and running, powered with budgets and staff, these institutions and programmes likewise tend to generate enormous forces of self-preservation and perseverance.

The government did once formulated a national employment strategy, but for more than a decade no national employment policy has been formulated. Lack of policy orientation and increasing unemployment have contributed to the growth of the informal sector. In addition, the public labour inspection system is too weak, which is why precarious, unsafe, underpaid work often goes unnoticed, consequently depriving a large part of population of the rights they are entitled to. The mechanisms for the redistribution and spreading of wealth have been weakening over time, poverty and inequality remain high, to say the least.

The crisis faced by the CCSS since 2011, which is thoroughly analysed and documented in several studies, is indicative of some of the weaknesses and challenges to be overcome not only in the health sector: How to define, set and optimize the focus of any given social security component? How can the required quality of services as well as of the administrative management be ensured? How can the interests of power groups within the institutions be vetted and ideally be reciprocally balanced out in a positive way? What is the way out of competing and mutually incompatible public and private interests? How to implement and enforce procedures to limit – if not avoid – the state temporarily "borrowing" money from the Social Fund or private companies relieving themselves of their legal contributory obligations? How do you confront private economic interests that want to do away with the solidarity model of public social services?

Despite the multiple crises and inadequate levels of management in at least parts of the social security system, in combination with the country's socioeconomic and fiscally tense situation, Costa Rica's social protection model is still standing and continues to show positive results. But its architectural design originates in the last century and has not really evolved and been adapted to the manifold changes and economic as well as social developments. The mere fact that Costa Rica is still in a far better situation than most other countries in Latin America, truly cannot be satisfactory. On the contrary: the apparent risk of losing what has been built as a society over more than a decade should rather be sufficient incentive for all – decision makers, institutions, protagonists, citizens – to continue improving and strengthening their social security schemes.

Do it right: Stakeholders on social protection

It was found that the social actors, mostly trade union members, emphasize their interests and actions in those components of social security that have to do with decent work: salary, employment, labour rights, health, pensions, collective agreements, freedom of association, and the defence of universal and solidarity-based models. They show comparatively less interest in compensatory policies aimed at vulnerable or impoverished parts of society or the economy. They tend to critically position themselves against the rising number and importance of target group-oriented sector policies, as opposed to universal public policies, which to some extent is understood as contradictory by other groups in civil society. Only those few organizations that have people affiliated with the informal sector or people with disabilities do position themselves in target group-oriented social policy areas. The majority of trade union positions are centred on and coincide with the defence of fundamental labour rights as well as the protection of the labour sector they represent. Due to the different actors' respective characteristics, functions, needs and constraints, ways of working and level of interaction, their policy proposals as well as their ability to generate new means of implementation vary to a great extent.

TEXT BOX 1: MAIN POSITIONS OF CIVIL SOCIETY AND TRADE UNION STAKEHOLDERS REGARDING SOCIAL PROTECTION (a selection based on FES studies, workshops and forums)

SOCIAL SECURITY	SOCIAL POLICIES
1. Decent work: • Adjust Salaries according to real inflation. • Defend Fundamental Rights – freedom of association, equality, women's labor and social rights, abolition of child labor and forced labor. **2. Health as a human right and public good:** • Defend and strengthen the health model: universal, solidarity-based and tripartite, under the Social State of Law. • Improve quality of services, end public-private interests mix **3. Social dialogue** • Defend and negotiate Collective Labour Conventions **4. Pension reform** **5. Management / Sustainability of the CCSS (IVM-SEM)** • Implement democratic mechanisms within CCSS, • Improve administrative management, • Transparency and Financial sustainability • Reform of the Constitutive Law of the CCSS to restore the autonomy of the CCSS (No. 19135) (2014): e.g. Articles 6 and Art. 15	**1. End Corruption in the social security system** **2. Conclude progressive fiscal policy** **3. Education as a human right and public good** • Defend a quality public education system, free and mandatory • Retain young people in the education system **TARGET-GROUP ORIENTED POLICIES** **1. National employment policy** • Generate more quality jobs. • Improve and strengthen care network • Improve labour inspection in the private sector • Comply with minimum wages • Defend collective agreements and social dialogue • Design a tripartite strategy for the transition from informality to formality **2. Social security coverage** • Introduce insurance and special agreements for excluded sectors • Expand health services coverage

No good without dialogue: The Civil Society National Platform for Social Security

In 2015, FES Costa Rica as part of the global FES project on Social Protection Floors embarked on a three-year journey and work process that may be broken down into the following procedural steps:

1. Compile a study on the state of social protection in the country, with special emphasis on social security;
2. Generate a mapping of social actors interested, involved and active in social security matters that illustrates their positions;
3. Generate a mapping of existing state programmes and initiatives in social protection;
4. Establish a Civil Society National Platform for Social Security, composed of the above-mentioned protagonists, to meet regularly;

5. Provide information and training on the topic of Social Protection Floor;
6. Create a coordinating steering team for the National Platform;
7. Formulate the proposals of utmost importance for improving social security.

Once the study on the actual state of social protection in the country was available, FES Costa Rica called upon the various actors identified in the mapping of actors to participate in a workshop and to discuss the findings of the investigators. Thirty-three social and political actors had been identified, that had in the past five years followed up on the policy matter, formed a political position or formulated a specific proposal. Besides trade unions and other civil society groups, it was found to be of tremendous importance for the discussion process to equally invite stakeholder representatives from different public social security programmes as well as: political parties, a parliamentary as well as a governmental commission, three business chambers and finally key academics and social analysts. Since e.g. specialized government commissions, but also political parties and their respective members of parliament are part and parcel of the whole design and implementation process of social security networks, it was deemed enriching for the discussion to invite them to the initial round of discussion of the survey results. A follow-up to the initial workshop was dedicated to arguing the pros and cons of possible ways for civil society to initiate not only an agenda for change, but elements of urgently needed factual reforms, which culminated in the establishment of the Costa Rica Civil Society National Platform for Social Security. FES initiated and supported the formation and subsequent working process of the Platform. The actors that not only became members, but formed the National Platform were diverse and equally representative of the sector's intended beneficiaries: trade unions, independent as well as affiliated with the country's trade union centres; a trade union federation of informal sector workers; an association of domestic worker, mostly made up of women migrants; two agro-industrial cooperatives; a federation of people with disabilities; a national association of women; a group of women agricultural producers; a regional association of agricultural producers; and finally one political party: the governing Partido Acción Ciudadana.

In over a year and a series of meetings and workshops the National Platform reflected, scrutinized, enriched, broadened and finally prioritized, validated and appropriated for itself the analysis and depiction of the present situation of the social security system's performance and shortcomings. This evaluation across existing programmes and institutions would later on provide the basis for the elaboration of necessary steps to be taken, in order to improve – from a civil society point of view – on the level of effectiveness, efficiency, coverage, targeting and focusing of the social security system in Costa Rica. The clear intention of the National Platform's members from the very beginning was to enrich and intensify a national debate on the high value of defending a universal and solidarity-based model of the country's social security through public forums and workshops. Accessible, non-discriminatory, socially just and sustainable is the very way Costa Rica portrays itself as a nation, a society, including its public organs and institutions. But the fact that this perception of an ideal does not necessarily match its present architecture of social security (any more) constituted the biggest motivator for all parties concerned to keep a finger on the pulse and highlight in good time the need to intensify reforms.

During the whole process of exchanging views and information as well as discussing priorities and possible ways of action, the participants in the National Platform were constantly feeding back into their own institutions and organizations. Since the group wanted to avoid losing track of its main focuses among the sheer multitude of different subject matters and threads of discussion, a steering team was created to provide some level of coordination. It was considered time-saving and adequate to split up the Platform into specific working groups in order to deepen the level of discussion and concretize policy reform proposals. Nevertheless, only four of these working groups reached their goal of formulating properly focused proposals for their specific sub-sector or policy area, all aimed at protecting, improving and expanding the country's social protection matrix.

From analytics to action: Concrete proposals of the national platform for social protection

During the working process of formulating the proposals, each thematic group not only organized its separate working schedule and set up its meetings for the exchange of ideas and information, but also engaged in dialogue and even "negotiations" with relevant state institutions, in particular with the Ministry of Labour and the authorities of the Costa Rican

Social Security Fund (CCSS). The fact that the present government under President Solís had established roundtables for dialogue with civil society in order to generate an exchange of ideas and proposals facilitated and simplified the whole process.

The main proposals of the National Platform can be summarized as follows:

People with disabilities still face widespread disadvantage and discrimination in the country and find themselves in a constant fight for the achievement and realization of their rights as full citizens. It is especially women with disabilities that are victimized by social exclusion, be it in terms of access to justice, political participation or access to work and employment. Undertaking substantive equality measures is particularly important for people with disabilities because it recognizes that action may be required to have their different needs accommodated.

The Platform member Federation of Persons with Disabilities (FECODIS) took the lead in one of the working groups and moderated the process of elaborating proposals regarding social protection and especially employment to be incorporated in the negotiations with government. Besides their petition for the definition of a person with disabilities being finally framed and approved, the proposals take into account two major dimensions. An inclusive social security system should (1) offer families affected by disabilities information and training that is accessible, timely and comprehensive, while paying special attention to the situation of families in rural areas.

And on the basis of legislative, budgetary as well as educational measures it should (2) provide tailor-made, differentiated treatment as well as an array of services when it comes to healthcare, coverage, labour, the right to recreation and training, meaning e.g. taking into account the special situations and requirements of persons with disabilities.

The results of the working group on domestic work – spearheaded by the Association of Domestic Workers (ASTRADOMES) – were immediately integrated into ongoing negotiations with the Costa Rican Social Security Fund (CCSS). The Platform especially demanded health insurance as well as sickness and maternity leave for domestic workers who only work part-time and for different employers, and on a lower contributory base. These proposals were accepted and approved by the Board of Directors of the CCSS and therefore (already) became a reality.

More than 40 percent of the Costa Rican economically active population is "employed" in the informal sector, and this is where the greatest problems are found in terms of social protection and gender inequality. All these workers do – by definition – not have direct access to social security and are generally lacking support or representation by e.g. the trade unions. The existence and work of the National Platform served as the proverbial platform to bring together the National Federation of Street Vendors and the Coordinating Body of the five trade union confederations in order to deepen and enrich the tripartite dialogue with the government and the ILO. These discussions aimed at formulating a national strategy for the transition from informality to formality, which was successfully finalized in February 2018 in the presence of the Costa Rican President. Besides the provisions adopted on professional technical training, simplification of tax and regulatory procedures it was especially the chapter on social protection that would bear the stamp of the National Platforms initiative. Adequate measures will be now taken to increase the protection of their labour rights as well as the level of assurance of these priority vulnerable groups. One very specific result is that henceforth street vendors will be included in health, illness and maternity insurance, and their children may integrate in the existing care network.

The National Platform was very instrumental in accompanying and supporting the working group on health of the governing Citizen Action Party (PAC) to develop a proposal to improve and expand the country's social protection system, which also includes specific measures to tackle the economic and managerial crisis of the CCSS. The challenge remains of having these incorporated into the National Development Plan 2018–2021, just like all other proposals developed by the National Platform that have not yet been discussed with the relevant political decision makers, or in some instances not even translated into action.

The proposals formulated by the National Platform for Social Security were presented to the respective authorities of the new government and the implementation of many or most of the proposals is expected. It is necessary that the civil society – and the members of the National Platform for Social Security – continue monitoring and evaluating the performance of the social protection system. In combination with the potentially favourable political context offered by the new government, this can help to avoid existing social gains being weakened or eliminated. A strong national coalition of civil society forces working together could serve as a powerful instrument to remind the president of the fulfilment of one of his main objectives: "closing the gaps of the ones excluded and of social inequality".[33] It is therefore necessary to promote public policies aimed at expanding social protection, especially coverage in health, illness, maternity and pensions, to socially vulnerable and excluded parts of society. This has to be achieved by also dragging the many thousands of street vendors, taxi drivers, maids, and workers in micro and small businesses such as beauty salons, barbershops, bakeries, seamstresses, and finally the migrant workers out of the informal sector. An appropriate employment policy and measures to make the strategy of formalizing the informal sector a reality has to become an integral part of the social protection architecture.

The new government of President Carlos Alvarado of the Citizen Action Party (2018–2021) promises to meet many expectations to improve and expand social protection in the country. Alvarado has what it takes to achieve this, despite his young age: he has not only been Minister of Human Development and Social Inclusion and Minister of Labour and Social Security, but also Executive President of the Joint Institute of Social Welfare (IMAS), the institution mainly responsible for combating poverty and providing state assistance to the poor. In these capacities, he engineered important social protection initiatives such as the "bridge to development" and the "pact for an accessible and inclusive country".

Money is not everything, but – especially from a state's point of view – without money, everything is nothing. Only half of the national budget is covered by income, the rest has to be financed through borrowing. Furthermore, 95 percent of the budget expenses are legally bound and firmly earmarked, leaving almost no degree of freedom for innovative experiments or costly goodwill gestures. Resolving the fiscal crisis therefore is considered to be the foremost item on the immediate agenda for the political decision-makers. Nor will it harm to gradually move parts of the funding for healthcare or anti-poverty programs from social security contributions to the general tax fund. Or to introduce deductions for children to the income tax system, in order to differentiate and acknowledge the net tax burden of families with and without children.

Do not give up the dialogue: Good lessons to be learned

Costa Rica undoubtedly looks back at a very successful history of its social security system, with some of its components having been established some eighty years ago. While it still may be considered exemplary in many ways, some flaws regarding the organizational and especially the effective and efficient sustainability of some of its system components obviously do exist, considering the overall public perception and criticisms from relevant civil society groups.

Creating a National Civil Society Platform and furthermore initiating a national dialogue on social protection in Costa Rica was only one possible way to address the issues at hand. But in the case of Costa Rica it proved to be a very successful one, indeed, due to favourable conditions and circumstances. Firstly, dialogue and exchange of views is nothing new or strange to political and social life in Costa Rica. Especially since the progressive administration of President Solís came to power in 2014 – and undoubtedly the newly elected President Alvarado will maintain if not deepen this momentum – government has shown and practised a remarkably honest and intense pattern of consultations with civil society groups, be they trade unions, women or youth groups, informal sector workers, labour migrants etc. But besides the existence of political will, in combination with a rather long term perspective and strong institutions, the country's dedication and active involvement in global contexts of development, cooperation and agenda setting were already paving the way in the right direction.

The last government already embarked on a very determined journey redesigning public policies and priorities in order to comply with the Sustainable Development Goals, a roadmap which is accompanied, supported as well as critically evaluated by civil society. And it is in this very context that civil actors have formulated parts of their demands and expectations on the basis of the SDGs on poverty reduction, health and well-being, decent work as well as reducing inequalities. ILO Recommendation No. 202 on establishing social protection floors had been made use of to a much lesser degree in the Costa Rican context, probably mainly due to the fact that social actors are convinced that their country already does provide a high-level SPF compared to many others.

Despite the long social protection tradition and existing standards in Costa Rica, the contributions of the National Platform in terms of carving out the necessity of maintaining and even improving the scopes of the social protection system are to be considered eye-opening. However, any measures to improve or sustain the system are subject to financing constraints. In light of the fiscal crisis faced by the Costa Rican state, any debate on social security inevitably touches on a package of unavoidable fiscal reforms that are controversially discussed at present. Merely raising taxes, and this has clearly been worked out in the recommendations of the National Platform, will not do the trick. An economy that allows itself "the luxury" of depending on 40 percent of its labour force being active in the informal sector has to design and implement an adequate, some call it "urgent" national employment policy, just to repeat one example of the recommendations. The contributory system and its benefits have to be redesigned in a way that will create more reasons to integrate into the system rather than avoiding it. At the same time, the panorama of existing and sometimes overlapping programmes have to be reviewed These measures can only be taken by the political decision-makers in Costa Rica itself.

But international organizations such as the World Bank, the International Monetary Fund or the International Labour Office could well support these national efforts by creating the necessary fiscal space, enhancing policy formulation capabilities and bringing in the expertise for closing the gaps and identifying more effective and efficient ways of providing social protection to a maximum of people in need. Non-state actors and civil society organizations such as FES or global trade unions should continue strengthening lobbying capacities of local civil actor groups and keep providing national, regional as well as global platforms to exchange experiences and bundle existing fragments of pressure for change.

33 *Carlos Alvarado Quesada after the elections in April 2018, quoted and translated from: hhttps://www.bbc.com/mundo/noticias-america-latina-43609207 (2.4.2018)*

4.5.2 El Salvador: Small steps in the right direction

By Marcela Escobar

Before talking about social protection in El Salvador, it is important to understand the economic and employment structure of the country, in which self-employment and micro-businesses play a major role in the economic dynamics (DIGESTYC 2016). In addition:

- 95 out of every 100 commercial establishments employ four or fewer people;
- 49 out of every 100 people working in an urban environment are in the informal sector;
- 70 out of every 100 working people do not make contributions to the Salvadoran Social Security Institute (ISSS);
- 78 out of every 100 contributors to the ISSS earn less than $583 a month (2016);
- 76 out of every 100 economically active people do not contribute to an old-age pension scheme;
- 62 out of every 100 people contributing to an old age pension scheme do not fulfil the requirements to receive a pension (because of low contribution density). Only 47 out of every 100 women of working age are economically active (53 are not).
- 69 out of every 100 women in the economically inactive population are considered inactive because they dedicate themselves to "domestic labour" (not considered to be work according to national accounts);
- 43 out of every 100 people receiving a temporary or permanent salary have actually signed a work contract. Of these, 41 signed a fixed term contract and only two an indefinite duration contract.

These numbers show that El Salvador and its governing bodies are faced with the dilemma of how to guarantee a social protection floor for all.

The current state of social protection

There are two social protection systems in El Salvador: a contributory system for about one quarter of the population covering social security (a preventive and palliative health scheme) and old age pensions; and a non-contributory system with diverse programmes in existence for four years that, because of its short implementation period and low budget, does not cover the needs of the other three quarters of the population remaining outside the contributory system.

Non-contributory social protection

After the 2014 presidential elections the Social Protection and Development Law (SPDL) was passed to institutionalize a universal social protection system and ensure its permanent existence by giving it a legal basis.

For El Salvador, the SPDL was a clear step forward in the institutionalization of social programmes and a significant advance in the construction of a genuine social protection system. However, when it was first presented to the Legislative Assembly for approval it was not supported by the right-wing Nationalist Republican Alliance (ARENA), which declared that the law aimed at binding the social policies of future governments (Miranda Baires 2014). Nevertheless, in a later more favourable electoral situation that gave a second presidential period to the Farabundo Martí National Liberation Front (FMLN), accompanied by a change of opinion on the right in support of social programmes, the SPDL was passed unanimously with 72 votes (all the deputies present).

According to Art. 3 of the SPDL, the aims of the law are as follows: to guarantee the population access to economic, social, cultural and environmental rights; to establish strategic lines for development and for social protection and inclusion; to contribute to a better distribution of national income and to a sustained reduction in inequality and poverty; to progressively reduce gender inequality and advance towards substantive equality between women and men; in brief, to guarantee the population broad, secure and sufficient social protection in terms of rights, especially to those people in a more vulnerable situation, suffering from greater poverty, exclusion and social inequality.

Table 1: Main goals, programmes and strategic commitments of the universal social protection system, USPS

Goals	USPS strategic programmes (Art. 30 of SPDL)
1. Reduce the poverty and vulnerability of the Salvadoran population	• Urban and Rural Solidarity Communities (CSU and CSR), now Sustainable Families
2. Increase incomes, decent employment and social security in El Salvador	• National Strategy for the Eradication of Extreme Poverty (being created)
3. Develop the human potential of the Salvadoran population	• Provision of Uniforms, Shoes and School Supplies
4. Provide a healthy life and wellbeing for everyone	• School Feeding and Health
5. Provide safe and healthy housing and environment	• A Glass of Milk
STRATEGIC PROGRAMMES	• Temporary Income Support Programme
• Youth Employment and Employability Programme ("Jóvenes con Todo")	• Ciudad Mujer (services for women)
• Future Childhood and Youth Programme (One Laptop per Child)	• Nuestros Mayores Derechos (our basic rights)
• More and Better Health Programme	• Universal Basic Pension
• National Care System	• Family Agriculture Programme
	• Agricultural Packages
	• Universal access and coverage for free, public, comprehensive healthcare
	• Housing access and improvement
	• Basic social infrastructure
	• Comprehensive early childhood care

Source: STPP (2015). National Development, Social Protection and Inclusion Plan 2014–2019

In the area of non-contributory social protection, some social programmes are being modified in reaction to impact and outcome evaluations carried out at the end of the last presidential period. Such is the case with the programme "Jóvenes con todo" (everything young people need), responding to the lessons learnt from the Temporary Income Support Programme (PATI), which ended in 2015, and from the poverty eradication strategy. The latter, based on the advances made by the solidarity communities, includes, in addition to money transfers, help for children to attend school and to receive opportune preventive medical attention, production and financial inclusion, as well as life training, so that families can approach their problems comprehensively and produce sustainable results over time (STPP,2017).

Table 2: Beneficiaries of non-contributory social programmes

Programme	2008	2010	2012	2014	2016	Change %
CSR vouchers	83.6	98.3	83.1	75.0	60.7	↓ 27.4%
CSR and CSU pension		8.0	25.5	32.2	31.2	↑ 290%
CSU vouchers			2.7	5.8	6.3	↑ 133%
Uniforms		1,377.1	1,281.8	1,228.5	1,239.1	↓ 10%
School feeding	877.0	1,316.8	1,339.7	1,320.8	1,210.5	↑ 38%
Glass of milk			499.8	821.0	944.5	↑ 89%
Agricultural packages	436.9	538.0	474.9	570.0	570.0	↑ 30.3%
Ciudad Mujer			62.9	323.1	338.3	↑ 437.8%
PATI		3.6	27.9	8.4	0.417	↓ 88.4 %

Source: Presidential Technical and Planning Secretariat 2017

Table 2 demonstrates the government's commitment to extending access to the universal pension (non-contributory) and Ciudad Mujer (women's programmes), as well as its support for urban communities in areas of high crime rates, especially murder. However, despite the increase in coverage, there is still a long way to go to reach all those who should be helped; take, for example, the CSR and CSU programmes, which in 2015 only covered 9.1 percent of households living in urban poverty (FISDL 2016) and the basic universal pension, which up to 2016 only benefited 4 percent of eligible adults over 70 (HelpAge International 2017).

Ciudad Mujer merits a special mention here.[34] This is the programme that offers one-stop free, integrated services for sexual and reproductive health, gender violence and economic empowerment. Additionally, Ciudad Mujer Centres (CMCs) provide childcare for children up to twelve years old while their mothers make use of the services offered. According to an Inter-American Development Bank evaluation (2016) of the programme between eight and fifteen months after its initiation, the short-term results are positive. For example, in the last twelve months, the women who attended the CMCs used 10 percent more of the public services specializing in sexual and reproductive health,[35] economic empowerment and gender violence in comparison with women who did not go directly to CMCs.

There is no doubt that there has been significant progress since the implementation of the health reform and programmes related to the USPS. Nevertheless, El Salvador continues to have serious gaps in coverage and quality (CEPAL 2014) in comparison with other countries in Latin America, especially Costa Rica and Panama, above all because of the pressing financial situation in the public sphere that limits or reduces the social investment budget.

All countries in Central America, except the two mentioned above, present serious gaps in pensions, private health spending and child labour, revealing part of the reasons for the pressure to emigrate which also explains why the remittances from abroad represent a larger percentage of the Gross Domestic Product (GDP),

Contributory social protection: pensions

In 1996 the pension system was privatized and handed over to Pension Fund Administrators (AFPs), inaugurating the "individual capitalization system" (ICS), which was fully functioning from 1998 until a reform in 2017 focused on solving the tax problem rather than pension coverage.[36]

Currently, pensions debt represents about 60 percent of the annual tax deficit in El Salvador. The 2017 pension reform involved an increase in the contribution rate from 13 to 15 percent, with one percentage point coming from employers and one from workers. Additionally, it included the financing of a joint escrow account to fund non-contributory pensions, of which 5 percent would come from individuals and 15 percent from the state. Finally, although it established a scaled reduction in the maximum percentage of the AFPs' commission from 2.2 to 1.9 percent, this did not result in an increase in pension savings or higher pensions.

Despite the urgent need for pension reform to solve the fiscal problem, the reform implemented was a failure, since it did not deal with the right to social security of non-contributors or of workers in different conditions, nor did it propose mechanisms to ensure universal access to a pension (non-contributory). Furthermore, it ignored the possibility of improving public resources in order to provide quality goods and services to ensure the conditions necessary for a dignified old age.

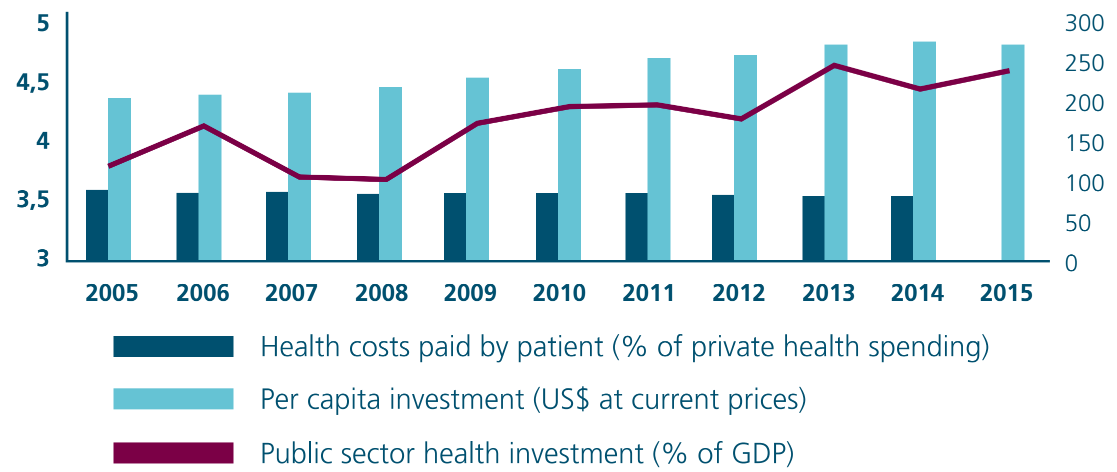
Social protection: health

The Salvadoran health system consists of three sectors: public health, social security (contributory) and private services. The Ministry of Health (MINSAL) has directed the process of health reform since 2009, resulting in investment in and expansion of infrastructure, as well as the consolidation of the system of Community Family Health Teams with an emphasis on more remote rural areas (Ministerio de Salud, 2017). This has created better coverage in the non-contributory sector.

In 2016, 24.1 percent of the total population said they had some sort of medical insurance. There is a significant rural/urban disparity (10.7 percent and 32.4 respectively). When these figures are analysed from the perspective of income quintiles, there is also a very marked gap, since 44 percent of those in the highest income quintile have some kind of medical insurance, whilst only 2.3 percent in the lowest income quintile have insurance.

Figure 1 shows that public expenditure on health has almost doubled in the last twenty years, from 2.4 percent in 1995 to 4.6 percent in 2015. During the same period there was a reduction of 14 percent in the amount paid by the patient[38] (in current US$) and, most significantly, a 2.5 times increase in per capita health spending.

Figure 1: Progress of health indicators (2005–2015)



Source: National health accounts data base of the World Health Organization (2017[39]) and the Planning Office

Social protection: childhood and adolescence

With the aim of protecting children and young people, El Salvador has the Law for the Comprehensive Protection of Children and Adolescents (LEPINA, 2009), designed to play a crucial role in social protection policies.

In recent research on public spending on these age groups, the United Nations International Children's Emergency Fund (UNICEF), the Central American Institute for Fiscal Studies (ICEFI) and Plan International measured public investment in childhood and adolescence (PICA) between 2007 and 2015 in order to discover how much El Salvador spent on the protection, promotion and implementation of the rights of its children and adolescents. According to this research, in 2017,PICA as a percentage of GDP was 5.5 percent, but this percentage has steadily decreased since 2012, when it was 6.2 percent.

With regard to per capita spending, results show that in 2017 El Salvador invested barely four cents more per child and adolescent than in 2015 and this increase vanishes when the figures are compared in real terms (in 2007 constant prices), which show a reduction in investment in relation to that of 2015 (ICEFI, 2016).

All of the above information confirms that the focus on "austerity" will lead to less investment in social protection, health and education for Salvadoran children and adolescents. It is alarming that in the last two years per capita investment in children has decreased by 0.8 percent each year, whilst the previous government implemented an average annual increase of 5.0 percent. Taking into account other indicators as well, this demonstrates that El Salvador's problem is one of insufficient public funding.

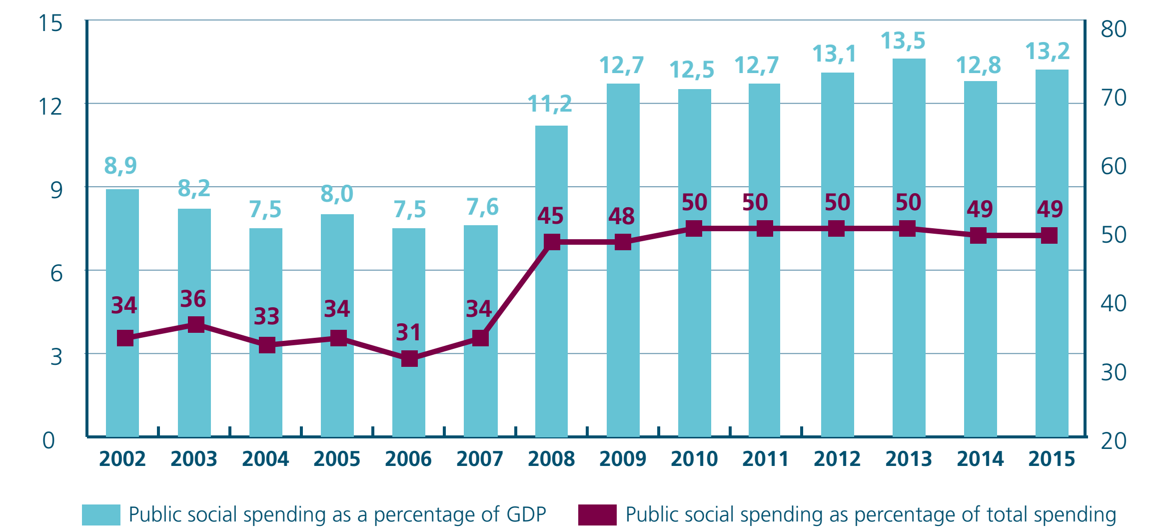
UNICEF, ICEFI and Plan International point out that the budget does not respond to the troubling reality of Salvadoran children and adolescents as evidenced by a social context that includes high levels of child labour, an increase in child migration, as well as almost 780,000 children and adolescents outside the school system.

Government investment in social protection

Figure 2 shows that public social spending as a percentage of GDP rose from 2002 to 2015 from 8.9 to 13.2 percent. At the same time, public social spending as a percentage of total public spending went from 34 to 49 percent and real per capita social spending went from $383 to $541 (Economic Commission for Latin America and the Caribbean data base, ECLAC).

The World Bank considers that El Salvador has made a significant effort to expand employment and social protection spending coverage (ESP) since 2008 and has advanced from a low base to levels closer to those of its regional neighbours, yet the levels remain low. Nevertheless, El Salvador assigns the highest percentage of its GDP to social assistance in Central America, mainly through subsidies and conditional cash transfers.

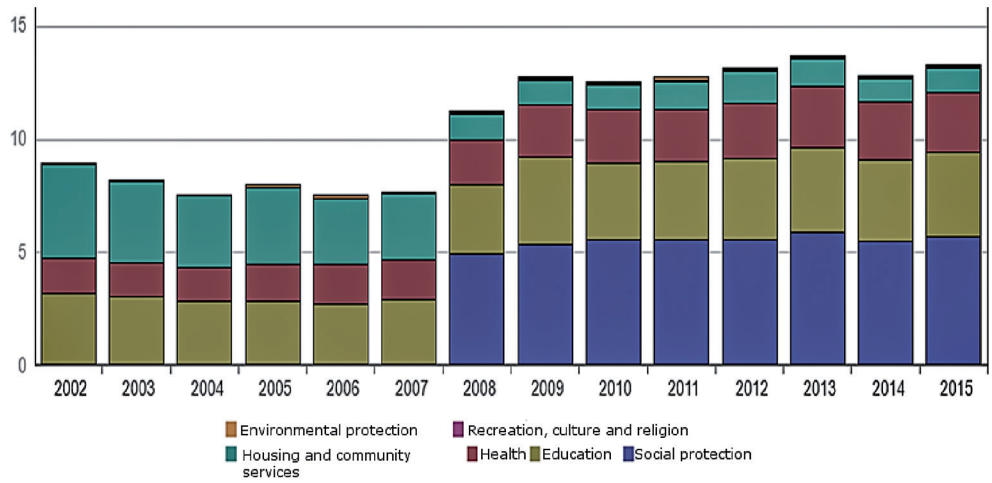
Figure 2: El Salvador: Public sector social spending 2002–2015 (in percentages of GDP and of total public spending)



Source: Social Investment data base, ECLAC (http://observatoriosocial.cepal.org/inversion/es/paises/salvador)

Figure 3 shows that the area of social protection has increased the public sector social budget since 2008, thanks to the implementation of the Solidarity Network programme (now CSR and CSU), which entailed a social protection spending average in the public sector of 5.46 percent of GDP from 2008 to 2015. In 2015 El Salvador occupied ninth position out of nineteen countries in respect of public social protection spending as a percentage of GDP with 5.7 percent. Argentina came first with 14.1 percent and Haiti last with 0.5 percent.

Figure 3: El Salvador: Public sector social spending by area, 2002–2015 (in percentage of GDP)



Source: Social Investment data base, ECLAC (http://observatoriosocial.cepal.org/inversion/es/paises/salvador)

Potential challenges

a) Social protection financing: Simulations by the International Labour Organization (ILO) developed in consultation with the International Monetary Fund (IMF) show that the extension of social protection programmes to all those who live in extreme poverty would cost El Salvador between 1.1 and 1.5 percent of GDP annually (ILO-IMF, 2012). According to these organizations, in order to generate enough income for the implementation of a more extensive social protection floor, the government will have to continue reorienting spending and/or increasing tax revenues more than is envisaged in the current development plan.

There is an emphasis on a reduction in subsidies or an increase in indirect taxes, but other measures are not considered, such as a revision of tax incentives either in the free trade zones or in other sectors, which in 2013 amounted to a total of US$ 490 million (Lazo, 2014), equivalent to 2.8 times the budget that year for all universal social protection programmes. Nor was the possibility mentioned of introducing more progressive taxes, such as a tax on assets or property taxes.

b) An informal economy: The ILO points out that there are structural limitations on increasing contributions, such as the informal nature of the economy, which creates high employment vulnerability, as well as its small size and openness, making it sensitive to external shocks and climate phenomena. It is therefore essential that measures and decisions be properly coordinated.

Most Salvadorans still have an employability problem and find it difficult to find and keep a formal job. Yet the coverage of active labour market programmes, such as “Jóvenes con Todo” (Everything young people need), is low and they are not necessarily benefiting all priority groups. Once again, the excessive focus on budgetary aspects could be excluding vulnerable groups in need of such coverage. For example, the Youth Employment and Employability strategy is of crucial importance in this regard (Rivera Ocampo 2016).

There are even more daunting challenges associated with social security financing. Social security reform is still pending, as coverage has stagnated at around 30 percent in the last decade and the system is creating unsustainable deficits. Attempts to increase coverage among poor people have been unsuccessful and the bases for an universal non-contributory social pension are still in the pilot stage because of insufficient financing (World Bank 2015).

The incorporation of new affiliates to the social security and pension system has become one of the key elements in the contributory pillar, above all because of the sizeable groups that are historically unprotected, such as paid domestic labour, as well as informal and rural workers, who are especially affected by economic crises, natural disasters, social violence and migration, and who are therefore in general beneficiaries of non-contributory social programmes. In addition, there is a need for incentives to encourage independent professionals to become affiliated to the social security system and make contributions to SAP (Rivera Ocampo 2016).

c) An urgent task: investment in children and adolescents: According to estimates based on the household survey of 2013, there are more than 800,000 children and adolescents living in poverty and lacking social protection related to income security (Franzoni 2014). However, El Salvador does not yet have a reporting system that makes it possible to rapidly and reliably establish the level and type of child and adolescent vulnerability in order to remedy the situation.

d) Social protection in an economy with high emigration and cash remittances from abroad: In the absence of a social protection system, remittances from abroad are mainly used by households for daily consumer needs and access to basic services such as health, education and housing. They may also be an essential source of income for people whose livelihood is threatened by natural disasters or other catastrophes. In the case of El Salvador, according to the Central Reserve Bank (CRB), family remittances represent 15.8 percent of the Gross National Disposable Income (GNDI).

In this context, the desire of the Salvadoran diaspora to help people who have stayed in El Salvador can become a driving force for the savings and investment they need. The countries that have understood this potential have established a legal framework to facilitate investment from the diaspora, including the creation of debt instruments and intermediate agencies. Nevertheless, remittances should not be seen as a way of replacing official development aid or government obligations to provide social protection and access to basic services.

To conclude, this overview of the Salvadoran social protection situation shows the urgency of forming a coalition or platform with a broad social base with the following aims: to identify social needs and design innovative and sustainable programmes; to propose realistic measures for financing; to lobby for reforms and legislation with the appropriate authorities; and, finally, to monitor implementation.

The creation of the Coalition for Social Protection Floors

In the context described above, the Friedrich-Ebert-Stiftung in El Salvador gave its support to the mapping of civil society actors involved in social protection, with the aim of forming a coalition of committed civil society and trade union representatives to carry out lobbying and monitoring of the institutionality of social protection in El Salvador.

Subsequent to the mapping of actors, towards the end of 2017, working documents were published and a public forum was organized to initiate greater spread of information and consciousness-raising about social protection floors (SPFs) among stakeholders.

Since the beginning of 2018, more than twenty civil society organizations belonging to trade unions, academia, non-governmental organizations (NGOs) and women's organizations have met periodically and defined their main goal:

> *"To promote, invigorate and strengthen political advocacy by actors and sectors of Salvadoran civil society, so that the approach to public policies in terms of rights is steered towards the broadening and deepening of the Universal Social Protection System (USPS) and other essential policies that guarantee and sustain the access and effective inclusion of all persons, so that they can enjoy a universal social protection floor"* (Coalición por los Pisos de Protección Social, 2018).

A full year was spent on consciousness-raising and training in the different organizations in topics related to social protection, budgetary matters and tax options, and the relationship between care systems and social protection, among other subjects.

One of the challenges since the beginning of the Coalition has been to position the importance and the transversality of the social protection within the strategic agenda of the organizations and even of the political actors themselves. This problem has led to some organizations refusing to participate, or they have decided to redirect their work to other agendas.

Despite these difficulties, as a result of the continuing investigation into the social protection situation in El

INDEX BOX 4.4: THE SPF INDEX AND EL SALVADOR

In conclusion, the SPF Index values indicate that El Salvador has made progress towards achieving a national SPF. Both in regional and global comparison, the country performs well. Protection gaps remain in the income dimension, yet considerations of fiscal space suggest that closing those gaps is within reach. Nevertheless, further analysis might reveal budgetary constraints, which hamper progress. Therefore, a prerequisite is that of a more detailed analysis, for instance based on household surveys, to reveal who is still denied a minimum level of income. Future efforts should consider vertical in addition to horizontal extension of social security as well as the quality of services.

		2012								2013							
		Income gap			Health gap		**SPF Index**			Income gap			Health gap		**SPF Index**		
Countries	GDP per capita, PPP (constant 2011 int. $), 2013	$1.90 per day	$3.10 per day	50 per cent of survey median	Resource gap	Allocation gap	**$1.90 per day**	**$3.10 per day**	**50 per cent of survey median**	$1.90 per day	$3.10 per day	50 per cent of survey median	Resource gap	Allocation gap	**$1.90 per day**	**$3.10 per day**	**50 per cent of survey median**
Costa Rica	14.035	0.0	0.1	1.2	0.0	0.0	**0.0**	**0.1**	**1.2**	0.0	0.1	1.2	0.0	0.0	**0.0**	**0.1**	**1.2**
El Salvador	7.636	0.1	0.6	0.8	0.0	0.0	**0.1**	**0.6**	**0.8**	0.1	0.5	0.8	0.0	0.0	**0.1**	**0.5**	**0.8**
Guatemala	7.005	0.4	1.5	1.0	2.0	1.3	**2.3**	**3.5**	**3.0**	0.3	1.4	1.0	2.0	1.4	**2.3**	**3.4**	**2.9**
Honduras	4.178	1.6	4.7	2.0	0.0	0.5	**2.1**	**5.2**	**2.5**	1.3	4.1	2.0	0.0	0.5	**1.8**	**4.7**	**2.6**
Nicaragua	4.619	0.4	1.7	1.4	0.0	0.3	**0.7**	**2.0**	**1.7**	0.3	1.5	1.4	0.0	0.3	**0.6**	**1.8**	**1.7**

Source: Bierbaum et.al: Social Protection Floor Index, Update and Country Studies 2017, Berlin 2017, p. 21

Salvador carried out by the Friedrich-Ebert-Stiftung, the Coalition has identified key social protection decision-makers with whom it has created special relationships and mechanisms of communication and dialogue.

A recent challenge is that the right-wing majority in the new Legislative Assembly could endanger the continuity and/or deepening and broadening of the universal social protection programmes. The same can be said of the current presidential period since June 2019, which actually led to a change of the political party in power.

Possible roadmap for building a national consensus about the importance of a just and sustainable universal social protection system

A protection system is more than an institutional structure; it is a broad political and social agreement to establish the bases upon which society wishes to construct and regulate its collective existence. This agreement, which is a permanent process, determines which rights belong to the whole population, how they are guaranteed, and in which form they are applicable. Likewise, social cohesion is required to move from a set of social policies to an integrated social protection system. This cohesion must be fostered, which implies addressing conflicts involving rights, resources, distribution patterns and institutional designs.

Thus the active participation of the Coalition in social protection constitutes both an opportunity and a challenge. This participation has not been limited to dissemination and training, but has evolved into close collaboration with the technical bodies attached to the Presidential Technical and Planning Secretariat (SETEPLAN), charged with the management of the universal social protection system with regard to the development of a set of proposals for political lobbying in the eventuality of a change of government, ensuring the broadening and deepening of social protection programmes.

The following section lists some challenges faced by Salvadoran social protection programmes (SPP), jointly defined by the Coalition and SETEPLAN as points of departure for the generation of a roadmap for demanding public policies aimed at strengthening existing programmes, extending coverage, ensuring continuing quality, and guaranteeing financial sustainability:

a) The adoption and implementation of integrated tax reform that is both just and sustainable, increasing the fiscal capacity to that necessary for a decent pension system, and the establishment of an SPP sustainable in the long term that at the same time reduces the excessive dependence on external financing and eases the restrictions created by the global economic crisis.

b) The design of a system that moves on from a focus on the poorest groups to the universality demanded by the USPS, including mechanisms to incorporate a gender perspective into the SPPs and guaranteeing the access to social protection of children, young people, older adults, disabled people, indigent people, indigenous peoples, in addition to any other groups who do not enjoy their full rights.

c) The creation of a comprehensive care system, based on co-responsibility between the family, community and the state, which is properly integrated into existing social protection programmes.

d) Public policies aimed at the creation of decent employment, particularly for young people and groups that have historically been excluded.

e) Citizenship building and the strengthening of social cohesion.

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34 *Ciudad Mujer (CM) is a Salvadoran government programme that works through the Social Inclusion Secretariat (SIS) with the support of the Inter-American Development Bank (IDB) and aims at improving the living conditions of Salvadoran women by providing essential services through integrated attention centres known as Ciudad Mujer Centres (CMC).*

35 *Pap smear services were used considerably more by women who went to the CMCs (80 percent vs. 59 percent for control group). The same applied to mammogram services (47 percent vs. 18 percent for control group).*

36 *If it had continued with the previous system, the state would supposedly have needed about one billion US dollars per year until 2030 in order to pay pensions, (Salinas, 2015).*

37 *91.9 percent of the people covered by medical insurance have this insurance through the Salvadoran Social Security Institute (ISSS), either as a contributor, beneficiary or retiree, 6.1 percent have insurance through the Salvadoran Institute for Teachers' Welfare (ISBM), 1.8 percent through the Social Provision Institute of the Armed Forces (IPSFA), whilst 0.2 percent have collective private insurance or another kind of insurance (DIGESTYC, 2016).*

38 *Costs paid by the patient refer to any direct payment by households, including fees or payment in kind to doctors or medication providers, and the cost of therapeutic devices and other goods and services aimed mainly at the recovery or health improvement of individuals or population groups. This constitutes part of private health spending.*

39 *http://apps.who.int/nha/database*

4.6 A brief summary of results

At the beginning of this chapter we sought to delineate under which conditions national dialogue processes can a) be started and b) are likely to be successful and c) can be meaningfully supported by external advisory capacities that are respectful of national preferences and values. Our sample countries are extremely heterogeneous in terms of levels of economic and social development, their political systems, the state of development of the national social protection systems and the intensity, scope and influence of the national dialogues on social protection. Hence – as was expected – our analyses and the answers to the questions raised in the introduction show wide variation between the country cases.

Only in two cases (Costa Rica and Mongolia) has national discourse led a functional societal dialogue aiming at achieving consensual decisions on the future of the national social protection systems. In both cases societal dialogues were needed to adapt an established social protection system to new fiscal constraints due to economic downturns. In both countries the concepts of social protection and social security are well established and the systems have a long history. FES could support and facilitate national dialogues in both cases. While the social protection platform in Costa Rica could engage in the overall design of national social protection policies and the improvement of effective coverage notably of the informal sector even in times of fiscal constraints, in Mongolia the protection of particularly vulnerable groups – even in times of economic crises – could be actively promoted. However, in Mongolia, it was not possible to prevent political moves to privatize the pension system. The latter shows that the knowledge of stakeholders on the nature of social protection and ways and means to finance at least a reliable floor of public social protection for all is still deficient and that the outcome of the national dialogue was less than optimal.

Other cases (Nigeria, Iraq) show that without a reliable state and a responsive governance system, the institutionalisation as well as a fruitful conduct of national dialogues on social protection faces enormous difficulties. Societal dialogue needs to be encouraged or at least tolerated by the government. Societal dialogue on social protection can help to shape responsive and adequate social protection policies that cover the entire nation but it cannot easily compensate for government disinterest, negligence and incompetence or the effects of civil or ethnic strife. However, what civil society organizations can and do deliver in the absence of a caring state and an overall functioning national system of social protection is to provide some stop-gap social benefits for specific groups. This makes them often the only credible and competent social protection experts and actors in failing welfare states. That also gives them the credibility to push for the extension of national social protection schemes, however, slow and tedious the process in particular countries may be.

The case of Namibia demonstrates that – even if societal dialogue is not yet institutionalized – societal coalitions for social protection can have substantial impact provided that the political regime is in principle responsive to the social protection needs of the population. The informal coalition of social pressure groups and churches managed to put a Basic Income Grant (BIG) at the top of the political agenda in the country. A basic income grant is so far a very unusual response to wide social protection floor gaps in a country. It has not yet been applied in any country. Even if the system will be somewhat watered down in the political process in Namibia, the fact that a concept as radical as this could be pushed by a civil society coalition shows the potential impact that a broad societal dialogue can have in a benevolent or at least not adverse political environment.

The authors of all country cases agreed that persistent societal dialogue can have some impact and in some cases hold substantial promise for the extension or – as the case may be – preservation of social protection.

Furthermore all country cases have shown that relatively low-cost but well-targeted interventions by international development partners can help to create awareness of the positive impact of national social protection schemes within civil society organizations and can assist them to formulate social protection policy demands. Four country analyses have also shown that the information that is displayed by the SPF Index and its underlying data provides sufficient information for a reasonably well-informed entry into a more sophisticated and detailed national dialogue on social protection. The resources allocated to the SOSIAL project appear well invested. But much more needs to be done by development partners and the Global Coalition on SP Floors.

From the nine country cases we can derive the following prerequisites for effective societal dialogues on social protection:

a) A sound understanding of all stakeholders in government, trade unions and civil society about the need for and the possible positive impact of social protection;

b) An inclusive, responsive and transparent governance system that embraces a consultative approach to policy-making when long-term social development issues are at stake;

c) Solid analytical skills among civil society stakeholders to allow them to analyse the coverage, adequacy, cost and political, fiscal and economic sustainability of national social protection systems and individual skills.

While a responsive governance system is needed, civil society has to do its homework in educating itself and acquire the skills that are needed to become a serious partner in national dialogues and ensuing negotiations. It should be supported by its international allies, notably in the UN System. However, the use of the ILO Recommendation R. 202 and of the social protection agenda of the Sustainable Development Goals to create national policy space seems to be still in its infancy. More investment by the ILO and the entire UN System in the promotion of these instruments is needed, but also by the governments that – in the ivory towers of Geneva and New York – have subscribed to goals that they should now seek to accomplish.

In summary the brief answers to our initial questions are:

a) Some form of dialogue can be started nearly anywhere.

b) Whether these national dialogues are successful and lead to concrete policy actions in the short to medium term depends inter alia on the quality and responsiveness of the governance system in the respective countries.

c) The experience with the modest and careful interventions of FES offices in supporting national dialogues shows that external support can certainly be helpful providing it does not seek to dominate the process and limits its role largely to supporting the process through information and through creating a "safe" space for frank and open discussions and learning processes.

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5| CONCLUSIONS: FROM THE IVORY TOWERS TO REALITY

Cäcilie Schildberg, Michael Cichon, Sarah Ganter and Yvonne Bartmann

To some extent our results are no surprise. It is a long way from formulating international social objectives in high level meetings in Geneva or New York – however carefully these are prepared and negotiated – to putting these instruments to effective use at the national level. The best use one can make of the instruments is to apply them to create national policy space and stakeholder pressure for the implementation of their goals.

R. 202 and the SDGs are potentially powerful tools to build that pressure and exercise a positive influence on national social developments. The instruments set globally agreed standards of social protection. Without such standards the performance of national social protection systems and their progress towards implementing the Human Right to Social Protection cannot be objectively measured and assessed. Hence, without these standards gaps in protection cannot be identified in a neutral way that is not driven by particular and particularistic national interest. Our SPF Index serves as a case in point. The index is built on benchmarks set by R. 202 and hence implicitly the social protection agenda of the SDGs. Without these benchmarks it would be much more difficult for national pressure groups to argue that the closure of SPF gaps is necessary and affordable.

However, our country examples show that the potential force of these instruments is not yet fully exploited at the national levels. Too many national stakeholders, including government agencies, parliamentarians, trade unionists and civil society activists, are simply not aware of these instruments or not aware that they can help to formulate and credibly underpin national policy demands. It would be too easy to lay that fact at the doorsteps of international standard setting agencies. It is true that they are much better in devising standards than assisting countries in their implementation. The latter, of course, would require substantial budgets for supporting national decision-making processes. Unfortunately the UN agencies, notably ILO, WHO and UNDP, simply do not have budgets commensurate to their mandates. That is not their fault. Their budgets depend on the decisions of the governments of their member states. Being aware of the present and likely future budget limitations of the organizations, the members of the ILO and the member states of UN, realistically and perhaps purposefully assigned the implementation of R. 202 and the SDGs and the bulk of the monitoring work to member states themselves.

It turns out that governments often are in no rush to implement promises that have been made at the international level. One way to slow down the implementation processes to limit awareness-raising concerning the international instruments. Another way is to limit the budgets of international and national agencies that could promote and accelerate implementation of international objectives. If possible, governments even try to avoid international agencies monitoring the implementation of their international obligations. It is often overlooked, for example, that Article 19 of R. 202 charges ILO members (that is national governments, trade unions and employers' organizations) with the monitoring of the implementation of R. 202 rather than asking the ILO as an organization to do so from a neutral international perspective. However, international monitoring is much harder to avoid in case of the SDGs, which implicitly also strengthens the monitoring of the SPF. A further – unfortunately well-established practice – to limit the impact of international promises is to not intervene when the international financial institutions (notably the World Bank and the IMF) contradict the objectives set by global social development instruments in their global strategies and national advisory activities. It has been common and apparently accepted practice for decades, for example, that World Bank advice on pension reform ignored international standards set by ILO Conventions and Recommendations. In this context the global initiative for universal social protection (USPA 2030) driven by ILO and the World Bank is a – perhaps small – sign of hope. The emerging new IMF strategy for social protection, on the other hand gives raise for concern. While the exact content of the IMF strategy was not public at the time when this book was written, there are reasons to assume that the strategy will focus on a residual limited role for social protection while at the same time paying lip service to the need to avoid gross inequality in societies. The strategy will likely be concerned primarily with achieving efficiency and overall cost containment of means-tested social assistance schemes. One indirect positive effect of the discussion on the IMF strategy is that the GCSPF is developing its own strong policy position on the right to social protection and its financing.[40]

In this context, the decision by the GCSPF and the FES to build their own international monitoring instrument in form of an international SPF Index was strategically opportune. The two rounds of the Index that have been published so far show that is an instrument than can be used for first-level international monitoring and national benchmarking. The country examples of El Salvador, Mongolia, Morocco and Zambia show that the Index and its database can be used as a point of departure for deeper performance assessments of national social protection systems. The Index is a helpful and empowering tool for all interest groups that wish to make a national case for the closure of nation SPF gaps.

However, tools – be it international performance standards set by development objectives or respective monitoring tools – need to be used to become effective support for change. We have seen from years of technical co-operation projects in social protection and our own country cases here that governments cannot be trusted to use these instruments without being pushed to do so. The "pushing" generally falls to civil society, trade unions or faith-based organizations as it is their central raison d'être to help to improve the lives of the people they represent. However, our country cases shows that the effectiveness and efficiency of these groups varies greatly depending on national circumstances.

The promotion of the Basic Income Grant in Namibia, for example, shows that national stakeholder dialogues can be a powerful instrument to promote more social justice through social protection measures – provided that there is a full understanding of the potential benefit of a system, an understanding of its direct cost, an understanding of possible financing options, and the willingness and ability to express clear policy demands. Civil society pressure was able to put an issue on the political agenda that has not made it that far into the government and parliamentary decision-making processes anywhere else in the world, except maybe for some smaller pilot projects in India and Finland. In Costa Rica and Mongolia civil society – through national dialogues – has been able to exercise influence on the government reaction to economic and fiscal crises and contain their impact on the funding of national social protection systems. In countries where the quality of governance is deficient (like Nigeria, Iraq) or where governments are not yet aware of the virtues of social protection (Myanmar) or where it is simply not at the top of the national development agenda, it is much more difficult for civil society to influence or shape the national social protection policy debate. However all our country cases show that raising awareness of social protection and instigating national discussions – which may be the beginning of political processes that finally lead to political change – is possible nearly everywhere; even though such efforts may be a long-term investment.

We also showed that these investments do not have to be big in financial terms. Relatively small amounts of seed money and expertise planted into the right organizations, or the creation of national platforms for policy discussions can go a long way. This gives rise to hope.

So far so good, but now progress towards social protection for all has to be kick-started by national coalitions of civil society and trade unions at the national level.

It would be naive to expect that major political moves towards substantial redistribution of income such as through new social protection transfers will occur within a few months. Generally such developments take years or decades of debates to mature. Sometimes political tailwinds created by imminent national elections (such as in the case of the universal health care schemes in Thailand and the social health insurance in Ghana) may speed up policy maturation processes.[41] That said, we have also seen over the last decades that moves towards universal protection in emerging and developing countries may actually occur at a much higher speed than we observed in similar earlier processes in Europe and the Americas during the later decades of the nineteenth century and the first half of the twentieth century. The rapid expansion of social security coverage in Costa Rica between the 1940s and the 1960s, in South Korea in the 1980s and 1990s, Thailand in the 1990s and early 2000s and the extension of social assistance coverage in Brazil and Mexico also early in the 2000s may serve as evidence.

Civil society has always played a strong role in promoting caring societies and social protection. Historically it was faith-based charitable organizations – the pre-cursors of modern day civil society organizations – that drove the development of early non-state forms of social protection. Before they became the true protagonists and in fact the most important "guardian angels" of public social security in the twentieth century many trade unions were initially sceptical about the general take-over of social security by the state (Schlabach 1969).[42] It took trade unions some time to accept a new societal responsibility and to become protagonists of the extension of social protection to the informal sector, not until 2001 did the International Labour Conference (ILC) formally recognize – with the full support of the trade unions – the need to extend social protection to all. It took another ten years for the ILC to recognize in 2011 that a new instrument on social protection for all should be developed and adopted. While a year later the text of R. 202 still reveals some unease of social partners with the role of civil society in social protection, an informal coalition of civil society and trade unions was formed before the Conference to support the adoption of R. 202 on various levels. That informal coalition was the origin of today's GCSPF. Typically enough the first meeting of the Coalition took place in May 2012 at the invitation of the FES at the Ecumenical Institute at Bossey close to Geneva. The ILO participated, presented the draft of R. 202 and successfully solicited the support of civil society. Today the Coalition is the place where trade unions, faith-based and secular civil society organizations work together to devise strategies to promote the extension of social protection systems to all. In principle, the national spin-offs of the Global Coalition are the ideal actors to kick-start national social protection policy processes by formulating policy demands that are backed by international goals and standards. Nobody else can be relied upon to make that case. In the context of globalizing economies and the ensuing economic and fiscal uncertainty governments are not likely to push for more social protection without being prompted by the population. Ruling political and economic elites are general concerned with reducing tax burdens and cannot be trusted to push for more equality and less poverty through social protection either.

What have we learned?

Just as it took trade unions quite some time to adopt a new role as the promoters of social protection for all people – regardless of whether they belong to the formal or informal economy – adopting a role of guardian and promoter of public national social protection systems required major adaptation of attitudes in many civil society organizations. Historically most of these organizations have dealt with the advocacy of the interest of particular groups, the promotion of particular social development issues or have implemented charitable forms of social protection. Moving from pursuing particular interests to accept the mandate of pursuing the human right to social protection – and its implementation through public social protection systems – required fundamental organizational reorientation. Giving up some myopic organizational self-interest and perhaps visibility in favour of a consensual joint campaign for social protection floors took further effort. The fact that in the meantime more than one hundred larger NGOs worldwide have joined the GCSPF coalition shows that these efforts were successful in most major civil society organizations.

Good progress has been made during the last several years to make the voice of civil society in social protection heard at the international level. The GCSPF will present – at the same time as the two International Financial Institutions (IFIs) issue their new strategies on social protection – a position paper of its own on the financing of the right to social protection; we have just recently stated our case at the high level meeting of the Universal Social Protection 2030 (USP 2030) Initiative of ILO and World Bank. The Coalition is a permanent observer at the Social Protection Inter-Agency Co-operation Board. The Coalition is very present at UN meetings in New York and is establishing a name for itself at the EU in Brussels.

Civil society is doing less well on many national levels. What civil society is lacking so far is more power on the national level – the power to convince decision-makers of the case for more social justice through social protection. Even if governments are in principle or increasingly open to societal dialogues (like in Myanmar, Morocco or El Salvador) and windows of opportunity could be exploited by stakeholders, civil society organizations often lack the knowledge and experience to engage in constructive discussions on the overall shape of national social protection systems and hence to make credible cases for social protection systems and their organization and financing. Most civil society organizations were simply not set up to play that role. They now have to adapt to the fact that they have to invest in developing their analytical skills in the evaluation of the performance and impact of social protection schemes, and their ability to assess and monitor their long-term social, economic and fiscal sustainability. That case was explicitly made by the FES office in Zambia. Civil society organizations also have to improve their communication skills to more successfully transmit their messages to governments and other stakeholders.

From the experience in the eight country cases of this study we can glean a number of sine-qua-non conditions for an active civil society role in social protection policy design and in national dialogues.

What is needed is

- Much greater investment in the dissemination of information on the role of social protection in social and economic development and the content and nature of the SDGs and R. 202 among civil society organizations on the national level;
- Much more investment in training civil society organizations in how the international accepted goals and standards can be used to create and exploit national policy space;
- Investments in increased technical capacity of civil society stakeholders and trade unions to analyse the effectiveness and efficiency of national SP systems;
- Investments in increased technical capacity of civil society stakeholders and trade unions to analyse fiscal space and financing options to close social protection gaps;
- Developing the skills in civil society organizations to communicate social protection objectives more successfully;
- Ideologically neutral international support and exchange of experience on South-South and North-South context.

National dialogues started by civil society can make a difference in social protection. Our country cases show that. However, these initiatives are in fact tedious, long and politically and technical complex explicit or implicit societal negotiations. Some governance environments are simply not conducive and can make these negotiations even more challenging.

What does civil society need to become a more influential partner in societal dialogues?*

The last question that remains is: How can civil society become more influential in societal dialogues and negotiations? A number of factors come to mind that could render civil society more powerful. One would need more resources, the system of government should become more responsive and staff of the multilateral institutions should leave their ivory towers and provide more support. All of that is wishful thinking and can easily lead to idle waiting for good things to come from outside. The core to more influence in the long run under any political system is knowledge. Knowledge is – as Francis Bacon (1561–1626), the founder of modern empiricism, knew – power.

Tough and tedious negotiations – such as negotiating for de facto more redistribution in a society – require seasoned, well-trained and well-informed negotiators. The GCSPF and its member organizations have to find ways to empower themselves by strengthening their capacity-building activities. Short and intensive national seminars can help but have limitations. The project undertook a pilot seminar in Namibia. The conclusion from that experience was that stakeholders would require much more extensive and intensive training to become technically competent, confident and politically astute ambassadors of social protection.

Real change in competence and confidence can only be brought about by a major initiative that makes civil society organizations fit for national discourse and dialogue. A global training initiative in social protection – possibly similar to the ILO's Social Protection Academy which so far is predominantly aimed at social protection officials or the Global Labour University that is targeted at trade unionists – might serve as a model. It is time that we realize that is does not suffice to have soft hearts. We need hard heads, too.

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40 See GCSPF.2019. The legal, political, economic and moral imperatives to finance social protection for all, Geneva (http://www.socialprotectionfloorscoalition.org/2019/04/ilo-100-statement/)

41 The adoption of the Beveridge report by the British Labour Party in the 1940s is said to have had a marked influence on its post war electoral successes (see Whiteside 2014).

42 T. Schablach, for example, states "Some unionists supported social insurance, and some opposed. Most were quite indifferent, taking no position or lackadaisically approving some programs and rejecting others. Scarcely any grasped the central issue of the movement, the drive for reliable, automatically-functioning welfare institutions." In Switzerland trade unions initially "were skeptical of initial governmental social insurance efforts, regarding them often as competition. But by the second half of the 20th century, unions increasingly favored the expansion of government-sponsored social security schemes" (source: https://www.historyofsocialsecurity.ch/stakeholders/associations-and-organizations/trade-unions/.

** With societal dialogues we do not question the importance and necessity of established tripartite social dialogues. Societal dialogues are an expanded form of social dialogues which includes other stakeholders such as civil society organizations and aims at generating a broad societal consensus on matters of social protection for all.*

DATA SOURCES AND DESCRIPTION

Sources

The choice of data sources has been guided by the principles of accessibility, replicability, transparency, coherence over time and space, and timeliness. Specifically, the aim was to use databases that are publicly available without any restrictions, as this ensures replicability of all results and hence transparency. Furthermore, valid comparisons across countries and time require data that is as coherent as possible. Finally, we aimed to include as many countries as possible, by using the most recent available data.

The databases that are used to construct the SPF Index, all maintained by international organizations, satisfy these criteria to the greatest extent possible. Nonetheless, some inherent limitations and challenges remain in the databases and are also briefly outlined. Finally, the databases that are used to construct the SPF Index are regularly updated. In addition to new estimates for more recent years, previous estimates have been adjusted. This section briefly outlines the data sources and important changes, as compared to the previous presentation of the SPF Index.

The main source to calculate income gaps is the World Bank's PovcalNet (World Bank 2016b) that provides estimates of poverty gap ratios for a large group of countries. It allows users to calculate these ratios for user-set poverty lines and for different reference years (adjusting the estimates when the underlying household survey is from a different year). For this round of the SPF Index, the update as of 1 October 2016 was used, in which more than thirty-five new household surveys were added and more than one hundred household surveys were updated. Additional changes include the use of 2011 PPPs for all countries, as well as changes in Consumer Price Indices, population data, and national account data. Most importantly, since this release of PovcalNet also displays survey medians, it is possible to use a relative minimum income criterion that is defined as half of the survey median.

PovcalNet is maintained by the World Bank to monitor global poverty and many efforts have been undertaken to adjust country data over time and space. Nonetheless, important caveats and limitations remain, including differences in household survey questionnaires, the use of different welfare measures, and challenges related to temporal and spatial price adjustments. This should be kept in mind when interpreting the results (Ferreira et al. 2015).

Most high-income countries were not included in the PovcalNet update as of 1 October 2016. For OECD countries, it was possible to retrieve data to estimate income gaps based on a relative minimum income criterion set at 50 percent of median income from the Income Distribution Database (IDD) (OECD 2016). Despite using a similar poverty line, a number of caveats remain that limit comparability between PovcalNet and IDD. Particularly, the OECD uses a different method to adjust household income based on household size. Consequently, comparisons between OECD countries and all remaining countries should be made with caution.

The estimates of the number of births attended by skilled personnel are taken from the joint UNICEF/WHO database (2017) on skilled attendance at birth. Definitions of doctors, nurses, and midwives are standardized in this database. Nonetheless, standardization remains a challenge due to differences in training across countries. Finally, public expenditure on health as a share of GDP and estimates of countries' GDP are retrieved from the World Development Indicators (WDI) database (World Bank 2017).

Data descriptions

Births attended by skilled health staff (in percent)

Source: UNICEF/WHO joint database on skilled attendance at birth (UNICEF/WHO 2017).

Last update: February 2017.

Date of data retrieval: 19 June 2017.

Definition: "Percent of births attended by skilled health personnel (generally doctors, nurses or midwives) is the percent of deliveries attended by health personnel trained in providing lifesaving obstetric care, including giving the necessary supervision, care and advice to women during pregnancy, labour and the post-partum period, conducting deliveries on their own, and caring for new-borns. Traditional birth attendants, even if they receive a short training course, are not included" (UNICEF/ WHO 2017).

Year: 2004–2014.

Notes: If data for 2012 or 2013 respectively are not available, the closest available estimate is taken.

The indicator is not available for the following countries: American Samoa, Andorra, Aruba, Belgium, Bermuda, British Virgin Islands, Cayman Islands, Channel Islands, Curacao, Faeroe Islands, French Polynesia, Gibraltar, Greece, Greenland, Guam, Hong Kong SAR (China), Iceland, Isle of Man, Israel, Kosovo, Liechtenstein, Macao SAR (China), Monaco, Netherlands, New Caledonia, Northern Mariana Islands, Puerto Rico, San Marino, Sint Maarten (Dutch part), Spain, St. Martin (French part), Sweden, Switzerland, Turks and Caicos Islands, United Kingdom, Virgin Islands (U.S.), West Bank and Gaza. For high-income countries, it is assumed that at least 95.0 per cent of births are attended by skilled personnel.

GDP per capita, PPP (constant 2011 international $)

Source: World Development Indicators (World Bank 2017).

Last update: 1 July 2017.

Date of data retrieval: 18 July 2017.

Definition: "PPP GDP is gross domestic product converted to international dollars using purchasing power parity rates. An international dollar has the same purchasing power over GDP as the U.S. dollar has in the United States. GDP at purchaser's prices is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources. Data are in constant 2011 international dollars" (World Bank 2017).

Year: 2012 and 2013

Notes: This indicator is not available for the following countries: American Samoa, Andorra, Aruba, British Virgin Islands, Cayman Islands, Channel Islands, Cuba, Curacao, Eritrea, Faeroe Islands, French Polynesia, Gibraltar, Greenland, Guam, Isle of Man, Korea (Dem. Rep.), Libya, Liechtenstein, Monaco, New Caledonia, Northern Mariana Islands, San Marino, Sint Maarten (Dutch part), Somalia, St. Martin (French part), Syrian Arab Republic, Turks and Caicos Islands, Virgin Islands (U.S.)

Physicians (per 1,000 people)

Source: World Development Indicators (World Bank 2017); based on World Health Organization's Global Health Workforce Statistics, OECD, supplemented by country data.

Last update: 1 July 2017.

Date of data retrieval: 18 July 2017.

Definition: "Physicians include generalist and specialist medical practitioners" (World Bank 2017).

Year: 2005–2013.

Notes: This indicator is not available for the following countries: American Samoa, Antigua and Barbuda, Aruba, Bermuda, British Virgin Islands, Burundi, Cayman Islands, Channel Islands, Comoros, Congo (Dem. Rep.), Curacao, Dominica, Equatorial Guinea, Eritrea, Faeroe Islands, French Polynesia, Gabon, Gibraltar, Greenland, Guam, Haiti, Hong Kong SAR (China), Isle of Man, Korea (Dem. Rep.), Kosovo, Lesotho, Liechtenstein, Macao SAR (China), Mauritius, Nepal, New Caledonia, Northern Mariana Islands, Philippines, Puerto Rico, Sao Tome and Principe, Sint Maarten (Dutch part), South Sudan, St. Kitts and Nevis, St. Martin (French part), St. Vincent and the Grenadines, Suriname, Turks and Caicos Islands, Venezuela (RB), Virgin Islands (U.S.), West Bank and Gaza.

Poverty gap ratio

Source: PovcalNet (World Bank 2016b).

Last update: 1 October 2016.

Date of data retrieval: 17–18 July 2017.

Definition: Poverty gap is the mean shortfall in income or consumption from the poverty line (counting the non-poor as having zero shortfall), expressed as a percentage of the poverty line (World Bank 2017).

Year: All poverty gaps refer to the reference years 2012 or 2013 respectively. Years of underlying survey data differ.

Notes: Poverty gaps are not reported in PovcalNet for the following countries: Afghanistan, Algeria, American Samoa, Andorra, Antigua and Barbados, Aruba, Australia, Austria, Bahamas, Bahrain, Barbados, Belgium, Bermuda, British Virgin Islands, Brunei Darussalam, Canada, Cayman Islands, Channel Islands, Cuba, Curacao, Cyprus, Denmark, Dominica, Egypt (Arab Rep.), Equatorial Guinea, Eritrea, Faeroe Islands, Finland, France, French Polynesia, Germany, Gibraltar, Greece, Greenland, Grenada, Guam, Hong Kong SAR (China), Iceland, Iraq, Ireland, Isle of Man, Israel, Italy, Japan, Jordan, Korea (Dem. Rep.), Korea (Rep.), Kuwait, Lebanon, Libya, Liechtenstein, Luxembourg, Macao SAR (China), Malta, Marshall Islands, Monaco, Myanmar, Nauru, Netherlands, New Caledonia, New Zealand, Northern Mariana Islands, Norway, Oman, Palau, Portugal, Puerto Rico, Qatar, San Marino, Saudi Arabia, Singapore, Sint Maarten (Dutch part), Somalia, Spain, St. Kitts and Nevis, St. Martin (French part), St. Vincent and the Grenadines, Sweden, Switzerland, Syrian Arab Republic, Turks and Caicos Islands, United Arab Emirates, United Kingdom, United States of America, Virgin Islands (U.S.), Yemen (Rep.).

The survey median is not reported when estimates are derived from interpolation of two household surveys. In these cases, the median of the most recent household survey is used to determine the poverty line. In 2012, this was done for the following countries: Burkina Faso, Cameroon, Chile, Congo (Dem. Rep.), Guatemala, Iran (Islamic Rep.), Lao (PDR), Mauritania, Micronesia (Fed. Sts.), Nicaragua, Niger, Pakistan, Rwanda, Serbia, Sri Lanka, Togo, Uganda. In 2013, this was done for the following countries: Burkina Faso, Cameroon, Guatemala, Mauritania, Mexico, Mongolia, Nicaragua, Niger, Pakistan, Rwanda, Togo, Vietnam.

For China, India, and Indonesia, no survey median was available and estimates are based on the survey mean in both 2012 and 2013.

Public health expenditure as percentage of GDP

Source: World Development Indicators, based on World Health Organization Global Health Expenditure database (World Bank 2017).

Last update: 1 July 2017.

Date of data retrieval: 18 July 2017.

Definition: "Public health expenditure consists of recurrent and capital spending from government (central and local) budgets, external borrowings and grants (including donations from international agencies and nongovernmental organizations), and social (or compulsory) health insurance funds" (World Bank 2017).

Year: 2012 and 2013.

Notes: This indicator is not available for the following countries: American Samoa, Aruba, Bermuda, British Virgin Islands, Cayman Islands, Channel Islands, Curacao, Faeroe Islands, French Polynesia, Gibraltar, Greenland, Guam, Hong Kong SAR (China), Isle of Man, Korea (Dem. Rep.), Kosovo, Liechtenstein, Macao SAR (China), New Caledonia, Northern Mariana Islands, Puerto Rico, Sint Maarten (Dutch part), Somalia, St. Martin (French part), Turks and Caicos Islands, Virgin Islands (U.S.), West Bank and Gaza.

Nurses and midwives (per 1,000 people)

Source: World Development Indicators; based on World Health Organization's Global Health Workforce Statistics, OECD, supplemented by country data.

Last update: 1 July 2017.

Data of data retrieval: 18 July 2017.

Definition: "Nurses and midwives include professional nurses, professional midwives, auxiliary nurses, auxiliary midwives, enrolled nurses, enrolled midwives and other associated personnel, such as dental nurses and primary care nurses" (World Bank 2017).

Year: 2005–2013.

Notes: This indicator is not available for the following countries: American Samoa, Antigua and Barbuda, Argentina, Aruba, Bermuda, British Virgin Islands, Burundi, Cayman Islands, Channel Islands, Comoros, Congo (Dem. Rep.), Curacao, Dominica, Equatorial Guinea, Eritrea, Faeroe Islands, French Polynesia, Gabon, Gibraltar, Greenland, Guam, Guinea, Haiti, Hong Kong SAR (China), Isle of Man, Korea (Dem. Rep.), Kosovo, Lesotho, Liechtenstein, Macao SAR (China), Madagascar, Mauritius, Nepal, New Caledonia, Northern Mariana Islands, Philippines, Puerto Rico, Sao Tome and Principe, Sint Maarten (Dutch part), South Sudan, St. Kitts and Nevis, St. Martin (French part), St. Vincent and the Grenadines, Suriname, Turks and Caicos Islands, Venezuela (RB), Virgin Islands (U.S.), West Bank and Gaza.

Relative poverty gap ratio

Source: Income Distribution Database (OECD 2016).

Last update: July 2016.

Date of data retrieval: 18 July 2017.

Definition: The percentage by which the mean income of the poor falls below the poverty line.

Year: 2012 and 2013.

Notes: In 2013, this indicator is not available for the OECD member countries Australia, Hungary, Japan, Korea (Rep.), Mexico, and New Zealand.

In 2012, this indicator is not available for Chile, Korea (Rep.), Sweden, and Switzerland. In Estonia and Netherlands, the income definition before 2011 is used.

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GLOBAL INDEX RESULTS

Rank	Country	2013	2012
1	Bosnia and Herzegovina	**0.0**	(0.0)
	Costa Rica	**0.0**	(0.0)
	Croatia	**0.0**	(0.0)
	Czech Republic	**0.0**	(0.0)
	Estonia	**0.0**	(0.0)
	Hungary	**0.0**	(0.0)
	Lithuania	**0.0**	(0.0)
	Moldova	**0.0**	(0.0)
	Poland	**0.0**	(0.0)
	Romania	**0.0**	(0.0)
	Serbia	**0.0**	(0.0)
	Slovak Republic	**0.0**	(0.0)
	Slovenia	**0.0**	(0.0)
	Uruguay	**0.0**	(0.0)
15	Colombia	**0.1**	(0.2)
	El Salvador	**0.1**	(0.1)
	Macedonia, FYR	**0.1**	(0.0)
	Maldives	**0.1**	(0.1)
	Panama	**0.1**	(0.1)
	Paraguay	**0.1**	(0.1)
	Turkey	**0.1**	(0.0)
	Ukraine	**0.1**	(0.0)
23	Bulgaria	**0.2**	(0.1)
	Tuvalu	**0.2**	(0.2)
25	Belarus	**0.3**	(0.2)
	Tonga	**0.3**	(0.5)
27	South Africa	**0.4**	(0.3)
28	Kyrgyz Republic	**0.5**	(0.2)
29	Brazil	**0.6**	(0.6)
	Ecuador	**0.6**	(1.3)
	Montenegro	**0.6**	(0.0)
	Nicaragua	**0.6**	(0.7)
	Russian Federation	**0.6**	(0.3)
	Samoa	**0.6**	(0.5)
	Vietnam	**0.6**	(0.5)
36	Chile	**0.7**	(0.6)
	Namibia	**0.7**	(0.7)
38	Latvia	**0.8**	(0.6)
39	Bolivia	**0.9**	(1.0)
	Tunisia	**0.9**	(0.9)
41	Belize	**1.0**	(1.0)
	Botswana	**1.0**	(0.4)
	Jamaica	**1.0**	(0.9)
	Seychelles	**1.0**	(0.3)
45	Mexico	**1.1**	(1.0)
46	Thailand	**1.2**	(0.9)
	Trinidad and Tobago	**1.2**	(1.2)
48	China	**1.3**	(1.2)
	Micronesia, Fed. Sts.	**1.3**	(1.1)
	Peru	**1.3**	(1.3)
51	Cabo Verde	**1.4**	(0.9)
	Gabon	**1.4**	(2.0)
	St. Lucia	**1.4**	(0.7)
54	Albania	**1.5**	(1.4)
	Bhutan	**1.5**	(1.4)
	Fiji	**1.5**	(1.4)
57	Argentina	**1.6**	(1.2)
	Guyana	**1.6**	(0.7)
	Iran, Islamic Rep.	**1.6**	(1.4)
	Kiribati	**1.6**	(1.7)
61	Dominican Republic	**1.7**	(1.4)
	Ghana	**1.7**	(1.9)
	Suriname	**1.7**	(1.5)
	Swaziland	**1.7**	(1.8)
	Vanuatu	**1.7**	(1.8)
66	Honduras	**1.8**	(2.1)
67	Mauritius	**1.9**	(1.8)
68	Congo, Rep.	**2.1**	(2.9)
	Djibouti	**2.1**	(2.3)
	Kazakhstan	**2.1**	(1.7)
	Malaysia	**2.1**	(1.9)
	Mongolia	**2.1**	(1.8)
	Uzbekistan	**2.1**	(2.1)
74	Sri Lanka	**2.2**	(2.9)
75	Guatemala	**2.3**	(2.3)
76	Armenia	**2.4**	(2.3)
	Morocco	**2.4**	(1.9)
78	São Tomé and Principe	**2.5**	(3.5)
79	Nepal	**2.6**	(3.0)
80	Sudan	**2.8**	(2.7)
81	Mauritania	**2.9**	(3.1)
	Turkmenistan	**2.9**	(2.9)
	Zimbabwe	**2.9**	(2.9)

Rank	Country	2017	2012
84	Angola	**3.0**	(3.0)
	Cambodia	**3.0**	(2.7)
	Venezuela, RB	**3.0**	(2.7)
87	Philippines	**3.1**	(3.0)
88	Azerbaijan	**3.2**	(2.9)
89	Georgia	**3.3**	(3.3)
	Indonesia	**3.3**	(3.1)
91	India	**3.5**	(3.5)
	Pakistan	**3.5**	(3.2)
93	Kenya	**3.6**	(3.7)
	Tajikistan	**3.6**	(3.8)
95	Lao PDR	**3.8**	(3.9)
96	Bangladesh	**3.9**	(3.7)
97	Comoros	**4.2**	(3.4)
	Solomon Islands	**4.2**	(4.3)
99	Côte d'Ivoire	**4.6**	(4.8)
	Timor-Leste	**4.6**	(4.7)
101	Papua New Guinea	**5.2**	(5.4)
102	Cameroon	**5.4**	(5.4)
103	Nigeria	**5.9**	(5.7)
	Tanzania	**5.9**	(6.3)
105	Senegal	**6.0**	(5.9)
	Sierra Leone	**6.0**	(8.4)
107	Ethiopia	**6.3**	(7.4)
108	Uganda	**6.6**	(6.4)
109	Burkina Faso	**6.8**	(7.2)
110	Zambia	**7.0**	(7.4)
111	Chad	**7.9**	(8.2)
112	Guinea	**8.0**	(7.8)
113	Benin	**8.3**	(8.9)
114	Lesotho	**8.4**	(8.7)
115	Gambia, The	**9.2**	(9.4)
116	Mali	**9.6**	(8.1)
117	Rwanda	**12.1**	(11.9)
118	Niger	**13.5**	(13.0)
119	Togo	**13.9**	(14.4)
120	Haiti	**14.6**	(15.8)
121	South Sudan	**16.6**	(18.7)
122	Guinea-Bissau	**17.9**	(17.1)
133	Liberia	**18.3**	(21.1)
124	Mozambique	**18.7**	(20.3)
125	Malawi	**21.6**	(22.6)
126	Madagascar	**22.2**	(22.1)
127	Burundi	**28.3**	(29.1)
128	Congo, Dem. Rep.	**41.5**	(46.3)
129	Central African Republic	**57.3**	(25.5)

Notes: *The figures in parentheses indicate the values for the SPF Index in 2012.*
The SPF Index can be calculated for 129 countries that are included in PovcalNet and for which information on public health expenditure and births attended by skilled personnel is available. In addition to most high-income countries the following countries are not included due to non-availability of data: Afghanistan, Algeria, American Samoa, Cuba, Dominica, Egypt (Arab Rep.), Equatorial Guinea, Eritrea, Grenada, Iraq, Jordan, Korea (Dem. Rep.), Kosovo, Lebanon, Libya, Marshall Islands, Myanmar, Palau, Somalia, St. Vincent and the Grenadines, Syrian Arab Republic, West Bank and Gaza, Yemen (Rep.).

Source: Social Protection Floor Index – Update and Country Studies, 2017.

Table 2: SPF Index country ranking based on minimum income criterion of $3.1 a day in 2011 PPP, 2013 (figures in parentheses refer to 2012)

Rank	Country	2013	2012
1	Bosnia and Herzegovina	**0.0**	(0.0)
	Croatia	**0.0**	(0.0)
	Czech Republic	**0.0**	(0.0)
	Hungary	**0.0**	(0.0)
	Lithuania	**0.0**	(0.0)
	Poland	**0.0**	(0.0)
	Romania	**0.0**	(0.0)
	Serbia	**0.0**	(0.0)
	Slovak Republic	**0.0**	(0.0)
	Slovenia	**0.0**	(0.0)
	Uruguay	**0.0**	(0.0)
12	Costa Rica	**0.1**	(0.1)
	Estonia	**0.1**	(0.1)
	Moldova	**0.1**	(0.1)
	Turkey	**0.1**	(0.0)
16	Panama	**0.2**	(0.3)
	Ukraine	**0.2**	(0.0)
18	Belarus	**0.3**	(0.2)
	Bulgaria	**0.3**	(0.2)
	Macedonia, FYR	**0.3**	(0.2)
	Paraguay	**0.3**	(0.5)
22	Colombia	**0.5**	(0.6)
	El Salvador	**0.5**	(0.6)
	Maldives	**0.5**	(0.6)
25	Montenegro	**0.6**	(0.1)
	Russian Federation	**0.6**	(0.3)
	Tonga	**0.6**	(0.8)
28	Chile	**0.7**	(0.7)
29	Brazil	**0.8**	(0.7)
	Latvia	**0.8**	(0.6)
31	Ecuador	**0.9**	(1.7)
	Samoa	**0.9**	(0.9)
33	Seychelles	**1.0**	(0.3)
	Tunisia	**1.0**	(1.0)
	Tuvalu	**1.0**	(1.1)
36	Jamaica	**1.2**	(1.1)
	Mexico	**1.2**	(1.1)
	Thailand	**1.2**	(0.9)
	Trinidad and Tobago	**1.2**	(1.2)
	Vietnam	**1.2**	(1.2)
41	South Africa	**1.3**	(1.2)
42	Botswana	**1.5**	(1.1)
	China	**1.5**	(1.7)
44	Albania	**1.6**	(1.5)
	Bolivia	**1.6**	(1.9)
	Iran, Islamic Rep.	**1.6**	(1.4)
	Peru	**1.6**	(1.6)
48	Argentina	**1.7**	(1.2)
49	Bhutan	**1.8**	(1.9)
	Gabon	**1.8**	(2.4)
	Nicaragua	**1.8**	(2.0)
52	Dominican Republic	**1.9**	(1.7)
53	Belize	**2.0**	(2.1)
	Fiji	**2.0**	(2.1)
	Mauritius	**2.0**	(1.9)
56	Kazakhstan	**2.1**	(1.7)
	Malaysia	**2.1**	(1.9)
	Mongolia	**2.1**	(1.9)
	Namibia	**2.1**	(2.3)
60	Kyrgyz Republic	**2.2**	(1.6)
61	Suriname	**2.3**	(2.1)
62	Cabo Verde	**2.4**	(2.0)
	Guyana	**2.4**	(1.5)
64	Sri Lanka	**2.5**	(3.2)
65	Morocco	**2.6**	(2.3)
66	Armenia	**2.9**	(2.8)
67	Turkmenistan	**3.1**	(3.2)
68	Azerbaijan	**3.2**	(2.9)
	St. Lucia	**3.2**	(2.4)
	Venezuela, RB	**3.2**	(2.9)
71	Guatemala	**3.4**	(3.5)
72	Ghana	**4.1**	(4.7)
73	Cambodia	**4.2**	(4.2)
74	Georgia	**4.4**	(4.7)
	Indonesia	**4.4**	(4.4)
76	Swaziland	**4.6**	(4.9)
77	Honduras	**4.7**	(5.2)
78	Mauritania	**4.8**	(5.3)
	Philippines	**4.8**	(4.9)
	Sudan	**4.8**	(4.7)

81	Micronesia, Fed. Sts.	**5.1**	(4.4)
82	Pakistan	**5.7**	(5.5)
	Uzbekistan	**5.7**	(6.3)
	Vanuatu	**5.7**	(5.8)
85	Angola	**5.9**	(6.1)
86	Congo, Rep.	**6.1**	(6.9)
87	India	**6.5**	(7.1)
	Lao PDR	**6.5**	(7.0)
89	Djibouti	**7.1**	(6.6)
	Kiribati	**7.1**	(7.5)
91	Nepal	**7.3**	(8.1)
92	Bangladesh	**8.5**	(8.9)
93	Zimbabwe	**9.5**	(10.0)
94	Kenya	**9.8**	(10.4)
95	São Tomé and Principe	**9.9**	(11.4)
96	Côte d'Ivoire	**10.6**	(11.7)
97	Nigeria	**11.0**	(11.0)
98	Cameroon	**11.1**	(11.7)
99	Tajikistan	**11.3**	(12.3)
100	Comoros	**11.4**	(10.8)
101	Papua New Guinea	**13.0**	(13.8)
102	Timor-Leste	**13.9**	(14.3)
103	Solomon Islands	**14.4**	(14.6)
104	Zambia	**15.6**	(16.2)
105	Senegal	**16.5**	(16.5)
106	Tanzania	**17.5**	(18.8)
107	Chad	**18.5**	(19.3)
108	Sierra Leone	**19.4**	(27.6)
109	Lesotho	**19.4**	(20.0)
110	Ethiopia	**19.8**	(24.0)
111	Uganda	**20.3**	(20.2)
112	Benin	**22.7**	(24.4)
113	Burkina Faso	**24.9**	(25.4)
114	Gambia, The	**24.9**	(25.6)
115	Mali	**26.1**	(24.4)
116	Guinea	**27.2**	(26.9)
117	Haiti	**31.3**	(33.2)
118	Rwanda	**32.6**	(32.6)
119	South Sudan	**34.3**	(38.7)
120	Togo	**35.6**	(36.8)
121	Guinea-Bissau	**42.2**	(40.7)
122	Niger	**45.7**	(45.8)
123	Mozambique	**49.5**	(53.2)
124	Madagascar	**49.7**	(49.4)
125	Malawi	**54.8**	(56.7)
126	Liberia	**55.8**	(62.7)
127	Burundi	**75.4**	(77.2)
128	Congo, Dem. Rep.	**95.4**	(104.4)
129	Central African Republic	**120.7**	(59.8)

Notes: *The figures in parentheses indicate the values for the SPF Index in 2012.*
The SPF Index can be calculated for 129 countries that are included in PovcalNet and for which information on public health expenditure and births attended by skilled personnel is available. In addition to most high-income countries, the following countries are not included due to non-availability of data: Afghanistan, Algeria, American Samoa, Cuba, Dominica, Egypt (Arab Rep.), Equatorial Guinea, Eritrea, Grenada, Iraq, Jordan, Korea (Dem. Rep.), Kosovo, Lebanon, Libya, Marshall Islands, Myanmar, Palau, Somalia, St. Vincent and the Grenadines, Syrian Arab Republic, West Bank and Gaza, Yemen (Rep.).

Source: Social Protection Floor Index – Update and Country Studies, 2017.

Table 3: SPF Index country ranking based on relative minimum income criterion and income floor, 2013 (figures in parentheses refer to 2012)

Rank	Country	2013	2012
1	Romania	**0.1**	(0.1)
2	Serbia	**0.3**	(0.3)
	Ukraine	**0.3**	(0.2)
4	Czech Republic	**0.4**	(0.2)
	Hungary	**0.4**	(0.4)
	Maldives	**0.4**	(0.4)
	Moldova	**0.4**	(0.5)
8	Belarus	**0.5**	(0.5)
	Finland	**0.5**	(0.5)
	Iceland	**0.5**	(0.6)
	Luxembourg	**0.5**	(0.5)
12	Croatia	**0.6**	(0.6)
	Denmark	**0.6**	(0.6)
	Germany	**0.6**	(0.6)
	Kyrgyz Republic	**0.6**	(0.3)
	Lithuania	**0.6**	(0.6)
	Macedonia, FYR	**0.6**	(0.6)
	South Africa	**0.6**	(0.5)
19	Belgium	**0.7**	(0.8)
	France	**0.7**	(0.8)
	Namibia	**0.7**	(0.7)
	Netherlands	**0.7**	(0.7)
	Sweden	**0.7**	na
	Switzerland	**0.7**	na
25	Austria	**0.8**	(1.1)
	El Salvador	**0.8**	(0.8)
	Ireland	**0.8**	(0.8)
	Norway	**0.8**	(0.9)
	Slovak Republic	**0.8**	(0.7)
30	Bosnia and Herzegovina	**0.9**	(0.9)
	Poland	**0.9**	(0.8)
	Slovenia	**0.9**	(0.8)
33	Bulgaria	**1.0**	(1.0)
	Montenegro	**1.0**	(0.4)
	United Kingdom	**1.0**	(1.1)
36	Colombia	**1.1**	(1.1)
	Samoa	**1.1**	(1.1)
	Uruguay	**1.1**	(1.0)
39	Chile	**1.2**	(1.2)
	Costa Rica	**1.2**	(1.2)
	Russian Federation	**1.2**	(0.8)
	Tonga	**1.2**	(1.4)
43	Botswana	**1.3**	(0.7)
	Ecuador	**1.3**	(2.2)
	Estonia	**1.3**	(0.5)
	Panama	**1.3**	(1.2)
	Portugal	**1.3**	(1.2)
	Turkey	**1.3**	(1.4)
	Tuvalu	**1.3**	(1.2)
	Vietnam	**1.3**	(1.1)
51	Greece	**1.4**	(1.5)
	Mexico	**1.4**	(1.4)
	Micronesia, Fed. Sts.	**1.4**	(1.3)
	St. Lucia	**1.4**	(0.7)
55	Seychelles	**1.5**	(0.8)
	Thailand	**1.5**	(1.2)
	Tunisia	**1.5**	(1.4)
58	Albania	**1.6**	(1.5)
	Canada	**1.6**	(1.6)
	Gabon	**1.6**	(2.1)
	Jamaica	**1.6**	(1.5)
62	Belize	**1.7**	(1.7)
	Nicaragua	**1.7**	(1.7)
	Paraguay	**1.7**	(2.2)
	Swaziland	**1.7**	(1.8)
	Vanuatu	**1.7**	(1.8)
67	Brazil	**1.8**	(1.6)
	Fiji	**1.8**	(1.7)
	Italy	**1.8**	(1.7)
	Trinidad and Tobago	**1.8**	(1.8)
71	Latvia	**1.9**	(1.2)
72	Bhutan	**2.0**	(1.8)
	Cabo Verde	**2.0**	(1.5)
	Iran, Islamic Rep.	**2.0**	(2.0)
	Kiribati	**2.0**	(2.0)
	Spain	**2.0**	(1.8)
	United States of America	**2.0**	(2.0)
78	Congo, Rep.	**2.1**	(2.9)
	Djibouti	**2.1**	(2.4)
	Israel	**2.1**	(1.9)
	Mongolia	**2.1**	(2.2)
	Uzbekistan	**2.1**	(2.1)
83	Kazakhstan	**2.2**	(1.8)
	Mauritius	**2.2**	(2.0)
85	Dominican Republic	**2.3**	(2.0)
	Ghana	**2.3**	(2.4)
87	Sri Lanka	**2.4**	(3.0)
88	Armenia	**2.5**	(2.4)
	China*	**2.5**	(2.7)
	Peru	**2.5**	(2.6)
	São Tomé and Principe	**2.5**	(3.5)
92	Honduras	**2.6**	(2.5)
	Nepal	**2.6**	(3.0)
94	Argentina	**2.7**	(2.3)
	Suriname	**2.7**	(2.5)
96	Morocco	**2.8**	(2.4)
97	Guatemala	**2.9**	(3.0)
	Guyana	**2.9**	(1.9)
	Zimbabwe	**2.9**	(2.9)
100	Angola	**3.0**	(3.0)
	Malaysia	**3.0**	(2.8)
102	Cambodia	**3.1**	(2.8)
	Sudan	**3.1**	(2.9)
104	Philippines	**3.2**	(3.1)
	Turkmenistan	**3.2**	(3.2)
106	Azerbaijan	**3.3**	(3.1)
	Bolivia	**3.3**	(3.5)
	Mauritania	**3.3**	(3.6)

109	India*	**3.5**	(3.5)
	Pakistan	**3.5**	(3.2)
111	Georgia	**3.6**	(3.5)
	Kenya	**3.6**	(3.7)
	Tajikistan	**3.6**	(3.8)
114	Indonesia*	**3.8**	(3.6)
	Lao PDR	**3.8**	(3.9)
116	Bangladesh	**3.9**	(3.7)
117	Venezuela, RB	**4.0**	(3.6)
118	Solomon Islands	**4.2**	(4.3)
119	Côte d'Ivoire	**4.6**	(4.8)
	Timor-Leste	**4.6**	(4.7)
121	Comoros	**5.1**	(4.2)
122	Papua New Guinea	**5.2**	(5.4)
123	Cameroon	**5.4**	(5.4)
124	Nigeria	**5.9**	(5.7)
	Tanzania	**5.9**	(6.3)
126	Senegal	**6.0**	(5.9)
	Sierra Leone	**6.0**	(8.4)
128	Ethiopia	**6.3**	(7.4)
129	Uganda	**6.6**	(6.4)
130	Burkina Faso	**6.8**	(7.2)
131	Zambia	**7.0**	(7.4)
132	Chad	**7.9**	(8.2)
133	Guinea	**8.0**	(7.8)
134	Benin	**8.3**	(8.9)
135	Lesotho	**8.4**	(8.7)
136	Gambia, The	**9.2**	(9.4)
137	Mali	**9.6**	(8.1)
138	Rwanda	**12.1**	(11.9)
139	Niger	**13.5**	(13.0)
140	Togo	**13.9**	(14.4)
141	Haiti	**14.6**	(15.8)
142	South Sudan	**16.6**	(18.7)
143	Guinea-Bissau	**17.9**	(17.1)
144	Liberia	**18.3**	(21.1)
145	Mozambique	**18.7**	(20.3)
146	Malawi	**21.6**	(22.6)
147	Madagascar	**22.2**	(22.1)
148	Burundi	**28.3**	(29.1)
149	Congo, Dem. Rep.	**41.5**	(46.3)
150	Central African Republic	**57.3**	(25.5)

Notes: *The figures in parentheses indicate the values for the SPF Index in 2012. na: no estimates available. The SPF Index can be calculated for 150 countries. The minimum income level is defined as 50 per cent of median income (except for China, India and Indonesia, where it is set at 50 per cent of mean income). If the value of this poverty line is less than $1.90 a day in 2011 PPP, the international poverty line of $1.90 a day in 2011 PPP is applied. For the OECD member countries Chile, Hungary and Mexico, the IDD only provides estimates for one year; this is why PovcalNet estimates are used for both years for the sake of consistency. In addition to the countries mentioned in Table 1, the following high-income countries are not included due to data non-availability: Andorra, Antigua and Barbuda, Aruba, Bahamas, Bahrain, Barbados, Bermuda, British Virgin Islands, Brunei, Caymans Islands, Channel Islands, Curacao, Cyprus, Faroe Islands, French Polynesia, Gibraltar, Greenland, Guam, Hong Kong SAR (China), Isle of Man, Japan, Korea (Rep)., Kuwait, Liechtenstein, Macao SAR (China), Malta, Monaco, Nauru, New Caledonia, Northern Mariana Islands, Oman, Puerto Rico, Qatar, San Marino, Saudi Arabia, Singapore, Sint Maarten (Dutch part), St. Kitts and Nevis, St. Martin (French part), Sweden, Switzerland, Turks and Caicos Islands, United Arab Emirates, Virgin Islands (U.S.).*
The survey median is not reported when estimates are derived from interpolation of two household surveys. In these cases, the median of the most recent household survey is used to determine the poverty line. In 2012, this was done for the following countries: Burkina Faso, Cameroon, Chile, Congo (Dem. Rep.), Guatemala, Iran (Islamic Rep.), Lao (PDR), Mauritania, Micronesia (Fed. Sts.), Nicaragua, Niger, Pakistan, Rwanda, Serbia, Sri Lanka, Togo, Uganda. In 2013, this was done for Burkina Faso, Cameroon, Guatemala, Mauritania, Mexico, Mongolia, Nicaragua, Niger, Pakistan, Rwanda, Togo, Vietnam.

** For China, India, and Indonesia, no survey median was available and estimates are based on the survey mean in both 2012 and 2013.*

Source: Source: Social Protection Floor Index – Update and Country Studies, 2017.

Table A. 1: Overview of SPF Index value, health gaps, and income gaps, 2012 and 2013

			2012									2013								
			Income gap				Health gap		SPF Index			Income gap				Health gap		SPF Index		
Countries	Region	Income classification	Underlying survey year (reference year: 2012)	At $1.90 per day at 2011 PPP	At $3.10 per day at 2011 PPP	At 50 percent of survey median	Resource gap	Allocation gap	At $1.90 per day at 2011 PPP	At $3.10 per day at 2011 PPP	At 50 percent of survey median	Underlying survey year (reference year: 2013)	At $1.90 per day at 2011 PPP	At $3.10 per day at 2011 PPP	At 50 percent of survey median	Resource gap	Allocation gap	At $1.90 per day at 2011 PPP	At $3.10 per day at 2011 PPP	At 50 percent of survey median
Albania	ECA	UMI	2012	0.0	0.2	0.2	1.4	0.0	1.4	1.5	1.5	2012	0.0	0.1	0.2	1.5	0.0	1.5	1.6	1.6
Angola	SSA	UMI	2008.5	1.1	4.1	1.1	2.0	2.0	3.0	6.1	3.0	2008.5	1.0	3.8	1.0	1.2	2.1	3.0	5.9	3.0
Argentina	LAC	UMI	2012	0.0	0.1	1.1	1.1	0.0	1.2	1.2	2.3	2013	0.0	0.1	1.1	1.6	0.0	1.6	1.7	2.7
Armenia	ECA	LMI	2012	0.0	0.5	0.2	2.2	0.0	2.3	2.8	2.4	2013	0.1	0.5	0.2	2.4	0.0	2.4	2.9	2.5
Australia	EAP	HI	2012	#NV	#NV	1.3	0.0	0.0	#NV	#NV	1.3	2013	#NV	#NV	#NV	0.0	0.0	#NV	#NV	#NV
Austria	ECA	HI	2012	#NV	#NV	1.1	0.0	0.0	#NV	#NV	1.1	2013	#NV	#NV	0.8	0.0	0.0	#NV	#NV	0.8
Azerbaijan	ECA	UMI	2008	0.0	0.0	0.2	2.9	0.0	2.9	2.9	3.1	2008	0.0	0.0	0.2	3.1	0.0	3.2	3.2	3.3
Bangladesh	SA	LMI	2010	0.6	5.8	0.6	3.1	2.4	3.7	8.9	3.7	2010	0.5	5.0	0.5	3.5	2.6	3.9	8.5	3.9
Belarus	ECA	UMI	2012	0.0	0.0	0.2	0.2	0.0	0.2	0.2	0.5	2013	0.0	0.0	0.2	0.3	0.0	0.3	0.3	0.5
Belgium	ECA	HI	2012	#NV	#NV	0.8	0.0	0.0	#NV	#NV	0.8	2013	#NV	#NV	0.7	0.0	0.0	#NV	#NV	0.7
Belize	LAC	UMI	1999	0.5	1.5	1.1	0.5	0.0	1.0	2.1	1.7	1999	0.5	1.5	1.2	0.5	0.0	1.0	2.0	1.7
Benin	SSA	LI	2011.3	6.9	22.4	6.9	1.9	0.6	8.9	24.4	8.9	2011.3	6.2	20.6	6.2	2.1	0.8	8.3	22.7	8.3
Bhutan	SA	LMI	2012	0.0	0.5	0.4	1.4	0.6	1.4	1.9	1.8	2012	0.0	0.3	0.5	1.5	0.6	1.5	1.8	2.0
Bolivia	LAC	LMI	2012	0.6	1.5	3.1	0.3	0.4	1.0	1.9	3.5	2013	0.4	1.2	2.9	0.1	0.4	0.9	1.6	3.3
Bosnia and Herzego-vina	ECA	UMI	2011	0.0	0.0	0.9	0.0	0.0	0.0	0.0	0.9	2011	0.0	0.0	0.9	0.0	0.0	0.0	0.0	0.9
Botswana	SSA	UMI	2009.3	0.2	0.9	0.5	0.1	0.0	0.4	1.1	0.7	2009.3	0.2	0.8	0.5	0.8	0.0	1.0	1.5	1.3
Brazil	LAC	UMI	2012	0.1	0.3	1.2	0.4	0.0	0.6	0.7	1.6	2013	0.1	0.3	1.3	0.5	0.0	0.6	0.8	1.8
Bulgaria	ECA	UMI	2012	0.0	0.1	0.9	0.1	0.0	0.1	0.2	1.0	2012	0.0	0.1	0.8	0.2	0.0	0.2	0.3	1.0
Burkina Faso	SSA	LI	2009/ 2014	6.0	24.2	6.0	1.1	1.2	7.2	25.4	7.2	2009/ 2014	5.6	23.7	5.6	0.8	1.3	6.8	24.9	6.8
Burundi	SSA	LI	2006	27.7	75.7	27.7	0.0	1.4	29.1	77.2	29.1	2006	26.8	73.9	26.8	0.0	1.5	28.3	75.4	28.3
Cabo Verde	SSA	LMI	2007.3	0.2	1.2	0.8	0.8	0.1	0.9	2.0	1.5	2007.3	0.2	1.2	0.8	1.2	0.1	1.4	2.4	2.0
Cambodia	EAP	LMI	2012	0.1	1.6	0.2	2.6	1.0	2.7	4.2	2.8	2012	0.1	1.3	0.2	2.9	0.3	3.0	4.2	3.1
Cameroon	SSA	LMI	2007/ 2014	2.3	8.7	2.3	3.0	1.6	5.4	11.7	5.4	2007/ 2014	2.1	7.9	2.1	3.3	1.3	5.4	11.1	5.4
Canada	NA	HI	2012	#NV	#NV	1.6	0.0	0.0	#NV	#NV	1.6	2013	#NV	#NV	1.6	0.0	0.0	#NV	#NV	1.6
Central African Republic	SSA	LI	2008	23.2	57.5	23.2	2.3	2.3	25.5	59.8	25.5	2008	54.9	118.3	54.9	2.4	2.4	57.3	120.7	57.3
Chad	SSA	LI	2011	5.0	16.1	5.0	2.7	3.2	8.2	19.3	8.2	2011	4.7	15.3	4.7	2.5	3.2	7.9	18.5	7.9
Chile	LAC	HI	2011/ 2013	0.0	0.0	0.6	0.6	0.0	0.6	0.7	1.2	2013	0.0	0.0	0.6	0.7	0.0	0.7	0.7	1.2
China*	EAP	UMI	2012	0.1	0.6	#NV	1.2	0.0	1.2	1.7	2.7	2013	0.0	0.2	#NV	1.3	0.0	1.3	1.5	2.5
Colombia	LAC	UMI	2012	0.2	0.6	1.1	0.0	0.0	0.2	0.6	1.1	2013	0.1	0.5	1.1	0.0	0.0	0.1	0.5	1.1
Comoros	SSA	LI	2004	1.9	9.4	2.7	1.5	0.5	3.4	10.8	4.2	2004	1.9	9.1	2.8	2.3	0.6	4.2	11.4	5.1
Congo, Dem. Rep.	SSA	LI	2004.9/ 2012.4	43.9	102.0	43.9	2.4	0.6	46.3	104.4	46.3	2012.4	38.5	92.4	38.5	3.0	0.6	41.5	95.4	41.5
Congo, Rep.	SSA	LMI	2011	1.9	6.0	1.9	1.0	0.1	2.9	6.9	2.9	2011	1.9	5.8	1.9	0.2	0.0	2.1	6.1	2.1
Costa Rica	LAC	UMI	2012	0.0	0.1	1.2	0.0	0.0	0.0	0.1	1.2	2013	0.0	0.1	1.2	0.0	0.0	0.0	0.1	1.2
Côte d'Ivoire	SSA	LMI	2008	2.6	9.4	2.6	2.2	1.5	4.8	11.7	4.8	2008	2.1	8.1	2.1	2.5	1.5	4.6	10.6	4.6
Croatia	ECA	HI	2012	0.0	0.0	0.6	0.0	0.0	0.0	0.0	0.6	2012	0.0	0.0	0.6	0.0	0.0	0.0	0.0	0.6
Czech Republic	ECA	HI	2012	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.2	2012	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.4
Denmark	ECA	HI	2012	#NV	#NV	0.6	0.0	0.0	#NV	#NV	0.6	2013	#NV	#NV	0.6	0.0	0.0	#NV	#NV	0.6
Djibouti	MENA	LMI	2012	2.0	6.3	2.1	0.0	0.3	2.3	6.6	2.4	2013	1.8	6.8	1.8	0.0	0.3	2.1	7.1	2.1

Countries	Region	Income classification	2012									2013								
			Income gap				Health gap		SPF Index			Income gap				Health gap		SPF Index		
			Underlying survey year (reference year: 2012)	At $1.90 per day at 2011 PPP	At $3.10 per day at 2011 PPP	At 50 percent of survey median	Resource gap	Allocation gap	At $1.90 per day at 2011 PPP	At $3.10 per day at 2011 PPP	At 50 percent of survey median	Underlying survey year (reference year: 2013)	At $1.90 per day at 2011 PPP	At $3.10 per day at 2011 PPP	At 50 percent of survey median	Resource gap	Allocation gap	At $1.90 per day at 2011 PPP	At $3.10 per day at 2011 PPP	At 50 percent of survey median
Dominican Republic	LAC	UMI	2012	0.0	0.3	0.6	1.4	0.0	1.4	1.7	2.0	2013	0.0	0.2	0.6	1.7	0.0	1.7	1.9	2.3
Ecuador	LAC	UMI	2012	0.2	0.6	1.0	1.1	0.1	1.3	1.7	2.2	2013	0.1	0.4	0.8	0.4	0.0	0.6	0.9	1.3
El Salvador	LAC	LMI	2012	0.1	0.6	0.8	0.0	0.0	0.1	0.6	0.8	2013	0.1	0.5	0.8	0.0	0.0	0.1	0.5	0.8
Estonia	ECA	HI	2012	0.0	0.1	0.5	0.0	0.0	0.0	0.1	0.5	2012	0.0	0.1	1.3	0.0	0.0	0.0	0.1	1.3
Ethiopia	SSA	LI	2010.5	3.9	20.5	3.9	0.8	3.5	7.4	24.0	7.4	2010.5	2.9	16.4	2.9	1.3	3.4	6.3	19.8	6.3
Fiji	EAP	UMI	2008.5	0.1	0.7	0.4	1.3	0.0	1.4	2.1	1.7	2008.5	0.1	0.6	0.4	1.4	0.0	1.5	2.0	1.8
Finland	ECA	HI	2012	#NV	#NV	0.5	0.0	0.0	#NV	#NV	0.5	2013	#NV	#NV	0.5	0.0	0.0	#NV	#NV	0.5
France	ECA	HI	2012	#NV	#NV	0.8	0.0	0.0	#NV	#NV	0.8	2013	#NV	#NV	0.7	0.0	0.0	#NV	#NV	0.7
Gabon	SSA	UMI	2005	0.1	0.5	0.2	1.9	0.2	2.0	2.4	2.1	2005	0.1	0.4	0.2	1.4	0.2	1.4	1.8	1.6
Gambia, The	SSA	LI	2003.3	7.8	24.0	7.8	0.4	1.5	9.4	25.6	9.4	2003.3	7.5	23.3	7.5	0.1	1.6	9.2	24.9	9.2
Georgia	ECA	UMI	2012	0.4	1.8	0.6	2.9	0.0	3.3	4.7	3.5	2013	0.3	1.3	0.6	3.0	0.0	3.3	4.4	3.6
Germany	ECA	HI	2012	#NV	#NV	0.6	0.0	0.0	#NV	#NV	0.6	2013	#NV	#NV	0.6	0.0	0.0	#NV	#NV	0.6
Ghana	SSA	LMI	2005.7	0.8	3.5	1.3	1.0	1.1	1.9	4.7	2.4	2005.7	0.7	3.1	1.2	1.1	1.0	1.7	4.1	2.3
Greece	ECA	HI	2012	#NV	#NV	1.5	0.0	0.0	#NV	#NV	1.5	2013	#NV	#NV	1.4	0.0	0.0	#NV	#NV	1.4
Guatemala	LAC	LMI	2011/ 2014	0.4	1.5	1.0	2.0	1.3	2.3	3.5	3.0	2011/ 2014	0.3	1.4	1.0	2.0	1.4	2.3	3.4	2.9
Guinea	SSA	LI	2012	5.8	24.9	5.8	2.0	2.0	7.8	26.9	7.8	2012	5.9	25.0	5.9	1.9	2.1	8.0	27.2	8.0
Guinea-Bissau	SSA	LI	2010	14.6	38.2	14.6	2.5	2.1	17.1	40.7	17.1	2010	15.3	39.5	15.3	2.7	2.2	17.9	42.2	17.9
Guyana	LAC	UMI	1998	0.3	1.2	1.5	0.0	0.4	0.7	1.5	1.9	1998	0.2	1.0	1.5	1.4	0.4	1.6	2.4	2.9
Haiti	LAC	LI	2012	12.6	30.1	12.6	3.1	2.4	15.8	33.2	15.8	2012	12.0	28.7	12.0	2.6	2.0	14.6	31.3	14.6
Honduras	LAC	LMI	2012	1.6	4.7	2.0	0.0	0.5	2.1	5.2	2.5	2013	1.3	4.1	2.0	0.0	0.5	1.8	4.7	2.6
Hungary	ECA	HI	2012	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.4	2012	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.4
Iceland	ECA	HI	2012	#NV	#NV	0.6	0.0	0.0	#NV	#NV	0.6	2013	#NV	#NV	0.5	0.0	0.0	#NV	#NV	0.5
India*	SA	LMI	2011	0.6	4.1	#NV	2.9	0.6	3.5	7.1	3.5	2011	0.4	3.5	#NV	3.0	0.6	3.5	6.5	3.5
Indonesia*	EAP	LMI	2012	0.1	1.4	#NV	3.0	0.5	3.1	4.4	3.6	2013	0.1	1.2	#NV	3.1	0.3	3.3	4.4	3.8
Iran, Islamic Rep.	MENA	UMI	2009/ 2013	0.0	0.0	0.6	1.4	0.0	1.4	1.4	2.0	2013	0.0	0.0	0.5	1.6	0.0	1.6	1.6	2.0
Ireland	ECA	HI	2012	#NV	#NV	0.8	0.0	0.0	#NV	#NV	0.8	2013	#NV	#NV	0.8	0.0	0.0	#NV	#NV	0.8
Israel	MENA	HI	2012	#NV	#NV	1.9	0.0	0.0	#NV	#NV	1.9	2013	#NV	#NV	2.1	0.0	0.0	#NV	#NV	2.1
Italy	ECA	HI	2012	#NV	#NV	1.7	0.0	0.0	#NV	#NV	1.7	2013	#NV	#NV	1.8	0.0	0.0	#NV	#NV	1.8
Jamaica	LAC	UMI	2004	0.0	0.3	0.7	0.8	0.0	0.9	1.1	1.5	2004	0.0	0.3	0.7	0.9	0.0	1.0	1.2	1.6
Kazakhstan	ECA	UMI	2012	0.0	0.0	0.1	1.7	0.0	1.7	1.7	1.8	2013	0.0	0.0	0.1	2.1	0.0	2.1	2.1	2.2
Kenya	SSA	LMI	2005.4	2.3	9.0	2.3	0.8	1.4	3.7	10.4	3.7	2005.4	2.1	8.4	2.1	1.0	1.4	3.6	9.8	3.6
Kiribati	EAP	LMI	2006	1.7	7.5	2.0	0.0	0.0	1.7	7.5	2.0	2006	1.6	7.1	2.0	0.0	0.0	1.6	7.1	2.0
Kyrgyz Republic	ECA	LMI	2012	0.2	1.6	0.3	0.0	0.0	0.2	1.6	0.3	2013	0.1	1.8	0.2	0.4	0.0	0.5	2.2	0.6
Lao PDR	EAP	LMI	2007.2/ 2012.3	0.6	3.7	0.6	3.3	2.3	3.9	7.0	3.9	2012.3	0.5	3.2	0.5	3.3	2.4	3.8	6.5	3.8
Latvia	ECA	HI	2012	0.0	0.1	0.7	0.5	0.0	0.6	0.6	1.2	2012	0.0	0.1	1.1	0.8	0.0	0.8	0.8	1.9
Lesotho	SSA	LMI	2010	7.9	19.3	7.9	0.0	0.7	8.7	20.0	8.7	2010	7.7	18.7	7.7	0.0	0.7	8.4	19.4	8.4
Liberia	SSA	LI	2007	19.7	61.3	19.7	0.7	1.4	21.1	62.7	21.1	2007	16.8	54.4	16.8	1.5	1.5	18.3	55.8	18.3
Lithuania	ECA	HI	2012	0.0	0.0	0.6	0.0	0.0	0.0	0.0	0.6	2012	0.0	0.0	0.6	0.0	0.0	0.0	0.0	0.6
Luxem-bourg	ECA	HI	2012	#NV	#NV	0.5	0.0	0.0	#NV	#NV	0.5	2013	#NV	#NV	0.5	0.0	0.0	#NV	#NV	0.5
Macedonia, FYR	ECA	UMI	2008	0.0	0.2	0.6	0.0	0.0	0.0	0.2	0.6	2008	0.0	0.2	0.5	0.1	0.0	0.1	0.3	0.6

Countries	Region	Income classification	2012									2013								
			Income gap				Health gap		SPF Index			Income gap				Health gap		SPF Index		
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Madagascar	SSA	LI	2012	19.8	47.1	19.8	2.3	2.1	22.1	49.4	22.1	2010	20.1	47.5	20.1	1.7	2.2	22.2	49.7	22.2
Malawi	SSA	LI	2010.2	22.3	56.4	22.3	0.0	0.3	22.6	56.7	22.6	2010.2	21.3	54.5	21.3	0.0	0.3	21.6	54.8	21.6
Malaysia	EAP	UMI	2009	0.0	0.0	0.9	1.9	0.0	1.9	1.9	2.8	2009	0.0	0.0	0.9	2.1	0.0	2.1	2.1	3.0
Maldives	SA	UMI	2009.5	0.1	0.6	0.4	0.0	0.0	0.1	0.6	0.4	2009.5	0.1	0.5	0.4	0.0	0.0	0.1	0.5	0.4
Mali	SSA	LI	2009.9	6.2	22.5	6.2	1.8	1.9	8.1	24.4	8.1	2009.9	6.4	23.0	6.4	3.2	2.0	9.6	26.1	9.6
Mauritania	SSA	LMI	2008/ 2014	0.4	2.5	0.8	2.7	1.2	3.1	5.3	3.6	2008/ 2014	0.3	2.2	0.8	2.6	1.3	2.9	4.8	3.3
Mauritius	SSA	UMI	2012	0.0	0.0	0.2	1.8	0.0	1.8	1.9	2.0	2012	0.0	0.0	0.2	1.9	0.0	1.9	2.0	2.2
Mexico	LAC	UMI	2012	0.0	0.2	0.4	0.9	0.0	1.0	1.1	1.4	2012/ 2014	0.0	0.2	0.3	1.0	0.0	1.1	1.2	1.4
Micronesia, Fed. Sts.	EAP	LMI	2005/ 2013	1.1	4.4	1.3	0.0	0.0	1.1	4.4	1.3	2013	1.3	5.1	1.4	0.0	0.0	1.3	5.1	1.4
Moldova	ECA	LMI	2012	0.0	0.1	0.5	0.0	0.0	0.0	0.1	0.5	2013	0.0	0.1	0.4	0.0	0.0	0.0	0.1	0.4
Mongolia	EAP	LMI	2012	0.0	0.1	0.3	1.8	0.0	1.8	1.9	2.2	2012/ 2014	0.0	0.1	0.0	2.1	0.0	2.1	2.1	2.1
Montenegro	ECA	UMI	2012	0.0	0.1	0.4	0.0	0.0	0.0	0.1	0.4	2013	0.0	0.1	0.4	0.6	0.0	0.6	0.6	1.0
Morocco	MENA	LMI	2006.9	0.0	0.4	0.5	1.9	0.9	1.9	2.3	2.4	2006.9	0.0	0.3	0.5	2.3	0.9	2.4	2.6	2.8
Mozambique	SSA	LI	2008.7	18.6	51.5	18.6	1.3	1.7	20.3	53.2	20.3	2008.7	16.9	47.8	16.9	1.2	1.8	18.7	49.5	18.7
Namibia	SSA	UMI	2009.5	0.4	2.0	0.4	0.0	0.3	0.7	2.3	0.7	2009.5	0.4	1.8	0.4	0.0	0.3	0.7	2.1	0.7
Nepal	SA	LI	2010.2	0.6	5.7	0.6	1.6	2.4	3.0	8.1	3.0	2010.2	0.5	5.2	0.5	2.1	1.7	2.6	7.3	2.6
Netherlands	ECA	HI	2012	#NV	#NV	0.7	0.0	0.0	#NV	#NV	0.7	2013	#NV	#NV	0.7	0.0	0.0	#NV	#NV	0.7
New Zealand	EAP	HI	2012	#NV	#NV	#NV	0.0	0.0	#NV	#NV	#NV	2013	#NV	#NV	#NV	0.0	0.0	#NV	#NV	#NV
Nicaragua	LAC	LMI	2009/ 2014	0.4	1.7	1.4	0.0	0.3	0.7	2.0	1.7	2009/ 2014	0.3	1.5	1.4	0.0	0.3	0.6	1.8	1.7
Niger	SSA	LI	2011/ 2014	10.3	43.1	10.3	1.9	2.7	13.0	45.8	13.0	2011/ 2014	10.7	42.9	10.7	1.8	2.8	13.5	45.7	13.5
Nigeria	SSA	LMI	2009.8	2.6	7.9	2.6	3.1	2.5	5.7	11.0	5.7	2009.8	2.5	7.5	2.5	3.4	2.6	5.9	11.0	5.9
Norway	ECA	HI	2012	#NV	#NV	0.9	0.0	0.0	#NV	#NV	0.9	2013	#NV	#NV	0.8	0.0	0.0	#NV	#NV	0.8
Pakistan	SA	LMI	2011.5/ 2013.5	0.1	2.4	0.1	3.1	1.6	3.2	5.5	3.2	2011.5/ 2013.5	0.2	2.4	0.2	3.3	1.7	3.5	5.7	3.5
Panama	LAC	UMI	2012	0.1	0.2	1.2	0.0	0.0	0.1	0.3	1.2	2013	0.0	0.2	1.2	0.0	0.1	0.1	0.2	1.3
Papua New Guinea	EAP	LMI	2009.7	3.7	12.0	3.7	0.4	1.7	5.4	13.8	5.4	2009.7	3.4	11.2	3.4	0.4	1.8	5.2	13.0	5.2
Paraguay	LAC	UMI	2012	0.1	0.5	2.2	0.0	0.0	0.1	0.5	2.2	2013	0.1	0.3	1.7	0.0	0.0	0.1	0.3	1.7
Peru	LAC	UMI	2012	0.1	0.4	1.4	1.3	0.3	1.3	1.6	2.6	2013	0.1	0.3	1.2	1.3	0.3	1.3	1.6	2.5
Philippines	EAP	LMI	2012	0.3	2.2	0.4	2.7	0.9	3.0	4.9	3.1	2012	0.3	1.9	0.4	2.9	1.0	3.1	4.8	3.2
Poland	ECA	HI	2012	0.0	0.0	0.8	0.0	0.0	0.0	0.0	0.8	2013	0.0	0.0	0.9	0.0	0.0	0.0	0.0	0.9
Portugal	ECA	HI	2012	#NV	#NV	1.2	0.0	0.0	#NV	#NV	1.2	2013	#NV	#NV	1.3	0.0	0.0	#NV	#NV	1.3
Romania	ECA	UMI	2012	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	2013	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1
Russian Federation	ECA	UMI	2012	0.0	0.0	0.5	0.3	0.0	0.3	0.3	0.8	2012	0.0	0.0	0.6	0.6	0.0	0.6	0.6	1.2
Rwanda	SSA	LI	2010.8/ 2013.8	10.6	31.4	10.6	1.3	0.2	11.9	32.6	11.9	2010.8/ 2013.8	10.7	31.3	10.7	1.4	0.2	12.1	32.6	12.1
Samoa	EAP	LMI	2008	0.0	0.3	0.5	0.0	0.5	0.5	0.9	1.1	2008	0.0	0.4	0.5	0.0	0.5	0.6	0.9	1.1

Countries	Region	Income classification	2012									2013								
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São Tomé and Principe	SSA	LMI	2010	1.9	9.7	1.9	1.6	0.1	3.5	11.4	3.5	2010	1.8	9.2	1.8	0.7	0.1	2.5	9.9	2.5
Senegal	SSA	LI	2011.3	4.0	14.6	4.0	1.9	1.8	5.9	16.5	5.9	2011.3	3.9	14.4	3.9	2.1	1.5	6.0	16.5	6.0
Serbia	ECA	UMI	2010/ 2013	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.3	2013	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.3
Seychelles	SSA	HI	2013	0.0	0.0	0.5	0.3	0.0	0.3	0.3	0.8	2013	0.0	0.0	0.5	1.0	0.0	1.0	1.0	1.5
Sierra Leone	SSA	LI	2011	6.3	25.5	6.3	2.1	1.4	8.4	27.6	8.4	2011	3.4	16.8	3.4	2.6	1.5	6.0	19.4	6.0
Slovak Republic	ECA	HI	2012	0.0	0.0	0.7	0.0	0.0	0.0	0.0	0.7	2012	0.0	0.0	0.8	0.0	0.0	0.0	0.0	0.8
Slovenia	ECA	HI	2012	0.0	0.0	0.8	0.0	0.0	0.0	0.0	0.8	2012	0.0	0.0	0.9	0.0	0.0	0.0	0.0	0.9
Solomon Islands	EAP	LMI	2005	3.9	14.2	3.9	0.0	0.4	4.3	14.6	4.3	2005	3.8	14.0	3.8	0.0	0.4	4.2	14.4	4.2
South Africa	SSA	UMI	2011	0.3	1.2	0.5	0.0	0.0	0.3	1.2	0.5	2011	0.3	1.2	0.5	0.1	0.0	0.4	1.3	0.6
South Sudan	SSA	LI	2009	15.5	35.5	15.5	3.2	3.1	18.7	38.7	18.7	2009	13.2	30.9	13.2	3.4	3.3	16.6	34.3	16.6
Spain	ECA	HI	2012	#NV	#NV	1.8	0.0	0.0	#NV	#NV	1.8	2013	#NV	#NV	2.0	0.0	0.0	#NV	#NV	2.0
Sri Lanka	SA	LMI	2009.5/ 2012.5	0.0	0.3	0.2	2.9	0.0	2.9	3.2	3.0	2012.5	0.0	0.3	0.2	2.2	0.0	2.2	2.5	2.4
St. Lucia	LAC	UMI	1995	0.7	2.4	0.7	0.0	0.0	0.7	2.4	0.7	1995	0.7	2.4	0.7	0.8	0.0	1.4	3.2	1.4
Sudan	SSA	LMI	2009	0.4	2.5	0.7	2.2	0.7	2.7	4.7	2.9	2009	0.4	2.4	0.7	2.4	0.8	2.8	4.8	3.1
Suriname	LAC	UMI	1999	0.7	1.3	1.6	0.9	0.2	1.5	2.1	2.5	1999	0.6	1.2	1.6	1.1	0.2	1.7	2.3	2.7
Swaziland	SSA	LMI	2009.3	1.5	4.6	1.5	0.0	0.3	1.8	4.9	1.8	2009.3	1.4	4.3	1.4	0.0	0.3	1.7	4.6	1.7
Sweden	ECA	HI	2012	#NV	#NV	#NV	0.0	0.0	#NV	#NV	#NV	2013	#NV	#NV	0.7	0.0	0.0	#NV	#NV	0.7
Switzer-land	ECA	HI	2012	#NV	#NV	#NV	0.0	0.0	#NV	#NV	#NV	2013	#NV	#NV	0.7	0.0	0.0	#NV	#NV	0.7
Tajikistan	ECA	LMI	2012	1.6	10.1	1.6	2.2	0.2	3.8	12.3	3.8	2013	1.4	9.0	1.4	2.2	0.3	3.6	11.3	3.6
Tanzania	SSA	LI	2011.8	4.4	17.0	4.4	1.3	1.9	6.3	18.8	6.3	2011.8	3.9	15.5	3.9	1.7	2.0	5.9	17.5	5.9
Thailand	EAP	UMI	2012	0.0	0.0	0.4	0.9	0.0	0.9	0.9	1.2	2013	0.0	0.0	0.3	1.2	0.0	1.2	1.2	1.5
Timor-Leste	EAP	LMI	2007	1.5	11.1	1.5	3.2	2.7	4.7	14.3	4.7	2007	1.4	10.8	1.4	3.1	2.8	4.6	13.9	4.6
Togo	SSA	LI	2011/ 2015	12.3	34.7	12.3	2.2	2.1	14.4	36.8	14.4	2011/ 2015	11.7	33.5	11.7	2.2	2.2	13.9	35.6	13.9
Tonga	EAP	LMI	2009	0.0	0.3	0.9	0.5	0.0	0.5	0.8	1.4	2009	0.0	0.4	0.9	0.2	0.0	0.3	0.6	1.2
Trinidad and Tobago	LAC	HI	1992	0.0	0.0	0.6	1.2	0.0	1.2	1.2	1.8	1992	0.0	0.0	0.6	1.2	0.0	1.2	1.2	1.8
Tunisia	MENA	LMI	2010.4	0.0	0.2	0.6	0.0	0.9	0.9	1.0	1.4	2010.4	0.0	0.1	0.6	0.1	0.9	0.9	1.0	1.5
Turkey	ECA	UMI	2012	0.0	0.0	1.4	0.0	0.0	0.0	0.0	1.4	2013	0.0	0.0	1.3	0.1	0.0	0.1	0.1	1.3
Turkmeni-stan	ECA	UMI	1998	0.0	0.4	0.3	2.8	0.0	2.9	3.2	3.2	1998	0.0	0.3	0.3	2.9	0.0	2.9	3.1	3.2
Tuvalu	EAP	UMI	2010	0.1	1.0	1.2	0.0	0.1	0.2	1.1	1.2	2010	0.1	1.0	1.2	0.0	0.1	0.2	1.0	1.3
Uganda	SSA	LI	2009.4/ 2012.5	4.4	18.2	4.4	1.9	1.5	6.4	20.2	6.4	2012.5	4.4	18.1	4.4	2.2	1.6	6.6	20.3	6.6
Ukraine	ECA	LMI	2012	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.2	2013	0.0	0.0	0.2	0.1	0.0	0.1	0.2	0.3
United Kingdom	ECA	HI	2012	#NV	#NV	1.1	0.0	0.0	#NV	#NV	1.1	2013	#NV	#NV	1.0	0.0	0.0	#NV	#NV	1.0
United States of America	NA	HI	2012	#NV	#NV	2.0	0.0	0.0	#NV	#NV	2.0	2013	#NV	#NV	2.0	0.0	0.0	#NV	#NV	2.0

Countries	Region	Income classification	2012									2013								
			Income gap				Health gap		SPF Index			Income gap				Health gap		SPF Index		
			Underlying survey year (reference year: 2012)	At $1.90 per day at 2011 PPP	At $3.10 per day at 2011 PPP	At 50 percent of survey median	Resource gap	Allocation gap	At $1.90 per day at 2011 PPP	At $3.10 per day at 2011 PPP	At 50 percent of survey median	Underlying survey year (reference year: 2013)	At $1.90 per day at 2011 PPP	At $3.10 per day at 2011 PPP	At 50 percent of survey median	Resource gap	Allocation gap	At $1.90 per day at 2011 PPP	At $3.10 per day at 2011 PPP	At 50 percent of survey median
Uruguay	LAC	HI	2012	0.0	0.0	1.0	0.0	0.0	0.0	0.0	1.0	2013	0.0	0.0	1.1	0.0	0.0	0.0	0.0	1.1
Uzbekistan	ECA	LMI	2003	1.1	5.3	1.1	1.0	0.0	2.1	6.3	2.1	2003	0.9	4.5	0.9	1.2	0.0	2.1	5.7	2.1
Vanuatu	EAP	LMI	2010	0.9	4.8	0.9	0.9	0.2	1.8	5.8	1.8	2010	0.8	4.7	0.8	0.9	0.2	1.7	5.7	1.7
Venezuela, RB	LAC	UMI	2006	0.3	0.5	1.2	2.4	0.0	2.7	2.9	3.6	2006	0.2	0.5	1.2	2.8	0.0	3.0	3.2	4.0
Vietnam	EAP	LMI	2012	0.1	0.8	0.8	0.4	0.1	0.5	1.2	1.1	2012/ 2014	0.1	0.7	0.8	0.5	0.1	0.6	1.2	1.3
Zambia	SSA	LMI	2010	5.8	14.7	5.8	1.6	1.3	7.4	16.2	7.4	2010	5.5	14.0	5.5	1.5	1.4	7.0	15.6	7.0
Zimbabwe	SSA	LI	2011	1.6	8.6	1.6	1.3	1.2	2.9	10.0	2.9	2011	1.4	8.1	1.4	1.5	0.6	2.9	9.5	2.9

Source: Authors' own calculations.

Notes: *EAP: East Asia & Pacific; ECA: Europe and Central Asia; LCA: Latin America & Caribbean; MENA: Middle East & North Africa; NA: North America; SA: South Asia; SSA: Sub-Saharan Africa. HI: High income; LI: Low income; LMI: Lower middle income; UMI: Upper middle income. #NV: No value.*

Survey years may appear as fraction. This appears when a country has no monthly Consumer Price Index (CPI) and reflects how it was estimated with the CPI of two years.

For additional notes, please refer to the data annex and Tables 1-3.

ABOUT THE AUTHORS

Bierbaum, Mira (Ph.D.), Junior Professional Officer, Social Policy Unit, International Labour Organization

Cartín, Sandra, Project Coordinator for Economic and Social Affairs, Friedrich-Ebert-Stiftung Costa Rica

Chipatuka, Vince, Programme Manager Social Compact and Social Justice Project, Friedrich-Ebert-Stiftung Zambia

Chogdon, Oyungerel, Project Manager, Friedrich-Ebert-Stiftung Mongolia

Cichon, Michael, Professor of social protection at the Maastricht Graduate School of Governance/ UNU-MERIT

Elischer, Helmut, Resident Director, Friedrich-Ebert-Stiftung Zambia

Escobar, Marcela A., economist and coordinator of the civil society organization National Coalition for Social Protection Floors in El Salvador since 2007

Falsy, Boutaina, former Director of Social Protection in the Moroccan Ministry of Labour, consultant for social protection and coordinator of the project "Get Involved! Women Empowerment in Morocco and Benin" for Friedrich-Ebert-Stiftung Morocco

Hegewisch, Niels (Ph.D.), Resident Director, Friedrich-Ebert-Stiftung Mongolia

Ihejirika, Oluremilekun, Project Manager for Trade Union Cooperation, Friedrich-Ebert-Stiftung Nigeria

Lanz, Hajo, former Resident Director Friedrich-Ebert-Stiftung Costa Rica, since July 2019 Director Friedrich-Ebert-Stiftung Geneva

Naumann, Heiner, Resident Director, Friedrich-Ebert-Stiftung Namibia

Pallenschat, Kimberley, Research Assistant, Friedrich-Ebert-Stiftung Myanmar

Schildberg, Cäcilie (Ph.D.), international social protection programme manager and coordinator of the Social Security for All Project at Friedrich-Ebert-Stiftung Berlin

Schritt, Camilla Sophie: Bachelor's degree in International Cultural and Business studies from the University of Passau, Joint European Master's Programme in International Humanitarian Action.,

Tjivikua, Kenandei Kapara, Social Protection Consultant, Region Southern Africa (Namibia)

Yusupov, Alexey, Resident Director, Friedrich-Ebert-Stiftung Myanmar

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