

THE PROMISE OF PROTECTION

SOCIAL PROTECTION AND DEVELOPMENT IN ASIA AND THE PACIFIC

The concept for the cover design is inspired by the Ensō circle, a sacred symbol in Zen philosophy representing strength, protection and enlightenment. In Japanese calligraphy, the Ensō is often painted as a circle with an opening, signifying that it is part of the infinite universe. The circle also represents a ring – a symbol of promise. The cover design is thus symbolic of the aims and underlying concepts of universal social protection, and the hope that it offers for a better and more secure future for the peoples of the Asian and Pacific region.

THE PROMISE OF PROTECTION

SOCIAL PROTECTION AND DEVELOPMENT IN ASIA AND THE PACIFIC



Economic and Social Commission for Asia and the Pacific



FOREWORD

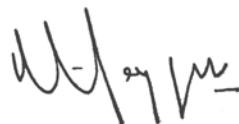
NOELEEN HEYZER

Social protection is high on regional and international policy agendas. This owes to the convergence of the food, fuel and financial crises in 2008, which increased the insecurities of millions of people by heightening economic and social risks, especially for those living in or close to poverty. Natural disasters and extreme weather events added to the pressures upon these people by destroying lives, property, community resources and local economies. The combined impacts of these setbacks prompted a shift in thinking about social protection. Instead of approaching it through reactive event-specific interventions, Asia-Pacific countries are now moving towards comprehensive universal coverage solutions capable of strengthening coping capacities and resilience as crucial underpinnings of their vision of inclusive development. The resurgence of the food and fuel crises this year, and the continuing aftershocks of the global financial crisis lend new urgency to their efforts.

Asia and the Pacific is home to nearly a billion poor people whose livelihoods rest on a fragile economic and social foundation. These are people with low and uncertain incomes, few assets, limited social networks and no access to political processes. Their lives are onerous even under normal circumstances, let alone against the kinds of shock and stress visited upon them in recent years. These people are discriminated against on the basis of caste, ethnicity, gender, geography, political or religious affiliations, and migrant identity. To change their social situation and life chances, social protection must move from interventions that address the symptoms of vulnerability to systemic transformations that remove the underlying causes of persistent poverty and inequality. This can release them from structural traps locking them into inequality and give them the voices and rights to claim their just share of the fruits of development.

Closing development gaps, increasing income and human security, and reducing poverty and inequality within and among the countries of Asia and the Pacific are critical to sustain the economic recovery and dynamism of the region, which currently leads the world on many development fronts. Member States are now examining ways to integrate social protection into broader economic and social strategies to guarantee all citizens a minimum level of security. In turn, this can increase aggregate demand within the region and reduce precautionary savings that have curtailed productive investments and contributed to global imbalances in the past.

This report is a contribution to the policy debate on the direction of social protection in Asia and the Pacific. It shows that, while many countries of the region have in place some form of social protection, this benefits only a fraction of those who need it. Nonetheless, as the report argues, present-day programmes can be the building blocks of more integrated protection systems as a part of the inclusive growth and social equity agenda. The cost of such systems will vary according to the level of economic development, income distribution and affordability but, as the report suggests, even at the lower end of the economic spectrum, comprehensive social protection is within the reach of most countries in the near future.



NOELEEN HEYZER
UNITED NATIONS UNDER-SECRETARY-GENERAL
AND EXECUTIVE SECRETARY, ESCAP

ACKNOWLEDGEMENTS

The ESCAP secretariat expresses its deep gratitude to those governments that provided contributions on national experiences and practices on social protection that served as a basis for the preparation of this report.

Under the leadership of Noeleen Heyzer, the report was prepared by an ESCAP team comprising the following members: Nanda Krairiksh (Coordinator), Jorge Carrillo, Donovan Storey, Donald Clarke, Cai Cai, Anna Coates, Marco Roncarati, Vanessa Steinmayer, Amornsak Kitthananan, Deuk Yung Ko and Marie Sicat.

The substantive editing of the report was undertaken by Peter Stalker.

The following individuals participated in a messaging workshop with members of the Social Development Division to define the scope of the study: Jerrold W. Huguet, Yap Kioe Sheng, Christian Stoff and Narumol Nirathron.

The following members of the ESCAP secretariat peer reviewed the report: Tiziana Bonapace, Alberto Isgut, Nagesh Kumar, Mia Mikic, K.V. Ramani, Ravi Ratnayake, Jenny Yamamoto, and Zhang Yanhong.

The concept for the graphic design of the publication was developed by Mika Mansukhani. The cover and layout were created by Daniel Feary.

The editing of the manuscript was undertaken by Orestes Plasencia.

The ESCAP secretariat acknowledges with thanks the contribution of the International Labour Organization East and South-East Asia and the Pacific Office, in particular Valérie Schmitt-Diabate and Celine Felix, for their inputs on the Social Protection Floor Initiative.

The ESCAP secretariat also benefited from the inputs and outcome of the regional consultation on “Social Protection as Development Policy in Asia: the Long Term Perspective”, 27-29 October 2010, which was organized jointly with Social Protection in Asia and the United Nations Research Institute for Social Development under the leadership of Naila Kabeer and Sarah Cook respectively, both of whom also reviewed earlier versions of the report.

CONTENTS

Foreword	III
Acknowledgements	V
Abbreviations	IX
Introduction	X

CHAPTER ONE	THE PROMISE OF PROTECTION	1
	Types of social protection	5
	Gender and social protection	12
	Time to protect	15

CHAPTER TWO	REALIZING THE DIVIDENDS OF SOCIAL PROTECTION	17
	Building human capacities	19
	Offering an escape from poverty	19
	Reducing income inequality	21
	Advancing economic growth	22
	Achieving social cohesion through inclusion	24

**CHAPTER
THREE**



BUILDING ASIA-PACIFIC FLOORS AND STAIRCASES 27

Availability of services	29
Health services	30
Educational services	32
Financial services	35
Social transfers	36
Employment guarantees	36
Social pensions	38
Conditional cash transfers	40
Active labour market policies	43
Ensuring coherence	45
Extending protection to all	48
Lessons learned: targeted to universal	54
Showing the way	60

**CHAPTER
FOUR**



DELIVERING ON THE PROMISE 63

Making political choices	64
Popular but not populist	66
Establishing legislative and governance frameworks	66
Mobilizing financial resources	70
A compelling case for action	79

APPENDIX

Data and methodology used to calculate the cost of social protection	82
--	----

NOTES

85

BOXES

Box I-1 Social protection terminology	7
Box I-2 The Global Initiative for a Social Protection Floor	9
Box III-1 Social protection, health and HIV/AIDS in Thailand	31
Box III-2 China's march towards universal health care	33
Box III-3 Development of social protection in Sri Lanka	47
Box III-4 The Rashtriya Swasthya Bima Yojana health scheme in India	51
Box III-5 Replicating the graduation model in Pakistan	55
Box III-6 Social protection in the Pacific	57
Box IV-1 Institutionalizing the rights of persons with disabilities in Japan	69

FIGURES

Figure I-1 Per capita expenditure on social protection, by subregion	4
Figure I-2 Social protection: the floor and the staircase	13
Figure III-1 Household participation in Viet Nam's social protection programmes	46
Figure III-2 The social protection staircase in Cambodia	49
Figure IV-1 Social expenditure 2004/2005, by programme category	71
Figure IV-2 Annual cost of a basic social protection package in selected Asia-Pacific countries	73
Figure IV-3 Fiscal space for social expenditure	77

TABLES

Table I-1 Social protection in a developed economy – the case of Japan	10
Table III-1 Conditional cash transfer programme in Indonesia	42
Table III-2 Employees as a percentage of all employed, 2006	44
Table III-3 Proposed benefits and contribution options for temporary workers in Thailand	53
Table IV-1 Annual cost of a basic social protection package per capita of total population	74

ABBREVIATIONS

ADB	Asian Development Bank
AIDS	acquired immunodeficiency syndrome
AUD	Australian dollar
BRAC	Building Resources Across Communities*
CCT	conditional cash transfer
CNY	Chinese yuan
ESCAP	Economic and Social Commission for Asia and the Pacific
GDP	gross domestic product
GNI	gross national income
HIV	Human Immunodeficiency Virus
IDR	Indonesian rupiah
ILO	International Labour Organization
INR	Indian rupee
MDGs	Millennium Development Goals
MFI	microfinance institution
MOLISA	Ministry of Labour, Invalids and Social Affairs
NCMS	New Cooperative Medical System
NGO	non-governmental organization
NPR	Nepalese rupee
OAAP	Old Age Allowance Programme
OECD	Organization for Economic Co-operation and Development
PKH	Program Keluarga Harapan
PKR	Pakistani rupee
PNPM GENERASI	Program Nasional Pemberdayaan Masyarakat Generasi
\$PPP	purchasing power parity
RSBY	Rashtriya Swasthya Bima Yojana
SGD	Singapore dollar
SPF	Social Protection Floor
SPF-I	Social Protection Floor Initiative
SSO	Social Security Organization
THB	Thai baht
TSA	Targeted Social Assistance
UHCS	Universal Health Coverage Scheme
USD	United States dollar
VSS	Viet Nam Social Security
WHO	World Health Organization

* Originally known as the Bangladesh Rehabilitation Assistance Committee





INTRODUCTION



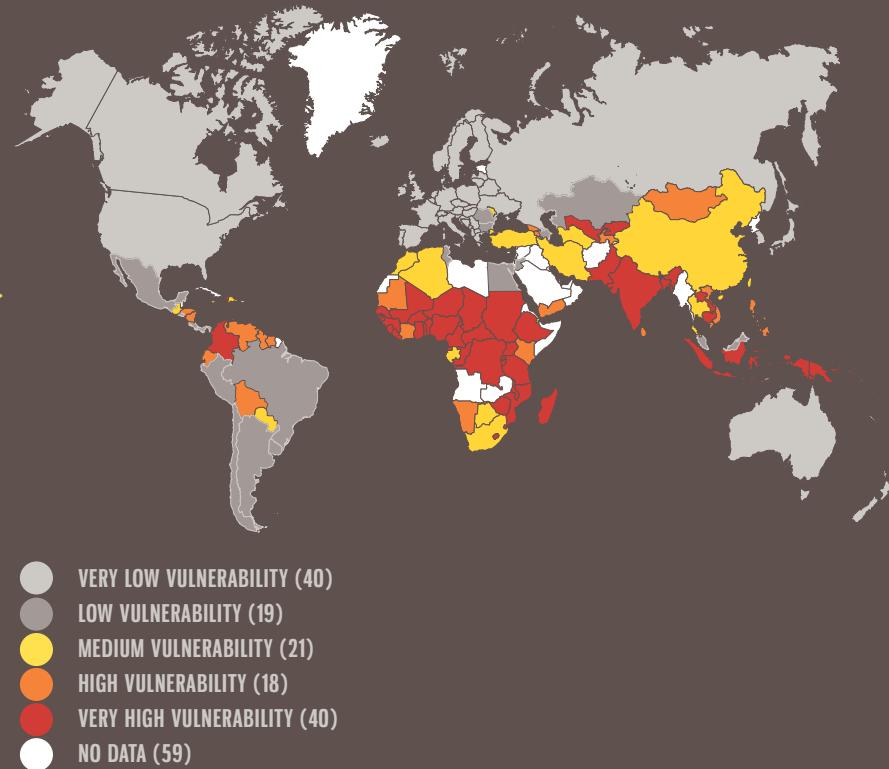
**ONE BILLION PEOPLE STILL LIVE IN POVERTY IN ASIA
AND THE PACIFIC**

FIGURE

TITLE

i-1

COUNTRIES GROUPED BY LEVEL OF VULNERABILITY, POVERTY AND INFORMALITY COMBINED, LATEST YEAR



NOTE: NUMBERS IN BRACKETS GIVE THE NUMBER OF COUNTRIES INCLUDED IN EACH GROUP.

SOURCE: INTERNATIONAL LABOUR ORGANIZATION WORLD SOCIAL SECURITY REPORT 2010/11: PROVIDING COVERAGE IN TIMES OF CRISIS AND BEYOND (GENEVA, ILO 2010).



SOCIAL PROTECTION IS AFFORDABLE AND A CRUCIAL INVESTMENT IN DEVELOPMENT

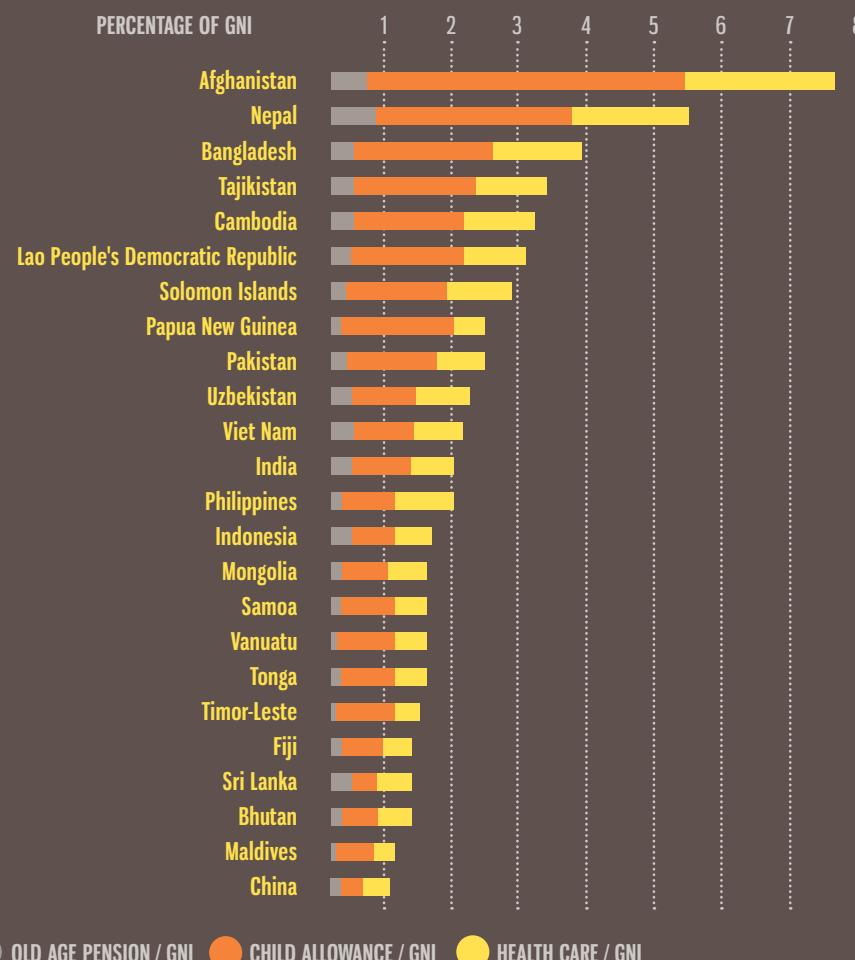


FIGURE

TITLE

i-2

ANNUAL COST OF A BASIC SOCIAL PROTECTION PACKAGE, SELECTED ASIA-PACIFIC COUNTRIES (AS A PERCENTAGE OF GNI)



OLD AGE PENSION / GNI



CHILD ALLOWANCE / GNI



HEALTH CARE / GNI

SOURCE: ESCAP COMPUTATIONS BASED ON DATA FROM WORLD BANK, WORLD DEVELOPMENT INDICATORS 2010 (WASHINGTON D.C., WORLD BANK, 2010). AVAILABLE AT [HTTP://WWW.DATABANK.WORLDBANK.ORG/DATA-CATALOG/WORLD-DEVELOPMENT-INDICATORS/WDI-2010](http://WWW.DATABANK.WORLDBANK.ORG/DATA-CATALOG/WORLD-DEVELOPMENT-INDICATORS/WDI-2010).



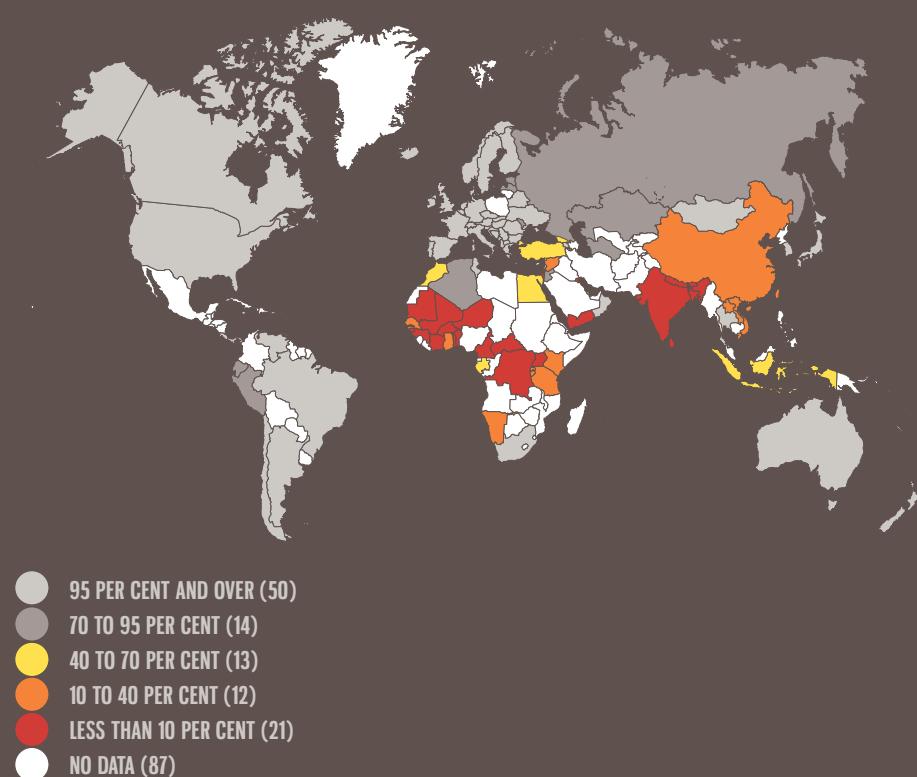
EDUCATION, HEALTH AND EMPLOYMENT ARE KEY PRIORITIES IN THE REGION

FIGURE

TITLE

i-3

HEALTH PROTECTION: PROPORTION OF THE POPULATION COVERED BY LAW, LATEST AVAILABLE YEAR (PERCENTAGES)



SOURCE: NATIONAL LEGISLATION, VARIOUS DATES. SEE INTERNATIONAL LABOUR ORGANIZATION, GLOBAL EXTENSION OF SOCIAL SECURITY (GENEVA, ILO, 2009).

NOTE: NUMBERS IN BRACKETS GIVE THE NUMBER OF COUNTRIES INCLUDED IN EACH GROUP.

EMPOWERING WOMEN AND GIRLS SHOULD BE A FUNDAMENTAL GOAL FOR SOCIAL PROTECTION

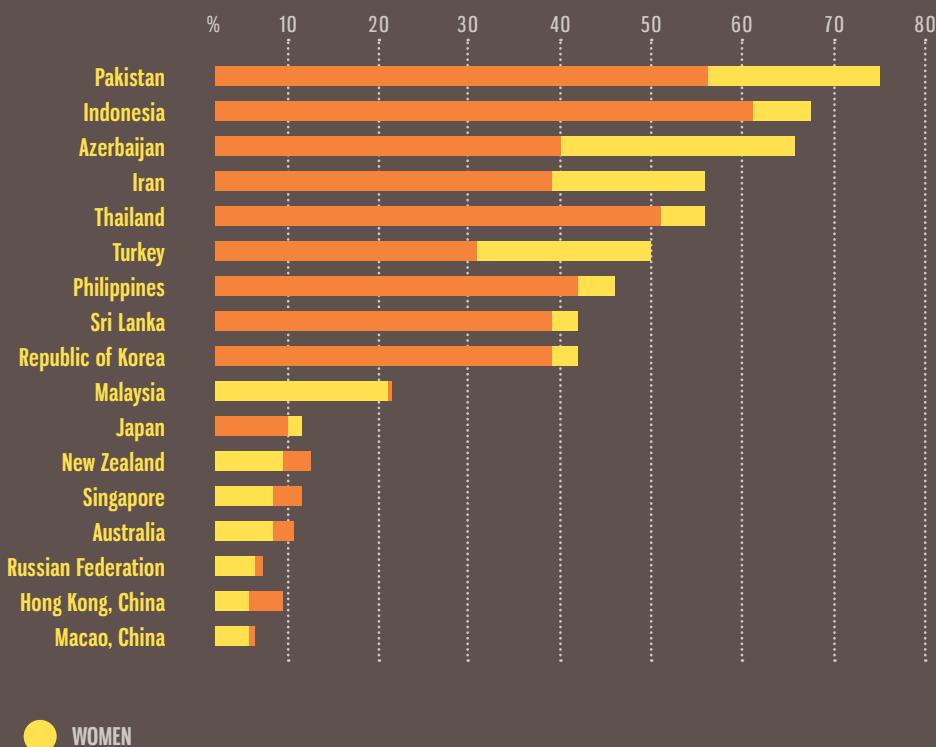


FIGURE

TITLE

i-4

PERCENTAGE OF PERSONS IN VULNERABLE EMPLOYMENT, BY SEX



SOURCE: ESCAP, STATISTICAL YEARBOOK FOR ASIA AND THE PACIFIC, 2009 (UNITED NATIONS PUBLICATION
SALES N°. E.10.II.F.1).

SOCIAL PROTECTION SYSTEMS MUST MEET THE NEEDS OF SOCIETY'S MOST VULNERABLE GROUPS

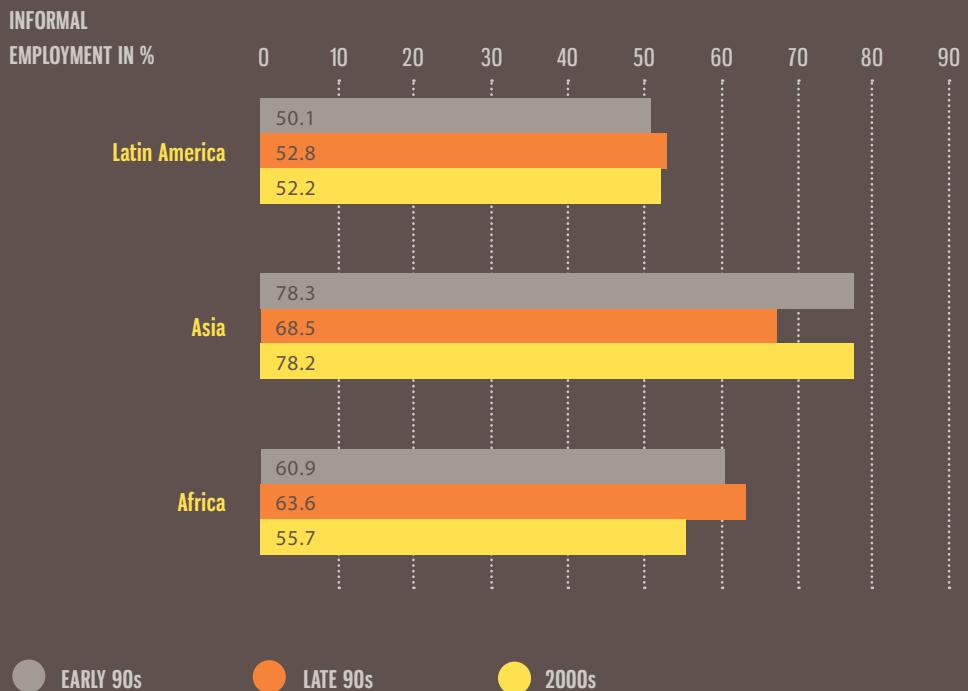


FIGURE

TITLE

i-5

INFORMAL WORKERS AS A PROPORTION OF TOTAL EMPLOYMENT



SOURCE: INTERNATIONAL LABOUR ORGANIZATION AND WORLD TRADE ORGANIZATION. *GLOBALIZATION AND INFORMAL JOBS IN DEVELOPING COUNTRIES*, (WTO SECRETARIAT, 2009).

**SOCIAL
PROTECTION
MUST RESPOND
TO THE
EMERGING
CHALLENGES
OF RAPID
POPULATION
AGEING IN THE
REGION**





THE RIGHTS OF PERSONS WITH DISABILITIES MUST BE REALIZED



FIGURE

TITLE

i-6

RATIFICATIONS/ACCESSIONS TO THE CONVENTION ON THE RIGHTS OF PERSONS WITH DISABILITIES*

PARTICIPANT	CRPD SIGNATURE	CRPD ACCESSION <small>A</small> OR RATIFICATION
Armenia	30 Mar 2007	22 Sept 2010
Australia	30 Mar 2007	17 Jul 2008
Azerbaijan	9 Jan 2008	28 Jan 2009
Bangladesh	9 May 2007	30 Nov 2007
Bhutan	21 Sept 2010	
Brunei Darussalam	18 Dec 2007	
Cambodia	1 Oct 2007	
China	30 Mar 2007	1 Aug 2008
Fiji	2 Jun 2010	
Georgia	10 Jul 2009	
India	30 Mar 2007	1 Oct 2007
Indonesia	30 Mar 2007	
Iran (Islamic Republic of)		23 Oct 2009 <small>A</small>
Japan	28 Sep 2007	
Kazakhstan	11 Dec 2008	
Lao People's Democratic Republic	15 Jan 2008	25 Sep 2009
Malaysia	8 Apr 2008	19 Jul 2010
Maldives	2 Oct 2007	5 Apr 2010
Mongolia		13 May 2009 <small>A</small>
Nepal	3 Jan 2008	7 May 2010
New Zealand	30 Mar 2007	25 Sep 2008
Pakistan	25 Sep 2008	
Philippines	25 Sep 2007	15 Apr 2008
Republic of Korea	30 Mar 2007	11 Dec 2008
Russian Federation	24 Sep 2008	
Solomon Islands	23 Sep 2008	
Sri Lanka	30 Mar 2007	
Thailand	30 Mar 2007	29 Jul 2008
Tonga	15 Nov 2007	
Turkey	30 Mar 2007	28 Sep 2009
Turkmenistan		4 Sep 2008 <small>A</small>
Uzbekistan	27 Feb 2009	
Vanuatu	17 May 2007	23 Oct 2008
Viet Nam	22 Oct 2007	
Cook Islands		8 May 2009 <small>A</small>

* AS OF APRIL 2011

SOURCE: UNITED NATIONS TREATY COLLECTION.

UNIVERSAL SOCIAL PROTECTION IS EVERYONE'S RIGHT









1

THE PROMISE OF PROTECTION

At its High-level Plenary Meeting on the Millennium Development Goals, the General Assembly adopted an outcome document entitled “Keeping the promise: united to achieve the Millennium Development Goals.”¹ World leaders committed to making every effort to achieve the Goals by 2015 through, among other things, promoting comprehensive systems of social protection that provide universal access to social services and a minimum level of social security and health for all. The Asia-Pacific region has the opportunity to transform that promise of protection into reality. Social protection programmes can play a key role in regional development strategies, acting as an investment in inclusive growth and social transformation. Social protection interventions can provide both a firm social protection floor and a pathway towards universal access to and provision of services.

Asia and the Pacific has been the world's fastest-growing region for some years. The benefits have not always been evenly distributed however, and in much of the region income inequality has persisted despite high levels of economic growth. Nevertheless, millions of people have been able to escape from poverty: between 1990 and 2008, Asia and the Pacific reduced the number of people living on less than \$1.25 a day from 1.5 billion to 947 million.² Even if varied at the country level, the Asia-Pacific region has made significant progress in a number of indicators for the Millennium Development Goals, though much more needs to be achieved. The region must set its sights higher, looking beyond the MDGs and aiming to shield its people better from many of the risks of daily life –

of ill-health and disability, of unemployment and of falling into poverty in old age – by building comprehensive systems of social protection. In building such systems, it is important that they are both universal and rights-based.

A system of social protection based on rights implies a social contract – on what each citizen is entitled to and how her or his rights are to be protected and made viable. All social contracts are the outcome of bargaining between governments, social groups and citizens. In order to maintain positive outcomes, it is important to develop appropriate institutions, standards, programmes and resources. It is equally important that avenues exist for the poor and civil society to make claim to



social protection through a rights-based framework.

Indeed, “the forces fuelling migration, informalization of employment, loss of land or agrarian livelihoods and other insecurities generally lie far beyond the boundaries of local space, specific sectors, or particular vulnerable groups.”³ To be truly effective, and transformative, social protection needs to be institutionalized, based on entitlement, and provide universal access to the services which strengthen people’s capacities and broaden as well as secure their position over time. This further implies the need for responsive governance and forward-looking policy frameworks, and a strengthening of representative voice – inclusive of the poor and civil society – which acts to mobilize and empower communities to make claim on entitlements and bridge divides in information.

A robust system of social protection not only fulfils people’s basic rights, it also establishes a firm platform for both social and economic development and provides an automatic stabilizer for vulnerable groups affected by crisis. With a more secure foundation, and with greater security against the risk of failure, individuals and families can invest in their own futures and have

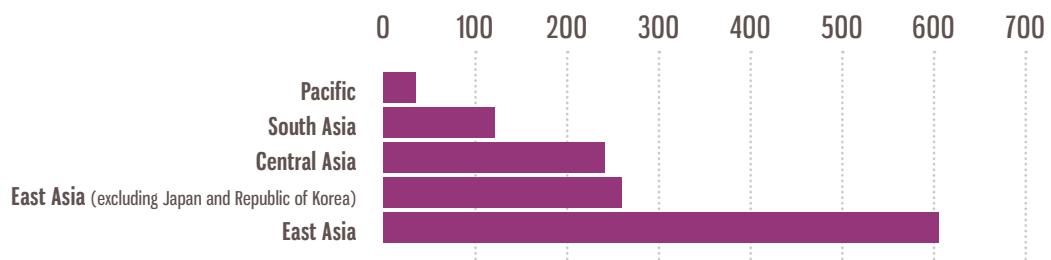
greater confidence to engage in economic activity beyond ensuring basic economic survival in order to meet their own basic needs and the needs of those who are dependent upon them.

In fact, there has been steadily more comprehensive protection across most countries in Asia and the Pacific. In some countries, social insurance and social assistance schemes have existed for some time, borne out of an entitlement-based political ideology.⁴ This is particularly the case in centrally planned countries, such as China and Viet Nam. Indeed, China's success with poverty reduction can largely be seen to be a result of these foundations.

In other cases, social assistance schemes have been a response to economic crises. In particular, the 1997-1998 financial crisis was a catalyst for the emergence of a number of contemporary social protection programmes. Following the crisis, Indonesia, for example, began to develop more systematic forms of support. Other countries have also extended existing programmes – as in India where the employment guarantee scheme in the state of Maharashtra is now part of a country-wide Rural Employment Guarantee Scheme. In other cases, it has resulted from political circumstances. In Thailand, for example, the initiative to offer basic, and now free, health care for everyone

FIGURE **TITLE**

I-1 **PER CAPITA EXPENDITURE ON SOCIAL PROTECTION, BY SUBREGION**



SOURCE: ASIAN DEVELOPMENT BANK (2008).

has shown that such measures have had considerable electoral appeal.

Whatever the catalyst, there is already much to build on for social protection programmes in the region. Moreover, the realization of a social protection floor based on universal principles and access should form the basis of future policy. Such interventions are affordable and represent a significant opportunity for governments to invest in both social and

economic development for the benefit of all.

TYPES OF SOCIAL PROTECTION

One of the difficulties in discussing social protection is the diverse terminology that is used. This is partly due to the different ways in which social protection has evolved around the world. In the developed countries, the emphasis has been on offering the



population as a whole greater security in the face of shocks and life-cycle events and ensuring a minimum level of wellbeing, often using risk-sharing insurance mechanisms, and in some instances taxation. Developing countries, on the other hand, have been for the most part concerned about deep and persistent poverty and so, as noted above, have tended to develop various types of social assistance for specific vulnerable groups or in response to particular crises.

Social protection has consequently often been defined in terms of a set of measures, such as unemployment or health insurance. Today, social protection can be seen less in terms of specific methods and more in terms of overall objectives, such as reducing vulnerability and strengthening social and economic infrastructure.

In response to diverse local conditions and aspirations, many countries have thus employed a variety of definitions, terminologies, and approaches – and a number of these terms (such as social safety nets, social pensions, social transfers) are used interchangeably and often overlap. In some cases this diversity reflects the attention given to the instruments of social protection, rather than its broader objectives. Similarly, a number of international organizations, notably ADB, ILO and the World

Bank, have classified social protection measures in different ways – some of which have resulted in social protection frameworks such as the World Bank's Social Risk Management Framework.⁵ For an explanation of common social protection terms, and the ways in which they are used in this report, see Box I-1.

Overall, however, there are two broad defining features of social protection measures:

UNIVERSAL OR TARGETED

Universal measures could encompass free primary education or health care. Targeted might include conditional cash transfers based on means-testing, or targeting based on category (e.g. older persons).

CONTRIBUTORY OR NON-CONTRIBUTORY

Contributory benefits can include pensions to which workers or employers and also the government contribute. Often, the government will delegate the administration of contributory schemes to quasi-governmental entities that are either publicly or privately managed. Non-contributory schemes involve paying benefits, such as disability allowances, out of general taxation.

BOX

TITLE

I-1

SOCIAL PROTECTION TERMINOLOGY

SOCIAL PROTECTION: An umbrella term which has evolved considerably in the past few decades. In general, it is a society's set of policies and programmes designed to reduce poverty, vulnerability and inequality. Thus, social protection programmes can prevent individuals from slipping into poverty, and promote opportunities, while also transforming communities and societies through investment in human capital and health. This can include social insurance, social assistance, social services and labour market policies.

SOCIAL INSURANCE: This provides benefits, such as unemployment pay or pensions. The schemes are usually funded by contributions from up to three sources: individuals, employers and governments. The underlying principle is that of shared risk across the whole society. Certain events trigger payments – such as unemployment, sickness, maternity or reaching pensionable age. The benefits generally vary according to the level of contribution and are therefore not always progressive or redistributive: those who contribute more or work longer, for example, typically receive more.

SOCIAL ASSISTANCE: This refers to those parts of social protection systems that are funded from general government revenues and by some NGOs and international donors. Benefits are paid according to need and bear no relation to what people have paid in taxes. Indeed, the beneficiaries are very often those who have paid the least tax. This would include, for example, food subsidies and emergency food distribution. Insofar as they combine interventions aimed at strengthening the productive capacity of the poor, they play an essential role in integrating strategies for both poverty reduction and development.

SOCIAL SERVICES: These are essential and basic services and are included in social protection because they often substitute for missing markets. The provision of free or subsidized health services for children and pregnant women, safe water and basic electricity fall under this category.

SOCIAL PENSIONS: These are non-contributory benefits, for older persons for example, or persons with disabilities, paid to everyone out of general taxation.

SOCIAL SAFETY NETS: These are measures that cover a small fraction of the population in need and aim at compensating for the impact of crises and shocks on basic living conditions. They often involve limited coverage, financial constraints and significant targeting.

SOCIAL SECURITY: This term is used in different ways. Sometimes it refers to social insurance, sometimes it corresponds to social protection. To avoid confusion, this report only uses the umbrella term “social protection”.

The components of social protection will inevitably vary from country to country and will reflect levels of development, resources and needs. For the sake of consistency this report largely follows the terminology of the International Labour Organization, which considers social protection in the broadest sense to be a set of public policies and programmes that seek to assure people of a minimum level of security and support in meeting their needs.

Social protection can be built incrementally once universal principles have been established. This means first ensuring that everyone starts from those universal, non-contributory measures that might form the basis of a “social protection floor” (SPF) (see Box I-2). This should offer a minimum level of access to essential services and income security for all – but then be capable of extension, according to national aspirations and circumstances, in the form of a “social protection staircase”. This staircase acts as a foundation in support of a framework for social protection based upon universal access and rights.

The principle of the Social Protection Floor was adopted in April 2009 by the United Nations System Chief Executives Board for Coordination.⁶ Subsequently, it was endorsed by the Economic and Social

Council⁷ as well as by many international organizations and by the G20 Labour and Employment Ministers.

The SPF⁸ has two components:

AVAILABILITY OF SERVICES: Ensuring the availability and affordability of access to essential services, namely as water and sanitation, food and adequate nutrition, health care, education, housing and other social services.

ACCESSIBILITY THROUGH TRANSFERS: Realizing access to services and providing minimum income and livelihood security through essential social transfers in cash and in kind.

The SPF is based on solidarity – on the principle that society as a whole accepts the responsibility to provide basic levels of benefits and services to those in greatest need. It emphasizes the importance of guaranteeing services and transfers across the life cycle, from childhood to old age, paying particular attention to vulnerable groups based on key characteristics – such as socio-economic status, gender, maternity, ethnicity, disability and living with HIV/AIDS. Other beneficiaries include migrants, or people exposed to natural hazards and disasters.

BOX

TITLE

I-2

THE GLOBAL INITIATIVE FOR A SOCIAL PROTECTION FLOOR

The Global Initiative for a Universal Social Protection Floor (SPF-I) was adopted by the United Nations System Chief Executives Board in April 2009 as one of nine initiatives in response to the global economic and financial crisis.



Led by the International Labour Organization and the World Health Organization at the global level, the Social Protection Floor Initiative deploys United Nations resources and capacities in support of effective national responses. Cooperating United Nations agencies and Bretton Woods institutions provide capacity and support through expertise available at the country level or through the Global Technical Cooperation Network and the SPF Advisory Group.

The Advisory Group provides backup to national SPF task forces, especially regarding global advocacy activities, technical assistance in the design, review and implementation of social protection floors, the adaptation of generic technical tools, guidance for country applications, including hands-on training to local and international experts, and support to South-South cooperation including peer-reviewing arrangements, to ensure high quality advice.

TABLE

TITLE

I-1 SOCIAL PROTECTION IN A DEVELOPED ECONOMY – THE CASE OF JAPAN

RISKS COVERED	IMPLEMENTATION BY GOVERNMENT	TOTAL COST ¥ BILLIONS	TOTAL COST USD MILLIONS
Old Age	Basic National Pension Scheme, Employees' Pension Insurance National Public Service Personnel Mutual Aid, Long-term Care Insurance System	44661	527005
Death	Basic National Pension Scheme, Employees' Pension Insurance National Public Service Personnel Mutual Aid	6447	76075
Disability	Basic National Pension Plan, Employee Pension Plan Pension Plan for Government Officer, Allowance for Disability, Social Services	2561	30220
Work Injury	Industrial Accident Compensation Insurance	982	11588
Sickness	National Health Insurance, Health Insurance, Vaccination Program, Public Health Services	27469	324137
Maternity and Family	Child Allowance, Child Rearing Allowance, Child Care Services	3070	36226
Unemployment	Employment Insurance System	1239	14620
Social Assistance	Public House Services, Public Assistance System	2675	31565

SOURCE: GOVERNMENT OF JAPAN



The SPF does not, however, simply represent handouts. It promotes individual responsibility and opportunity with social protection programmes offering a “staircase” for the most vulnerable to “graduate” out of poverty and exclusion – for example, recipients should be able to take advantage of active labour market policies that help informal economy workers, often women, to gain access to more productive and secure employment, as illustrated in later chapters.

Although the SPF concept is intended to be applied universally, it is also flexible and adaptable. Governments can design their floors according to national economic constraints, political dynamics and social aspirations. Rather than being based on a specified list of benefits, it thus focuses on outcomes in terms of standards set in internationally agreed human rights conven-

tions, including the Universal Declaration of Human Rights,⁹ the ILO Conventions on Social Security, the Convention on the Rights of the Child¹⁰ and the Convention on the Elimination of All Forms of Discrimination against Women.¹¹ Each country can design and implement its strategy to move progressively towards a system that fulfils these rights.

As well as consolidating existing schemes, governments aiming to strengthen the SPF will want to extend them. This can happen along two dimensions – horizontal and vertical. Along the horizontal dimension across the SPF, this will involve increasing the number of persons covered by existing schemes, while also developing new schemes for those currently missing out, many of whom do not engage in paid work or who work in the informal economy.

For the vertical extension, this will involve moving up from the floor, climbing the social protection staircase, either by increasing the levels of benefits in existing schemes or by designing new schemes, though trade-offs will inevitably occur (Figure I-1). Social protection, in such a framework, can be seen as being at the core of integrated and holistic development policy, rather than solely a response to crisis. Poverty and vulnerability, in turn, are addressed not as isolated and static issues but as multidimensional and interdependent experiences.

GENDER AND SOCIAL PROTECTION

Social protection policies for both the floor and staircase need to take into account the unique circumstances and realities faced by women. Crucial to ensuring the effectiveness of social protection measures is the consideration of the circumstances and realities faced by women. The formulation and provision of social protection can thus provide essential links to the aims of gender equality and the empowerment of women.

In the Asia-Pacific region, women's activities related to their household manage-

ment and caring responsibilities, assigned on the basis of traditional gender roles, act as significant default contributions to social protection when formal systems are inadequate. During recent periods of economic crises in particular, the burden of family survival has often fallen largely upon women, who have had to increase their unremunerated (or poorly remunerated within the informal sector) family caring and domestic activities to compensate for loss of income and managing financial pressures. These caring and household activities, therefore, should be recognized in terms of the role they currently play in promoting social and economic development. However, social protection systems need to be developed in such a way that they are not at the expense of women's own opportunities for development. Limiting women to traditional roles is a hindrance to a country's economic development, which should be able to rely upon the full capacity and productivity of all its citizens.

Social protection measures in the region also need to take into account the realities of those women who participate in employment outside the home. Rapid economic growth has been underpinned

FIGURE

TITLE

I-2

SOCIAL PROTECTION: THE FLOOR AND THE STAIRCASE



by the considerable shift of women into the paid workforce in large parts of Asia and the Pacific. However, women are more likely to enter fragile and insecure forms of employment in the formal sector, to be overrepresented within informal sector employment, and liable to lose their jobs during periods of economic hardship. More than 8 out of 10 working women, compared with more than 7 out of 10 working men, are considered to be in vulnerable forms of employment in the Asia-Pacific region.¹²

The overrepresentation of women in activities outside of the formal economy means that, under contributory systems, women can be unprotected or poorly protected as secondary beneficiaries. This reinforces their dependence upon primary male beneficiaries, which in turn plays a key role in limiting their full participation in society and the economy. Social protection systems can better promote and support women's rights, as well as the value of women's non-remunerated social reproduction activities to economic and social development, by ensuring that women are adequately covered by social protection even when not engaged in economic activities outside the home. An example of this would be the establishment of non-

contributory universal pension schemes, which can provide greater access for women to savings schemes.

On the other hand, social protection schemes which relieve the burden of the existing caregiving responsibilities of women (for example, by providing State-supported child and elderly care) play an essential role in promoting their full economic and societal participation. Most of the countries or territories in the region with a large population of older persons (where at least 15 per cent of the population is over 60 years of age) have instituted social protection schemes, with the promise of reducing the burden on women's elderly care.¹³ However, these countries are primarily higher-income economies. In less developed countries where such social protection schemes do not currently exist, the burden of care for the growing population of older persons falls primarily on women, particularly poor women. Such schemes, therefore, allow society and the economy to fully tap the talents of all the population, enabling women to have the option of undertaking activities outside the household by allowing them more freedom and choice to participate in society and the economy.

In order for social protection programmes to meet their explicit objectives efficiently as well as contribute to the empowerment of women, it is helpful to consider and evaluate their gender implications. For example, conditional cash transfer schemes aimed at poverty reduction have configured women as “beneficiaries” because of their increased propensity, based upon their traditional gender roles related to caring, to use the monies received for family wellbeing rather than for personal expenditure. As identified beneficiaries, women are also therefore those responsible for fulfilling the conditions of the programmes hence placing them in a gender differentiated position in relation to the “rights” and “responsibilities” attached to social protection. In Cambodia, for instance, conditional cash transfer programmes include conditions for pregnant women and/or lactating women, while in the Philippines, beneficiaries of similar schemes have to comply with three conditions: pregnant women must receive prenatal care, child birth must be attended by a skilled or trained person, and mothers must receive post-natal care; children 0-5 years must receive regular health check-ups and vaccinations; children 6-14 must

attend school at least 85 per cent of the time.

The consideration of these aspects can help ensure that social protection in the region is gender-sensitive as well as make a positive contribution to gender equality. However, it is important to note that, while integrating gender concerns into social protection measures is essential, this integration in itself does not serve as a substitute for addressing structural inequalities in the economy and society at the macro and micro levels which place women in a position of disadvantage.

TIME TO PROTECT

Extending social protection towards the provision of basic universal coverage for all would enable Governments across the region to fulfil the rights and entitlements of all their populations. Governments should not only be able to afford this, they also have increasingly strong incentives for acting now. The next chapter presents the case, both political and economic, for extending social protection.





2

REALIZING THE DIVIDENDS OF SOCIAL PROTECTION

In the past, most Governments have considered social protection primarily as a cost – requiring regular or intermittent payments to sustain the poorest. More recently, however, Governments across the region have been adopting a longer-term perspective, seeing such expenditure less as a cost and more as an investment – and one which in the end can bring rich dividends: social, economic and political.

Robust systems of social protection have multiple benefits. They can help reduce poverty and ensure healthy, capable and engaged citizens who can act to deepen and accelerate economic growth and oppor-

tunity. They can also build more stable societies and foster trust between government and their citizens. Seen in this way, social protection becomes a core component of national development policy and governance.



BUILDING HUMAN CAPACITIES

One of the most valuable functions of social protection is to build human capacity. While it might be thought that income security, for example, would merely help defend standards of health and education at times of stress, in practice it also tends to raise such standards. Experiences in South Africa¹⁴ and Latin America¹⁵ demonstrate that conditional and unconditional cash transfer programmes bring significant improvements in health and education – and provide particular benefits for women and girls. These include:

NUTRITION: Providing cash transfers directly to mothers and grandmothers improves child nutrition. South Africa's old age pension has had particularly positive effects on girls' nutritional status: those in recipient households have been on average 3-4 centimetres taller than their counterparts in non-recipient households.¹⁶ Similarly, the Child Support Grant has promoted livelihoods, improved nutrition and facilitated access to education.¹⁷ Nevertheless, there are also concerns about reinforcing women's sole responsibility for family welfare;

HEALTH: In Bangladesh, cash transfers have interacted with direct health interventions to bring a number of benefits – extending immunization, increasing consumption of micronutrients and boosting attendance for ante- and post-natal care.¹⁸ In Cambodia, cash transfers have also shown promise in helping mothers and children affected by HIV and AIDS.¹⁹

EDUCATION: Child benefits and school assistance packages improve school attendance. Family allowances, social pensions and other cash transfers not only improve school attendance and reduce child labour, they also have positive gender effects.²⁰ The school stipend programme in Bangladesh, for example, has helped achieve gender parity in primary education. In rural Brazil, old-age pensions paid to grandmothers have helped increased girls' school attendance.²¹

OFFERING AN ESCAPE FROM POVERTY

Social protection can be an investment which helps people escape from poverty. Poverty is closely related to vulnerability. On the one hand, the most vulnerable are typically those living in conditions of

poverty, who have little to fall back on when disaster strikes. On the other hand, the reason that many people stay poor is that they constantly feel exposed: working hard just to survive, they have little time or opportunity to make the small investments or take the risks that might improve their lives.

Under stress, some poor households adopt strategies which reduce opportunities in the long run – decreasing the number or quality of meals, withdrawing children and especially girls from school, having children engage in child labour, and generally carrying out activities that are less productive but appear to be safer. For the poorest, even a small risk will make them vulnerable. While richer households can face substantial risks without significant vulnerability, poorer households can be highly exposed to even moderate risks and shocks.

If instead the poor can rely on a basic SPF that provides some stability, their situation and behaviour change. If they do not need the fragile insurance provided by child labour, they are more likely to ensure that their children, regardless of sex, attend school regularly. If they have ready access to free or inexpensive medical care, they can take better care of family health. Social

protection transfers in this context have also served as direct or indirect wage subsidies thus reducing the spectre of the “working poor”. They have also had other important benefits. Grants for child support, for example, have discouraged child labour, and grants for older persons have enabled them to stay at home to look after children, enabling mothers to go out to work.²²

Similarly, farmers are less likely to sell the livestock on which their future prosperity depends if adequate cash transfers protect their immediate subsistence. It was found, for example, in Maharashtra, India, that farmers protected by the original employment guarantee scheme invested in higher-yielding varieties of crops than farmers in neighbouring states. A SPF thus serves as a firm platform from which people can advance and develop their assets.²³

To date, many countries have relied for poverty reduction primarily on the trickle-down effects of economic growth. However, if they introduced more comprehensive social protection with appropriate supporting policies, they would reduce poverty much faster.²⁴ Thus, rather than seeing social protection as costly measures, Governments should see effective social protection now as an investment that will

increase productivity and security and reduce the need for future spending.

Social protection can achieve this by improving health outcomes, increasing school attendance, promoting equality between men and women, reducing hunger, improving dietary diversity and promoting livelihoods and asset accumulation. Indeed in many developing countries social protection has become a primary – sometimes the only – instrument for addressing poverty, vulnerability and inequality effectively.²⁵

REDUCING INCOME INEQUALITY

While reducing poverty, stronger systems of social protection will also tend to reduce overall inequality – and thus increase economic efficiency. In recent years, economic growth in Asia and the Pacific has been accompanied by a rise in income inequality and hence has not translated into commensurate gains in human development. Well-designed social protection schemes, on the other hand, can help redistribute income vertically, towards low-income groups, and horizontally, for groups with specific risks and vulnerabilities, such as persons with disabilities, those suffering



from poor health, and those with obstacles to paid labour market participation. There are also particular benefits for women who often have multiple care responsibilities.²⁶

It is important to see social protection programmes as being part of an overall strategy of reducing inequality, particularly addressing the exclusion of the most vulnerable groups, and offering a path out of poverty and dependence. Social protection can be an effective tool for inclusion only if those most marginalized by current development patterns, “by virtue of their poverty, or due to structural demographic or identity-based forms of exclusion or discrimination”,²⁷ are included as actors in decision-making on the basis of entitlement.

The value of social protection for reducing income inequality has been demonstrated in a number of OECD countries. Countries with universal social protection schemes based on progressive taxation often appear to have a more equal income distribution compared to countries with targeted or means-tested social protection schemes, such as Australia, New Zealand, the United Kingdom of Great Britain and Northern Ireland and the United States of America.

This effect is even greater in the “social democratic welfare States”, such as Denmark, Finland, Norway and Sweden, where a wide range of health, educational and care services, as well as generous social protection benefits and transfers, are provided universally as an important redistribution function.²⁸

ADVANCING ECONOMIC GROWTH

While reducing poverty and inequality, stronger social protection also broadens opportunities and deepens the quality of economic growth. The most immediate stimulus is likely to be from income transfers to poor households which can have a higher propensity to consume than richer ones. Transferring resources to the poor will stimulate particular demand for local goods and services. This is evident from a number of studies in Africa. In Zambia, for example, 80 per cent of social transfers have been spent on locally purchased goods. Similarly, in South Africa, greater consumption by lower-income groups shifted expenditure from imports to local goods and – by shifting the trade balance – also increased savings.²⁹ In Namibia, the dependable spending power created by social pensions stimulated local mar-

kets and revitalized local economic activity.³⁰

Social protection allows people to better manage risk. While giving them the necessary confidence to take measures that enable them to escape from poverty, social protection also takes better advantage of their skills and potential – encouraging them to participate more fully in national economic growth.³¹

There are also economic benefits from improved health standards. This is not only because healthier workers are more productive, but also because they live longer. It has been estimated, for example, that a 10 per cent increase in life expectancy adds 0.3-0.4 percentage points to annual growth in per capita incomes. A typical high-income country with an average life expectancy of 77 years has a 1.6 per cent higher annual growth rate than a typical



low-income country with an average life expectancy of 48 years. These human capital outcomes provide the basis for long-term, healthy and pro-poor growth.³²

ACHIEVING SOCIAL COHESION THROUGH INCLUSION

In addition, social protection has many political dividends. It can, for example, result in support of those groups who might otherwise be disadvantaged by essential economic reforms. In Mauritius, for instance, a social pension contributed to the social cohesion necessary to support the transition from a vulnerable mono-crop economy with high poverty rates into a high-growth country which now has the lowest poverty rates in Africa.³³

Similarly, labour unions in Nepal asked for more effective social protection to secure their support for labour market reforms that would enhance both equity and growth. And in Indonesia cash transfers have contributed to economic reform, compensating the poor for price rises after the reduction of fuel subsidies.³⁴ Well-designed schemes that are accepted by society as a whole build social cohesion and a sense of citizenship, as well as reduce

conflict, and therefore contribute to an effective and secure State.³⁵

If systems are universal and rights-based they can foster solidarity and help build coalitions among classes and groups and across generations. Universal social protection thus promotes social citizenship, emphasizing collective responsibility for individual well-being – and strengthening the contract between citizens and the State.

This is especially beneficial in fragile States and those recovering from conflict.³⁶ In Afghanistan, the National Solidarity Programme, which provides block grants to community development councils for social and productive infrastructure and services, aims to strengthen community-level governance and repair some of the damage from three decades of conflict – rebuilding trust between the central Government and its citizens.³⁷ The Solomon Islands Rapid Employment Project (REP) also seeks to provide targeted, though temporary, employment for unemployed youth who in the past have played a significant role in civil conflict and violence.

At present, few countries in the region have developed such implied contracts. Many do have policies and laws guaranteeing basic social protection, but these are

not formal entitlements that citizens can use in order to claim support. Indeed citizens may have little effective political voice. The implied Government promise in many countries in Asia and the Pacific is more limited – that the Government will try to guarantee economic growth whose benefits will be broadly shared through widespread employment opportunities and wage gains.

Governments across the region have the opportunity to develop more substantial social contracts by addressing inequality

and exclusion through inclusive and rights-based instruments of social protection. A social contract that acknowledges links between institutions and poverty reduction, and places social protection within the process of redistribution will underpin a sustained challenge to chronic poverty and exclusion. The harmonization of social protection with employment, economic and social policy, for example, also offers potential for greater impact. This has already been demonstrated in a number of countries, as explored in the following chapter.







3

BUILDING ASIA-PACIFIC FLOORS AND STAIRCASES

Developing countries across the Asia-Pacific region already offer many forms of social protection – from education scholarships to cash transfers, to support for particularly disadvantaged and marginalized groups, such as older persons and persons with disabilities. Some also provide limited forms of social insurance for health or unemployment. But these schemes have been narrow in coverage and typically fragmented, and have primarily focused on temporary alleviation of specific and localized needs. Yet, even the poorest countries have the opportunity to build systems that are more coherent and complete.

Even if they have not used the term, many countries in the region have long experience in social protection. Sri Lanka, for example, was one of the earliest to develop a fairly comprehensive system including income transfers.

In the aftermath of the Asian financial crisis in the late 1990s, as well as in response to a number of natural disasters, several countries became concerned about the effects of multiple shocks on the poorest and attempted to offset the impact through various systems of social transfer. More recently, countries have also been looking beyond these responses and planning elements of the social protection staircase by considering contributory pensions or unemployment benefits towards a form of an SPF.

Given the diversity of conditions across a wide region, approaches vary greatly in

terms of coverage, periodicity, focus and funding. This chapter will not attempt to review all the region's social protection programmes but highlight some important achievements and good practices, as well as some limitations. This will focus primarily on the potential for protection through government programmes, though in many parts of the region, notably the Pacific, the most effective protection has historically come from families and communities, while in others civil society has played a key role.

Although the majority of social protection programmes are not universal, they do contain elements, or building blocks, that could form a foundation of a potentially more comprehensive system. In fact, most Governments tend to have a mixture of both universal and targeted social policies. However, in the more successful examples, overall social policy itself has been univer-



salistic, and targeting has been used as simply one instrument for making universalism effective with benefits directed to low-income, disadvantaged or excluded groups within the context of a universal policy design.³⁸

It is important that lessons are learned from existing successful schemes. For social protection policies, choices between universal and targeted schemes need to be context specific, and depend on a range of political, fiscal and administrative considerations and constraints. The final aim, however, should be access to provisions and security for the entire population as a matter of right. This chapter examines the range of social protection systems and programmes in place across the region. In

so doing, it points to the need for graduation towards a universal and rights-based framework for social protection.

AVAILABILITY OF SERVICES

The SPF has two main components: availability of services and social transfers. Although many Governments in the Asia-Pacific region have been improving health and education in terms of GDP spending, this is still lower than the global average.³⁹ The experience in extending social protection is documented below and encompasses both a description of key examples as well as an evaluation of their impact. The overall lesson is that while the region has much to draw upon, there

remain a number of challenges in extending and deepening access to social protection programmes. This is especially the case for the region's poorest and most excluded groups.

HEALTH SERVICES

For most households the service with the greatest financial implications relates to health. Health expenditure can quickly push many families into poverty. Most people should have access to primary health-care services through a network of government clinics. However, for curative care they need access to doctors and hospitals, which, public or private, generally charge fees. Workers and their families in the formal sector may be able to claim health insurance, but for those in the informal sector, the outlook can be bleak. A basic SPF should therefore offer guarantees of treatment free at the point of use.

INDIA

By international standards, public health expenditure has in the past been relatively low – with about 80 per cent of health expenditure coming from out-of-pocket sources.⁴⁰ To address this problem and extend protection to the unorganized sector, which represent 93 per cent of the total workforce, the Government in 2007

launched the Rashtriya Swasthya Bima Yojana (RSBY) scheme, targeting families living below the poverty line. The total sum assured is INR 30,000 per family per annum. Of the estimated premium per family of INR 750, the central Government contributes 75 per cent and the remaining 25 per cent comes from the state governments. Beneficiaries need to pay only INR 30 as a registration fee. In the year 2008-09, the central Government outlay for the RSBY was INR 2 billion, and by May 2010 it covered 26 states, with enrolment reaching about 56 million beneficiaries.⁴¹ The RSBY is operated through private insurance companies, selected state by state, through a competitive bidding process. The scheme has a number of unique features. Households are, for example, empowered to choose between private and government hospitals for treatment; moreover, the scheme is entirely electronic, based on smartcards (Box III-5). The scheme has been judged highly effective and could be extended to other classes of beneficiaries, and the same networks could be used to deliver other social security benefits.

IRAN (ISLAMIC REPUBLIC OF)

The Social Security Organization (SSO), the agency administering the funds related to social protection, also runs a comprehen-

hensive health-care network, and has service contracts with private medical institutions. Services provided by the SSO network are free of charge, while the health insurance covers 90 per cent of expenses for in-patient services and 70 per cent of expenses for out-patient services provided by private medical institutions. As of 2005, 43 per cent of the entire population and 62

per cent of the urban population had access to these services. Informal sector workers can have access through voluntary contributions. The main challenge at present, in addition to the need to increase coverage, is the rapid increase in health-care costs and the pressures to reduce the contributions to the health-care fund.⁴²

BOX

TITLE

III-1 SOCIAL PROTECTION, HEALTH AND HIV/AIDS IN THAILAND

A significant component of the Universal Health Coverage Scheme (UHCS) is Thailand's increasingly comprehensive response to HIV prevention, treatment, care and support, including its commitment to provide full coverage of care and treatment for people living with HIV.⁴³ As of 2009, the UHCS has extended antiretroviral therapy to 75.8% (or 200,000 persons) of the estimated eligible people living with HIV. A significant number of pediatric AIDS cases have also been receiving treatment as they transition to adolescence.

Apart from antiretroviral therapy, the UHCS also includes HIV counselling and testing twice a year, strategies to enhance the prevention of parent-to-child transmission, and methadone maintenance therapy as part of Thailand's harm reduction programme for drug users. A number of these programmes involve collaboration between the Bureau of AIDS, Department of Disease Control and the National Health Security Office. Specifically a protocol was developed in 2009 to enhance the quality of HIV counselling and testing services, implement provider-initiated counselling and testing, establish resources for information sharing and undertake public campaigns to increase access to and coverage of HIV counselling and testing among key populations at higher risk of HIV exposure. Notably, the UHCS is a highly self-reliant programme, with 80 to 90% of the budget for HIV prevention and control being derived from domestic sources.

MONGOLIA

A major concern following Mongolia's transition process after 1990 was deteriorating health services, with especially serious consequences for women. Under the universal medical scheme, care for pregnancy, childbirth and post-natal care are provided free of charge by the State budget without any conditionality or requiring any contribution to the Health Insurance Fund. From the fifth month of pregnancy, for one year women receive a cash allowance funded by the State budget.

THAILAND

A good recent example of a comprehensive approach to health provision is Thailand's Universal Health Coverage Scheme (UHCS). Prior to the scheme, people who were not government officials or private formal-sector employees had to rely on the Medical Welfare Scheme for indigent people or the government-subsidized Health Card Scheme, which provided voluntary health insurance for the self-employed. Both schemes required some contributions, were targeted, and had limited coverage. In 2002, however, the Government passed the National Health Security Act B.E. 2545,

which stipulated that every Thai citizen should have comprehensive medical care. To achieve this, it replaced both schemes with the new UHCS. Everyone is now entitled to free in-patient and out-patient treatment, maternity care, dental care and emergency care. By 2009, about 48 million people, or about 76 per cent of the population, were registered. In principle, everyone can use the scheme, but in practice civil servants and formal sector workers have continued to use their existing schemes, which they feel offer them a better service. The scheme is fully financed by the Government, with a total budget in 2011 of THB 122 billion (USD 34 million)⁴⁴ – THB 2,546 (USD 70) per person for 48 million insured persons – which accounts for 5.9 per cent of the national budget⁴⁵ (see also Box III-1);

EDUCATIONAL SERVICES

One of the most important measures for lifting people out of poverty and reducing vulnerability is to improve standards of education so as to open up opportunities to enhance capabilities. This has been especially important for girls, with significant benefits both for women's empowerment and for child health. Too often, however, the poorest children have either

**BOX****TITLE****III-2 CHINA'S MARCH TOWARDS UNIVERSAL HEALTH CARE**

Since the 1980s, China has experienced rapid economic development and the marketization of medical services. By the late 1990s, however, the majority of rural and urban residents, children and migrants were still not covered by any health insurance system.⁴⁶ Rising out-of-pocket medical expenditure led to a decline in equity and access to health services as well as impoverishment of families.

At the dawn of the new millennium, health financing and health reform were placed on China's political agenda. In 2003, China launched the New Cooperative Medical System (NCMS), a medical mutual assistance system for the rural population, jointly financed by the central Government, local governments and participants.⁴⁷ As of 2008, well over 90 per cent of the rural population in China, over 800 million people, had joined NCMS. To extend health protection to the urban poor, an Urban Resident Basic Medical Insurance was launched in 2007, targeting mainly urban residents without formal employment.⁴⁸ It was initially carried out on a trial basis in 79 cities and aimed to cover all cities by 2010.

In January 2009, the State Council announced its plan to spend more than USD 120 billion over the next three years to strengthen the nation's health-care system by rapidly expanding insurance coverage, revamping public hospitals and improving access to medical treatment. Its goal was to extend the provision of medical insurance to 90 per cent of China's population by 2011 and make "basic health-care services" available to all of China's 1.3 billion citizens.

not enrolled in school or tended to drop out early. So although many countries in the region have successfully raised enrolment ratios, they have not necessarily been able to keep children in school.

INDIA

In 2001 the Government launched the Sarva Shiksha Abhiyan programme aimed at universal elementary education for children aged 6-14 years by 2010. This aimed to ensure that children and parents found the schooling system useful and absorbing, according to their natural and social environments. The scheme involved building more schools and improving many others, providing almost all rural inhabitants with elementary schools within three kilometres.⁴⁹ Children were also offered incentives such as free books, uniforms, and mid-day meals. This is also part of the Cooked Mid-day Meal scheme, launched in 2002, which itself has been found to boost school attendance. A sample survey of schools found an improvement in enrolment ratios between 2001 and 2007 from 89 to 93 per cent, along with a notable increase in access for children with disabilities. Children were also more likely to stay in school – about two thirds of children reported attendance of more than 75 per cent.⁵⁰

THE PHILIPPINES

The “4 Ps” programme (Pantawid Pamilyang Pilipino Programme) is a poverty reduction and social development strategy of the national Government of Philippines aimed at reducing poverty. It provides conditional cash grants to extremely poor households to improve their health, nutrition and education, particularly of children aged 0-14. Only families that keep their children in school and ensure that children and pregnant women receive regular health checkups can obtain the cash grants, which offset the costs of both health care and education. To qualify for cash grants beneficiaries need to comply with the following conditions:

- Pregnant women must utilize both pre- and post-natal care and be attended to during childbirth by a trained health professional;
- Parents must attend family development sessions;
- Children under 5 must receive regular preventive health check-ups and vaccines;
- Children aged 3-5 must attend day care or pre-school classes at least 85 per cent of the time.

- Children aged 6-14 must enrol in elementary or high school and must attend at least 85 per cent of the time.
- Children aged 6-14 must receive deworming pills twice a year.

The poorest households in municipalities are selected through the National Household Targeting System for Poverty Reduction, through the Proxy Means Test. This test determines the socio-economic category of the families by looking at certain proxy variables, such as ownership of assets, type of housing, education of the household head, livelihood of the family and access to water and sanitation facilities.

Pantawid Pamilyang has dual objectives: social assistance by providing cash assistance to the poor to alleviate their immediate need (short-term poverty alleviation); and social development by breaking the intergenerational poverty cycle through investment in human capital. The programme is administered by the Department of Social Welfare and Development. Currently, Pantawid Pamilyang operates in 80 provinces covering 734 municipalities and 62 key cities. Pantawid Pamilyang targeted an estimated one million households by the end of 2010.⁵¹

RUSSIAN FEDERATION

In many regions of the Russian Federation, senior citizen universities are very popular among older persons. Offering courses in such areas as health, law and gardening, creative workshops in theatre, applied art and other activities, and chess and book clubs, they are founded as social services centres to facilitate socialization and to assist older persons in acquiring new knowledge and leading active lives.

FINANCIAL SERVICES

Social protection has now also become identified with poverty reduction, so any SPF needs to encompass services, including financial ones, that help people work their way out of poverty by offering credit, and particularly microcredit – initially through NGOs, but now increasingly through commercial banks.⁵²

The great strength of dedicated microfinance institutions is their capacity in principle to reach the poor, not just with funds, but with a range of support services such as health advice, training and extension services – either on their own or through partnerships with other governmental or non-government organizations. Neverthe-

less, there has been some concern that, while microfinance schemes have offered some protection, they have not necessarily helped the very poorest people – the “ultra-poor” – escape from poverty or achieved some of the gender equality results that might be expected from directing schemes to women.

BANGLADESH

To address the aforementioned issues, one of the microfinance pioneers, the Building Resources Across Communities* (BRAC) has developed a ‘graduation’ programme that includes investments in training, financial services, and business development so that within two years the ultra-poor might themselves “graduate” out of extreme poverty. The BRAC programme “Challenging the Frontiers of Poverty Reduction: Targeting Ultra Poor” was launched in 2002. For this, they selected households, often female-headed, of which 85 per cent earned less than the PPP-adjusted extreme poverty line of 50 cents a day. By 2008, 92 per cent had graduated. With the support of the Ford Foundation, this programme has now been piloted in a number of other Asian countries (Box III-4). It remains to be seen whether the graduation model has a long-

term effect or if participants fall back without ongoing support.

SOCIAL TRANSFERS

Some of the most difficult programmes to implement have been those that transfer cash, food or other resources. The main concern has been targeting – ensuring that the benefits only reach the most in need. Typically in such programmes, however, a high proportion of resources have also “leaked” to the non-poor, either because of corruption or because the system was inefficient or depended on the discretion of local officials who may have had their own priorities. Some of the more developed economies in the region have developed sophisticated and well targeted systems.

EMPLOYMENT GUARANTEES

One way to sidestep targeting problems is through public works programmes. This involves “self-targeting”, in that the benefits are set at a fairly low level so that the beneficiaries enrol when in need, but then drop out when better opportunities arise elsewhere. Generally, such schemes have been fairly limited either in terms of reach or commitment over time.

* Originally known as the Bangladesh Rehabilitation Assistance Committee

BANGLADESH

Bangladesh also provides a similar programme of employment generation for the rural poor under the Employment Generation Programme. The Programme, which provides 100 days of employment for the rural poor, aims to alleviate “seasonal hardcore poverty” and offset increasing food and other costs through non-productive agricultural periods.

INDIA

One of the most impressive large-scale programmes is India’s National Rural Employment Guarantee Scheme, which offers 100 days of work per family in rural areas at the minimum wage for agriculture. In 2007-2008, the scheme provided jobs for almost 34 million households at a cost of only 0.3 per cent of GDP. One evaluation of the scheme, in 20 districts, found that most households were issued with job cards within a couple of days of registration – though often had to wait longer than the stipulated 15-day period to obtain work. More than half of the beneficiaries were agricultural and unskilled workers, with the proportion of female-headed households ranging from 12 to 52 per cent depending on the district. More than half of beneficiary households purchased livestock, such as sheep or goats during the year as a result

of the employment they were offered. Families also spent more on food and non-food items.⁵³

SOLOMON ISLANDS

In response to a request from the Government of the Solomon Islands in 2008, an employment project targeting the urban poor in the capital, Honiara, was launched in 2010. Led by the World Bank, the Rapid Employment Project seeks to provide employment for Honiara’s urban poor (especially youth) as the basis for broader engagement between the Honiara City Council and its rapidly growing, and largely poor, population. The project aims to provide short term employment especially to youth and women as a means to generate income for the poor, but also as the basis for life-skill development training and longer term employment prospects. A secondary benefit would be through enhanced infrastructure and services, especially those which benefit the city’s burgeoning informal settlements. An estimated 500,000 labour days of work over the five years of the project would focus on labour-based public works, such as road repair, maintenance, construction and garbage collection. The project would be enhanced through life skills workshops dealing with domestic violence, money management and health awareness.⁵⁴

VIET NAM

One of the pillars of Viet Nam's social protection scheme is "active labour market" policies. These provide a minimum income guarantee to the unemployed and under-employed as well as improving the employability of workers through training and job placement, and the creation of micro-enterprises.

SOCIAL PENSIONS

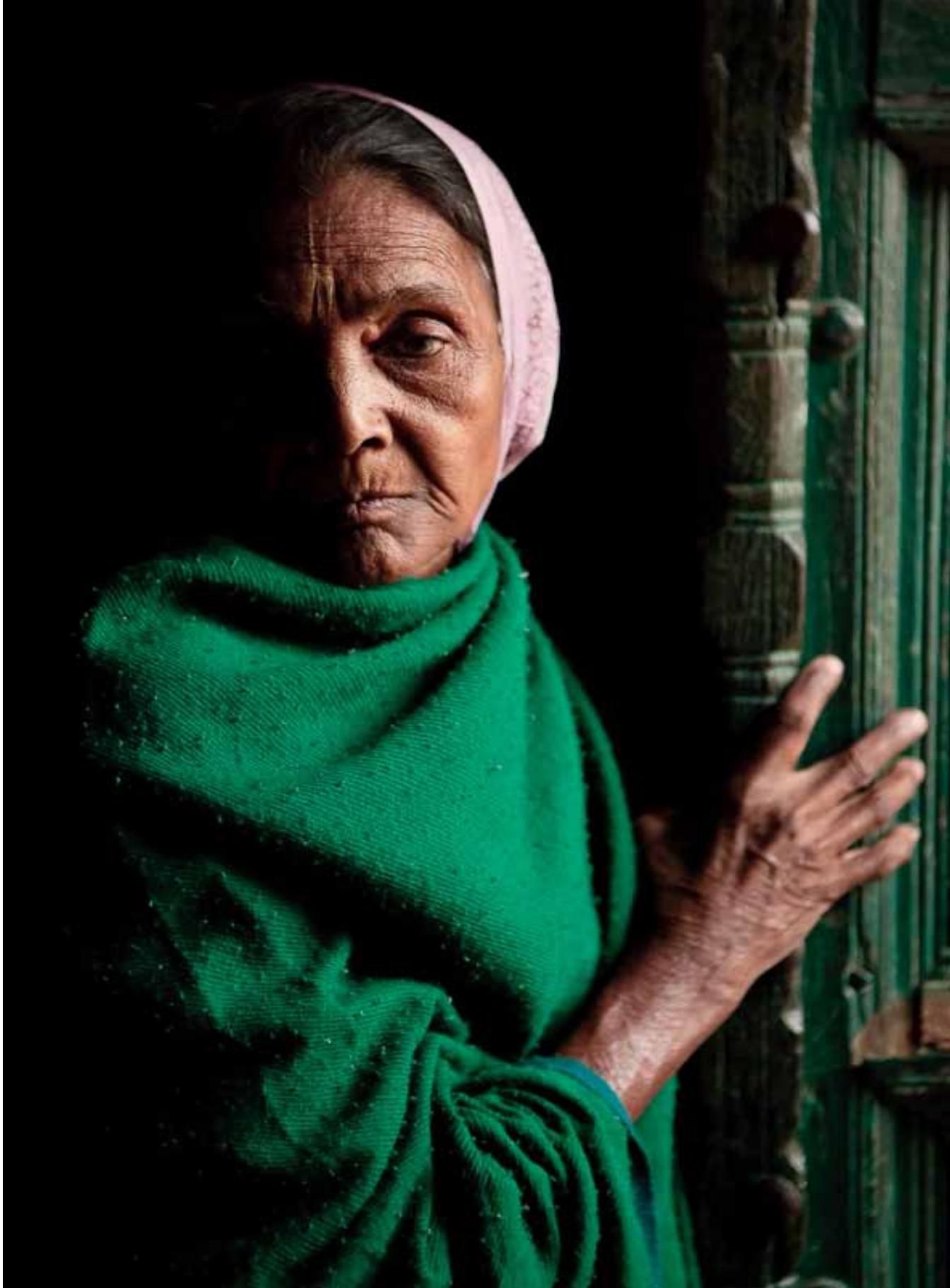
While the more substantial old-age or disability pension schemes generally rely on contributions through a working life, in the poorest countries it is also important to offer a basic low-level pension to all financed by general taxation. This has advantages for women, in particular those who often have not engaged in paid economic activity.

NEPAL

Nepal is an example of a lower-income country with both high rates of poverty and a rapidly ageing population. Nearly one in three people live below the national poverty line, while the proportion of the population aged over 60 will double to 12 per cent over the next 30 years. Yet, while

Nepal has limited fiscal capacity, it is the only South Asian country with a "universal flat" pension scheme.⁵⁵ The Government has managed to provide this universal non-contributory pension (the Old Age Allowance Programme, or OAAP) since 1995. In 1996, two additional social security programmes, namely the Helpless Widows Allowance for widows above 60 years of age and the disability pension, each paying NPR 100 per month, were implemented. During the International Year of Older Persons in 1999, the Government raised the OAAP from NPR 100 to 150. In 2008, the age of eligibility for the pension was lowered to 70 and the benefit rate was increased to NPR 500 (USD 7).⁵⁶

At a current cost of 0.23 per cent of GDP, the scheme is now entering its sixteenth year, indicating the sustainability of this type of cash transfer even for a lower-income country. A recent survey indicated that the OAAP has supported older persons and their families to improve food security, access health-care services and invest in their livelihoods. For many older women, particularly widows who live alone and have no children, the pension often provides them with their only source of income.



SAMOA

Samoa pays a universal pension equivalent to USD 40 a month to residents over the age of 65 – around 5 per cent of the population. This is less than their average monthly costs, but older persons in Samoa hold an honoured place in their extended families and are traditionally supported by them. The benefit thus provides some additional cash income. The total cost is 1.5 per cent of GDP and comes from general taxation. Because of the relatively undeveloped banking system, this pension is distributed monthly in cash.⁵⁷

CONDITIONAL CASH TRANSFERS

Following a number of success stories from Latin America, conditional cash transfer (CCT) programmes have become increasingly popular in Asia and the Pacific. Not only are these transfers targeted (means-tested) – at poor households – they also require the beneficiaries to fulfil certain conditions, such as sending their children to school, joining nutrition programmes or making use of health services. This is particularly the case for girls.

INDONESIA

A recent example is Indonesia's Program Keluarga Harapan (PKH) or "family hope

programme". This is aimed at poor households with children aged up to 15 years, children under 18 years who have not completed primary school, or pregnant or lactating mothers. To qualify for funds, pregnant women must have four prenatal visits, take iron tablets and have their deliveries assisted by trained health professionals, and they should make two post-natal care visits. For children, the health conditions are that their growth should be monitored – monthly for those under 1 and quarterly for those aged 1-6. Children under 5 must receive vitamin A doses twice a year and those younger than 6 must be fully immunized. For education, all children aged 6-12 are to be enrolled in primary school and those aged 13-15 in secondary school – and must attend classes on at least 85 per cent of school days. Following a pilot period, the programme has been continually expanded to cover more households, with benefits ranging between IDR 600,000 (USD 60) and IDR 2.2 million (USD 220) per year, depending on household characteristics, such as the age of children and family size (Table III-1). A female head of household receives the benefit on a quarterly basis through the post office for six years.

In addition to the PKH, Indonesia has a programme which permits transfers to

communities to be managed as they wish, providing they devote these resources to improving health and education. The Program Nasional Pemberdayaan Masyarakat Generasi Sehat dan Cerdas (PNPM Generasi), or “national community empowerment programme for a healthy and smart generation”, has, for example, bought education materials for children and built roads to schools and health facilities.

KAZAKHSTAN

In 2002, Kazakhstan started the Targeted Social Assistance (TSA) scheme, which entitles all families to receive the subsistence minimum, which can be fixed by each region. If the total income of a family unit falls below the regional poverty line, the family is entitled to receive TSA. Payments are made monthly as a cash transfer. The main recipients are families with children, the unemployed, care providers for



TABLE

TITLE

III-1 CONDITIONAL CASH TRANSFER PROGRAMME IN INDONESIA

ANNUAL BENEFITS	RUPIAH	USD
Fixed transfer amount	200 000	20
Additional amount for poor families with:		
Children under 6 years	800 000	80
Pregnant / lactating mother	800 000	80
Primary school children	400 000	40
Junior secondary school children	800 000	80
Average transfer per poor family	1 390 000	139
Minimum transfer per poor family	600 000	60
Maximum transfer per poor family	2 200 000	220

SOURCE: ASIAN DEVELOPMENT BANK, SOCIAL ASSISTANCE AND CONDITIONAL CASH TRANSFERS: PROCEEDINGS OF THE REGIONAL WORKSHOP (MANILA, ASIAN DEVELOPMENT BANK, 2010) P. 181.

children and the working poor. The fact that a significant proportion of the recipients are working shows that such transfers can also serve as a wage subsidy. An early assessment found that, despite certain problems defining eligibilities, the TSA was serving its fundamental purpose of providing basic assistance for the poor. Moreover, it was indeed offering assistance rather than encouraging dependence, since a satisfactory number of family units were graduating from the scheme.⁵⁸

SINGAPORE

As a safety net to supplement other forms of social protection, in 2005 the Government of Singapore endowed the ComCare Fund to provide assistance to the bottom 20 per cent of the population. In ComCare, the work-capable have to follow an action plan towards self-reliance. When they are in need, people can contact their community development councils or grassroots leaders who will assess their needs. They can also use a toll-free hotline which is available in the four national languages. ComCare covers three key components: “Self Reliance”, which helps the needy to achieve self-reliance; “Grow”, which focuses on the developmental needs of children; and “EnAble”, for those who require long-term assistance, such as older

persons and persons with disabilities. There are also ComCare programmes and funds that grassroots leaders can use to help residents who need immediate assistance. The fund now stands at SGD 800 million (USD 625 million) and in 2009, a total of SGD 66 million (USD 43 million) was disbursed, benefitting an estimated 25,000 families.⁵⁹

RUSSIAN FEDERATION

The Russian Federation provides a subsistence minimum to the poor. This minimum subsistence is based on a consumer basket price of goods, as well as mandatory payments and contributions, and targets the very poorest. The amount of social subsistence varies depending on the region and its financial resources. In recent years, the Russian Federation has also started a special programme to boost the economies in regions with the highest poverty incidences.⁶⁰

ACTIVE LABOUR MARKET POLICIES

One of the best ways of achieving income security is through regular and remunerative employment. For this purpose, governments can pursue “active labour market”

policies. While these might include income guarantee schemes, such as public works programmes, most have a broader strategy. To date, social protection through employment has come via contributory schemes for those with relatively secure formal employment. These are typically contributory schemes funded by payments from employees and employers combined with funds from government tax revenues.

Although initiated by governments, such schemes are often administered by quasi-governmental entities that are either publicly or privately managed. These can also be supplemented by private schemes based on savings or insurance. Such contributory schemes work best in systems where people have reasonably stable cash incomes and can make regular payments.

TABLE TITLE

III-2 EMPLOYEES AS A PERCENTAGE OF ALL EMPLOYED, 2006

	TOTAL	MEN	WOMEN
South Asia	21	23	15
South-East Asia and the Pacific	39	43	35
East Asia	43	46	38
World	47	47	46

SOURCE: ASIAN DEVELOPMENT BANK, *SOCIAL ASSISTANCE AND CONDITIONAL CASH TRANSFERS: PROCEEDINGS OF THE REGIONAL WORKSHOP* (MANILA, ASIAN DEVELOPMENT BANK, 2010) P. 33.

However, the majority of workers in Asia and the Pacific – especially those who are women – do not have stable employment contracts. Most work in the informal sector or in informal employment within formal sector enterprises, so they do not have the status of “employee” (Table III-2). Other groups likely to be excluded are those working in agriculture or who are migrants, either within the country or overseas.

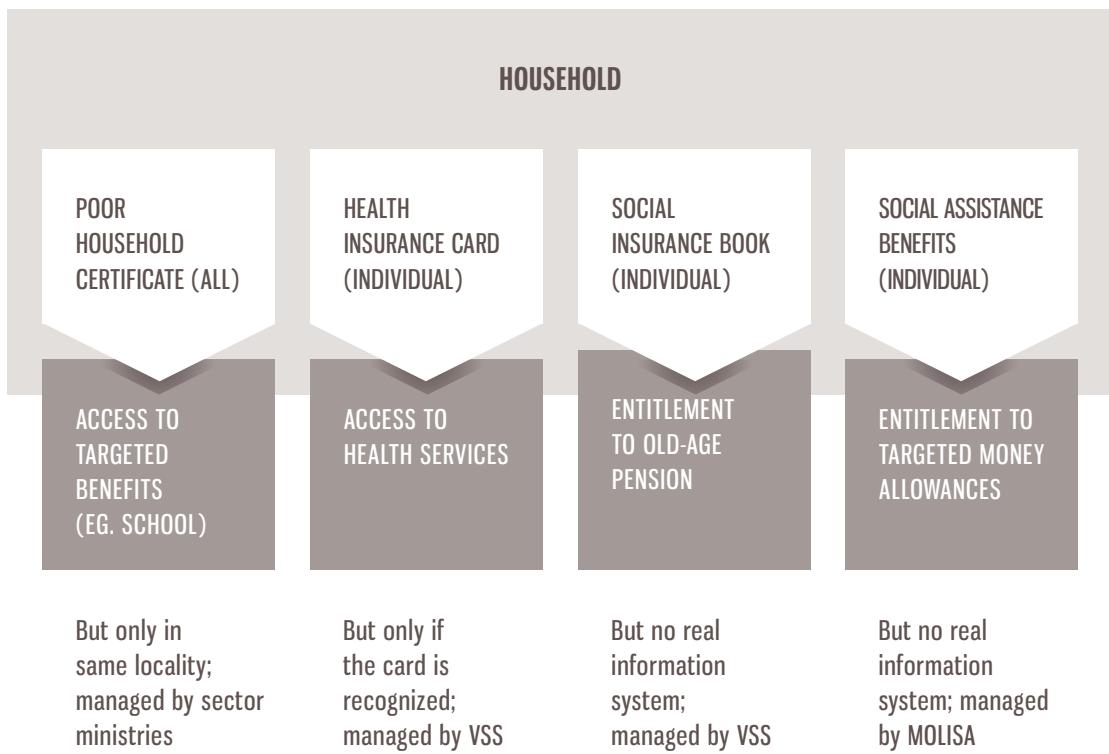
ENSURING COHERENCE

A consistent concern across many countries is that their systems of social protection, even if significant, are typically fragmented and administratively burdensome. Governments often consider such schemes as discrete, almost self-contained, and with their own objectives, functions, structures and budgets. In part, this is because they were often devised in response to a specific problem – economic, political or environmental. Governments then withdraw some as circumstances change, while maintaining others that are deemed successful, or politically expedient.

Social protection is far less likely to effectively address poverty and meet broader goals when it lies outside mainstream development policy formulation and implementation. Indeed, there is considerable evidence of the tension that can arise when the needs of targeted communities (e.g. in employment, health, education or business) are addressed external to core development planning and financing. Whether in the form of “safety nets” or in “managing risk”, programmes which do not effectively change forms of exclusion and discrimination in relation to access to health care, the funding of education, adequately paid and secure employment (especially for women and youth), or the difficulty many people face in accessing finance, are unlikely to meet those most in need. Effective and transparent governance is critical if social protection is to work, irrespective of whether the system is targeted or universal.

China, for example, has at times offered social protection through an estimated 17 different government agencies, each competing for programmes and resources. Indonesia, too, has had complex, overlapping systems – for example, operating four different social insurance funds for civil servants, and military and private sector

FIGURE	TITLE
III-1	HOUSEHOLD PARTICIPATION IN VIET NAM'S SOCIAL PROTECTION PROGRAMMES



SOURCE: WORLD BANK, VIETNAM DEVELOPMENT REPORT 2008: SOCIAL PROTECTION, JOINT DONOR REPORT TO THE VIETNAM CONSULTATIVE GROUP MEETING (HANOI, 6-7 DECEMBER 2007), WORKING PAPER 43653.

NOTE: VSS: VIET NAM SOCIAL SECURITY; MOLISA: MINISTRY OF LABOUR, INVALIDS AND SOCIAL AFFAIRS.

employees. Viet Nam has a rather fragmented information system that has been difficult to manage both for the institutions involved and the beneficiaries (Figure III-1). As a result, policy makers find it difficult to keep track of those who are covered and what the impact of policy has been.

The situation is even more difficult in the least developed countries. Many of the

larger programmes are donor-funded and respond to different donor priorities. At the same time, there may be a large number of small-scale schemes operated by a wide range of NGOs. Adding to the proliferation of such schemes is their vulnerability to shifts in the political climate. Budgets are usually the result of extensive political negotiations and may be withdrawn following a change of government.

BOX**TITLE****III-3****DEVELOPMENT OF SOCIAL PROTECTION IN SRI LANKA****SAMURDHI PROGRAMME, SRI LANKA**

The Samurdhi programme was launched in 1994 by the Government of Sri Lanka as a major national programme for poverty alleviation.⁶¹ The programme was designed as a single programme to provide comprehensive assistance to households under the poverty line, with eligibility determined by means testing. The programme is composed of several components, including transfers, in the form of commodities and encashment stamps, savings and microcredit, social insurance, small-scale infrastructure development, nutrition assistance for children, and livelihood development. Instead of allocating each component to various line ministries, the Government decided to establish a single agency to administer the whole programme. The Programme was initially established under the Ministry of Samurdhi, Youth, and Sports with three specific departments to coordinate various Samurdhi components: the Department of Poor Relief, the Department of the Commissioner General of Samurdhi, and the Samurdhi Authority. To streamline work and make coordination more efficient, two departments were merged and the programme is now administrated by the Department of the Commissioner General of Samurdhi and the Samurdhi Authority of Sri Lanka under the Ministry of Economic Development.

A further weakness is that coverage is often very uneven – and typically schemes benefit better off households. In Pakistan, for example, about 50 per cent of social protection expenditure has gone to social security for formal workers, meaning that certain groups, such as women who are poorly represented in the formal sector, lose out. Only about 7 per cent of expenditure on social protection is for social assistance and 6 per cent for child-related interventions. As a result, less than a quarter of the poor receive benefits, which were mostly in the form of microfinance.⁶²

In India it is estimated that around 170 million, or 40 per cent, of children are vulnerable to or experience difficult circumstances. While there are many programmes that support such children, these responsibilities have been dispersed across many government departments. In 2006, therefore the Government established the Department of Women and Child Development as full-fledged Ministry as a step towards consolidating the child protection portfolio. The new Ministry documented major shortcomings and gaps in existing child protection institutions, policies and programmes. In response, the Government is therefore implementing a new Integrated Child Protection Scheme to offer

greater protection from abuse, neglect, exploitation and abandonment.⁶³

EXTENDING PROTECTION TO ALL

A number of countries have made efforts to extend their social security schemes beyond government employees or those in large companies. A particular challenge lies in extending social protection systems to those in the informal sector, which in some countries makes up more than 80 per cent of the total workforce.

CAMBODIA

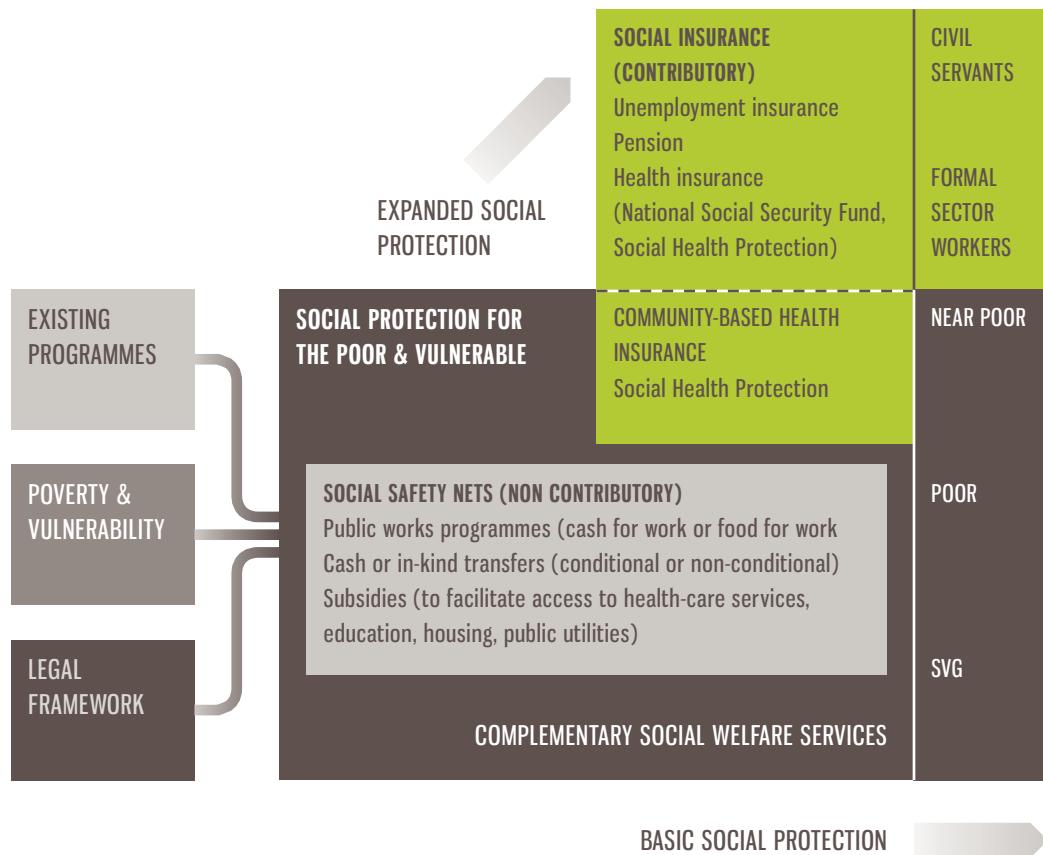
A good example of efforts in a lower-income country to climb the social protection staircase can be found in Cambodia. The Government is developing a unified social health protection system to ensure effective access to quality health services and eventually attain universal coverage (Figure III-2). At the same time, it is expanding coverage vertically through schemes involving contributions. Firms with more than eight formal employees have to enrol in contributory schemes that provide their employees with employment injury insurance, health insurance and old-age pensions. As of February 2009, approximately 400 firms and 300,000 workers were

FIGURE

TITLE

III-2

THE SOCIAL PROTECTION STAIRCASE IN CAMBODIA



SOURCE: ADAPTED FROM COUNCIL FOR AGRICULTURAL AND RURAL DEVELOPMENT NATIONAL SOCIAL PROTECTION STRATEGY FOR THE POOR AND VULNERABLE, (PHNOM PENH: CARD, 2010).

NOTE: SVG STANDS FOR SPECIAL VULNERABLE GROUPS, WHICH INCLUDE ORPHANS, OLDER PERSONS, SINGLE WOMEN WITH CHILDREN, PERSONS WITH DISABILITIES AND PEOPLE LIVING WITH HIV AND TUBERCULOSIS.

covered by the employment injury scheme, with health insurance and pension schemes scheduled to follow in 2010 and 2012.⁶⁴ The Government of Cambodia has made plans to extend this type of scheme. However, the extension has faced some barriers, including insufficient funds and the lack of coordination among ministries and cooperation between the government and the private sector.

CHINA

There are two minimum living standard guarantee schemes (urban and rural) which in 2008 had 66 million beneficiaries, nearly 5 per cent of the total population. China also has two new voluntary health insurance programmes for which the government subsidizes at least half of their revenue. Despite participation remaining voluntary, at the end of 2009 a total of one billion people were covered under these two new schemes. Combined with those already covered under the existing scheme for the urban working population, an even greater number now have financial access to basic health-care protection. Since 2009, China has also been piloting a rural pension system which aims to offer a universal pension starting at a minimum of CNY 55 (USD 8) per person per month, which is payable to all rural residents aged 60 and

above on the condition that her/his family has participated in the new rural pension system.⁶⁵

INDONESIA

The Government of Indonesia has developed a policy that allows informal workers to voluntarily join a social security scheme and lets them choose between types of insurance benefits based on their needs and financial capacity. Participation in the scheme is still rather limited due to the high contribution rates and complex administrative processes.

IRAN (ISLAMIC REPUBLIC OF)

The self-employed, informal-sector workers, the rural population and nomadic populations can have access to all State-run social security services through voluntary contributions. Although the voluntary scheme for the self-employed is open to women and men, in the Greater Tehran Area it was found that more than 90 per cent of the beneficiaries were men. There is still limited coverage of the rural and nomadic populations under the voluntary fund due to cost factors.

REPUBLIC OF KOREA

The Republic of Korea offers an important case study of the scaling up of social

BOX

TITLE

III-4

THE RASHTRIYA SWASTHYA BIMA YOJANA HEALTH SCHEME IN INDIA

Rashtriya Swasthya Bima Yojana (RSBY) is the national health insurance scheme started by the Government of India. RSBY provides cashless health insurance coverage to families living below the poverty line. The scheme has a number of distinctive features.

EMPOWERING THE BENEFICIARY: Households can choose between public and private hospitals, which now have incentives to attract these clients. This is to encourage healthy competition between public and private providers.

INSURER INCENTIVES: Insurers are paid a premium for each household they enrol, giving them an incentive to increase the coverage of targeted beneficiaries.

HOSPITAL INCENTIVES: Hospitals are paid per beneficiary treated. Even public hospitals have the incentive to treat beneficiaries since they received funds they can use for their own purposes. Insurers monitor hospitals in order to prevent unnecessary procedures or fraud.

USE OF INTERMEDIARIES: Other groups, including NGOs and MFIs, are paid for the services they render in reaching out to the beneficiaries.

PAPERLESS SYSTEM Every beneficiary family is issued a biometric smartcard containing their fingerprints and photographs which hospitals can use to connect to the server at the district level. Hospitals can send online claims to the insurer and be paid electronically.

PORATABILITY: The beneficiary can present the smart card in any RSBY registered hospital – which is particularly useful for poor families that migrate. Furthermore, transactions are cashless and paperless.

ROBUST MONITORING AND EVALUATION: An elaborate data management system can track any transaction across India and provide periodic analytical reports. This will allow for mid-course improvements – and also contribute to future tendering processes.

protection initiatives into broader development policy goals over time. Though the country had in place several insurance and pension schemes before the 1997/8 financial crisis, these proved to be inadequate. Key limitations were related to the ad hoc nature of programmes and schemes and their limited availability. Following the crisis, the Government initiated a new series of measures to address problems of high unemployment immediately through temporary income transfers and by extending health care benefits and unemployment benefits. The positive impact of the programmes was such that they evolved into much more inclusive and permanent forms of social protection based on universal provision and rights-based access. Today, the Republic of Korea has in place key social protection programmes in the areas of income support, universal pensions, social health insurance and unemployment insurance. More recently, it has focused on strengthening social services and social pensions, including long-term basic pensions for older persons and persons with disabilities.⁶⁶

THAILAND

With the success of its universal health-care scheme, Thailand has embarked on a process of extending other social protec-

tion programmes. Under the existing Social Security Scheme, private-sector employees receive benefits in seven areas: sickness or accident, physical disability, death, child delivery, old age pension, child allowance and unemployment.⁶⁷ The scheme currently covers about 9.66 million beneficiaries.⁶⁸ Informal sector workers can participate on a voluntary basis, but they only receive benefits in three areas: maternity, invalidity and death. As a result, very few have joined (68 persons at the end of 2010). In order to make the scheme more attractive for informal-sector workers, the Government has proposed increasing the number of areas of benefit from three to four: injury or sickness, invalidity, death and old age benefit. This will take effect from May 2011, with people contributing at varying rates to receive different levels of benefits as well as matching contributions from the Government (Table III-3). It is hoped that this will encourage 2.4 million people to join – this would be about 10 per cent of the informal workforce, which makes up about 70 per cent of Thailand's working population.⁶⁹ To support this extension of the scheme, the Government promises to match contributions from participants of the scheme from a budget of THB 1.5 billion (USD 500 million) during the first year and extend

TABLE

TITLE

III-3 PROPOSED BENEFITS AND CONTRIBUTION OPTIONS FOR TEMPORARY WORKERS IN THAILAND

AREAS OF BENEFIT	THB 100 SCHEME THB 70 FROM WORKERS / THB 30 FROM GOVERNMENT	THB 150 SCHEME THB 100 FROM WORKERS / THB 50 FROM GOVERNMENT
Daily income subsidy due to injury or sickness	✓	✓
Invalidity	✓	✓
Death	✓	✓
Old-age benefit, lump sum payment	—	✓

SOURCE: THAILAND, SOCIAL SECURITY OFFICE, "Q&A FOR INSURED PERSONS UNDER ARTICLE 40" (BANGKOK, MINISTRY OF LABOUR, 2010).

the Social Security Office by adding more subprovincial offices.⁷⁰

VIET NAM

Other countries have introduced schemes that extend social protection to the informal sector by providing contributory schemes on a voluntary basis. For example, Viet Nam introduced a social insurance law in 2006 that stipulated the step-wise introduction of a compulsory social insurance scheme, a voluntary scheme, and an unemployment insurance scheme from 2007 to 2009. The voluntary social insurance scheme targets workers in the informal economy, especially farmers, and consists of an old-age pension and survivors insurance. A unique feature is that periods of contribution to the voluntary and compulsory schemes can be added to calculate the amount of benefits granted. This is beneficial for workers who turn to the informal economy during economic downturns but are still seeking employment in the formal economy.

In Viet Nam, the Government has also been piloting a new system for administering the social security scheme ecards (smart cards) and a one-stop-shop model. The smart cards appear to have enhanced trans-

parency and reduced fraud in accessing benefits and making payments. They have also lowered the administrative costs and reduced the time needed to collect premiums, keep records and communicate with participants.⁷¹

LESSONS LEARNED: TARGETED TO UNIVERSAL

There is little doubt that cash transfers can and do have a positive impact. Recent studies have shown that they are affordable, that the majority of the recipients use the funds well (either to generate assets or to compensate for shortcomings in access to social services), that they have a direct positive impact on levels of poverty, and that they can prevent further impoverishment by supporting economic growth and human capacity development.⁷² However, some issues still remain because most cash transfers are targeted, and many remain means-tested rather than categorical, with all the shortcomings that this implies.

Furthermore, there is considerable debate surrounding “conditionality”, or the specific behaviour recipients must adopt in order to receive the money. This is particu-

BOX	TITLE
III-5	REPLICATING THE GRADUATION MODEL IN PAKISTAN

The pilot project in Pakistan for replicating the graduation scheme pioneered by BRAC in Bangladesh was launched in Coastal Sindh in 2007. Programme areas were selected based on their poor agro-environmental and socio-economic conditions and high levels of unemployment.

TARGETING: The five partner organizations used two sets of targeting criteria. All households had to be single headed, but the head had to be able to work and be below 75 years old. Households with a member working for government or holding a loan from a microfinance institution were excluded. The partners utilized one of the two following criterion sets: Criterion A: Households headed by women with an income of less than USD 0.86 (PKR 25) per person per day and those with vulnerable livelihoods, with no productive assets, over-indebted and/or charity-dependent. Criterion B: Households that meet at least three of the following criteria: own less than two acres of land with no crops grown for sale on the land, no household member with salaried employment, no separate room in the home for cooking and no ownership of any type of music player.

CONSUMPTION SUPPORT: Participants receive approximately USD 12 per month for 12 months after the asset transfer, either cash on a monthly basis or in weekly instalments. Some in-kind transfers of similar value rather than cash can also occur, for example some participants receive 15 kg of flour, two types of pulses and three litres of cooking oil.

LIVELIHOODS: Most participants chose livestock rearing, but some also engage in small trade and crafts. The maximum asset value was set at USD 172 per participant.

FINANCIAL SERVICE: Most organizations encourage participants to save through rotating savings and credit organizations, or individual accounts at microfinance institutions (MFIs). In some cases, group savings are deposited in group accounts at local banks.

ADDITIONAL SERVICES: Additional services offered by some organizations included haemoglobin tests, health awareness sessions, distribution of first aid boxes, free blood tests and linkages with other non-governmental organizations providing tuberculosis medicine free of cost. All organizations link participants with the free livestock vaccination service.

GRADUATION: Participants can graduate if their asset value increase by at least 25 per cent, they have a minimum of USD 23 in savings, participants have at least two meals a day and participants have at least two sources of income. In addition, participants' haemoglobin level must reach a "normal" level and all children aged 5 to 10 must be attending school if a school is accessible within a radius of 1.5 kilometres. Depending on the organization implementing the pilot, 79 to 88 per cent of participants "graduated" in July 2010.

SOURCE: PAKISTAN CGAP-FORD FOUNDATION GRADUATION PILOT, [HTTP://GRADUATION.CGAP.ORG/PILOTS/PAKISTAN-GRADUATION-PILOT/](http://GRADUATION.CGAP.ORG/PILOTS/PAKISTAN-GRADUATION-PILOT/), VIEWED 11 DECEMBER 2010

larly important since there are indications that it is as much the regularity and transparency of the transfers that makes an impact on the lives of the recipients as the benefits arising from meeting set criteria of conditionality (such as visiting a health-care centre once a month). In addition, though data from specific examples offers positive evidence of the impact of many social protection programmes, these benefits have generally been felt at the micro-level of recipient communities and rarely beyond that.

The ultra poor, in particular, are unlikely to be supported from targeted programmes, especially those which use traditional notions of the workplace or the household, or which use means-tested instruments, as the basis of access and support. The experience of the ultra poor in some countries of the region highlight the limitations of instruments which fail to effectively target and meet the specific needs of those whose livelihoods and lives are in a constant state of flux and risk, who lie largely outside the auspices of bureaucratic responses based upon particular criteria and formalized delivery mechanisms, and who are otherwise “invisible” to policy-makers and delivery systems (such as mi-

grants). The heterogeneity of both poverty and vulnerability, and indeed “the poor” and “the vulnerable”, therefore render time-bound and community-specific policy instruments highly problematic in terms of meeting the objectives of sustained poverty reduction.⁷³

There is an increasing acceptance that social protection strategies should either be formulated as universal or, in the case of interventions responding to specific conditions of particular groups, they should be designed within a framework of universalism, and hence they should be building blocks for a framework based upon universal coverage.

The “most vulnerable” can only be sustainably and effectively protected if that protection is seen as being part and parcel of a social security system aimed at universal coverage. This implies two things: that protection of the “most vulnerable” is not dealt with at “the end of the line”, as a residual and specific element, but rather as an integral part of a global process; and that protection of the “most vulnerable” is based on the establishment of social rights (of workers and/or citizens), which may be specific but are not granted as a favour or as charity.⁷⁴

III-6**SOCIAL PROTECTION IN THE PACIFIC**

In the Pacific island countries, social protection has, to a large extent, been provided by family or kinship groups. Melanesian countries, such as Solomon Islands, Papua New Guinea and Vanuatu, practice the *wantok* (one talk) system, which unites people lined socially or biologically – based on the belief that the problem of an individual is the problem of the community.

In recent years, however, these and similar forms of community support have been breaking down due to the forces of globalization, urbanization and rapid socio-cultural transformation. Emigration and monetization of economies are leading to greater individualism and weakening family and kinship groups. Migration has worked to partially fill the gap through a flow of remittances from workers overseas. Nevertheless, these and other workers who have regular jobs can find it increasingly difficult to care for others across their extended family.⁷⁵

A fortunate few benefit from formal systems of social protection – generally workers in government and the formal sector. Even these systems can be unsatisfactory, however, based on individuals' payments into provident funds that may be actuarially unsound. These are based on individual savings and the benefits are often taken as lump sums rather than pensions.

Government support for the population as a whole has largely been through free services, such as education and health – though the quality of services is often poor.

Many Governments also offer limited non-contributory cash transfers. The most common are non-contributory old-age pensions. These are found in the Cook Islands, Kiribati, Nauru, Niue and Samoa, and benefits range from AUD 40 (USD 40) per month in Kiribati to AUD 200 (USD 200) per month in the Cook Islands. The overall cost can be significant – the Samoa pension costs about 1.5 per cent of GDP.⁷⁶

This still leaves many groups exposed. The most vulnerable or excluded are the poor, older persons, women, children, persons with disabilities, single parents, unemployed youth and those affected by chronic diseases. The Cook Islands offer the broadest coverage, since almost all poor households have access to at least one form of cash transfer. Fiji's Family Assistance Programme reaches about 17 per cent of households, but coverage in outer and more remote islands is lower.

Given the extent of poverty, the fragility of their economies, and their exposure to many natural hazards and disasters, the Governments of Pacific island countries will need to consider how best to build an SPF, probably by combining support for traditional systems with more extensive government schemes, but also, in some countries, through a more effective use of remittances.

As illustrated above, the provision of health insurance in Thailand provides evidence that, to be effective, social protection needs to be based on rights and have considerable, and continuing, government support. It may show that, ultimately, social protection interventions need to become universal in order to sustain their effectiveness over time. Social protection should not only be responsive to crises, it should ideally strengthen the ability and capacity of all communities to meet their own needs.

A key challenge in moving from targeted interventions to universal systems is the differentiation between needs and rights. Most targeted programmes are based on defined needs of specific groups. They may have an impact on rights issues, but, more often than not, they do not transcend their original goals. Universal programmes are based on the assumption that all citizens have the right to the benefits offered by those programmes and that the State has a role to play in ensuring access to provision.⁷⁷

Targeting faces challenges in terms of co-ordination across government departments in terms of its limited reach (who are the best targeted populations?), its

funding (both financial and political), and time frames (how long should targeting last for best effectiveness?). The expansion of such programmes to meet needs beyond a target population can also be problematic. Furthermore, the need to create institutions appropriate for targeting has, in many cases, undermined the capacity to provide universal services. In aid-dependent economies, the shift of funds from State institutions and ministries to “projects” managed by non-State actors may render activities that the State may have supported in the past, or might wish to support now, unsustainable.⁷⁸

The cost and accuracy of targeting can be problematic for many countries of the region. In very socially, economically and ethnically diverse societies, the exclusion errors make targeting particularly difficult in order to avoid significant parts of the population being left out.⁷⁹ The selection of targeted communities is also problematic, and the nature of targeting provides challenges in terms of how poverty, livelihoods and households are understood and addressed.

A risk of such an approach is that it can give rise to a segmented regime in terms of the quality of benefits (one education system

and one health-care system for the poor and another for the non-poor), thereby reinforcing inequalities between poor people and the rest of society in terms of life experiences and outcomes, even if equality of opportunity has been achieved.⁸⁰ Targeting appears particularly divisive when only a few cents divides the poor and the non-poor, as is the case in many lower-income countries. In those circumstances, the nominally poor suddenly become much richer than their non-poor neighbours.

Though they provide access points to social policy and public resources for the poor, questions have also been raised about administrative weaknesses, exclusion risks and costs of targeted social transfers. By focusing often exclusively on families with young children, for example, exclusion of other less visible potential beneficiaries, such as persons with disabilities or the homeless can occur – even within the same communities. Universal approaches are therefore preferable where heavy investments in the monitoring of conditionality are neither practical nor feasible.⁸¹ Finally, targeted or conditional transfers considered effective in middle-income countries may not be appropriate in low-income and least developed countries where the vast majority of the population suffers from

poverty and exclusion and the lines between “deserving recipients” and “non-recipients” is very fine.

The experience of developmental welfare States in East Asia shows the importance of universalism as a goal to be achieved in the future, although it may not yet be a reality. Health insurance in the Republic of Korea, for instance, did not cover the entire population when it was first launched in the 1970s. However, the programme was designed as a universal scheme which was intended to cover the entire population. The rationale of universalism within the policy design shaped the political discourse and subsequently became a driving force for achieving fully universal programmes.⁸²

Universality has also been supported by the Commission for the Empowerment of the Poor:⁸³

Universally accepted instruments, such as the Universal Declaration of Human Rights, recognize social security as a fundamental societal right for all. Laws, institutions and responsive mechanisms protecting the poor from economic shocks, as well as guaranteed access to medical care, health insurance, old age pensions, and social services, must be

upheld. Social protection mechanisms must be open to all types of workers and not solely on the basis of formal evidence of employment. From a systemic perspective, rights to pensions and health protection should be granted on the principle of universality to people as citizens rather than as workers.

Universality is also not without its challenges. If State capacity exists, a move from targeted to national schemes provides greater scope for more equitable access to benefits, greater pooling for insurance schemes, and easier portability and access. It does, however, require more sophisticated technical management systems and much greater financial resources, which need to be sustained over time. There may also be political and bureaucratic obstacles to more integrated systems: both from vertical government agencies competing for ownership of programmes and related resources, or subnational levels of government which may lose resources under their control.⁸⁴ Finally, universal systems can be put under stress through increased demand, and so careful planning is essential in the rolling out of systems to especially remote communities, which provide particular challenges for quality of service and care.⁸⁵

SHOWING THE WAY

As the examples in this chapter have demonstrated, there is already wide experience across Asia and the Pacific in many elements of social protection – both the floor and the staircase. The argument for universal coverage is based not only on the need to protect the rights of social groups, but also on the ultimate effectiveness of social protection programmes. Targeted programmes may offer a basis from which to work, but these approaches may often suffer from deficiencies in their targeting mechanism that lead to leakages and mis-targeting. Further, various instruments may provide impediments to rights-based approaches (e.g. means-testing). Similarly, given the complexities of need, such programmes cannot cover every possible contingency, particularly in situations where individuals, households or communities suffer from multiple deprivations. Universal approaches are much more effective in dealing with these issues and, thus, in reaching a greater number of those in need.

The challenge now is to provide more comprehensive universal coverage. The next chapter considers the political and economic dividends of doing so.







4

DELIVERING ON THE PROMISE

Although many countries in Asia and the Pacific already have many elements of a social protection system, they may wish to extend and integrate them so as to form a coherent whole. This will require investment, but all countries should be able to afford a social protection floor to match their needs and aspirations. Ultimately, these are political decisions – though ones which also respond to calls from civil society.

Social protection systems can have many components. They can include, for example, early childhood development programmes, family allowances, nutrition support, access to life-saving medicines, health insurance, water and sanitation services, active and passive labour market programmes, and social and disability pensions.

In order to tap the full potential of all these programmes, Governments will need to envisage social protection – and particularly the SPF – not as a collection of individual programmes but rather as a coherent and integrated policy framework. Social protection should also be viewed as a universal goal integral to national development and one which addresses the multidimensional aspects of poverty and vulnerability on the basis of entitlements and rights. Two critical areas in this regard are the legislative and governance framework present, and ensuring that adequate financial resources are mobilized.

MAKING POLITICAL CHOICES

Budgetary decisions are not just financial but political. New social protection programmes require not just fiscal space but political space and a commitment within the executive branch to reallocate funds for developmental ends.⁸⁶ The allocation, for example, of more resources to old-age security and less to some forms of expenditure does not depend purely on economic principles, but is likely to be strongly influenced by political attitudes concerning who deserves support, and in what form.⁸⁷ Many people agree on the usefulness of social protection, but disagree on its content, scale, delivery and cost.⁸⁸

For many Governments across the region, political commitment will derive from a determination to uphold the rights of their citizens. Nevertheless, they will also be strongly influenced by immediate political pressures, particularly in electoral democracies, or by longer-term considerations if



they see social stability as critical to political legitimacy.

POPULAR BUT NOT POPULIST

Parties and Governments will themselves generally conclude that offering greater social protection is likely to be politically popular – particularly in developing countries, where the beneficiaries represent a significant proportion of the electorate. If formulated in anticipation of elections, however, such policies may be criticized as “populist”.

In principle, there is nothing wrong with being elected for proposing popular policies – that, after all, is the basis of an electoral democracy. Populism, however, often implies, among other things, that policies are being chosen on the basis of immediate mass appeal even if in the longer term they prove impractical or unaffordable.

A basic SPF, on the other hand, should be popular and, through an open and transparent political process, can also be demonstrated to be practical and affordable. This was the case, for example, with India’s National Rural Employment Guarantee Act of 2005. The impetus for this

landmark Act had its origins in the 1990s when it became clear that neoliberal reforms had dramatically widened inequalities and done little to reduce high levels of poverty. In response, academics and civil society groups campaigned around certain basic rights which they believed should underpin public policy. These included the right to food, the right to education and the right to information. This mobilization was also supported by progressive political parties which saw it as an antidote to rising communal and caste tensions. In the 2005 elections, the Congress Party adopted a Common Minimum Programme as a key election promise. A central element of this programme was an employment guarantee scheme to uphold the right to work.

ESTABLISHING LEGISLATIVE AND GOVERNANCE FRAMEWORKS

Advocates for stronger protection need to influence decisions of principle and of political commitment. They also need to pay close attention, however, to the ways social protection is to be provided and institutionalized; otherwise, many worthwhile gains may be reduced or reversed. Some programmes only survive as long as the regimes that put them in place, because



they have failed to lay down the institutional roots or generate supportive constituencies within government or within wider civil society.

A number of potential tensions need to be addressed both during and after any reforms.

WITHIN GOVERNMENT INSTITUTIONS: Different government agencies can compete for ownership of schemes and resources. Care needs to be taken, though, with regards to choice of lead agencies, and relationship between agencies. For example, when women's ministries take the lead they may give more priority to gender inequalities but have

difficulties “selling” this to more powerful entities. On the other hand, when other more central ministries take the lead, they may generally give a lower priority to gender dynamics and be less likely to integrate gender perspectives into working practices. They may also have weaker links to women’s ministries and gender focal points in civil society. The key point here is that coordination across government is critical to eventual outcomes and impact, and that effective coalitions are more likely to be successful than single-ministry strategies.

BETWEEN CENTRAL AND LOCAL GOVERNMENT: There will also be tensions between central and local government units, since a move towards universal schemes will deprive local administrators of the power they derive from targeting. Often the resources required are managed by central Government agencies with local governments confined to implementation, or left out of the process altogether. In China, however, local governments, particularly in coastal regions, have actively engaged in a series of policy experiments, searching for approaches that best fit with local circumstances or with national contexts. Although the central Government remains key for social policymaking, it increasingly relies

on local governments as a convenient conduit to launch preliminary policy experiments in order to collect valuable experiences for potential diffusion in the future.⁸⁹

Universal programmes need an overall institutional framework. This generally requires legislation, as illustrated by measures taken in a number of countries:

INDIA

As in a number of other countries, India is aiming to provide a legal framework for the extension of social protection to groups often excluded. In India, the National Commission on Enterprises in the Unorganised Sector has drafted two bills on the conditions of work and on social security of workers in the unorganized sector: one for agricultural workers, the other for non-agricultural workers;⁹⁰

INDONESIA

The Law on the National Social Security System (Law N°. 40/2004) represents an important milestone because it stipulates that the existing social security programmes must be expanded to cover all Indonesian citizens, including those who are working in the informal sector, the unemployed and the poor. The implementation of this law

BOX **TITLE**

IV-1

INSTITUTIONALIZING THE RIGHTS OF PERSONS WITH DISABILITIES IN JAPAN

Japan is currently reforming its legal and administrative systems as part of the process of ratifying the Convention on the Rights of Persons with Disabilities. The reform has eight headings:

- Full recognition of the rights of persons with disabilities to live in the community, and building an inclusive society: facilitating the transition from living in residential institutions to living in the community, with the person's choice, and with the provision of support services for community life.
- Recognition of the social model-based concept of disability: raising awareness among the public, emphasizing the "social model" vis-à-vis the "medical model".
- Definition of persons with disabilities: setting definitions in respective programme areas to embrace all persons with disabilities who need services.
- Definition of discrimination on the basis of disabilities: setting a legal definition of discrimination to include denial of reasonable accommodation.
- Respect for appropriate communication means and modes: ensuring freedom of expression and access to information through various forms of communication and languages of choice, including sign language.
- Freedom from abuse: prevention, early detection, monitoring and support.
- The issue of how to express "disabilities" ("Shougai") in Japan's legislation: an issue peculiar to the context of the Japanese language.
- Survey and information basis: the need to reflect the reality of persons with disabilities.

The reform includes **A** amending the current Basic Law for Persons with Disabilities: aiming at revising the definition of persons with disabilities, and of discrimination; and revision of provisions in respective policy areas; **B** developing and enacting an anti-discrimination law on disability; and **C** developing and enacting a comprehensive social welfare services law for persons with disabilities.

has brought about a comprehensive reform of the existing system;

VIET NAM

The vision for social protection is backed by an enabling legal framework that provides for a universal package and a differentiated approach for reaching the poor, near poor and the well off. It prioritizes the poor and aims to provide a benefit package which is fair and equitable to all. For the formal sector, insurance has been made compulsory through a contributory mechanism. This includes public-sector employees, who are already covered, as well as employees of domestic and foreign private-sector firms. Those working in the informal sector can also make voluntary contributions. For the poor, however, social protection is an entitlement that is subsidized by the government and delivered through a non-contributory mechanism – the government pays the health insurance premium for the poor.⁹¹

MOBILIZING FINANCIAL RESOURCES

In the past, many countries doubted that they could afford social protection, even if they recognized its development value. However, there is now evidence that even

low-income countries can move towards greater provision of at least basic social protection for all in essential health care, a universal old-age and disability pension, and universal child benefits.

By making these investments, countries in Asia and the Pacific can also look forward to many long-term benefits. Beyond the conceptualization of poverty and vulnerability as static and isolated from broader policy, social protection programmes can reflect and contribute to integrated and universal development goals. In addition to fulfilling the rights of all their citizens, they can anticipate more equitable and robust economic growth through greater domestic consumption, higher levels of human development and greater shared opportunity.

While the costs will necessarily vary from country to country, ILO has offered a methodology for estimating the cost of a package of measures that could form the basis of an SPF. These are:

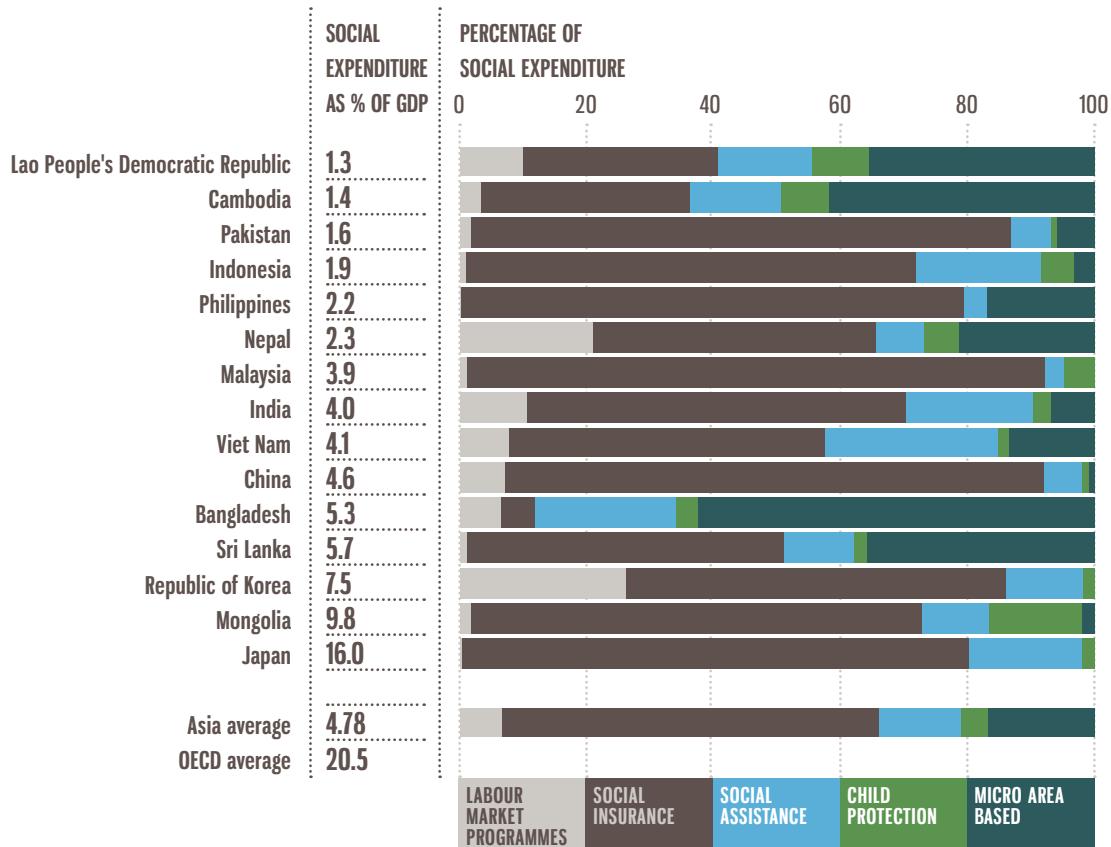
- Universal basic old-age and disability pensions
- Basic child benefits
- Universal access to essential health care

FIGURE

TITLE

IV-1

SOCIAL EXPENDITURE 2004/2005, BY PROGRAMME CATEGORY



SOURCE: ASIAN DEVELOPMENT BANK, *SOCIAL PROTECTION INDEX FOR COMMITTED POVERTY REDUCTION, VOLUME 2, ASIA EDITION* (MANILA, ASIAN DEVELOPMENT BANK, 2008). OECD-30 AVERAGE FROM OECD, SOCIAL EXPENDITURE DATABASE (SOCX). AVAILABLE AT WWW.OECD.ORG/ELS/SOCIAL/EXPENDITURE.

In 2005, ILO considered the costs of this package for five Asian countries – Bangladesh, India, Nepal, Pakistan and Viet Nam – and made projections to 2010, 2020 and 2030 of different scenarios. The results showed that for the most basic package, the costs of four of these countries would range from 1.3 to 2.3 per cent of GDP over the entire projection period, while in Nepal they started at 2.9 per cent and

decreased by 2034 to 2.5 per cent. This would not necessarily mean increasing social spending by a large amount. Even if these countries only maintained current levels of public spending on basic social protection, all except Pakistan would be able to finance a large share of costs out of government resources. If they increased the social protection budget to about one fifth of government spending, all these

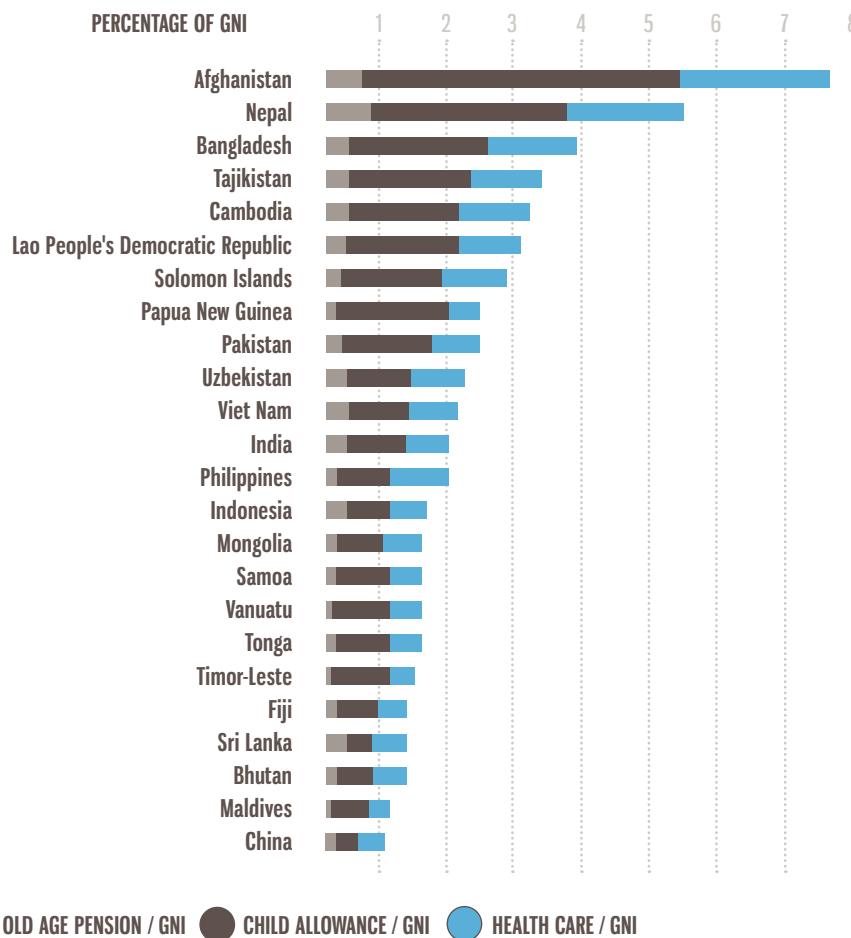


FIGURE

TITLE

IV-2

ANNUAL COST OF A BASIC SOCIAL PROTECTION PACKAGE IN SELECTED ASIA-PACIFIC COUNTRIES (AS A PERCENTAGE OF GNI)



SOURCE: ESCAP COMPUTATIONS BASED ON DATA FROM WORLD BANK, WORLD DEVELOPMENT INDICATORS 2010 (WASHINGTON D.C., WORLD BANK, 2010). AVAILABLE AT [HTTP://WWW.DATABANK.WORLDBANK.ORG/DATA-CATALOG/WORLD-DEVELOPMENT-INDICATORS/WDI-2010](http://WWW.DATABANK.WORLDBANK.ORG/DATA-CATALOG/WORLD-DEVELOPMENT-INDICATORS/WDI-2010).

TABLE

TITLE

**IV-1 ANNUAL COST OF A BASIC SOCIAL PROTECTION PACKAGE
PER CAPITA, TOTAL POPULATION (UNITED STATES DOLLARS)**

	COST OF PENSION	COST OF CHILD ALLOWANCE	COST OF HEALTH CARE	TOTAL COST USD
SCENARIO 1 40% aged 0-14, 3% aged >65	5.5	36.5	20.0	62.0
SCENARIO 2 30% aged 0-14, 5% aged >65	9.1	27.4	20.0	56.5
SCENARIO 3 20% aged 0-14, 7% aged >65	12.8	18.3	20.0	51.1

countries would be able to finance the entire cost.

For this report, ESCAP has extended this methodology using more recent data in order to establish the cost of a similar universal social protection package in 24 developing countries across the Asia-Pacific region (see Appendix 1). The analysis excludes countries for which sufficient data is lacking, or that have already achieved, or are close to achieving, universal coverage of social protection.

This analysis estimates the cost of a universal old-age pension and a disability pension of \$PPP 0.50 per day, and a child allowance of \$PPP 0.25 per day for children between 0 and 14 years of age – costs similar to those in the ILO study. It estimates the cost of essential health care at USD 20 per capita per year. This health figure is considerably less than the USD 35 per capita used by ILO, which corresponded to the conclusions of the WHO Commission on Macroeconomics and Health⁹² – a global figure arguably inflated by costs related to HIV/AIDS, especially in the case of Africa.

For Asia and the Pacific, however, ESCAP has concluded that the health costs would be closer to USD 20 per capita per year,⁹³ as

has the United Nations Millennium Project in estimates for Bangladesh and Cambodia.⁹⁴ This is also similar to actual costs cited from Mongolia⁹⁵ and Sri Lanka.⁹⁶ In fact, many developing countries in Asia and the Pacific already spend more than USD 20 per capita per year. So, if this sum does not achieve universal coverage, this may be related to the way in which the funds are used. In Mongolia and Sri Lanka, for example, the studies have suggested that greater coverage can largely be a matter of implementing pro-poor policies.

For most countries, the total cost of a basic social protection package falls within the range of 1 to 3 per cent of gross national income (GNI) (see Figure IV-2). Intercountry differences arise from a combination of factors. The most significant is the GNI per capita, for while the actual costs may be similar across countries, the GNIs per capita can be very different: that of China, for example, is about seven times greater than that of Afghanistan.

A second, though smaller, factor will be the demographic makeup, since costs will be greatest in countries with the highest proportion of their populations who are children or older persons. The implications of this are explored in Table IV-1, which pre-

sents three scenarios corresponding to three stages of the demographic transition as countries move from younger to older populations. Here, the costs are expressed in annual per capita terms for the whole population – varying from USD 51 to USD 62. Hence, if those over 65 make up 5 per cent of the population and each receives USD 0.50 per day, the annual per capita cost to be spread out across the entire population ($USD 0.50 \times 365 \times 0.05$) is USD 9.1.

From this table it is clear that costs come down as countries progress along the demographic transition. This is because, at earlier stages of the transition, the number of older persons is significantly lower than the number of children even though pensions are twice as high as child allowances.

As countries move beyond Scenario 3, as in the case of more developed countries, they will need to make greater investments in pensions. Some developing countries in the region, including China, Sri Lanka and Viet Nam, are already facing rapid population ageing, so will need to establish pension systems as soon as possible.

In general terms, the costs of social protection programmes are relatively small compared with the benefits. Moreover,

programmes can be built incrementally. Calculations by various United Nations agencies show that a basic floor of social transfers is globally affordable at virtually any stage of economic development.

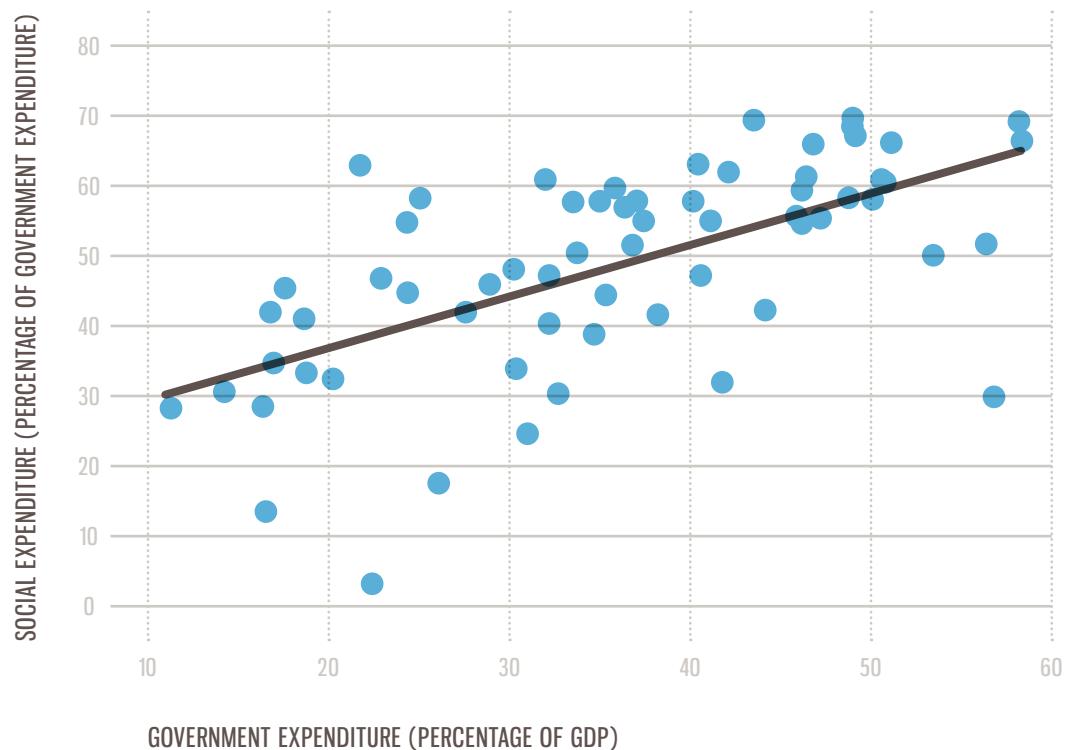
This underlines the importance of integrating social protection with economic development so as to arrive at balanced decisions that support social protection while achieving acceptable levels of fiscal consolidation. Social protection thus has to be considered not as a separate budgetary exercise but as part of the overall investment in development. Ultimately, affordability depends on a society's willingness to finance social transfers through taxes and contributions.

The variation in levels of commitment is evident from the different choices that Governments make about the size of government budgets and their social expenditure. The proportion of government expenditure relative to GDP can vary markedly – anywhere between 10 and 60 per cent (Figure IV-2). As indicated by the upwardly sloping line, those Governments with relatively greater participation in the economy also tend to develop a higher proportion of government expenditure on social priorities; yet, there is still quite a broad range, from 40 to 70 per cent.

FIGURE

TITLE

IV-3 FISCAL SPACE FOR SOCIAL EXPENDITURE



SOURCE: KRZYSZTOF HAGEMEJER, "FUTURE CHALLENGES – AFFORDABILITY OF SOCIAL PROTECTION AND THE DECENT WORK AGENDA", PRESENTATION MADE AT THE EXPERT GROUP MEETING ON SOCIAL POLICIES FOR DEVELOPMENT (KELLOKOSKI, FINLAND, 1-3 NOVEMBER 2006).

Governments across the region may have more fiscal space for investing in social protection than they realize.⁹⁷ And even at times of economic crisis they may be able to implement counter-cyclical social spending.⁹⁸ As this study has argued, the effectiveness of spending is at least equal in importance to its magnitude. Still, consideration needs to be given to the issue of sustainability – financial and otherwise.

It can be seen that several developed countries are now struggling to sustain their welfare State models in the wake of the recent economic crisis. This indicates that prudence should be exercised to avoid “overextending” social protection beyond sustainable economic capacity. Yet, opportunities do exist for broadening the sources of funding – including the private sector.



A COMPELLING CASE FOR ACTION

The challenge across Asia and the Pacific is now to move beyond smaller, targeted schemes to universal programmes based on a strong SPF that guarantees certain basic rights for everyone and fulfils the true promise of social protection. While all countries will need to build their own systems based on national circumstances, there are opportunities for every country across Asia and the Pacific:

SOCIAL PROTECTION IS AN ESSENTIAL BASIS FOR INCLUSIVE SOCIAL AND ECONOMIC DEVELOPMENT

It is the foundation for the achievement of equality, poverty reduction, and is fundamental to the achievement of the Millennium Development Goals and should therefore be seen as at the core of development policy and planning.

UNIVERSAL SOCIAL PROTECTION IS ACHIEVABLE

Governments should commit themselves to establishing social protection on the basis of universal access and provision. A key challenge for Governments is then to provide an overall coordinated framework within which social protection programmes can be harmonized and provide the best possible and most affordable outcomes. The State has a key role to play in the development of integrated approaches to social protection rooted in universalism and a rights-based framework.

UNIVERSAL SOCIAL PROTECTION IS AFFORDABLE AND REPRESENTS AN ECONOMIC AS WELL AS A SOCIAL INVESTMENT

THE MOST EXCLUDED SOCIAL GROUPS SHOULD BE THE PRIMARY RECIPIENTS OF SOCIAL PROTECTION PROGRAMMES

SOCIAL PROTECTION REQUIRES ADVOCATES AND COALITIONS WHICH ENCOMPASS INTERNATIONAL, REGIONAL, NATIONAL AND LOCAL ACTORS

Social protection based on both a secure floor and principles of universalism is affordable and politically progressive. Enhancing the capacity of poorer and marginalized groups is essential for equitable, inclusive and robust economic development. Social protection, rather than being seen as a cost, must be seen as an investment in human capacity and capabilities of each member of society. The revitalization of governance frameworks and state-society contracts also promises to strengthen political systems and the legitimacy of governments across the region.

These may include those living with HIV, older persons, persons with disabilities, economically dependent women and those engaged in precarious employment, vulnerable children and unemployed youth. In order to meet such needs most effectively, much more information is needed on such groups. Specific interventions should both meet their immediate needs and end dependence. Addressing the needs of the most vulnerable in society requires the elimination of the structures and processes of discrimination and exclusion and the development of social protection frameworks which address both the multidimensional and interdependent nature of poverty.

Effective social protection policies are the sum effort of multiple actors, including the beneficiaries themselves. While there is a wealth of experience in the region, ESCAP can play a vital role in providing a regional platform for the sharing and dissemination of knowledge, as well as both the documenting of good practices and the promotion of regional cooperation for further country-level initiatives. Such programmes have the capacity to transform the lives of the poorest and most vulnerable and ensure a better future for all.



APPENDIX DATA AND METHODOLOGY USED TO CALCULATE THE COST OF SOCIAL PROTECTION

The figures were calculated according to the following methodology:

NUMBER OF CHILDREN = TOTAL POPULATION × PERCENTAGE POPULATION 0-14

NUMBER OF OLD PERSONS = TOTAL POPULATION × PERCENTAGE POPULATION 65+

OLD AGE PENSION PER DAY IN PPP = USD 0.50 × PPP CONVERSION FACTOR

CHILD ALLOWANCE PER DAY IN PPP = USD 0.25 × PPP CONVERSION FACTOR

ANNUAL COST OF OLD AGE PENSION = OLD AGE PENSION PER DAY IN PPP × 365 × NUMBER AGED 65+

ANNUAL COST OF CHILD ALLOWANCE = CHILD ALLOWANCE PER DAY IN PPP × 365 × NUMBER AGED 0-14

ANNUAL COST OF ESSENTIAL HEALTH CARE = USD 20 × PPP CONVERSION FACTOR × TOTAL POPULATION

COUNTRY NAME	GNI (CURRENT USD)	PPP CONVERSION FACTOR (GDP) TO MARKET EXCHANGE RATE RATIO	POPULATION, TOTAL	POPULATION AGES 0-14 (% OF TOTAL)	POPULATION AGES 65 AND ABOVE (% OF TOTAL)	NUMBER AGED 0-14	NUMBER AGED 65+
Afghanistan	10 644 105 768	0.42421	29 021 099	46.2997	2.2288	13 436 673	646 830
Bangladesh	86 607 185 541	0.36949	160 000 128	32.0423	3.8192	51 267 774	6 110 769
Bhutan	1 237 898 755	0.38451	686 789	31.2895	4.7345	214 893	32 516
Cambodia	8 955 750 775	0.32937	14 562 008	34.1256	3.3938	4 969 368	494 199
China	4 553 264 899 541	0.54762	1 324 655 000	20.5314	7.9375	271 970 771	105 144 736
Fiji	3 537 203 890	0.90795	844 046	31.7714	4.6260	268 165	39 046
India	1 209 612 853 811	0.34915	1 139 964 932	31.7213	4.7837	361 611 644	54 532 639
Indonesia	459 663 654 279	0.55780	227 345 082	27.3531	5.8728	62 185 859	13 351 567
Lao People's Democratic Republic	5 283 364 852	0.41245	6 205 341	38.1998	3.6486	2 370 430	226 405
Malaysia	214 730 538 922	0.57167	27 014 337	29.9506	4.6181	8 090 951	1 247 542
Maldives	1 208 492 389	0.72805	305 027	29.0084	4.3075	88 484	13 139
Mongolia	5 127 324 531	0.55521	2 641 216	26.5400	3.9415	700 977	104 104
Nepal	12 737 382 720	0.39341	28 809 526	37.2036	3.9793	10 718 191	1 146 407
Pakistan	167 234 472 594	0.38717	166 111 487	37.2873	3.9775	61 938 408	6 607 084
Papua New Guinea	7 931 083 676	0.55000	6 576 822	40.0618	2.4461	2 634 796	160 874
Philippines	185 757 524 266	0.52154	90 348 437	34.2843	4.1154	30 975 356	3 718 222
Samoa	561 472 358	0.70045	178 869	40.0226	4.8052	71 588	8 595
Solomon Islands	551 468 958	0.47839	510 672	39.4520	3.0646	201 470	15 650
Sri Lanka	39 745 684 483	0.43914	20 156 204	24.2647	7.2541	4 890 847	1 462 146
Tajikistan	5 079 747 849	0.39064	6 836 083	37.5185	3.7297	2 564 798	254 965
Timor-Leste	2 914 647 624	0.56114	1 098 386	45.1910	2.9316	496 371	32 200
Tonga	353 302 338	0.75083	103 566	37.4604	5.8281	38 796	6 036
Uzbekistan	27 621 619 503	0.38175	27 313 700	30.0847	4.5697	8 217 254	1 248 142
Vanuatu	613 183 529	0.61070	233 866	38.9505	3.2801	91 092	7 671
Viet Nam	78 638 295 450	0.33514	86 210 781	26.5259	6.2986	22 868 158	5 430 082

COUNTRY NAME	OLD AGE PENSION (USD 0.50/DAY) IN PPP	CHILD ALLOWANCE (USD 0.25/DAY) IN PPP	ANNUAL COST OF ESSENTIAL HEALTH CARE PER PERSON (USD 20/PERSON) IN PPP	ANNUAL COST OF OLD AGE PENSION (USD)	ANNUAL COST OF CHILD ALLOWANCE (USD)	TOTAL ANNUAL COST OF ESSENTIAL HEALTH CARE (USD)	OLD AGE PENSION/GNI (%)	CHILD ALLOWANCE/GNI (%)	COST OF ESSENTIAL HEALTH CARE/GNI (%)
Afghanistan	0.2121	0.1061	8.4842	50 076 554	520 123 339	246 221 274	0.47	4.89	2.31
Bangladesh	0.1847	0.0924	7.3897	412 056 464	1 728 523 667	1 182 356 177	0.48	2.00	1.37
Bhutan	0.1923	0.0961	7.6903	2 281 776	7 539 908	5 281 594	0.18	0.61	0.43
Cambodia	0.1647	0.0823	6.5874	29 706 283	149 354 262	95 925 665	0.33	1.67	1.07
China	0.2738	0.1369	10.9524	10 508 224 932	13 590 456 982	14 508 139	0.23	0.30	0.32
Fiji	0.4540	0.2270	18.1591	6 469 975	22 217 735	15 327 112	0.18	0.63	0.43
India	0.1746	0.0873	6.9830	3 474 803 306	11 520 892 464	7 960 353	0.29	0.95	0.66
Indonesia	0.2789	0.1395	11.1560	1 359 170 033	3 165 214 842	2 536 262	0.30	0.69	0.55
Lao People's Democratic Republic	0.2062	0.1031	8.2491	17 042 100	89 214 178	51 188 170	0.32	1.69	0.97
Malaysia	0.2858	0.1429	11.4334	130 155 519	422 062 819	308 865 179	0.06	0.20	0.14
Maldives	0.3640	0.1820	14.5611	1 745 788	5 878 398	4 441 521	0.14	0.49	0.37
Mongolia	0.2776	0.1388	11.1041	10 548 335	35 513 290	29 328 367	0.21	0.69	0.57
Nepal	0.1967	0.0984	7.8681	82 308 077	384 764 615	226 676 693	0.65	3.02	1.78
Pakistan	0.1936	0.0968	7.7434	466 848 531	2 188 246 417	1 286 272 479	0.28	1.31	0.77
Papua New Guinea	0.2750	0.1375	10.9999	16 147 602	132 232 791	72 344 466	0.20	1.67	0.91
Philippines	0.2608	0.1304	10.4308	353 905 614	1 474 139 085	942 410 077	0.19	0.79	0.51
Samoa	0.3502	0.1751	14.0090	1 098 719	4 575 631	2 505 780	0.20	0.81	0.45
Solomon Islands	0.2392	0.1196	9.5679	1 366 357	8 794 887	4 886 053	0.25	1.59	0.89
Sri Lanka	0.2196	0.1098	8.7827	117 180 107	195 982 408	177 026 759	0.29	0.49	0.45
Tajikistan	0.1953	0.0977	7.8129	18 177 143	91 425 684	53 409 630	0.36	1.80	1.05
Timor-Leste	0.2806	0.1403	11.2228	3 297 551	25 416 287	12 327 001	0.11	0.87	0.42
Tonga	0.3754	0.1877	15.0165	827 073	2 658 046	1 555 203	0.23	0.75	0.44
Uzbekistan	0.1909	0.0954	7.6349	86 956 359	286 242 453	208 537 910	0.31	1.04	0.75
Vanuatu	0.3054	0.1527	12.2141	854 958	5 076 253	2 856 454	0.14	0.83	0.47
Viet Nam	0.1676	0.0838	6.7028	332 119 762	699 341 855	577 852 555	0.42	0.89	0.73

NOTES

- ¹ See General Assembly resolution 65/I of 22 September 2010.
- ² Economic and Social Commission for Asia and the Pacific, United Nations Development Programme and Asian Development Bank, *Paths to 2015: MDG Priorities in Asia and the Pacific* (United Nations publication, Sales No. E.10.II.F.20).
- ³ Sarah Cook and Naila Kabeer (eds), *Social Protection as Development Policy* (Routledge: New Delhi, 2010), p. 22-23.
- ⁴ Asian Development Bank, *Social Protection: Our framework, policies and strategies* (Manila: ADB, 2005).
- ⁵ R. Holzmann, L. Sherburne-Benz and E. Tesliuc *Social Risk Management: The World Bank's Approach to Social Protection in a Globalizing World* (Washington D.C.: World Bank 2003).
- ⁶ See CEB/2009/I, para. 10 (f)
- ⁷ See Council resolutions 2010/12 of 22 July 2010 on promoting social integration, para. 26, and 2010/24 of 23 July 2010 on the role of the United Nations system in implementing the ministerial declaration on the internationally agreed goals and commitments in regard to global public health adopted at the high-level segment of the 2009 substantive session of the Economic and Social Council, para. 4.
- ⁸ International Labour Office and World Health Organization, "Social Protection Floor Initiative: Manual and strategic framework for joint UN country operations". (Geneva: ILO, 2009). Available from www.ilo.org/public/english/protection/spfag/download/background/spfframework.pdf.
- ⁹ General Assembly resolution 217 A (III).
- ¹⁰ United Nations, *Treaty Series*, vol. 1577, No. 27531.
- ¹¹ United Nations, *Treaty Series*, vol. 1249, No. 20378.
- ¹² Economic and Social Commission for Asia and the Pacific (2009). *Economic and Social Survey of Asia and the Pacific 2009: Addressing Triple Threats to Development*, (United Nations publication, Sales No. E.09.II.F.11) p. 14.
- ¹³ Ibid., p. 13.
- ¹⁴ Michelle Adato and Lucy Bassett, "What is the potential of cash transfers to strengthen families affected by HIV and AIDS? A review of the evidence on impacts and key policy debates". Joint Learning Initiative on Children and HIV/AIDS JLICA: Learning Group 1—Strengthening Families (Washington, D.C.: International Food Policy Research Institute, 2008). Available from www.jlica.org/userfiles/file/Adato & Bassett What is the role of cash transfers to streng.pdf.
- ¹⁵ Michael Samson, "The impact of social transfers on growth, development, poverty and inequality in developing countries" (Cape Town: Economic Policy Research Institute, 2007). Available from web.up.ac.za/UserFiles/M Samson paper.pdf.

- ¹⁶ Michael Samson and others, "The Social and Economic Impact of South Africa's Social Security System", EPRI Research Paper No. 37 (Cape Town: Economic Policy Research Institute, 2004). Available from www.epri.org.za/rp37.doc.
- ¹⁷ Jorge M. Agüero, Michael R. Carter and Ingrid Woolard, "The impact of unconditional cash transfers on nutrition: The South African Child Support Grant", International Poverty Centre, Working Paper No. 39, September 2007. Available from www.ipc-undp.org/pub/IPCWorkingPaper39.pdf.
- ¹⁸ Stephen Devereux, "Social Protection For The Poor: Lessons from recent international experience", IDS working paper 142 (Brighton, Sussex: Institute of Development Studies, 2002). Available from www.ids.ac.uk/download.cfm?file=wp142.pdf.
- ¹⁹ Michelle Adato and Lucy Bassett, "What is the potential of cash transfers to strengthen families affected by HIV and AIDS? A review of the evidence on impacts and key policy debates". Joint Learning Initiative on Children and HIV/AIDS JLIKA: Learning Group 1—Strengthening Families (Washington, D.C.: International Food Policy Research Institute, 2008). Available from www.jlika.org/userfiles/file/Adato & Bassett What is the role of cash transfers to streng.pdf.
- ²⁰ Hamid Tabatabai, *Eliminating Child Labour: The Promise of Conditional Cash Transfers* (Geneva: International Labour Organization, 2006). Available from http://www.ciaris.org/workspace_files/153/cct_tabatabai_2006_eliminating_cl_promise_of_ccts_final_061025_english.pdf.
- ²¹ Irineu Evangelista de Carvalho Filho, "Household income as a determinant of child labor and school enrollment in Brazil: Evidence from a social security reform", IMF working paper, WP/08/241 (Washington, D.C.: International Monetary Fund, 2008). Available from <http://www.imf.org/external/pubs/ft/wp/2008/wp08241.pdf>.
- ²² Michael Samson and Martin Williams, "Social grants and labour market behaviour: evidence from South Africa's household surveys". Research Paper No. 43 (Cape Town: Economic Policy research Institute, 2007).
- ²³ Armando Barrientos, "Social protection and poverty", Social Policy and Development Programme Paper No. 42, United Nations Research Institute for Social Development (January 2010). Available from www.social-protectionasia.org/pdf/Social-Protection-and-Poverty.pdf.
- ²⁴ Isabel Ortiz, Gaspar Fajth, Jennifer Yablonski and Amjad Rabi, "Social protection: Accelerating the MDGs with equity". Social and Economic Policy Working Briefs (New York: United Nations Children's Fund). (August 2010) Available from www.unicef.org/socialpolicy/files/Social_Protection_Accelerating_the_MDGs_with_Equity.pdf.
- ²⁵ Timo Voipio, "Social protection for poverty reduction: The OECD/DAC/POVNET view", *IDS Bulletin*, vol. 38, No. 3, pp. 45-50 (May 2007).
- ²⁶ United Nations Research Institute for Social Development, *Combating Poverty and Inequality: Structural Change, Social Policy and Politics* (Geneva: UNRISD, 2010).

- ²⁷ Naila Kabeer and Sarah Cook, "Introduction: Overcoming barriers to the extension of social protection: lessons from the Asia region", *IDS Bulletin*, vol. 41, No. 4 (July 2010) pp. 1-11.
- ²⁸ United Nations Research Institute for Social Development, *Combating Poverty and Inequality: Structural Change, Social Policy and Politics* (Geneva: UNRISD, 2010).
- ²⁹ Michael Samson and others, "The Social and Economic Impact of South Africa's Social Security System", EPRI Research Paper No. 37 (Cape Town: Economic Policy Research Institute, 2004). Available from www.epri.org.za/rp37.doc.
- ³⁰ M. Cichon and R. Knop, Mission report (International Labour Organization and Luxemburg Government joint mission), Windhoek, Namibia, 19-26 January 2003.
- ³¹ James Scott, "Social transfers and growth in poor countries", in *Promoting Pro-Poor Growth: Social Protection*. Paris: OECD, 2009) pp. 61-68. Available from www.oecd.org/dataoecd/26/23/43280632.pdf.
- ³² World Health Organization, *Macroeconomics and Health: Investing in Health for Economic Development*, Report of the Commission on Macroeconomics and Health (Geneva: WHO, 2001). Available from whqlibdoc.who.int/publications/2001/924154550x.pdf.
- ³³ Arvind Subramanian and Devesh Roy, "Who can explain the Mauritian miracle: Meade, Romer, Sachs, or Rodrik?" IMF working paper WP/01/116 (2001). Available from www.imf.org/external/pubs/ft/wp/2001/wp01116.pdf.
- ³⁴ Nancy Birdsall and John Nellis, "Winners and losers: Assessing the distributional impact of privatization", *World Development*, vol. 31, No. 10 (October 2003), pp. 1617-1633.
- ³⁵ United Nations Research Institute for Social Development, *Combating Poverty and Inequality: Structural Change, Social Policy and Politics* (Geneva: UNRISD, 2010).
- ³⁶ Paul Harvey, "Social protection in fragile States: Lessons learned", in *Promoting pro-poor growth: Social protection* (Paris: OECD, 2009). Available from www.oecd.org/dataoecd/26/33/43280926.pdf.
- ³⁷ Afghanistan, "Frequently asked questions" (Kabul: Ministry of Rural Rehabilitation and Development, National Solidarity Programme, 2007). Available from www.nspafghanistan.org/default.aspx?Sel=26.
- ³⁸ Thandika Mkandawire, "Targeting and universalism in poverty reduction", Social Policy and Development Programme Paper Number 23, United Nations Research Institute for Social Development (Geneva, December 2005). Available from [http://www.unrisd.org/80256B3C005BCCF9/\(httpAuxPages\)/955FB8A594EEAoBoC12570FF00493EAA/\\$file/mkandatarget.pdf](http://www.unrisd.org/80256B3C005BCCF9/(httpAuxPages)/955FB8A594EEAoBoC12570FF00493EAA/$file/mkandatarget.pdf).
- ³⁹ Economic and Social Commission for Asia and the Pacific, United Nations Development Programme and Asian Development Bank, *Paths to 2015: MDG Priorities in Asia and the Pacific* (United Nations publication, Sales No. E.10.II.F.20).
- ⁴⁰ International Labour Organization, "SPF country brief: India", Social Protection Floor Initiative (Geneva: ILO, 2010) Available from www.ilo.org/public/english/protection/spfag/download/briefs/india.pdf.

- ⁴¹ India, "Social health protection: Rashtriya Swasthya Bima Yojana" (2010).
- ⁴² Gholamreza Soleymani Amiri and Farhad Zargari, "Current challenges in delivering social security health insurance: Achievements and challenges of social security health insurance: The experience of the Islamic Republic of Iran", International Social Security Association, Meeting of Directors of Social Security Organizations in Asia and the Pacific, Seoul, 9-11 November 2005. Available from www.issa.int/content/download/52083/956479/file/2amiri.pdf.
- ⁴³ Thailand, National AIDS Prevention and Alleviation Committee. UNGASS Country Progress Report, (Reporting Period January 2008- December 2009).
- ⁴⁴ Thailand, National Health Security Office, *Handbook for National Health Security Fund Management (fiscal year 2011) Vol. I* (Bangkok: National Health Security Office, 2010) (in Thai).
- ⁴⁵ The fiscal year 2011 national budget expenditure totals THB 2,070,000 million. Information on the 2011 national budget of Thailand is available at <http://www.bb.go.th/bbhome/viewextf.asp?x=1&p=/FILEROOM/CABBBIWEBFORM/DRAWER29/GENERAL/DATA0000/00000075.PDF&m=พงษ์ราชบุญญฤทธิ์&pm=ประมวลรายจ่ายประจำปีงบประมาณ พ.ศ. ๒๕๕๔> (in Thai).
- ⁴⁶ World Health Organization, *Bulletin of the World Health Organization*, vol. 86, No. 11 (November 2008). Available from www.who.int/bulletin/volumes/86/11/en/index.html.
- ⁴⁷ Economic and Social Commission for Asia and the Pacific (2009). *Promoting sustainable strategies to improve access to health care in the Asian and Pacific region* (United Nations publication, Sales No. E.09.II.F.2). Available from www.unescap.org/esid/hds/pubs/2529/pub2529.pdf.
- ⁴⁸ Lin Wanchuan, Gordon G. Liu, and Gang Chen, "The urban resident basic medical insurance: A landmark reform towards universal coverage in China", *Health Economics*, vol. 18, No. S2 (July 2009), pp. S83-S96.
- ⁴⁹ India, Programme Evaluation Organisation, Planning Commission, "Evaluation report on Sarva Shiksha Abhiyan" (New Delhi, 2010). Available from planningcommission.nic.in/reports/peoreport/peoevalu/peo_ssa2106.pdf.
- ⁵⁰ India, Programme Evaluation Organisation, Planning Commission, "Performance evaluation of cooked mid-day meal (CMDM)" (New Delhi, 2010). Available from www.education.nic.in/Elementary/mdm/data/peo_cmdm0106.pdf.
- ⁵¹ Information regarding the Pantawid Pamilyang Pilipino Programme is available online at <http://pantawid.dswd.gov.ph/>.
- ⁵² Economic and Social Commission for Asia and the Pacific (2010). *Financing an Inclusive and Green Future: A Supportive Financial System and Green Growth for Achieving the Millennium Development Goals in Asia and the Pacific* (United Nations publication, Sales No. E.10.II.F.4). Available from www.unescap.org/66/documents/Theme-Study/st-escap-2575.pdf.
- ⁵³ India, Institute of Applied Manpower Research, "All-India report on evaluation of NREGA: Survey of 20 districts based on

- primary data collection" (New Delhi, 2009). Available from planningcommission.nic.in/reports/genrep/rep_NREGA.pdf.
- ⁵⁴ World Bank, "Solomon Islands rapid employment project: Providing short-term employment for Honiara's urban poor" (2010). Available from siteresources.worldbank.org/INTPAC1F1C1SLANDS/Resources/SolomonIslandsREPPProjectBrief090610.pdf.
- ⁵⁵ Robert J. Palacios and S. Irudaya Rajan, "Safety nets for the elderly in poor countries: The case of Nepal". Pensions Reform Primer Paper (Washington, D.C.: World Bank, 2004). Available from siteresources.worldbank.org/INT-PENSIONS/Resources/395443-II22992697993/SN_NEPAL_draft.pdf.
- ⁵⁶ Astrid Walker Bourne and Fiona Morgan, "Social transfers: A critical strategy to meet the MDGs". HelpAge policy briefing (London: HelpAge International, 2010). Available from zunia.org/uploads/media/knowledge/Social_transfers_MDG_paper_reduced1284557217.pdf.
- ⁵⁷ International Labour Office, *Social Protection for all Men and Women : A Sourcebook for Extending Social Security Coverage in Samoa - options and plans* (Suva: ILO, 2006).
- ⁵⁸ International Labour Organization. *The Republic of Kazakhstan: Assessment of targeted social assistance scheme*. Final report-Decent work: Integrated approach to social sphere in Kazakhstan (Astana: ILO, 2004). Available from www.ilo.org/public/english/region/eurpro/moscow/info/publ/kazeng.pdf.
- ⁵⁹ Singapore, Ministry of Community Development, Youth and Sports (2011). Available from app1.mcys.gov.sg/.
- ⁶⁰ International Labour Organization, *International experience with social assistance schemes: Five country case studies* (Moscow: ILO, 2004). Available from www.ilo.org/public/english/region/eurpro/moscow/info/publ/inteng.pdf.
- ⁶¹ Samurdhi Authority of Sri Lanka, *Samurdhi: National Programme for Poverty Alleviation* (Maharagama: Youth Services Press, National Youth Centre, 1998). Available from www.samurdhi.gov.lk/web/images/stories/publications/english/poverty_alleviation.pdf.
- ⁶² Gabriele Köhler, Marta Cali and Mariana Stirbu, *Social Protection in South Asia: A Review* (Kathmandu: UNICEF/ROSA, 2009). Available from www.unicef.org/socialpolicy/files/social_protection_in_south_asia_-_a_review_-_unicef_rosa_2009.pdf.
- ⁶³ India, "Integrated Child Protection Scheme (ICPS)", Social Welfare Department, 2010. Available from www.swd.kerala.gov.in/index.php?option=com_content&task=view&id=203&Itemid=219.
- ⁶⁴ Sri Wening Handayani and Clifford Burkley (eds.), *Social Assistance and Conditional Cash Transfers: Proceedings of the Regional Workshop* (Manila: ADB, 2010). Available from www.adb.org/documents/conference/social-assistance-cct/proceedings-social-assistance-cct.pdf.
- ⁶⁵ International Labour Organization, "SPF country brief: China", Social Protection Floor Initiative (2010). Available from www.ilo.org/public/english/protection/spfag/download/briefs/china.pdf.

- ⁶⁶ Meegon Kim, "Strengthened basic livelihood security scheme as a social protection programme and its way forward", presented at the International Workshop on Strengthening Social Protection, 2001 (in Korean).
- ⁶⁷ Thailand, Social Security Office, Benefits of insured persons, (2010). Available at <http://www.sso.go.th/wpr/category.jsp?lang=th&cat=109> (in Thai).
- ⁶⁸ Thailand, Social Security Office Statistics of the Social Security Fund (2010). Available at <http://www.sso.go.th/wpr/content.jsp?lang=th&cat=103&id=535>.
- ⁶⁹ "New revised law on social security for informal workers", *Bangkok Business*, 19 January 2011, p. 2. (in Thai).
- ⁷⁰ Government gives "green light" for informal workers' social security, *Bangkok Business*, 19 January 2011, p. 3. (in Thai).
- ⁷¹ World Bank, *Vietnam Development Report 2008: Social Protection* (Joint donor report to the Vietnam Consultative Group Meeting, Hanoi, 6-7 December 2007), Working Paper No. 43653. Available from tinyurl.com/6ydxjxt.
- ⁷² Joseph Hanlon, Armando Barrientos and David Hulme, *Just Give Money to the Poor—The Development Revolution from the South* (Kumarian Press: West Hartford Connecticut, United States, 2010).
- ⁷³ Imran Matin, Munshi Sulaiman and Mehnaz Rabbani, "Crafting a graduation pathway for the ultra poor: Lessons and evidence from a BRAC programme in Bangladesh", in Sarah Cook and Naila Kabeer (eds), *Social Protection as Development Policy* (Routledge: New Delhi, 2010).
- ⁷⁴ Bruno Lautier, "Towards universal social security and protection of the 'most vulnerable'". In *Social Protection and Inclusion: Experiences and Policy Issues*, International Labour Organization, Social Security Department, Strategies and Tools against social Exclusion and Poverty programme (Geneva: ILO, 2006), pp. 77-103. Available from www.ilo.org/publicationsandresources/PDF/ResourceLibrary/SocialProtection/2006StrategiesExclsnPvrtypgrmm.pdf.
- ⁷⁵ Vijay Naidu and Manoranjan Mohanty, "Situation analysis of social protection policies, services and delivery mechanisms in the Pacific". Presented at the UNRISD/USP/UNICEF/Commonwealth Secretariat and UNESCAP Conference on Social Policies in Pacific Island Countries: Policy Recommendations and Impact of Current Crises, Suva, 22-23 July 2009.
- ⁷⁶ Stephen Kidd, Michael Samson, Frank Ellis, Nicholas Freeland and Bernard Wyler *Social protection in the Pacific - A review of its adequacy and role in addressing poverty* (Canberra: AusAID, 2010). Available from vanuatu2010.un.org.fj/resources/uploads/attachments/documents/Social%20Protection%20in%20the%20Pacific%20E2%80%93%20A%20Review%20of%20its%20Adequacy%20and%20Role%20in%20Addressing%20Poverty%20%282%29.pdf.
- ⁷⁷ Urban Jonsson, "From poverty reduction to disparity reduction or from basic needs to human rights", International Conference on Child Policies and Disparities, Cairo, 19-20 January 2009.
- ⁷⁸ Thandika Mkandawire, "Targeting and universalism in poverty reduction", Social

- Policy and Development Programme Paper Number 23, United Nations Research Institute for Social Development (Geneva, December 2005). Available from [http://www.unrisd.org/80256B3C005BCCF9/httpAuxPages/955FB8A594EEAoBoC12570FF00493EAA/\\$file/mkandatarget.pdf](http://www.unrisd.org/80256B3C005BCCF9/httpAuxPages/955FB8A594EEAoBoC12570FF00493EAA/$file/mkandatarget.pdf).
- ⁷⁹ Irfan, Kortschak. *Invisible People: Poverty and Empowerment in Indonesia* (Jakarta: Tim Pengendali PNPM Mandiri, 2010). Available from http://psflibrary.org/vi/index.php?p=show_detail&id=3015#.
- ⁸⁰ Economic Commission for Latin America and the Caribbean, *Shaping the Future of Social Protection: Access, Financing and Solidarity*. Thirty-first session of ECLAC, Montevideo, 20-24 March 2006 (Santiago: ECLAC, 2006). Available from www.cepal.org/publicaciones/xml/0/24080/lcg2294i.pdf.
- ⁸¹ United Nations, “Implementation of the resolution on promoting social integration: Report of the Secretary-General” (E/CN.5/2011/2), 23 November 2010. Available from www.un.org/ga/search/view_doc.asp?symbol=E/CN.5/2011/2.
- ⁸² Ilcheong Yi, “Social integration, poverty eradication, productive and full employment and decent works”, Policies to Advance Social Integration Expert Group Meeting, New York, 2-4 November 2009 (New York: United Nations Research Institute for Social Development, 2009). Available from www.un.org/esa/socdev/social/meetings/egm09/docs/Yi.pdf.
- ⁸³ Commission on Legal Empowerment of the Poor, *Making the Law Work for Everyone: Volume I: Report of the Commission on Legal Empowerment of the Poor* (New York: Commission on Legal Empowerment of the Poor and United Nations Development Programme, 2008). Available from [www.undp.org/publications/Making_the_Law_Work_for_Everyone_\(final_rpt\).pdf](http://www.undp.org/publications/Making_the_Law_Work_for_Everyone_(final_rpt).pdf).
- ⁸⁴ Sarah Cook, “Social protection in East and South East Asia: A regional review”, SPA Working Paper No. 2. Social Protection in Asia programme, (May 2009). Available from www.socialprotectionasia.org/pdf/Sarah-Cook-SPA-WPo2.pdf.
- ⁸⁵ Linxiu Zhang and others, “Caring for one billion: assessing the new social protection programmes in rural China”, CSP Research Report 07, January 2011 (Centre for Social Protection, Institute of Development Studies, Brighton, United Kingdom, 2011). Available from <http://www.socialprotectionasia.org/Conf-prgram-pdf/7-SPA-Final-Paper-No-07.pdf>.
- ⁸⁶ United Nations Children’s Fund, *Fiscal Space for Strengthened Social Protection: West and Central Africa* (Dakar: UNICEF and Overseas Development Institute, 2009). Available from www.unicef.org/wcaro/wcaro_UNICEF_ODI_2_Fiscal_Space.pdf.
- ⁸⁷ Carol Graham, “Public attitudes matter: A conceptual frame for accounting for political economy in safety nets and social assistance policies”, Social Protection Discussion Series No. 0233 (Washington, D.C.: World Bank, 2002). Available from siteresources.worldbank.org/SOCIALPROTECTION/Resources/SP-Discussion-papers/Safety-Nets-DP/0233.pdf.
- ⁸⁸ Blandine Destremau and Bruno Lautier, “Analysis and comparison of social protection systems in the developing world: Elements

- of typology and method”, Working paper. Pre-final version of the translation (Paris: Réseau IMPACT, 2006). Available from www.reseauimpact.org/IMG/pdf/4.Social_protection_Eng.pdf.
- ⁸⁹ Shih-Jiunn Shi, “The territorial politics of social protection in China: Local governments as an emerging locomotive of policy learning and diffusion”, paper presented at the Annual Conference of the International Sociological Association, Research Committee 19: “Social Policies: Local Experiments, Travelling Ideas”, Montreal, Canada, 20-22 August 2009 Available from www.cccg.umontreal.ca/RC19/PDF/Shi-S_Rc192009.pdf.
- ⁹⁰ M. Chen, “Empowerment of informal workers: Legal and other interventions”, Paper prepared for the Commission on Legal Empowerment of the Poor, 16 December 2006.
- ⁹¹ Gita Sabharwal, “From targeted to universal social protection: Vietnam’s reality” (Sussex: Institute of Development Studies, 2008). Available from tinyurl.com/6h69awk.
- ⁹² World Health Organization, *Macroeconomics and Health: Investing in Health for Economic Development*, Report of the Commission on Macroeconomics and Health (Geneva: WHO, 2001). Available from whqlibdoc.who.int/publications/2001/924154550x.pdf.
- ⁹³ Economic and Social Commission for Asia and the Pacific (2007). *Development of Health Systems in the Context of Enhancing Economic Growth towards Achieving the Millennium Development Goals in Asia and the Pacific* (United Nations publication, Sales No. E.07.II.F.12). Available from www.unescap.org/esid/hds/pubs/2449/2449.pdf.
- ⁹⁴ United Nations Millennium Project, “Millennium Development Goals needs assessments: Country case studies of Bangladesh, Cambodia, Ghana, Tanzania and Uganda”, Working Paper (draft, 17 January 2004), New York. Available from www.unmillenniumproject.org/documents/mp_ccspaper_jan1704.pdf.
- ⁹⁵ Mongolia, “Mongolian National Health Accounts” (Ulaanbaatar, Ministry of Health, Nutrition and Welfare, 2005).
- ⁹⁶ Ravi P. Rannan-Eliya and Nishan de Mel, “Resource mobilization in Sri Lanka’s health sector” (Paper) Harvard School of Public Health, International Health Systems Program (IHSP) (February 1997). Available from hspf.harvard.edu/ihsg/publications/pdf/No-42.PDF.
- ⁹⁷ Economic and Social Commission for Asia and the Pacific (2010). *Financing an Inclusive and Green Future: A Supportive Financial System and Green Growth for Achieving the Millennium Development Goals in Asia and the Pacific* (United Nations publication, Sales No. E.10.II.F.4). Available from www.unescap.org/66/documents/Theme-Study/st-escap-2575.pdf.
- ⁹⁸ Nadia Doytch, Bingjie Hu and Ronald U. Mendoza, “Social spending, fiscal space and governance: An analysis of patterns over the business cycle”; United Nations Children’s Fund Policy and Practice (unedited discussion draft) Paper presented at the 26th Conference of the American Committee for Asian Economic Studies (ACAES), “Asia after the Crisis”, Kambaikan Hall, Doshisha University, Kyoto, Japan, 5-6 March 2010. Available from tinyurl.com/4ak5.

PHOTO CREDITS

- PAGE III** ESCAP Photo / Wilasluk Aurtaveekul
PAGE XI Mahmood Akhtar / Women CAN! Photo Contest Celebrating 30 Years of CEDAW
PAGE XII Gavin Gough
PAGE XIV Mohammad Rakibul Hasan / Women CAN! Photo Contest Celebrating 30 Years of CEDAW
PAGE XVI Mohammad Golchin / UNGEI
PAGE XVIII Jashim Salaam / Women CAN! Photo Contest Celebrating 30 Years of CEDAW
PAGE XX Donovan Storey
PAGE XXIII Gavin Gough
PAGE XXIV ILO / T.L. Thuhan
PAGE XXVI Shaison Ouseph / Women CAN! Photo Contest Celebrating 30 Years of CEDAW
PAGE 1 Mohammad Rakibul Hasan / Women CAN! Photo Contest Celebrating 30 Years of CEDAW
PAGE 3 Jashim Salaam / Women CAN! Photo Contest Celebrating 30 Years of CEDAW
PAGE 5 NZ AID / Steven Nowakowski
PAGE 11 ESCAP Photo
PAGE 17 Gavin Gough
PAGE 18 Gavin Gough
PAGE 21 Donovan Storey
PAGE 23 ESCAP Photo / Marie-Ange Holmgren-Sylvain
PAGE 25 Mahmood Akhtar / Women CAN! Photo Contest Celebrating 30 Years of CEDAW
PAGE 27 Ali Nishan / Women CAN! Photo Contest Celebrating 30 Years of CEDAW
PAGE 29 Mohammad Rakibul Hasan / Women CAN! Photo Contest Celebrating 30 Years of CEDAW
PAGE 33 Joy ZHU / Women CAN! Photo Contest Celebrating 30 Years of CEDAW
PAGE 39 Gavin Gough
PAGE 41 Donovan Storey
PAGE 61 Gavin Gough
PAGE 63 Gavin Gough
PAGE 65 NZ AID / Steven Nowakowski
PAGE 67 Gavin Gough
PAGE 72 Eko Banbang / Women CAN! Photo Contest Celebrating 30 Years of CEDAW
PAGE 78 ESCAP Photo / Marie-Ange Holmgren-Sylvain
PAGE 81 Gavin Gough

ESCAP is the regional development arm of the United Nations and serves as the main economic and social development centre for the United Nations in Asia and the Pacific. Its mandate is to foster cooperation between its 53 members and 9 associate members. ESCAP provides the strategic link between global and country-level programmes and issues. It supports Governments of countries in the region in consolidating regional positions and advocates regional approaches to meeting the region's unique socio-economic challenges in a globalizing world. The ESCAP secretariat is located in Bangkok, Thailand. Please visit our website at www.unescap.org for further information.



UNITED NATIONS PUBLICATION
SALES N°. E.11.II.F.5
COPYRIGHT © UNITED NATIONS 2011
ALL RIGHTS RESERVED
MANUFACTURED IN THAILAND
ISBN: 978-92-1-120623-4
ST/ESCAP/2591

كيفية الحصول على منشورات الامم المتحدة

يمكن الحصول على منشورات الامم المتحدة من المكتبات ودور التوزيع في جميع انحاء العالم. استعلم عنها من المكتبه التي تتعامل معها أو اكتب الي: الامم المتحدة, قسم البيع في نيويورك او في جنيف.

如何购取联合国出版物

联合国出版物在全世界各地的书店和经售处均有发售。

请向书店询问或写信到纽约或日内瓦的联合国销售组。

HOW TO OBTAIN UNITED NATIONS PUBLICATIONS

United Nations publications may be obtained from bookstores and distributors throughout the world.
Consult your bookstore or write to: United Nations, Sales Section, New York or Geneva.

COMMENT SE PROCURER LES PUBLICATIONS DES NATIONS UNIES

Les publications des Nations Unies sont en vente dans les librairies et les agences dépositaires du monde entier. Informez-vous auprès de votre libraire ou adressez-vous à : Nations Unies, Section des ventes, New York ou Genève.

КАК ПОЛУЧИТЬ ИЗДАНИЯ ОРГАНЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ

Издания Организации Объединенных Наций можно купить в книжных магазинах и агентствах во всех районах мира. Наводите справки об изданиях в вашем книжном магазине или по адресу : Организация Объединенных Наций, Секция по продаже изданий, Нью-Йорк или Женева.

CÓMO CONSEGUIR PUBLICACIONES DE LAS NACIONES UNIDAS

Las publicaciones de las Naciones Unidas están en venta en librerías y casas distribuidoras en todas partes del mundo. Consulte a su librero o diríjase a: Naciones Unidas, sección de ventas, Nueva York o Ginebra.



USD 36

ISBN: 978-92-1-120623-4



9 789211 206234

UNITED NATIONS PUBLICATION
PRINTED IN BANGKOK
MAY 2011