



International
Labour
Organization

► Social Protection Training for Lao PDR





Social Protection Training for Lao PDR

Module 1 Introduction to Social Protection

► Activity 8: Understanding the complexity of targeting choices

	Procedure:	1. Ask participants to sit in 6 groups, different from the last session. 2. Divide the beneficiary cards among the 6 groups, ensuring that none of the groups receives any duplicate cards. There should be at least one card for each group member. 3. Ask all of the participants to pick 1 beneficiary card at random. 4. Each participant opens their selected card and thinks about it for 5 minutes. Tell them to think carefully about the character on their card (Where do they live? When did they last eat? What might they hope for? How much can they do to change their situation, if they wanted to? How much agency do they have to change their vulnerability, and so on?). Tell the participants to identify in their minds the reasons why the beneficiary on their card deserves social protection.
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► Activity 8: Understanding the complexity of targeting choices

	Procedure:	5. Each group will then discuss for 30 minutes, with the final objective of the group selecting 2 beneficiaries. Each participant is to provide arguments for why the beneficiary on their card should be selected/targeted. 6. The groups must reach a consensus on the 2 beneficiaries to be selected. 7. Each group chooses a volunteer to present in the plenary. 8. The volunteer presents, highlighting the reasons for the targeting choices.
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► Activity 8: Understanding the complexity of targeting choices

	Procedure:	9. After the sharing, discuss the following questions: What happened? • Who received social protection? Why? • How did you feel, and why? • What valuable lessons can you draw from this? • Did the groups make similar decisions?
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	Facilitator's note	Use questions on a slide to facilitate debriefing, take note of responses on a flipchart and comment on trends.
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Session 5

Social protection targeting approaches

Learn about the different approaches for determining who is eligible for social protection benefits

Activity 8: Questions for reflection

Who received social protection? Why?

How did you feel, and why?

What valuable lessons can you draw from this?

Did the groups make similar decisions?

► Targeted approach to social protection

Targeting – **Any mechanism to identify eligible individuals, households and groups** for the purposes of transferring resources or providing preferential access to social services.

Popular targeting mechanisms

- Means testing
- Proxy means tests
- Categorical
- Geographic
- Community-based
- Self-selection

Different aims of targeting

- To direct programmes to those who will benefit most
- Maximize poverty reduction
- Ensure no one is “left behind”
- Contain the costs of provision
- Make the most efficient use of resources when faced with budget limits
- Political gains

► Activity 9: Targeting social protection

	Procedure:	1. Divide the participants into 4 groups. 2. Ask a representative of each group to pick one of the following social protection programmes: • Maternal and Early Childhood Grant • Social Pension • National Health Insurance Scheme • COVID-19 Emergency Cash Grant 3. Ask the participants, “What targeting approach do you think is the most appropriate for your social protection programme in Lao PDR?” 4. Encourage the participants to reflect privately on the previous sessions where targeting was discussed. This is not a group discussion.
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► Activity 9: Targeting social protection

	Procedure:	5. Ask the participants to stand in front of the card with their answer: • Poverty Targeting • Geographical Targeting • Categorical Targeting • Community-based Targeting • Universal approach 6. Encourage people to share why they stood where they are.
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What targeting approach do you think is the most appropriate for this social protection programme in Lao PDR?

Targeting social protection

- **Poverty targeting**
- **Geographical targeting**
- **Categorical targeting**
- **Universal approach**

► Universal targeting and categorical targeting

Benefits

1. A universal approach has **low administrative costs**, as no targeting costs apply, and it is **easier for administrators**.
2. A **reduction in exclusion errors** applies.
3. Prevents **potential social stigma** attached to poverty targeted benefits.
4. Promotes **social inclusion** and **dignity** of vulnerable populations.
5. Can help make the **human right to social protection a reality** and **promote social cohesion** in communities.

► Universal targeting and categorical targeting

Drawbacks

1. **Overall high programme cost**, as a large number of people are eligible.
2. Introduction and gradual rollout of large-scale programme **may take several years**.
3. May be **low political appeal at the central level** based on the logic that resources would be better spent on other areas, such as infrastructure.

► Geographic poverty targeting

Benefits

1. **Reduced administrative costs**, as targeting poor districts comes with a smaller administrative effort than poverty targeting through proxy means testing.
2. **Reduced exclusion errors apply.**
3. Can substantially **reduce inclusion errors** relative to full universal approach, and can thus be a **more cost-efficient approach.**
4. More **easily transformed into a universal approach** than a proxy means testing system.

► Geographic poverty targeting

Drawbacks

1. Overall **higher programme cost** than poverty targeting using means testing/proxy means testing, as all people in a given district are eligible.
2. May require a **rollout rate by district that reaches maturity only after several years.**
3. Poor people living in **non-poor districts are excluded**, and thus, penalized (exclusion errors).
4. **Inclusion errors may also increase** in comparison to an ideal means-tested/proxy means-tested programme

► Poverty targeting (proxy means testing)

Benefits

1. Reduced **benefit-related programme cost**, as a narrowly targeted group of people are eligible.
2. In the case that exclusion and inclusion errors are kept moderately low, it can **have high cost effectiveness in reducing poverty** and thus provides a feasible option in case of budget constraints as well as having political appeal.
3. Poverty targeting **can be a good starting point** upon first introduction of a programme, which can then progressively move to a universal approach over the medium/long-term.

► Poverty targeting (proxy means testing)

Drawbacks

1. Results in **high exclusion and inclusion errors**.
2. Exhibits **highest overall programme cost per beneficiary**, due to high targeting cost.
3. May cause **social conflict in communities**.
4. May **not have buy-in from community leaders/village heads**.
5. Contrary to a **rights-based approach**.

Community-based targeting

Benefits

1. Involves community members **deciding by themselves**.
2. Can be **more accurate** than proxy means tests in identifying the very poor especially in remote, rural areas.
3. Yields **greater satisfaction in the community**.

Community-based targeting

Drawbacks

1. There is risk of **inclusion errors**.
2. **Elite capture** – higher status community members influencing the distribution of benefits.
3. The community may **not have the full picture**.
4. It shifts some costs from administrators to community members.



Case story: Social pension for indigent senior citizens in the Philippines

The Philippine pension system underwent recent reforms that led to an increase in the number of social pensioners to 2.8 million indigent senior citizens in 2017 and an increase in the amount of the Social Security System pension. Yet, approximately 40 per cent of Filipino senior citizens are still left without a pension.

The Coalition of Services of the Elderly and HelpAge International reviewed the implementation and impact of the social pension and found that a **universal social pension** would be better suited to the needs and context of the country. For this to happen, and in order to not leave any senior citizen behind, especially the “missing middle” or the informal sector that is usually left behind, the study recommended that the Social Pension Program under the Expanded Senior Citizens Act of 2010 (Republic Act 9994) should be amended .



Case story: Social pension for indigent senior citizens in the Philippines

This video **captures some of the benefits, gaps and challenges faced by older persons and implementers in the Philippines' current social pension system**, as well as **recommendations for a new approach** that will benefit not just a portion, but the entire ageing Philippine population.



Case story: Social pension for indigent senior citizens in the Philippines



Lessons on targeting

- All **targeting mechanisms generate errors and costs.**
- Targeting can **lead to social divisiveness and perceptions that excluding some people from benefits is socially unjust.**
- Targeting mechanisms face **design and implementation difficulties** in reaching those that need the assistance most.

Lessons on targeting

- Interventions using **Proxy means testing** feature “inherent 30–40% **inclusion and exclusion errors**”.
- **Poverty data collection and analysis** can be **expensive**.
- **Targeting** can potentially **increase social tension**.

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