

Social Protection in Africa: Trends, Challenges and Opportunities

Keynote Presentation
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2017 Social Protection Week – Zambia
New Government Complex



United Nations

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DELIVERING AS

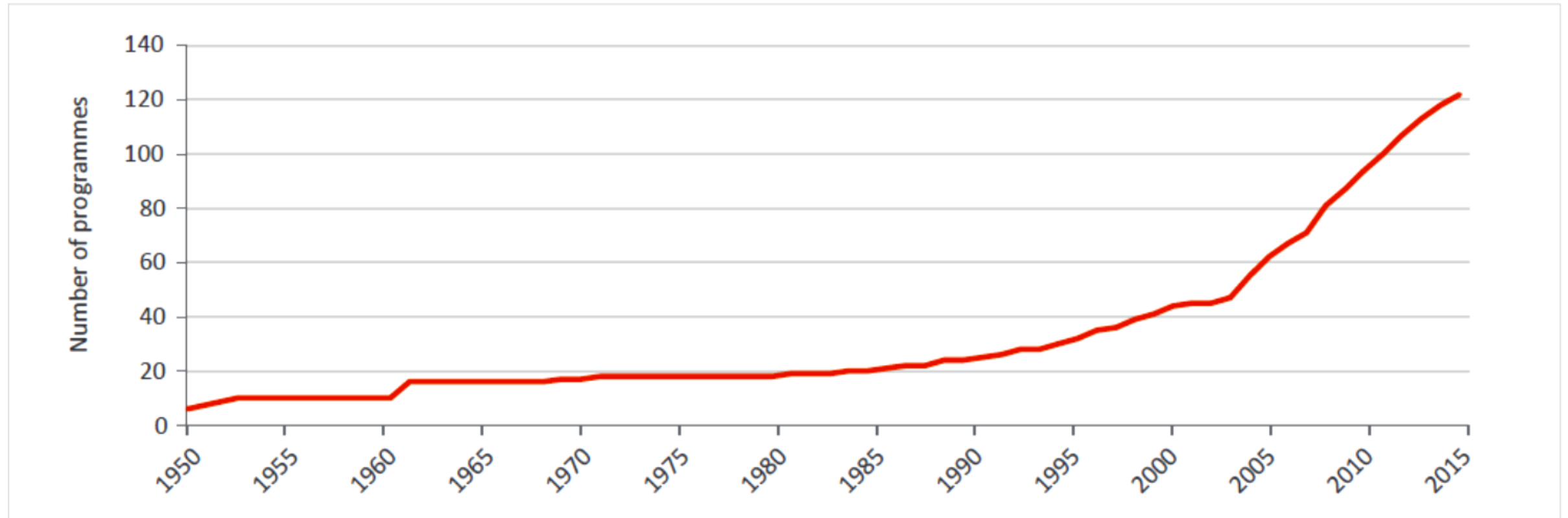


Remarkable transformation of African Social Protection Systems in the past 15 years

- Historically, social protection in Africa has been implemented in a piecemeal manner
- In the early 2000 a series of catalyst factors pushed the **cash transfers agenda** in SSA
 - *Interest in Social Protection Spurred by Global Economic Crises*
 - *Concerns over Persistent Poverty, Low Human Capital, and Food Insecurity*
 - *Pressure to move beyond “regular” food aid*
 - *HIV/AIDS crisis and OVCs and pressure on informal safety nets*
 - *But also... great interest from the international community, building on the success of the Latin American Conditional Cash Transfers model*
- Some countries had already developed systems: South African Grants, Old Age Pensions in Lesotho, Swaziland and Mauritius, Mozambique

The “First” Social Protection Revolution

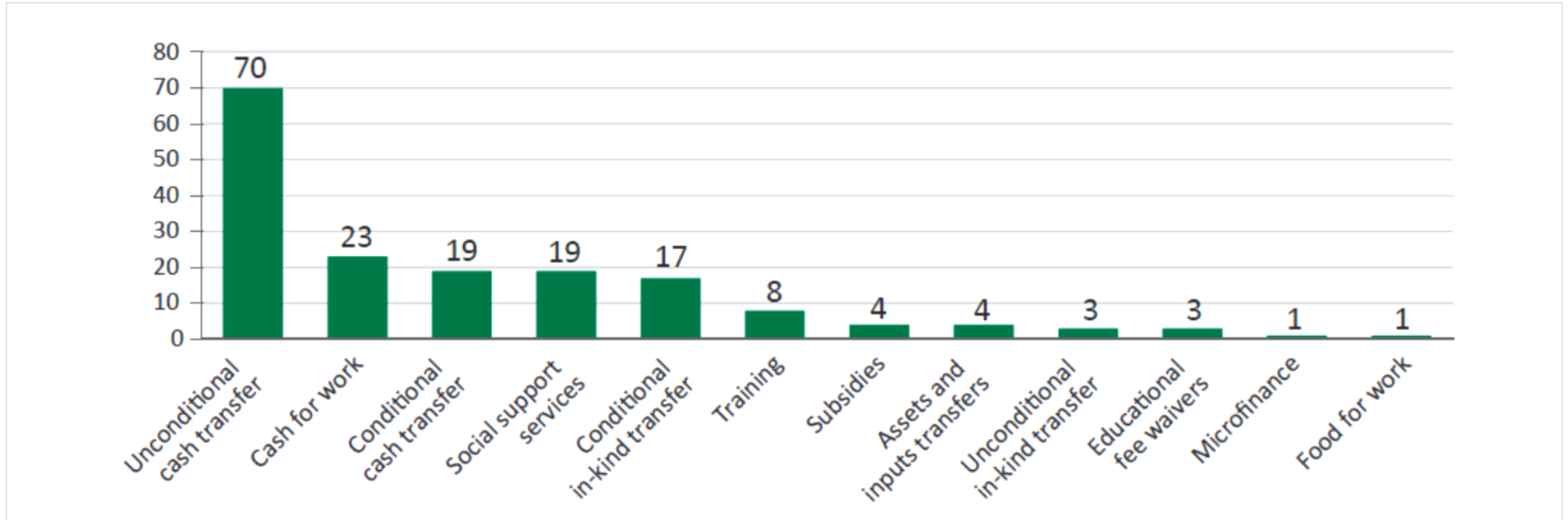
FIGURE 1 – African non-contributory social protection programmes by start date



Source: Cirillo & Tebaldi 2016 (Social Protection in Africa: Inventory of Non-Contributory Programmes): www.ipc-undp.org/pub/eng/Social_Protection_in_Africa.pdf

The “First” Social Protection Revolution

FIGURE 2 – Types of interventions



Source: Cirillo & Tebaldi 2016 (Social Protection in Africa: Inventory of Non-Contributory Programmes): www.jpc-undp.org/pub/eng/Social_Protection_in_Africa.pdf

The “Second” Social Protection Revolution

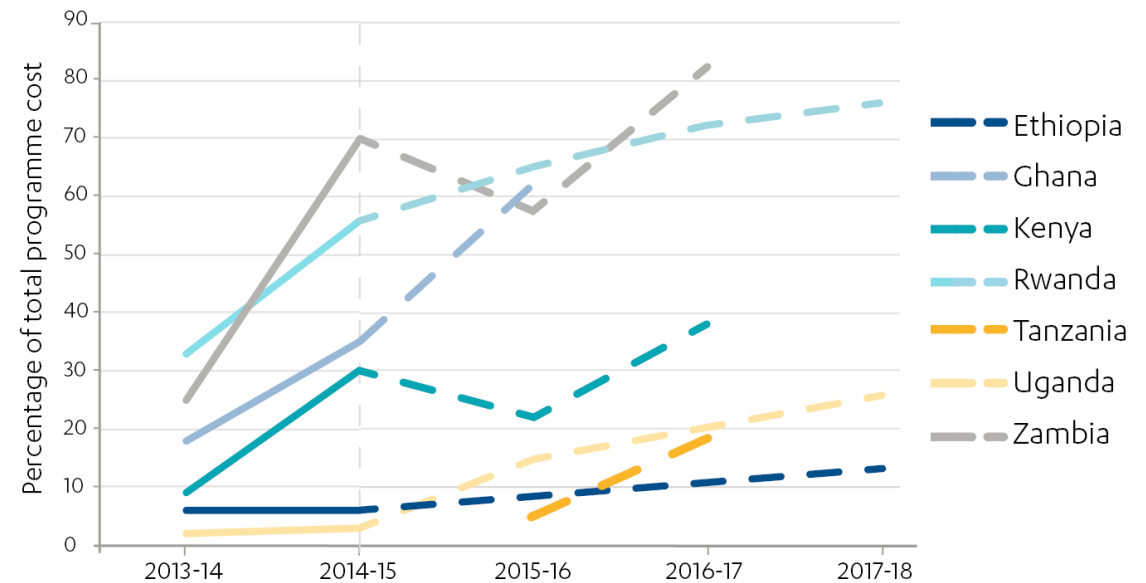
- Initial interest in CTs has translated into large scale program implementation
 - many of the small-scale pilots initiated in the 2000 now fully evolved into **national government programs**
- Interest in CTs has also prompted a conversation on **social protection** more broadly
 - Numerous countries have developed their **social protection strategies or policies** for the first time in the last 5-7 years
- Governments developing **own African** nationally defined Social Protection models
 - Livingstone II conference 2007 in Windhoek adopted the AU Social Policy Framework with a “minimum package” – a precursor to the 2012 ILO Social Protection Floor.
 - AU currently working on a Protocol to the African Charter on the Human Right to Social Protection

The “Second” Social Protection Revolution

*“Pilot programs **hope to** become large-scale, permanent programs, and they are working toward this end. Government ownership of these programs is relatively strong, and key investments are being made to establish the core systems (targeting, payments, monitoring, and so on) necessary for their success.” (WB, 2012)*

Only 5 years down the line a good number of countries have achieved this (and Zambia is one of them)

Figure 2: National governments’ percentage contribution to cash transfers in their own countries



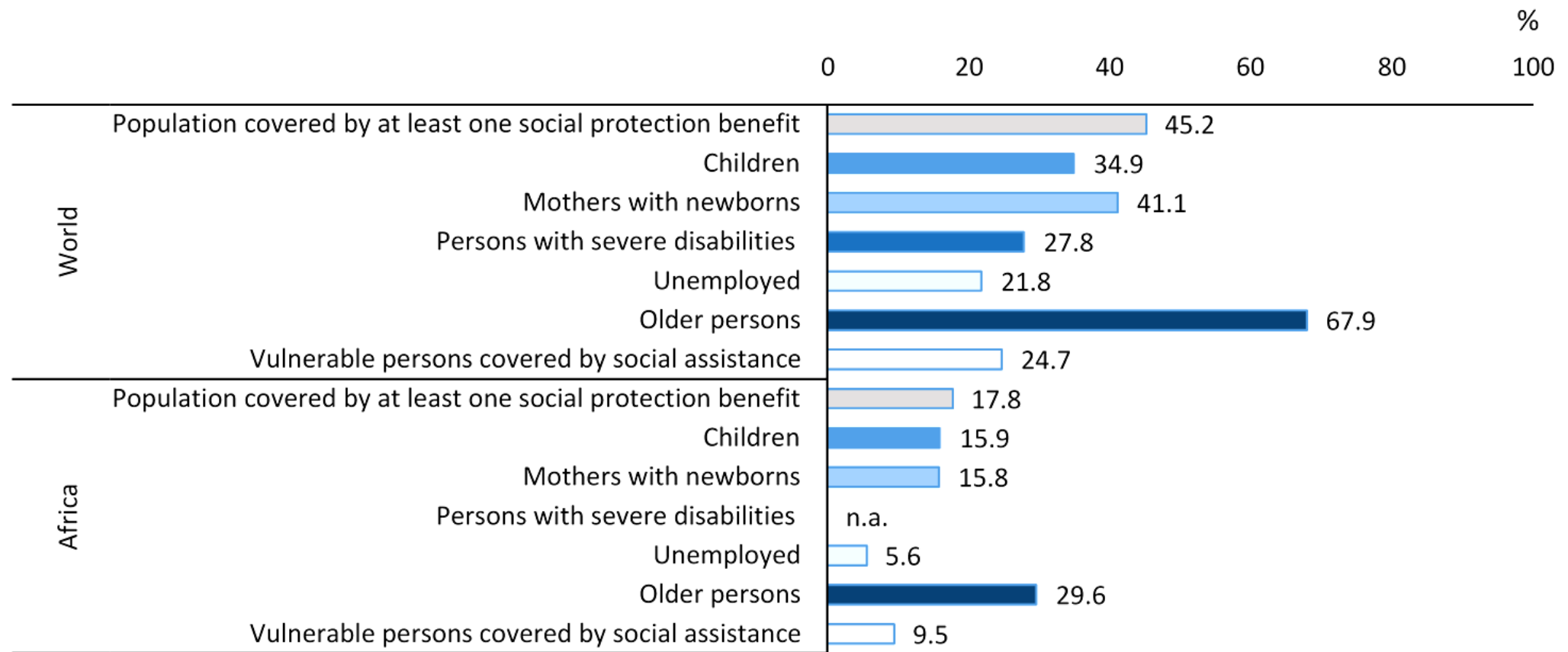
Source: DFID data. Solid lines represent actual expenditure data. Dashed lines represent spending commitments (we did not have access to actual expenditure after 2014-15). Gaps indicate data unavailability.

Source: ICAI Report: The effects of DFID’s cash transfer programmes on poverty and vulnerability

So, is the job done?

Africa and the Global Struggle with the Right to Social Protection

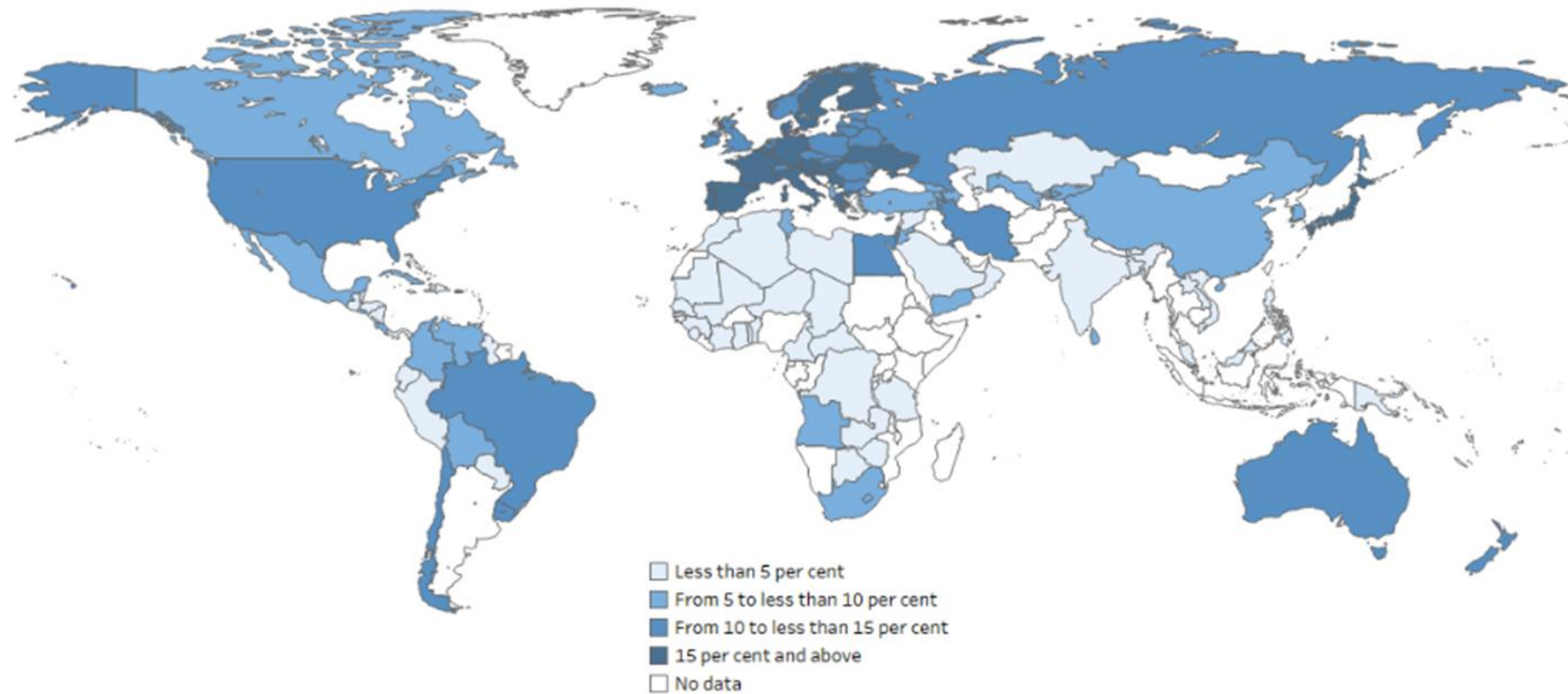
SDG indicator 1.3.1: Effective social protection coverage, global and regional estimates by population group (percentage)



Source: ILO – World Social Protection Report 2017 - 2019

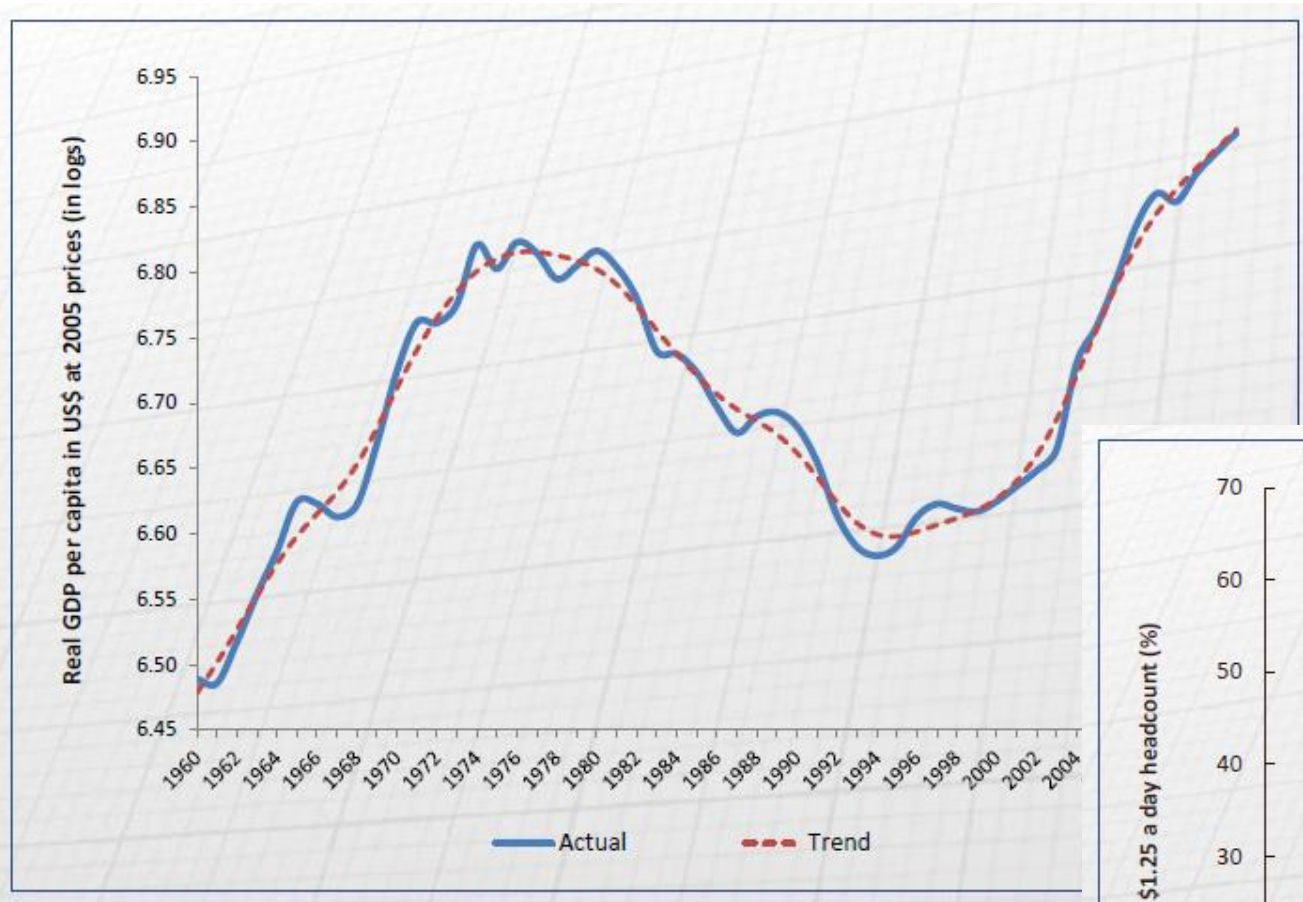
Africa and the Global Struggle with the Right to Social Protection

Figure 2. Public social protection expenditure, excluding health, latest available year (percentage of GDP)

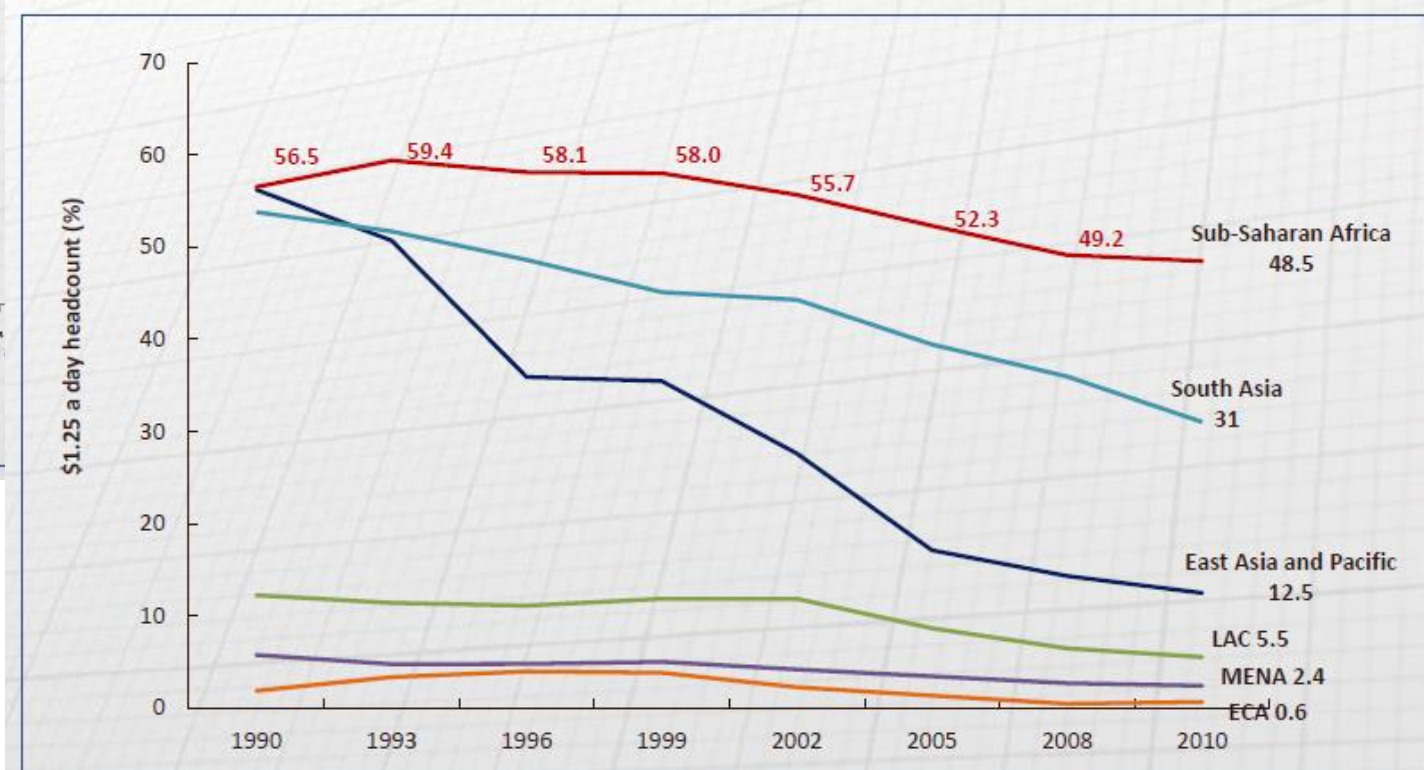


Source: ILO, World Social Protection Database, based on the Social Security Inquiry.

The case for more and better Social Protection in Africa

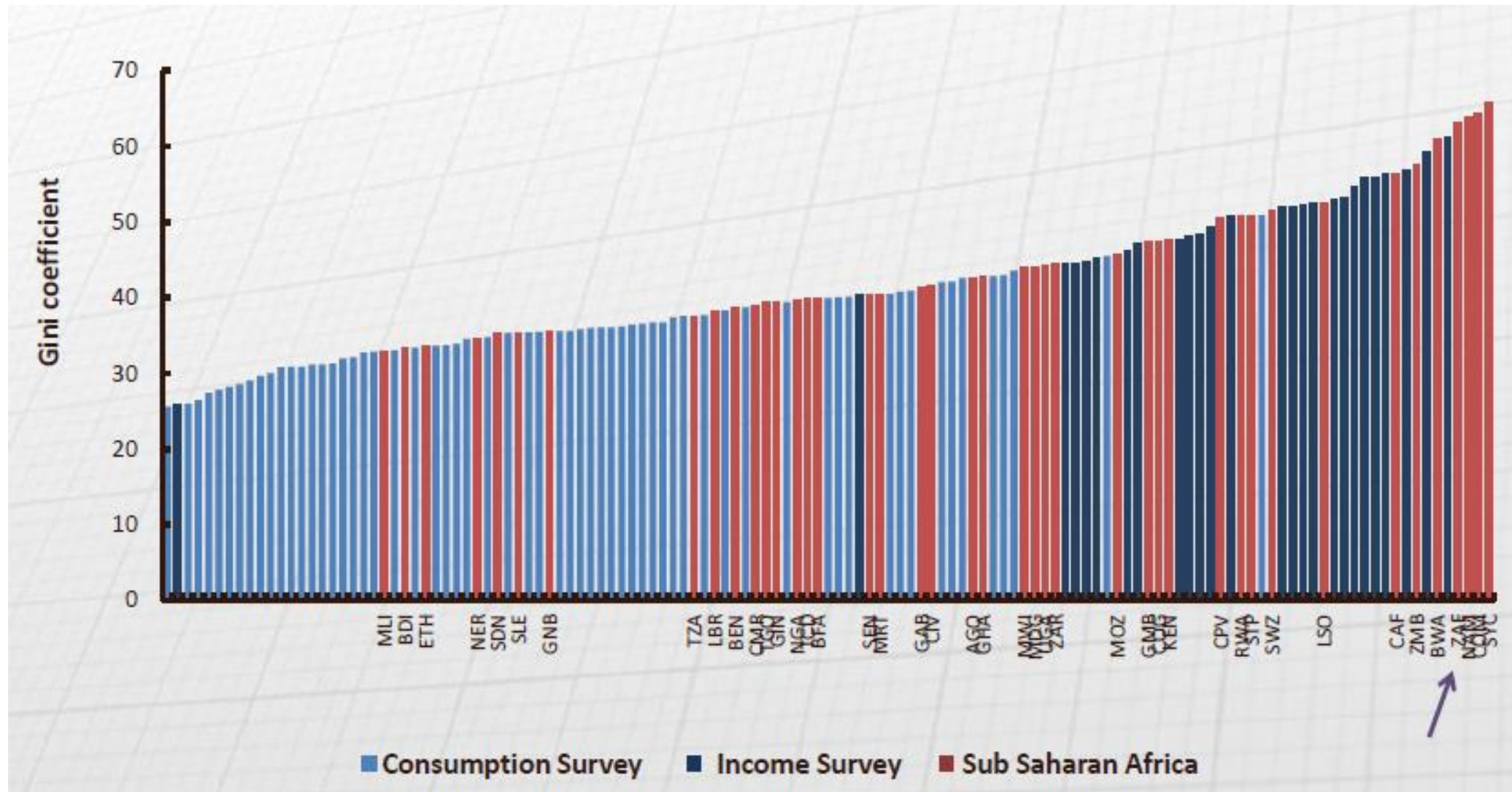


Source: Ferreira (World Bank) – Growth, Inequality and Poverty Reduction in Africa



Source: PovcalNet.

The case for more and better Social Protection in Africa



Source: Ferreira (World Bank) – Growth, Inequality and Poverty Reduction in Africa

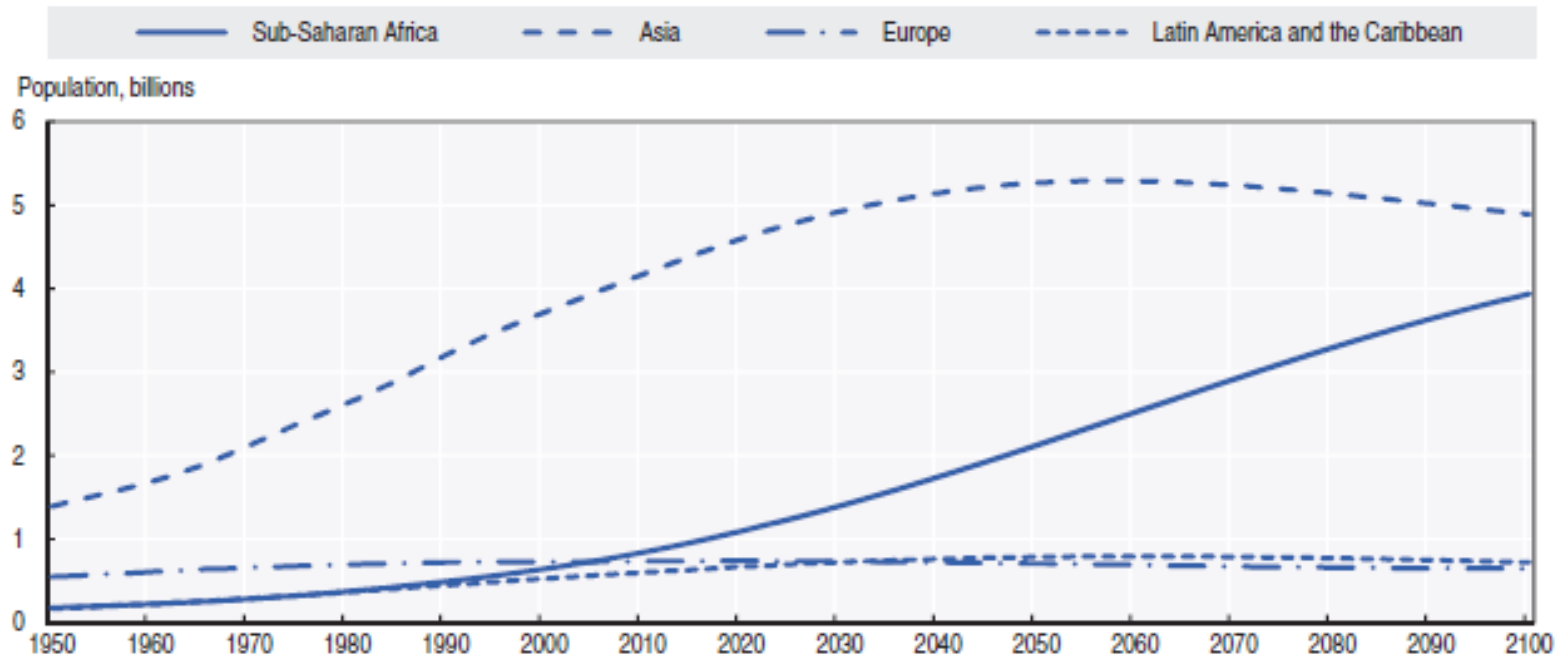
7 Crossroads for Africa's own Social Protection System

1. Reaping the benefits of **demographic** change
2. Addressing the **targeting** conundrum
3. Supporting human capital and **inter-generational** poverty reduction
4. Providing **linkages** for sustainable livelihoods transformation
5. Covering the **missing middle**
6. Ensuring reliable and sustainable delivery: building **systems and capacity**
7. Mobilizing resources: is social protection **a cost or an investment?**



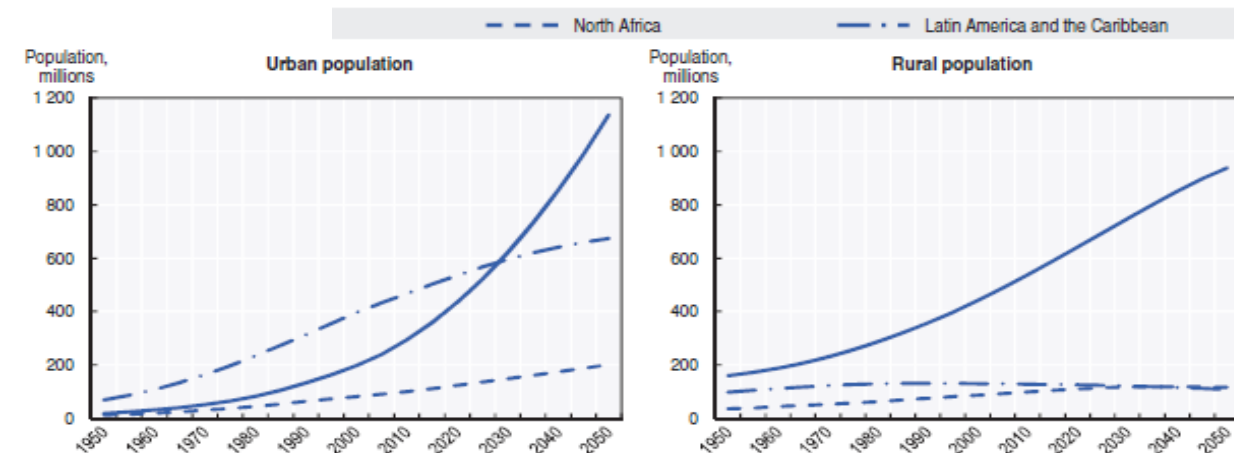
Crossroad 1: Reaping the demographic dividend

Figure 1.1. Global population size by region, 1950-2100



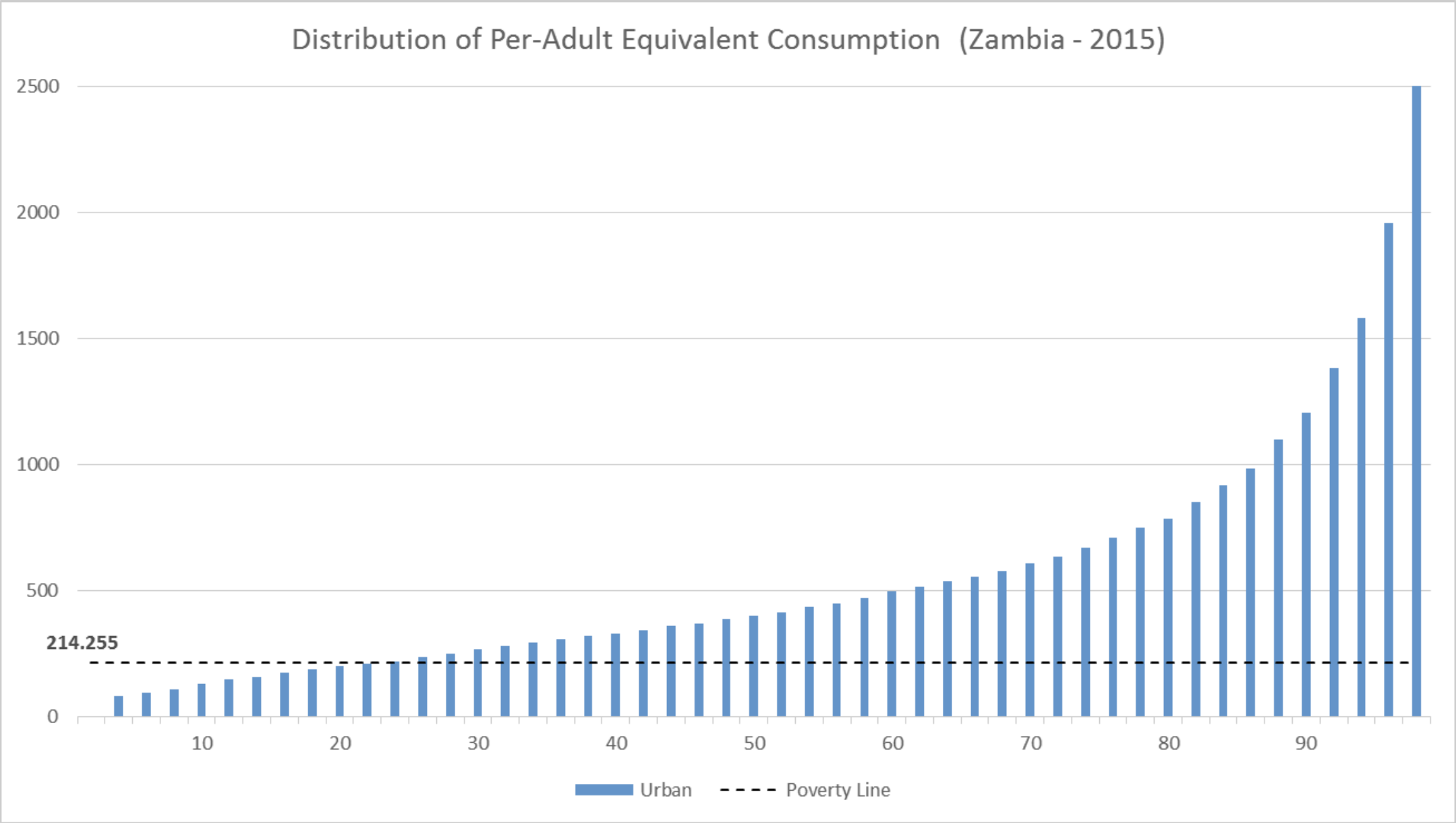
Source: UN DESA (2015a), World Population Prospects: The 2015 Revision.

Urban and rural populations by region, 1950-2050



Source: UN DESA (2014), World Urbanization Prospects: The 2014 Revision.

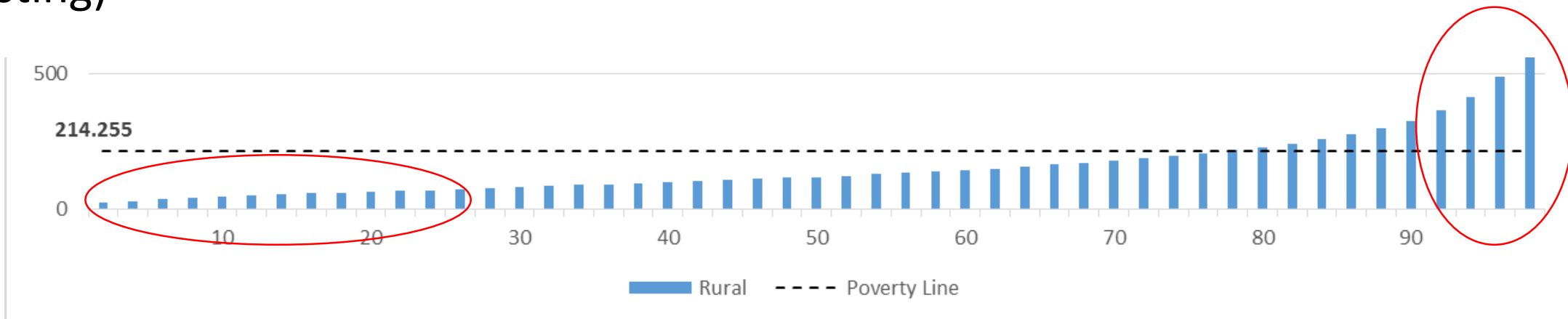
Crossroad 2: Addressing the Targeting conundrum



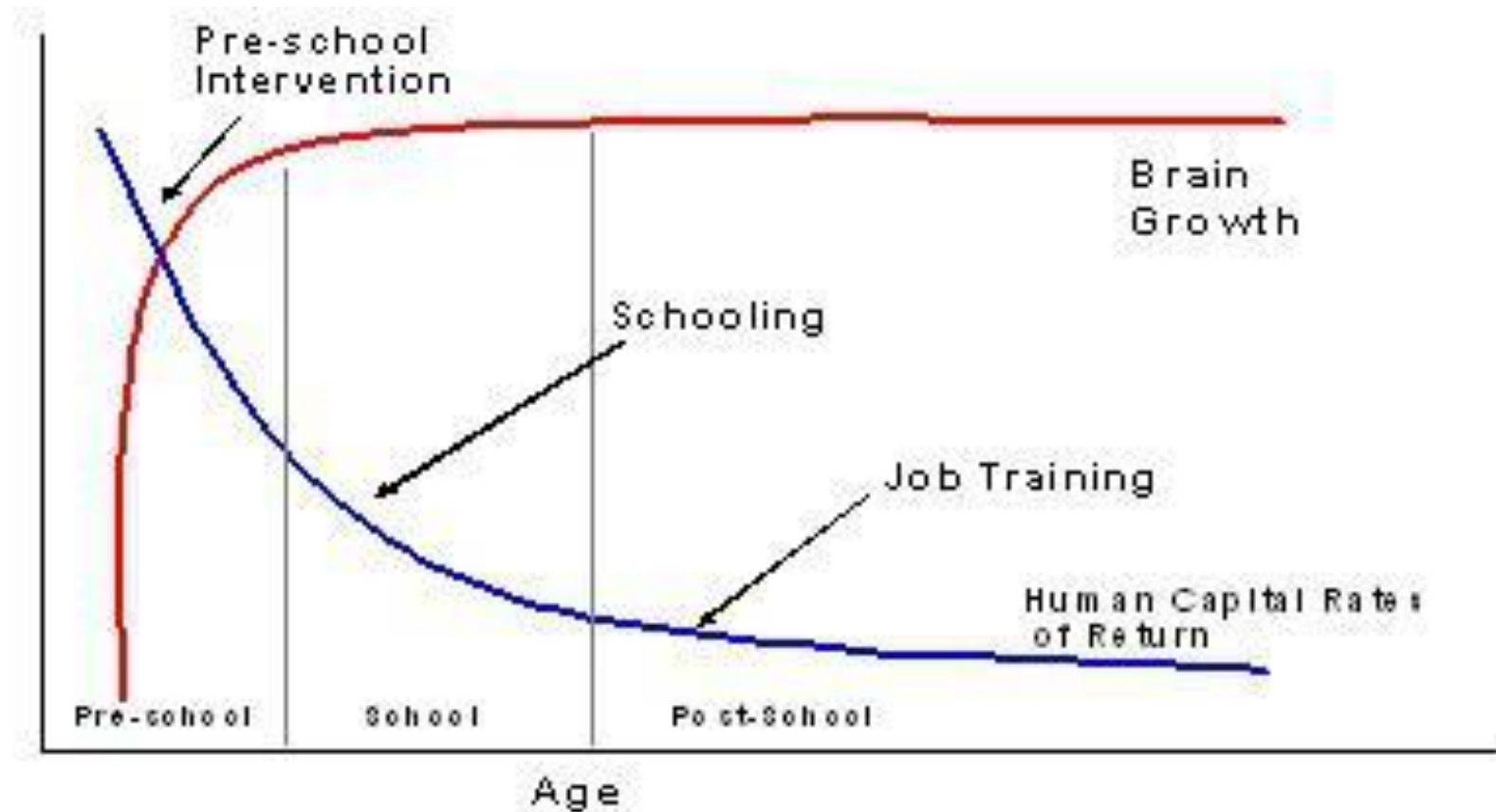
Crossroad 2: Addressing the Targeting conundrum

Distribution of Per-Adult Equivalent Consumption (Zambia - 2015)

- Targeting is effectively a rationing decision: to whom to allocate scarce resources?
- Several approaches to target the “ultra poor” have lead to high inclusion and inclusion errors, and weak social acceptability
- A number of countries have adopted a “categorical” approach: prioritizing access to certain groups according to life-cycle needs (elderly, persons with disability, pregnant women, infants)
- Several countries – including Zambia – adopt a “quasi-universal” model (affluence testing)

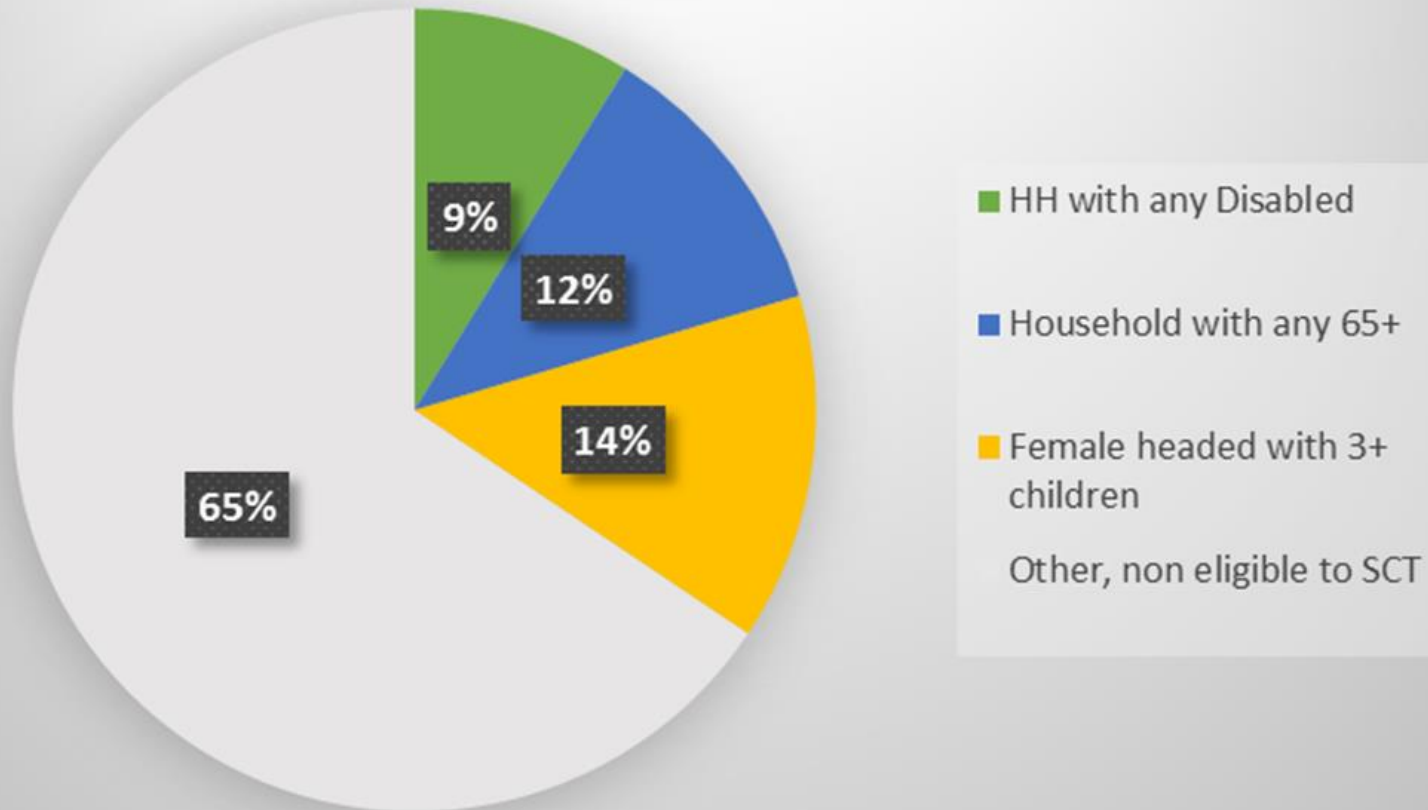


Crossroad 3: Supporting Human Capital and Inter-Generational Poverty Reduction



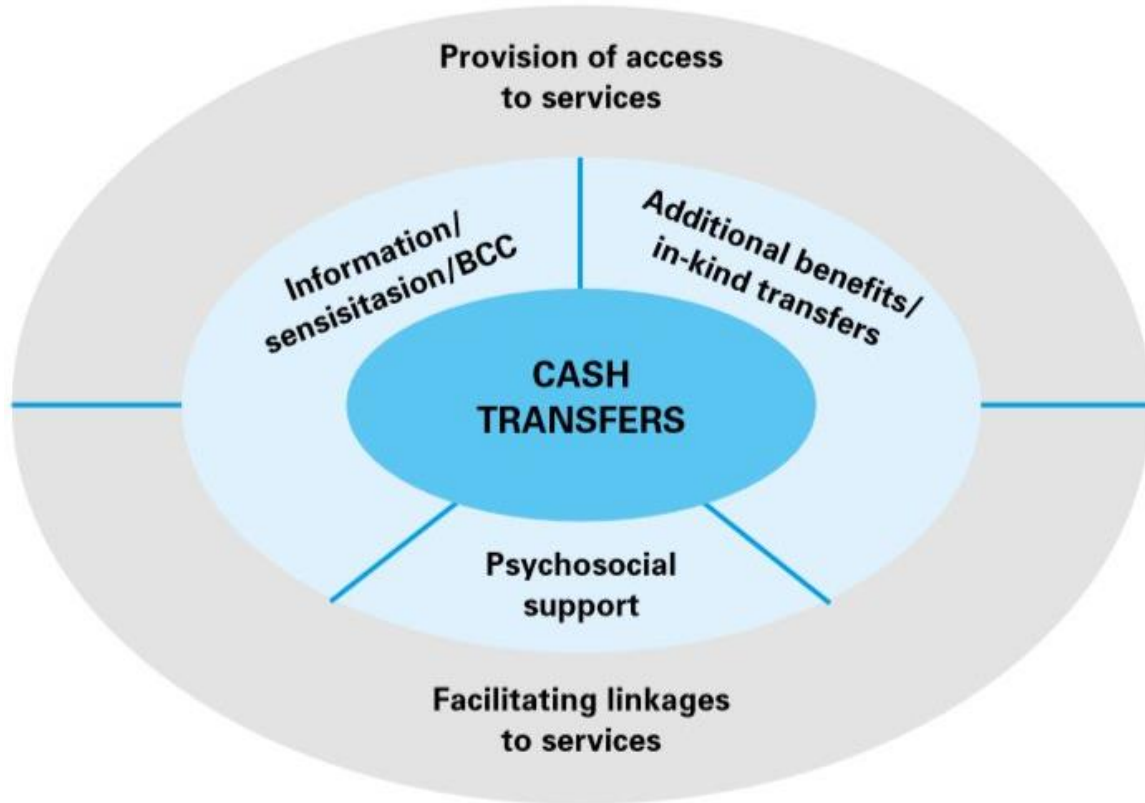
Crossroad 3: Supporting Human Capital and Inter-Generational Poverty Reduction

Distribution of Poor Children by Characteristics of the Household



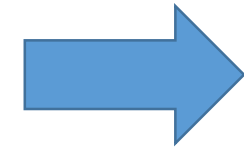
In many countries children and pregnant women remain excluded by mainstream social protection programs because of “fear” of creating dependency or higher fertility which have **no bearing** in evidence

Crossroad 4: Linkages for sustainable livelihoods



Cash is not enough!

- ECD
- Nutrition
- Education
- SRH
- Skills, knowledge and technology
- Access to finance



Productivity

And in addition.... sustainable livelihoods **also** require **structural transformation** of the economy and markets!

Synergies through complementarities: double dipping is good!

	Life-Cycle / Objective	Maternity & Infants	School-Going Children	Youth	Adults	Disability	Older Persons		
PROMOTION (Livelihood & Empowerment)	Empowering Disadvantaged / Marginalized Groups	Integrated Framework – staircase approach					Disability Allowance [new]	Universal Pension [new]	
	Access to Capital				Grants under new IEMFS				
	Improved Productivity				Micro-Finance Scheme (IEMFS) [merge SVL, VB, WEF, SPF, ZAPD grants, NTPFD, YDF]				
	Improved Education				Loans under new IEMFS				
					w/land: FSP harmonized with(in) FISP [merged]				
		w/o land: Public Works (PW) Programme [new]							
	Improved Education		Secondary School Fee Waiver [KIS expanded]	Tertiary Bursaries [retarget]					
PROTECTION (Social Assistance)	Improved Nutrition		HGSM [expand]						
	Access to Education		Primary School Fee Waiver (Education Policy) [maintain]						
			PWAS: Indirect School Costs [merge OVC Bursaries]						
	Risk Mitigation / Household level shock relief	PWAS [implement new guidelines]							
	Income Security	SCT [new – enrol first 1000 days]	SCT [expand on 2017 model]	Supplementary time-bound SCT for those enrolled in promotion programmes such as F(I)SP [new]		SCT [maintain]	SCT [maintain]		
	Access to Quality Health Services	Perinatal Care Allowance (care visit top-up) [new]	Under-5 Care Allowance (care visit top-up) [new]						
		Subsidize all clients in NSHI [new]							
	User Fee Removal Policy (Health Policy) [maintain]								

Be mindful: “graduation” is not for all, and may take time

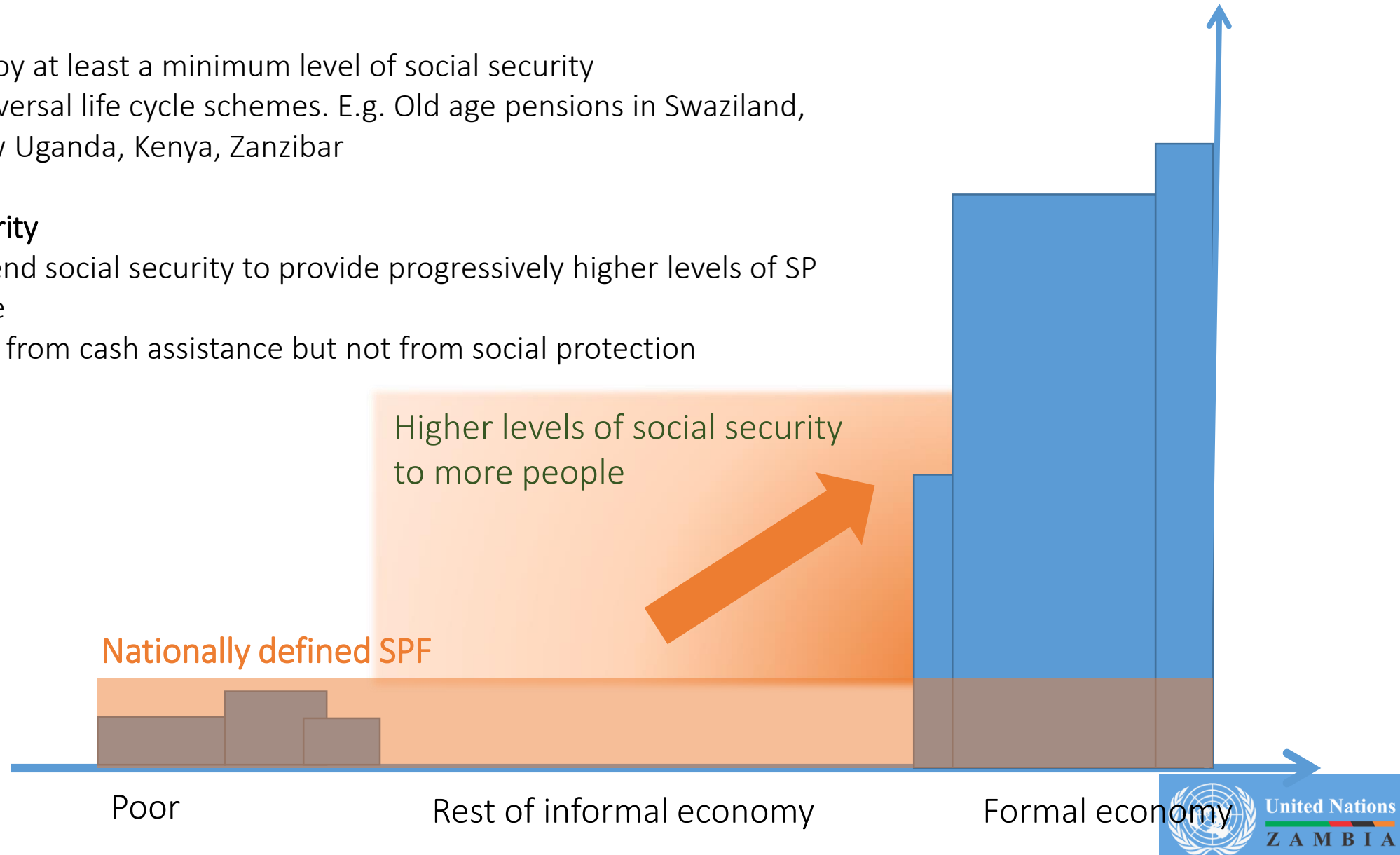
Crossroad 5. Covering the missing middle

Nationally Defined Floors

- All residents should enjoy at least a minimum level of social security
- Movement towards universal life cycle schemes. E.g. Old age pensions in Swaziland, Lesotho, Mauritius, now Uganda, Kenya, Zanzibar

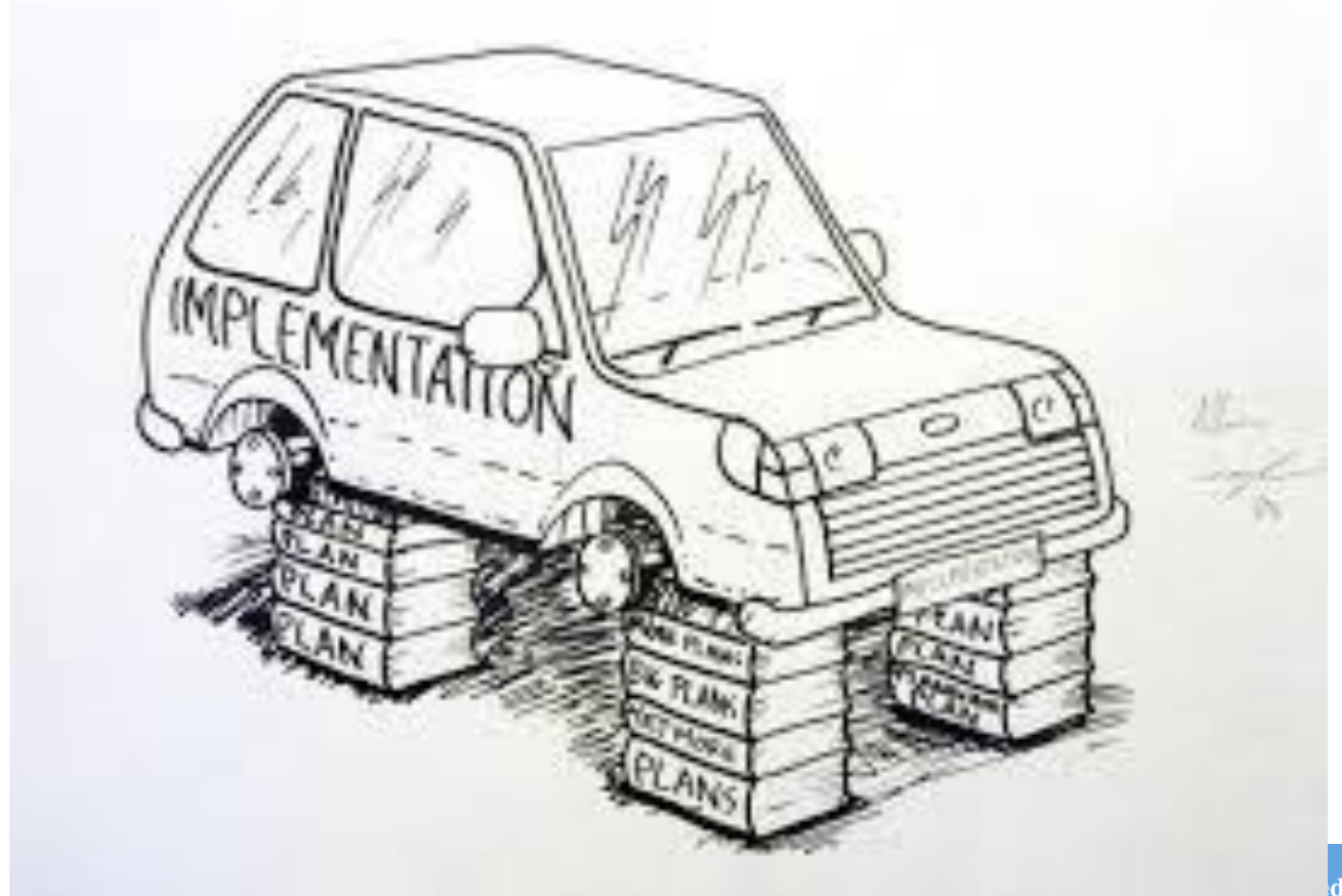
Higher Levels of Social Security

- Based on this floor, extend social security to provide progressively higher levels of SP benefits to more people
- People should graduate from cash assistance but not from social protection



Crossroad 6: Building systems and capacity for reliable and sustainable delivery

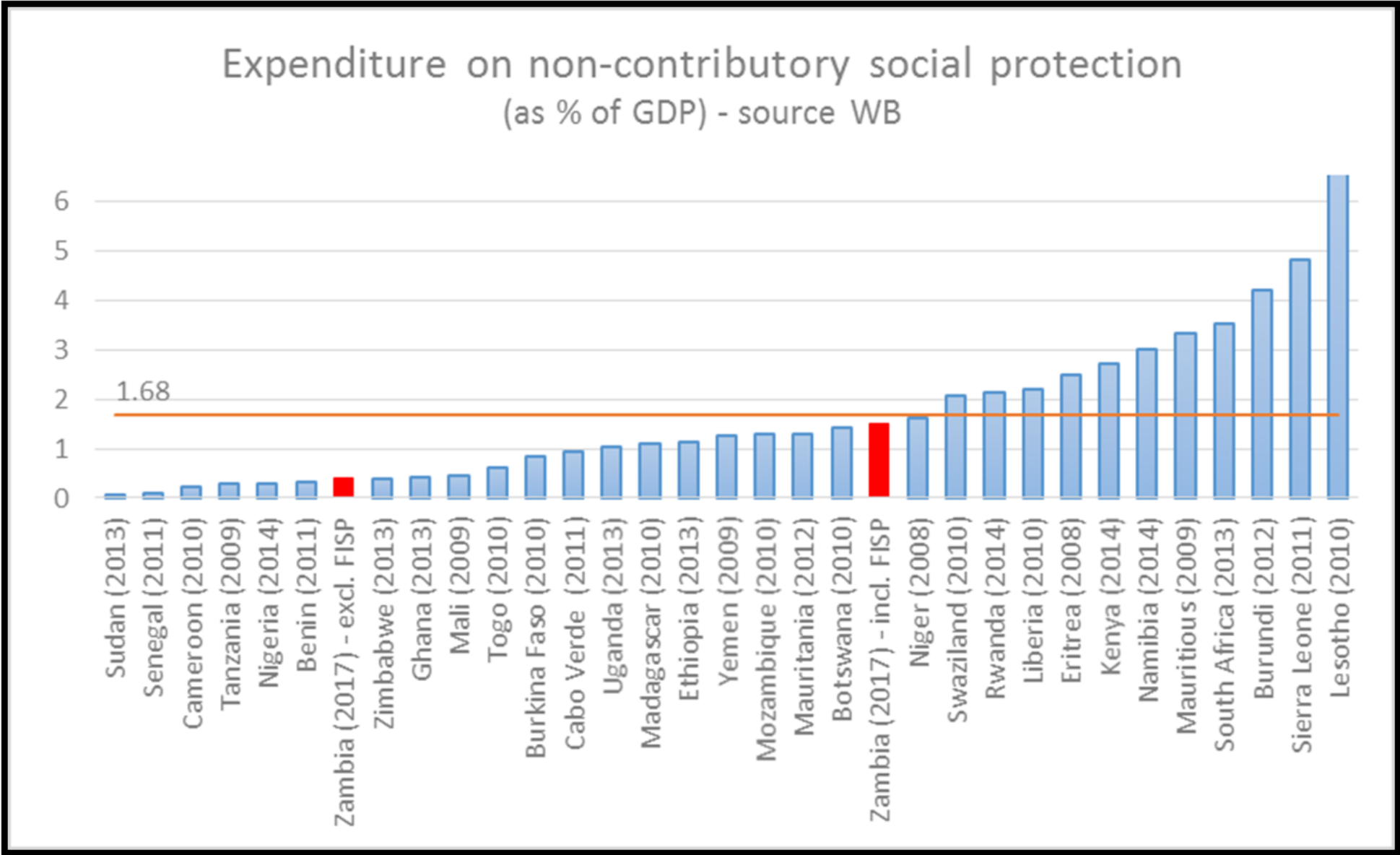
- Delivery systems
- Accountability mechanisms
- Information systems
- Coordination mechanisms
- Institutional governance
- Workforce



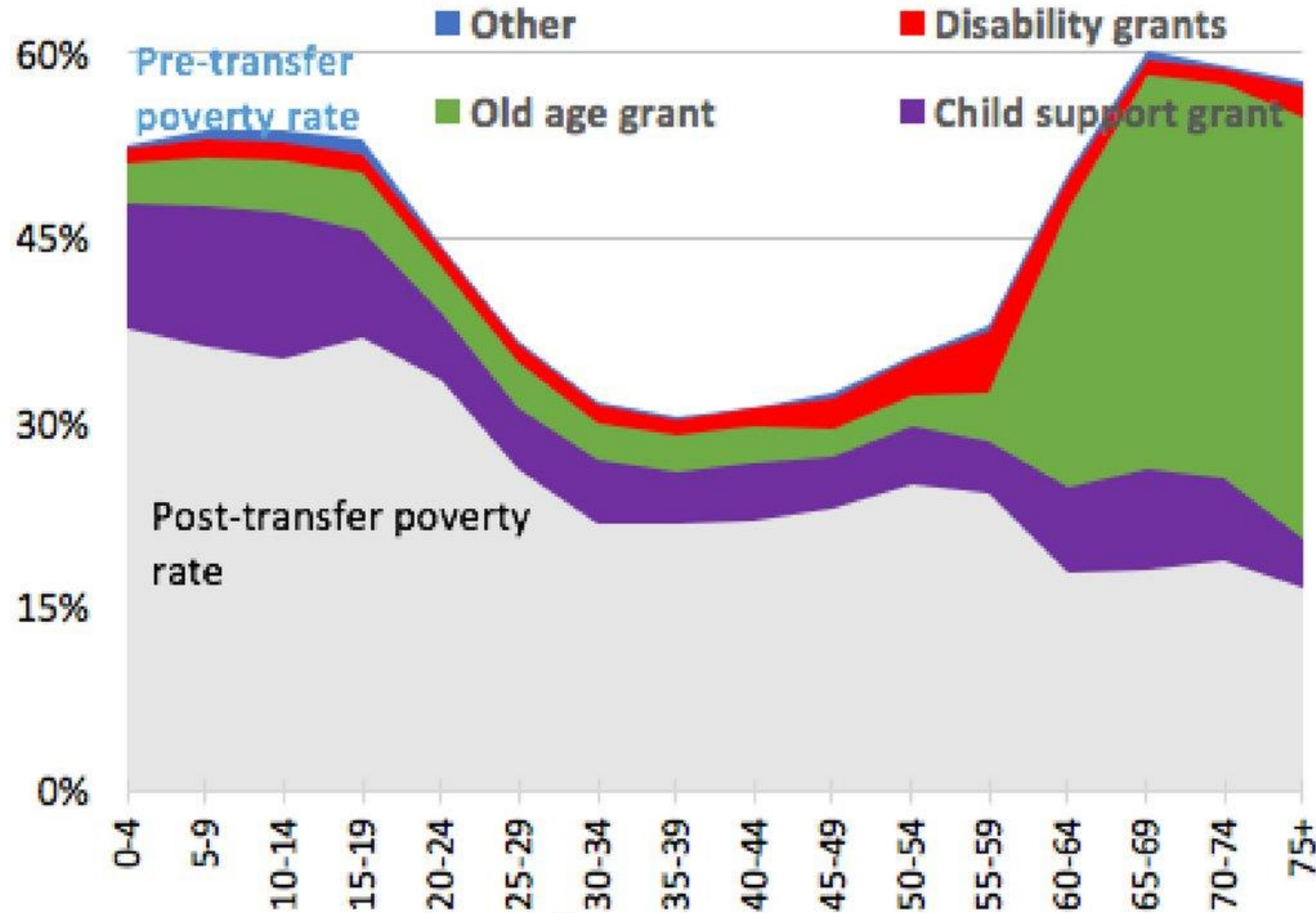


But how much spending on
Social Protection can Africa afford?

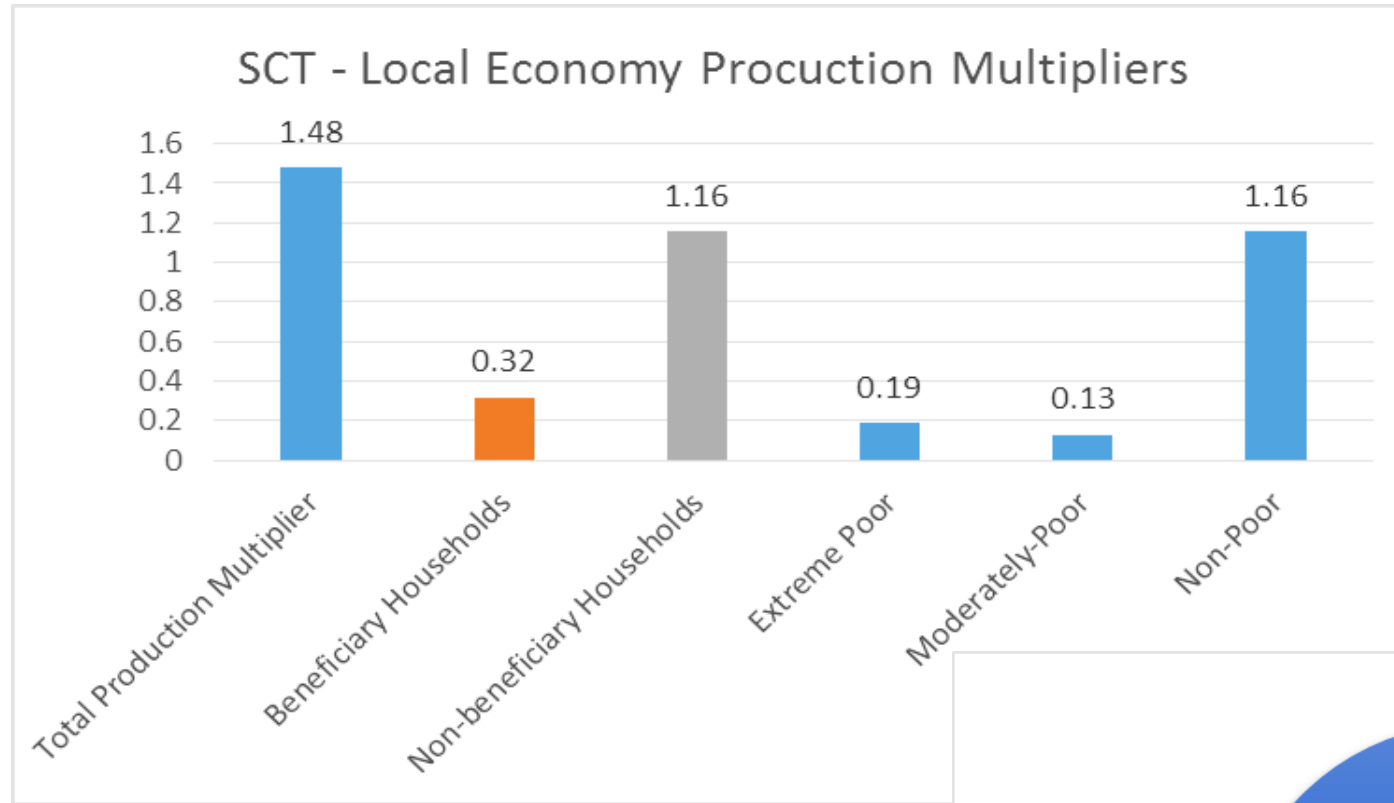
There is great variation across the region: it a matter of political choice



Mobilizing resources: is social protection a cost or an investment?



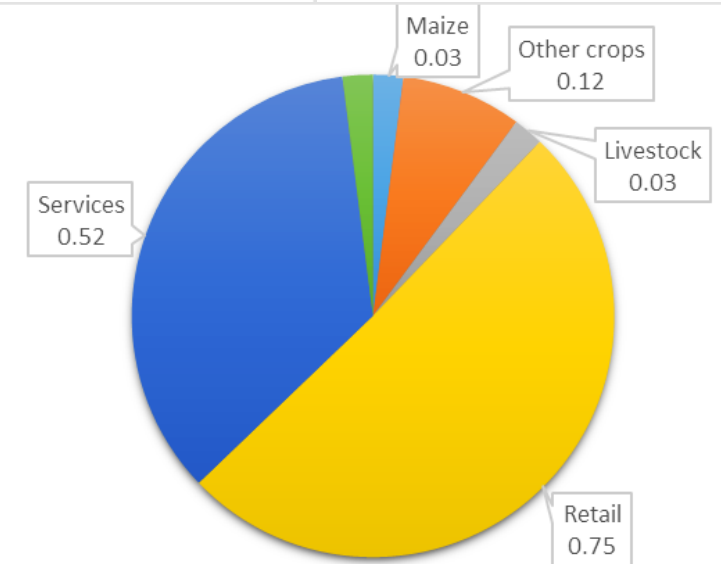
Mobilizing resources: is social protection a cost or an investment?



Source: LEWIE 2017
(ILO and FAO)

The previous evaluations of the CT found that cash transfers have a

- Household income **multiplier** of 44-61 Ngwee for every Kwacha
- Local Economy income **spillover** of 62 Ngwee for every Kwacha



Conclusions

- Africa in the middle of a “second” **social protection revolution** -> towards Africa own Social Protection model
 - increased domestic funding for cash transfers
 - national social protection policies and strategies -> comprehensive social protection systems
 - learning with targeting of early years for more socially acceptable and feasible
 - cash transfers reaching larger population groups means they become part of political agenda
- The shape of nationally defined Social Protection systems is a matter of **political choice**
 - Accept that government should **directly address** poverty and inequality, and use progressive tax systems to redistribute resources to the poor
 - It is about the **social contract**: the level of inequality and poverty a society is prepared to tolerate
 - But it also about **sound economics**: lifting the incomes of the poor to make them participate and contribute to economic and social development, today and tomorrow
- Leaving no-one behind is about building a model of **inclusive citizenship**
 - **From charity to entitlements**: ensures reliability, contestability, accountability and transparency
 - **Rights-based social protection** for inclusive growth social cohesion and democracy

Thank you for your attention –
and enjoy the
Social Protection Week 2017!

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