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

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I. Backgrounds & Objectives

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

III. Analysis Procedure
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.
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.
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.
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**.
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.
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 Protection: The Floor and Staircase

- Higher Levels of Income Security: Statutory social insurance, voluntary insurance, etc.
- Adapted Social Insurance
- Additional Contributory Benefits
- Social Protection Floor: Entitlement to at least a minimum level of benefits

Horizontal Dimension:
- Poor, Near Poor & Informal Sector: 80% of the population
- Formal Sector: 20% of the population
The Social Protection Staircase in Cambodia

- Social Insurance (Contributory)
  - Unemployment insurance
  - Pension
  - Health insurance
  (National Social Security Fund, Social Health Protection)

- Community-Based Health Insurance
- Social Health Protection

- Expanded Social Protection

- Social Protection for the Poor & Vulnerable
  - Social Safety Nets (Non-Contributory)
    - Public works programmes (cash for work or food for work)
    - Cash or in-kind transfers (conditional or non-conditional)
    - Subsidies (to facilitate access to health-care services, education, housing, public utilities)

- Complementary Social Welfare Services

- Basic Social Protection

Note: SVG Stands for special vulnerable groups
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

- 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.
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.
✓ 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.
Analysis Procedure
The research project takes three-step procedure.

The Three-Step Procedure of Research

- Country Reports
- Sub-Regional Reports
- Asia-Pacific Regional Report
✓ **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.
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)
✓ 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
- 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
The 1st step: Country Report (Cont’)

- 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
The 2nd step: Sub-Regional Report

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

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)
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
✓ 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)
The 3rd step: Asia-Pacific 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
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!!