

2011 Expert Meeting

Agenda 2. Social Protection and Income Support Schemes : A Focus on Definitions and Related Parameters

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I. Background & Objectives



- ❑ Asia and the Pacific has showed **remarkable achievements**.
 - ✓ The world's fastest-growing region
 - ✓ The # of people living on less than \$1.25 a day fell from 1.5 billion to 974 million b/w 1990 and 2008.
- ❑ Nevertheless, **around 641 million people** are still suffering under extreme poverty.
- ❑ **Income inequality within countries** has been **consolidated** in many of this region.

Background (Cont')

- ☐ Newly emerged challenges in Asia & the Pacific
 - ✓ Recurrent economic crises
 - ✓ Natural disasters (e.g.: floods, cyclones, tsunami)
 - ✓ Dramatic increases in food and energy prices
- ☐ The convergence of such crises has generated **unprecedented threats** to daily life of people, especially the poor and vulnerable.
- ☐ **Social protection** has assumed **greater importance**
 - ✓ **As a tool** to **mitigate** the impact of shocks and to **help accelerate** the recovery of people.

Background (Cont')

- ❑ Among other social protection measures, the **income support schemes** (hereafter, ISSs) have particular attention.
- ✓ **Meet the needs** of the poor and vulnerable by providing direct support and protection.
- ✓ **Building blocks for more comprehensive social protection** by expanding coverage to those who had been excluded from existing social protection system.

Objectives

- ❑ In response to abovementioned risks, this project aims:
 - ✓ To **strengthen social protection**, especially for the poor and vulnerable
 - ✓ To **provide a platform** for researchers and policy makers to exchange views, experience, and knowledge on social protection and ISSs



II. Social Protection & Income Support Schemes : A Focus on Definitions

Definition of Social Protection

□ Definition

- ✓ Social protection is **an umbrella term** evolved over the past few decades.
- ✓ In the past, most governments regarded social protection as mere a “**cost**”, and narrowly defined it as a set of benefits to the “**deserving poor** (e.g. orphans and widows).”
- ✓ In recent years, however, started to adopt **a broader approach** in conceptualizing social protection. Many began to perceive a social protection **as an investment**.

Definition of Social Prot.(Cont')

- ❑ Still, social protection **remains a term** which boundaries and core components are far from agreed.
- ✓ On one hand, many policymakers **continue to equate** social protection with social safety nets.
- ✓ On the other hand, scholars such as Barrientos et al. (2006), and Devereux and Sabates-Wheeler (2004) see that social protection is **much more than short-term safety nets** and **adopt a broader approach**. They argue that social protection include livelihood promotion, asset transfer, and initiatives for social mobilization.

Definition of Social Prot.(Cont')

❑ **Conceptual definition** of social protection

- ✓ **The public actions** taken to reduce vulnerability, risks, deprivation, and inequality

❑ **Operational definition** of social protection

- ✓ **The set of all initiatives** that provide:
 - Social assistance
 - Social services
 - Social insurance
 - Labor market policies to ensure the labor and employment standards for the disadvantaged segments of the society.

The Dividends of Social Protection

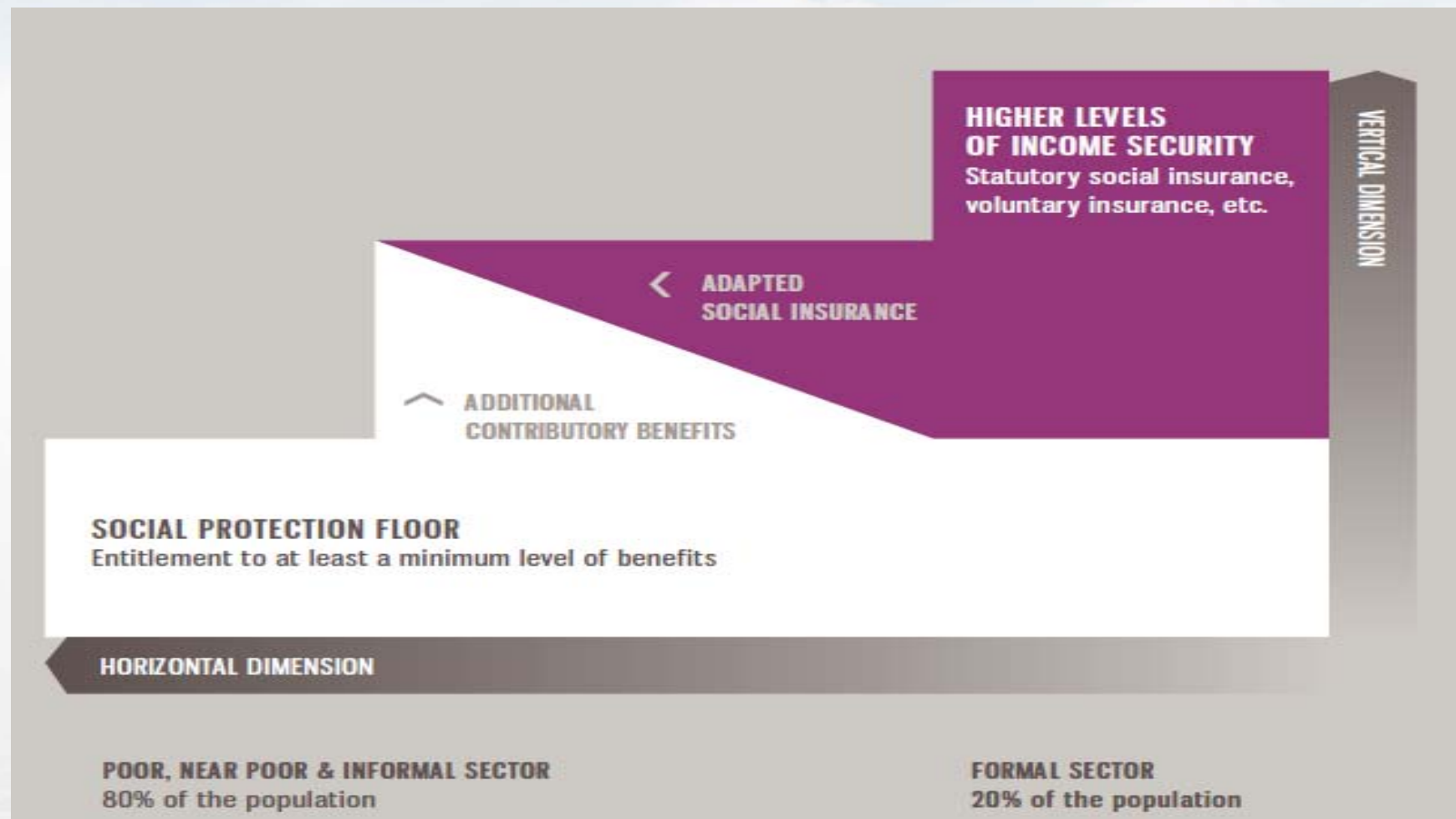
❑ **Robust measures** of social protection have multiple benefits.

- ✓ Build human capacities
- ✓ Offer an escape from poverty
- ✓ Reduce income inequality
- ✓ Boost economic growth
- ✓ Achieve social cohesion through inclusion

- ❑ Social protection can be built **incrementally** once universal principles have been established.
- ✓ **Social protection floor (SPF)**
 - This means first ensuring that everyone **starts from those universal, non-contributory measures** that might form the basis of a “**social protection floor**.”
- ✓ **Social protection staircase (SPS)**
 - When social protection floor is made, **guaranteeing a minimum level of access** to essential services and income security for all, but then be capable of extension in the form of a “**social protection staircase**”.

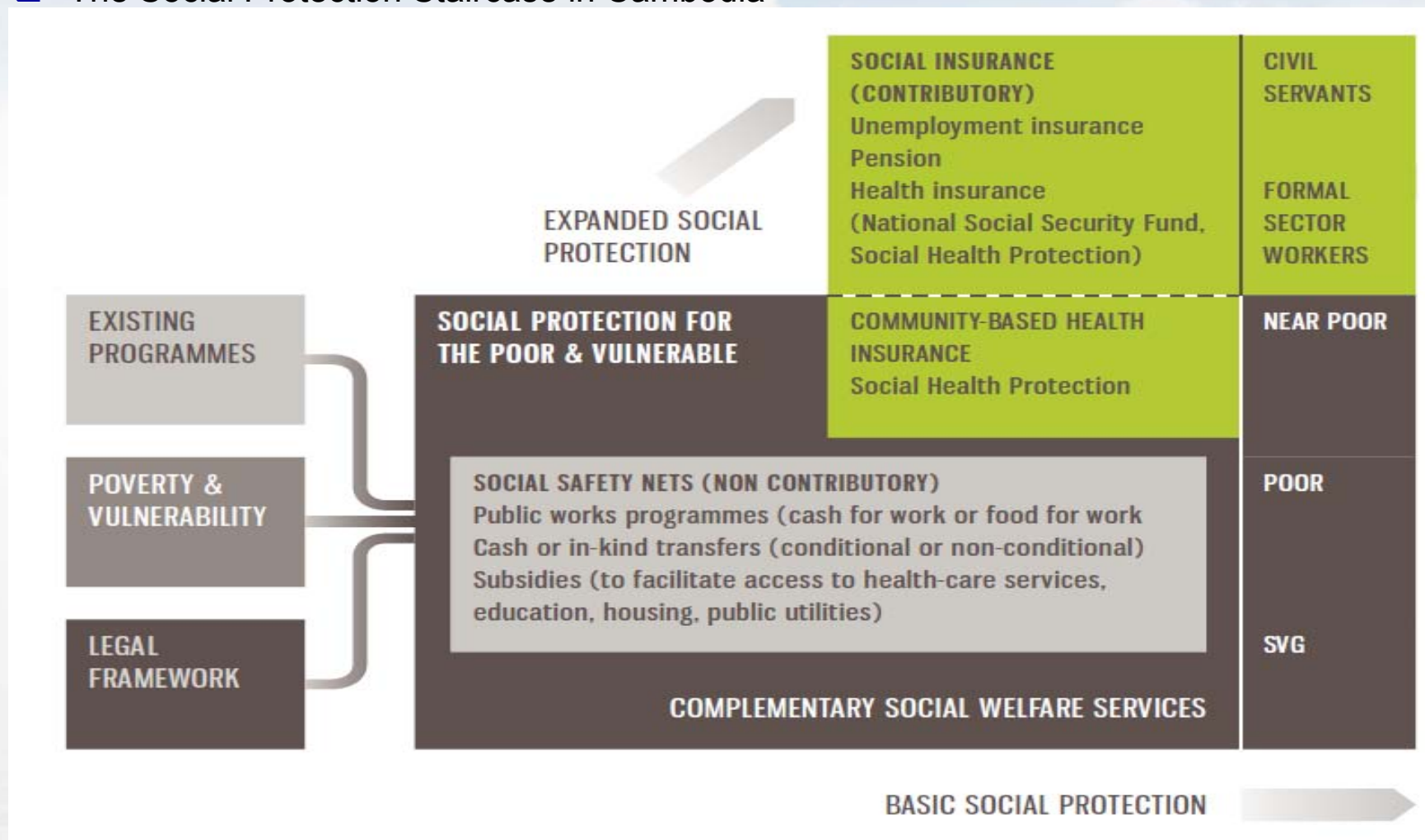
Social Prot.: Floor & Staircase(Cont')

□ Social Protection: The Floor and Staircase



Social Prot.: Floor & Staircase(Cont')

□ The Social Protection Staircase in Cambodia



□ The social protection floor has two components:

✓ **Availability of services**

- **Ensuring** the availability of, and financial access to, essential services

✓ **Accessibility through transfers**

- **Realizing access** to services, and **providing** minimum income and livelihood security through essential social transfers in cash and in kind

Definition of Income Support Scheme

□ Definition

- ✓ **Income support scheme adopted here** can be viewed as **one of the building blocks** which realize the second component of social protection floor mentioned above, that is “**accessibility through transfers.**”

❑ **Conceptual definition** of income support scheme

- ✓ **A set of state provisions** that bring direct and tangible benefits to targeted subgroups of the poor and vulnerable strata of the society. It is considered as **a basic social protection measure**.

❑ **Operational definition** of income support scheme

- ✓ **A range of policies and programs** that offer cash transfers - both conditional and unconditional -, in-kind benefits, and temporary and short-term public works. It usually involves **targeting mechanism**.

Dividends of Income Support Scheme

- ❑ **Alleviates poverty** by providing direct support to those in the greatest need.
- ✓ Even though Asia-Pacific region showed a remarkable economic growth for recent decades, the fruits of this growth **have not been evenly distributed**. Many people have been suffering under extreme poverty.
- ✓ Moreover, many countries have experienced **some negative events** such as financial crises, and natural calamities, which have posed threats to the livelihood of many poor and vulnerable people.

Dividends of ISS (Cont')

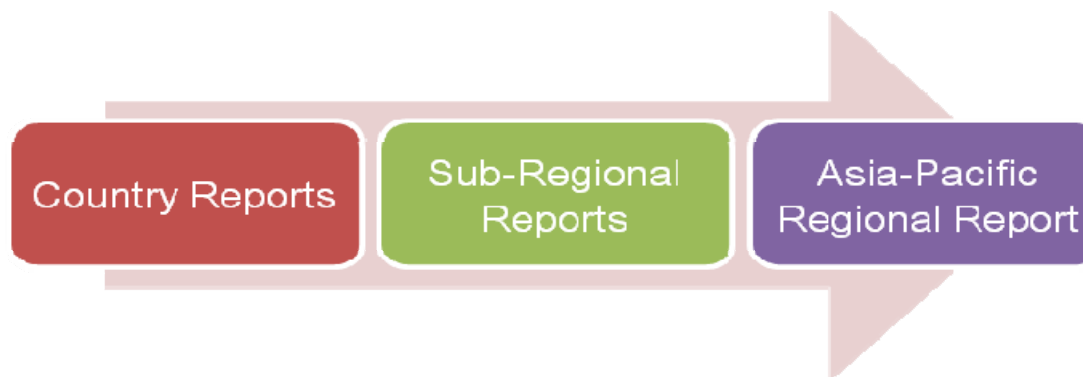
- ✓ While many countries of Asia-Pacific region have some forms of social protection in place, those in greatest need have been **excluded from formal social protection**.
- Social insurance benefits have been provided for a fraction of groups such as civil servants, the military, and formal sector worker.
- In these countries, only a limited # of the weaker segments of the society have actually enjoyed social assistance benefits.
- ✓ Under this circumstance, **income support scheme** can be **an important tool** to provide the poor and vulnerable who are due for social protection benefits, and to address poverty.

- ❑ Offer opportunities for the needy people beyond providing basic level of benefits.
 - ✓ If poor households or individuals have a sufficient level of income to meet their basic needs, they can invest for their own future.
 - ✓ Thus, in the long run, income support scheme has a potential to help the poor and vulnerable to accumulate asset/capitals.

III. Analysis Procedure

- ❑ The research project takes three-step procedure.

The Three-Step Procedure of Research



Analysis Procedure (Cont')

- ✓ **Country report of each country** will be made mainly by using **program survey template**.
- ✓ Based on the country reports gathered, **cross-country comparison report for each sub-region** will be prepared.
- ✓ These five sub-regional reports will be compiled, and **similarities and differences** will be analyzed in Asia-Pacific regional report.

The 1st step : Country Report

□ Contents of Country Report

- Introduction
 - Including Brief Country Profile, and General Features of Social Protection
- Analysis of Income Support Scheme
 - Brief Description of ISS of the country
 - In-depth analysis of ISS
- Conclusion
 - Summary
 - Implications and recommendations

□ Introduction

✓ Brief Country Profile

- Population
- Area
- Growth domestic product (GDP)
- Annual growth rate
- Poverty rate
- Level of Inequality
- Ethnic diversity
- Dominant household structure
- Human development index (HDI)

The 1st step : Country Report (Cont')

✓ Social Challenges

- Persistent problems
- Recently emerged risks

✓ The Poor and Vulnerable

✓ General Features of Social Protection

- Structure of social protection
- Main beneficiaries
- Key issues in social protection

❑ Analysis of Income Support Scheme

● Description of ISS of the country

- ✓ Structure of income support scheme
- ✓ Country initiatives
 - List of key income support programs
 - Detailed data and information of key income support programs
 - Program title and description
 - Start year
 - Purpose of the program introduction
 - Coverage
 - Eligibility standards
 - Benefits
 - a) Benefit type
 - b) Benefit amount
 - c) Income replacement rate

The 1st step : Country Report (Cont')

- Entry
- Time period
- Cost
- Financing
- Program base
- Delivery mechanism
- Governance of the program
 - a) Institutional arrangement
 - b) Allocation of responsibilities
- Legal framework
- Link with other income support programs
- Program position in broader social protection

- **In-depth analysis of Income support scheme**

- ✓ Benefit adequacy
- ✓ Poverty reduction impact
- ✓ Efficiency evaluation
- ✓ Changes and developments in terms of time series
- ✓ Integration in approach
- ✓ Monitoring and evaluation
- ✓ Importance of the income support program within overall social protection

- **Conclusion**

- ✓ Summary
- ✓ Implications and recommendations

□ Contents of Sub-regional Report

- Introduction
 - Including Brief Sub-regional Profile, and General Features of Social Protection
- Cross-country Comparison of Income Support Schemes
 - Description of ISS of sub-regional the countries
 - In-depth analysis across the sub-region
- Conclusion
 - Summary
 - Implications and recommendations

❑ Introduction

✓ Brief sub-regional profile

- Population
- Area
- Growth domestic product (GDP)
- Annual growth rate
- Poverty rate
- Level of Inequality
- Ethnic diversity
- Dominant household structure
- Human development index (HDI)

✓ Social Challenges

- Persistent problems
- Recently emerged risks

✓ The Poor and Vulnerable

✓ General Features of Social Protection

- Structure of social protection
- Main beneficiaries
- Key issues in social protection

The 2nd step : Sub-Regional Report(Cont')

✓ Social Challenges

- Persistent problems
- Recently emerged risks

✓ The Poor and Vulnerable

✓ General Features of Social Protection

- Structure of social protection
- Main beneficiaries
- Key issues in social protection

❑ **Cross-Country Comparison of Income Support Schemes in the Sub-Region**

- **Description of income support schemes of sub-regional countries**

- ✓ **Structure of income support schemes**

- ✓ **Sub-regional initiatives**

- List of key income support programs
- Detailed data and information of key income support programs
 - Program title and description
 - Start year
 - Purpose of the program introduction
 - Coverage
 - Eligibility standards
 - Benefits

a) Benefit type

b) Benefit amount

c) Income replacement rate

The 2nd step : Sub-Regional Report (Cont')

- Entry
- Time period
- Cost
- Financing
- Program base
- Delivery mechanism
- Governance of the program
 - a) Institutional arrangement
 - b) Allocation of responsibilities
- Legal framework
- Link with other income support programs
- Program position in broader social protection

- **In-depth analysis across the sub-region**

- ✓ Similarities across the sub-region
- ✓ Diversities across the sub-region
- ✓ Causes of diversities

Comparative study between countries in terms of:

- Benefit adequacy
- Poverty reduction impact
- Efficiency evaluation
- Changes and developments in terms of time series
- Integration in approach
- Monitoring and evaluation
- Importance of income support schemes within overall social protection

- **Conclusion**

- ✓ Summary
- ✓ Implications and recommendations

□ Contents of Asia-Pacific Regional Comparative Report

- Introduction

- Including Regional Profile of Asia and the Pacific, and General Features of Social Protection

- Comparative Study of ISS between Five Sub-Regions

- Description of ISS of five sub-regions
- In-depth analysis

- Conclusion

- Summary
- Implications and recommendations

❑ Introduction

✓ Brief sub-regional profile

- Population
- Area
- Growth domestic product (GDP)
- Annual growth rate
- Poverty rate
- Level of Inequality
- Ethnic diversity
- Dominant household structure
- Human development index (HDI)

□ Introduction

✓ Regional profile of Asia and the Pacific

- Population
- Area
- Growth domestic product (GDP)
- Annual growth rate
- Poverty rate
- Level of Inequality
- Ethnic diversity
- Dominant household structure
- Human development index (HDI)

✓ Social Challenges

- Persistent problems
- Recently emerged risks

✓ The Poor and Vulnerable

✓ General Features of Social Protection

- Structure of social protection
- Main beneficiaries
- Key issues in social protection

☐ **Comparative Study of Income Support Schemes between Five Sub-Regions**

• Description of income support schemes of five sub-regions

✓ Structure of income support schemes

✓ Asia-Pacific regional initiatives

- List of income key support programs
- Detailed data and information of key income support programs
 - Program title and description
 - Start year
 - Purpose of the program introduction
 - Coverage
 - Eligibility standards
 - Benefits
 - a) Benefit type
 - b) Benefit amount
 - c) Income replacement rate

The 3rd step : Asia-Pacific Regional Report (Cont')

- Entry
- Time period
- Cost
- Financing
- Program base
- Delivery mechanism
- Governance of the program
 - a) Institutional arrangement
 - b) Allocation of responsibilities
- Legal framework
- Link with other income support programs
- Program position in broader social protection

● In-depth analysis

- ✓ Similarities across the Asia-Pacific
- ✓ Diversities across the Asia-Pacific
- ✓ Causes of diversities

Comparative study on income support schemes in five sub-regions in terms of:

- Benefit adequacy
- Poverty reduction impact
- Efficiency evaluation
- Changes and developments in terms of time series
- Integration in approach
- Monitoring and evaluation
- Importance of income support schemes within overall social protection

□ Conclusion

- ✓ Summary
- ✓ Implications and recommendations

Thank You!!

