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# Universal Social Protection to Achieve the SDGs

**Launch of the New Global Partnership for  
Universal Social Protection  
to Achieve the Sustainable Development Goals**

**United Nations**

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Director Social Protection  
International Labour Organization**

# Universal Social Protection, the World Bank, the ILO and the SDGs

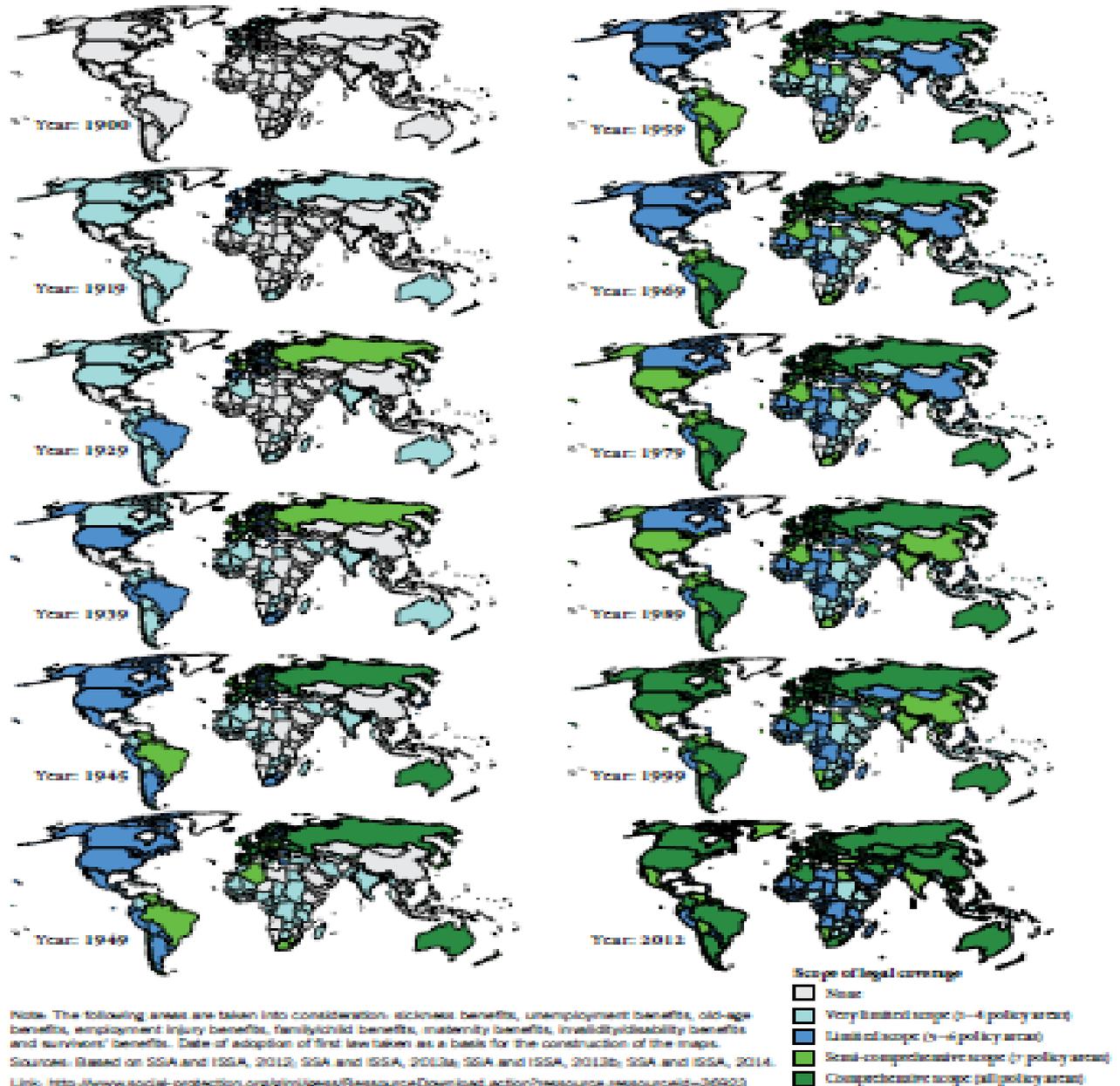
- Universal coverage and access to social protection are central to ending poverty and boosting shared prosperity, the World Bank's twin goals by 2030.
- Also at the core of the Social Protection Floors Recommendation, 2012 (No. 202), approved by world countries, endorsed by the UN and the G20
- World countries have also agreed on SDG 1.3



*“Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable”*

# A Story of More than 100 Years: Building Social Security Systems ... Rapid Expansion since 2000s

Figure 1.1 Towards comprehensive social security systems: Number of areas covered in social protection programmes anchored in national legislation, 1900–2012



Source: [World Social Protection Report 2014-15](#), ILO

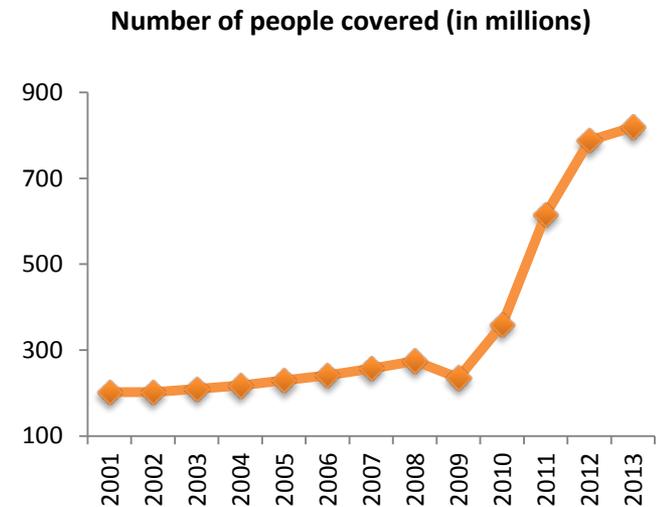
# Many countries are rapidly expanding social protection coverage using various policies...

Several have put in place

## universal and nearly universal social protection schemes:

- Argentina
- Armenia
- Azerbaijan
- Belarus
- Bolivia
- Botswana
- Brazil
- Brunei
- Cabo Verde
- Chile
- China
- Cook Islands
- Georgia
- Guyana
- India
- Kazakhstan
- Kiribati
- Kosovo
- Kyrgyz Republic
- Lesotho
- Maldives
- Mauritius
- Mongolia
- Namibia
- Nepal
- Samoa
- Seychelles
- South Africa
- Swaziland
- Tanzania (Zanzibar)
- Thailand
- Timor-Leste
- Trinidad and Tobago
- Ukraine
- Uruguay
- Uzbekistan

### Example: China Expansion of old-age pension coverage over 2001-2013



Source: [universal.social-protection.org](http://universal.social-protection.org)



# ...and many development partners working together to promote Universal Social Protection Systems



See: [universal.social-protection.org](http://universal.social-protection.org)

# Universal Social Protection for Shared Prosperity and Recommendation 202 Social Protection Floors

Children

Working age

Old age



Child  
Support

Support for those without jobs  
Maternity

Work Injury

Disability Benefits

Access to Health

Old Age  
Pension,  
Survivors

**Safety nets for the poor**

# Social Protection: Demonstrated Results

Higher income  
security for  
households

Reduces poverty  
and inequality

Lessens social  
tensions and  
conflict

Builds political  
stability

Increases  
consumption and  
aggregate  
demand

Supports crisis  
response and  
structural change

Promotes  
economic growth

Better access to  
food and better  
nutritional status

Higher utilization  
of health services

Improved health

Higher school  
attendance and  
reduction in child  
labour

Better educational  
performance

Facilitates search  
for jobs and riskier  
decision-making

Promotes  
productive  
employment and  
entrepreneurship

Increases human  
development and  
productivity

Inclusive growth and human development

# Universal Social Protection to Leave No One Behind

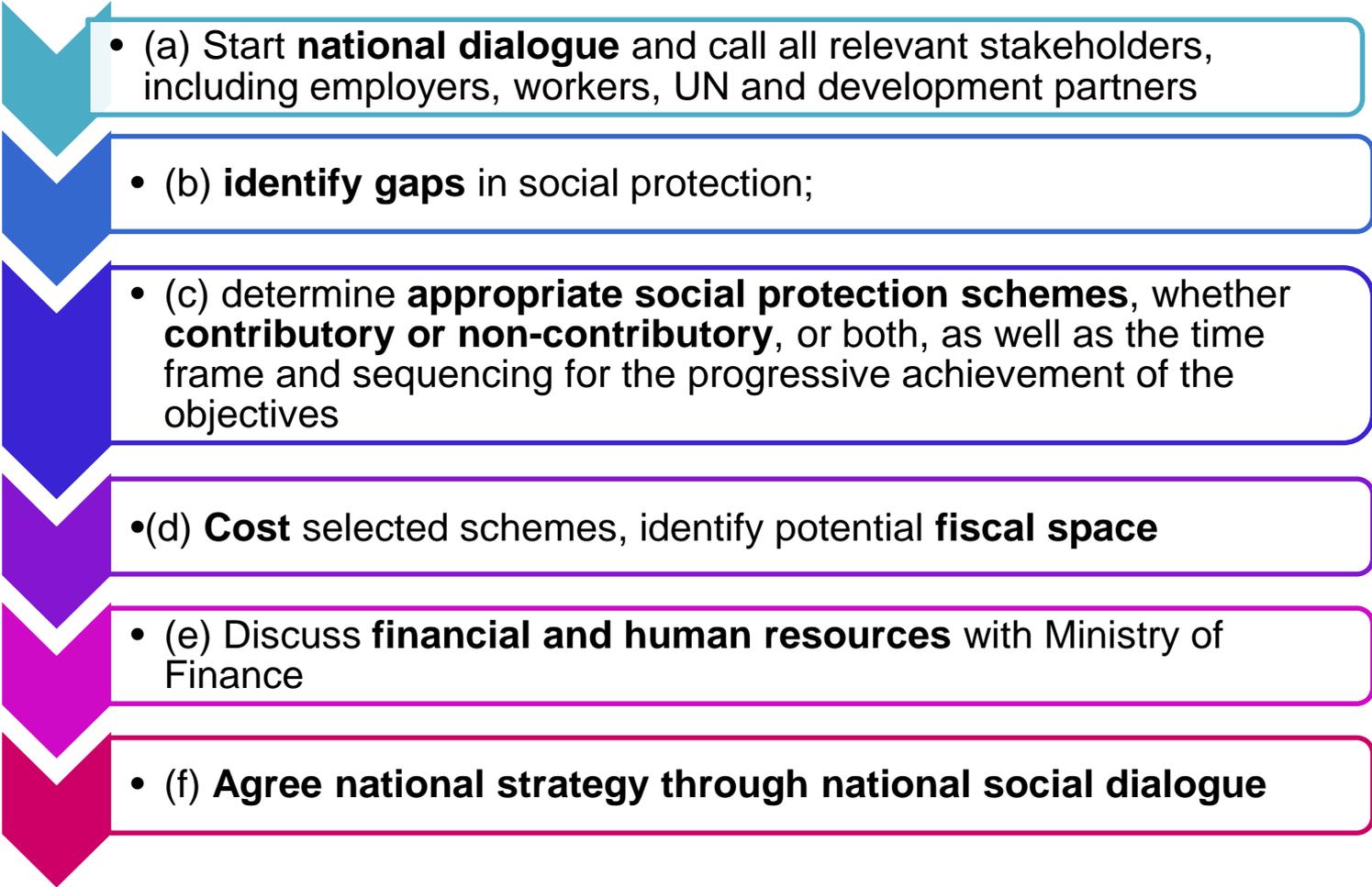
- For the World Bank, ILO, and partners universal social protection refers to the integrated set of policies designed to ensure income security and support to all—paying particular attention to the poor and the vulnerable.
- There are many paths towards universal social protection.
- One is to implement gradually or immediately universal social protection schemes
  - Our shared objective is: “To increase the number of countries that can provide universal social protection, supporting countries to design and implement universal and sustainable social protection systems.”
  - Achieving the vision is through either
    - (1) the progressive or immediate realization of social protection and implementation capacity that ensures complete coverage of everyone in need
    - (2) as well as through ensuring that there is no retrogression on progress achieved.
- Another one is to build a coherent social protection system of contributory and non-contributory programs that in combination ensure full coverage of all people across the life cycle
  - Support countries in formulating and carrying out coherent social protection strategies
  - Coordinating efforts of development partners through the Social Protection InterAgency Board (SPIAC-B)

# Many paths to Universal Social Protection

Governments have a wide set of options to achieve universal social protection. South-South learning shows:

- Some countries opted for immediate universal coverage – eg. Botswana, Timor Leste.
- Others gradual and progressive approach – eg. Brazil, Thailand.
- Some have universalism embedded in their national constitutions - eg. Bolivia, South Africa.
- Others have achieved universalism without any similar constitutional provisions eg. Swaziland, Uruguay.
- Universal social protection is most commonly started with old-age pensions, but some countries have opted to universalize in parallel disability, maternity and/or child benefits. Eg. Argentina, Nepal.
- Some provide a publicly-financed social pension/benefit to all – eg. Mongolia, Namibia.
- Others provide a minimum pension to those who do not have a contributory pension, ensuring universality - eg. Azerbaijan, China.
- Strategic use of transfers to the poor and vulnerable who are not reached out by other social protection schemes-Brazil, Chile, Georgia, India

# Strategies for Universal Social Protection Systems, including floors

- 
- (a) Start **national dialogue** and call all relevant stakeholders, including employers, workers, UN and development partners
  - (b) **identify gaps** in social protection;
  - (c) determine **appropriate social protection schemes**, whether **contributory or non-contributory**, or both, as well as the time frame and sequencing for the progressive achievement of the objectives
  - (d) **Cost** selected schemes, identify potential **fiscal space**
  - (e) Discuss **financial and human resources** with Ministry of Finance
  - (f) **Agree national strategy through national social dialogue**

**Universal SP is a State responsibility, achieved by:  
(1) a publicly financed transfer,  
or (2) by a mix of contributory and non-contributory schemes**

**Voluntary Insurance**

### **Mandatory Contributory Social Insurance**

**Child  
Benefits**

**Unemployment Insurance  
Maternity Work injury  
Disability Insurance  
Health Insurance**

**Old Age  
Pension,  
Survivors**

### **Non-contributory/Publicly financed Social Prot. Floors**

**Child Support**

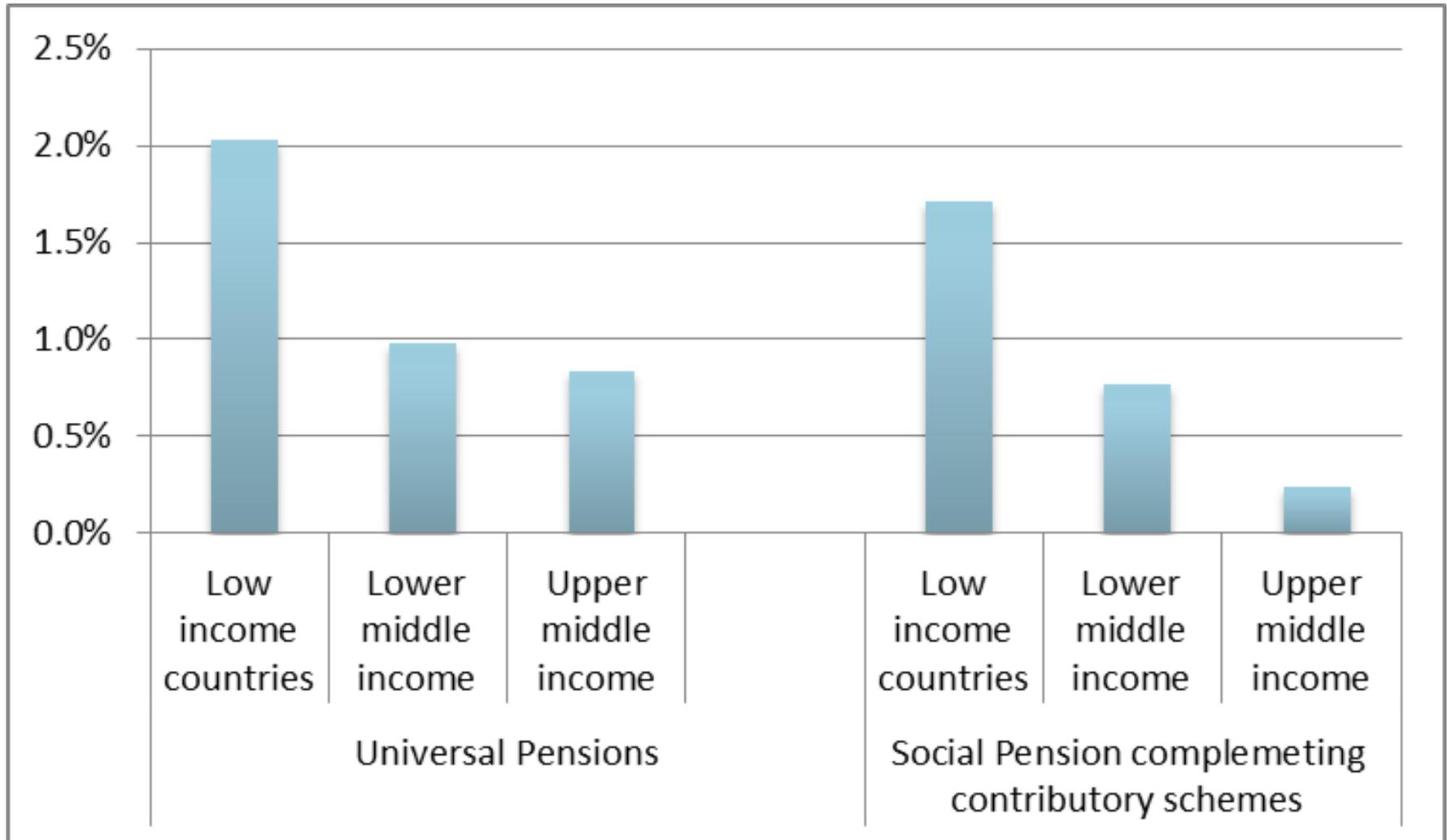
**Support for those without jobs  
Maternity benefits  
Disability benefits  
Access to Health**

**Old Age  
Pension,  
Survivors**

**Safety nets for the poor**

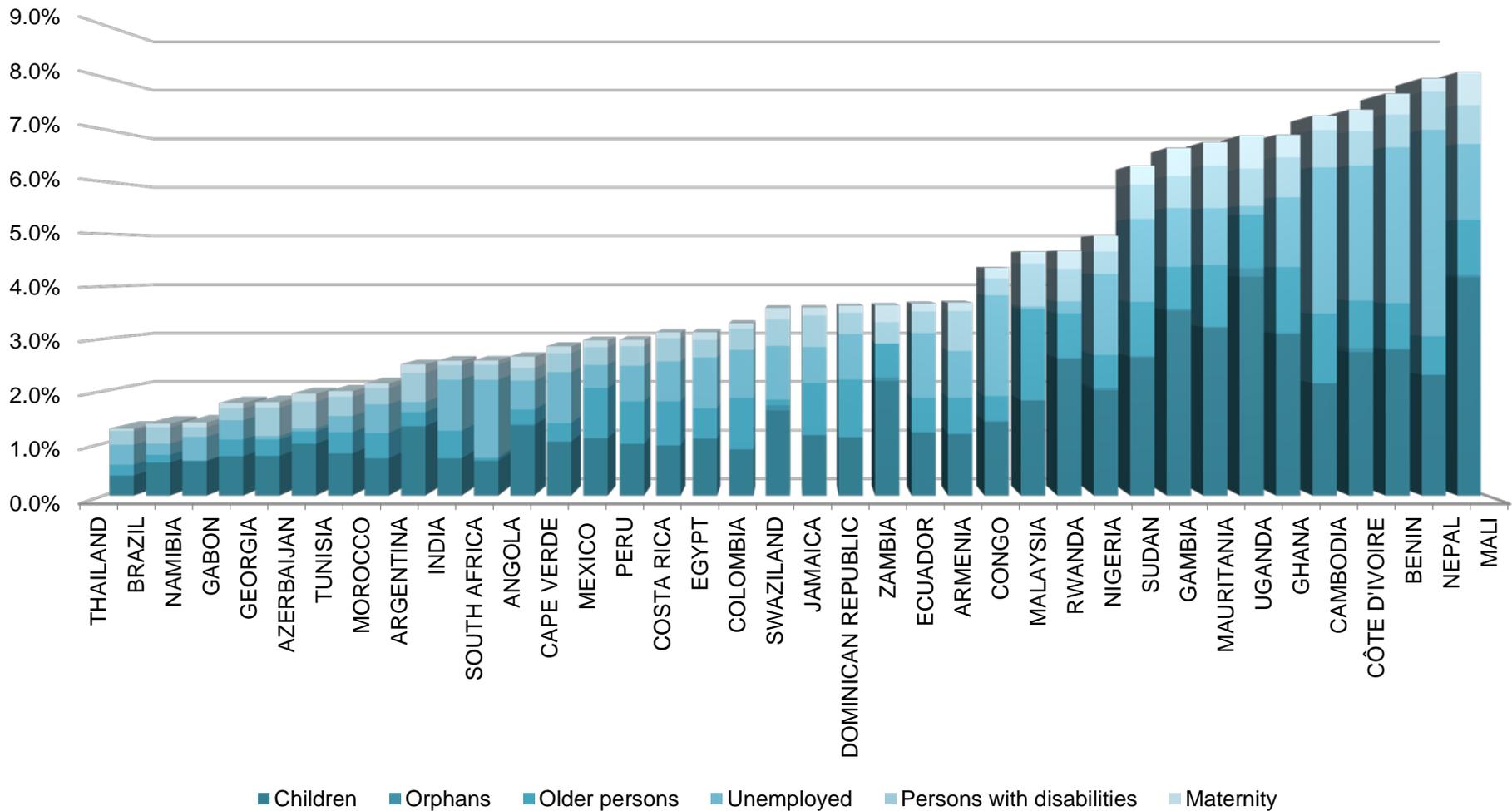
# Universal Social Protection is Affordable in most Developing Countries...

**Cost of universal pension coverage, national poverty line, %GDP**



# ... Lower Income Countries Can Take a Progressive Approach

## Cost of all universal schemes of social protection floors in %GDP



The universal social protection floor package has been estimated as follows: (i) a universal child benefit of 20% of a country's national poverty line to all children 0-14 years old; (ii) a benefit of 100% of a country's national poverty line to all orphans, (iii) a universal pension of 100% of a country's national poverty line, excluding those that have contributory pensions; (iv) unemployment support of 100% of a country's national poverty line to one person per vulnerable household during 100 days; (v) a benefit of 100% of a country's national poverty line to all persons with severe disabilities and (vi) a maternity benefit during 4 months of 100% of a country's national poverty line to all mothers with newborns. All of these schemes include administrative costs (ILO calculations)

# Fiscal Space for Social Protection Floors Exists Even in the Poorest Countries

- **There is national capacity to fund social protection floors in virtually all countries. There are many options, supported by UN and IFIs policy statements:**
  - Re-allocating public expenditures (eg subsidies)
  - Increasing tax revenues
  - Expanding collection of social security contributions
  - Fighting illicit financial flows
  - Lobbying for increased aid and transfers
  - Tapping into fiscal and foreign exchange reserves
  - Restructuring debt
  - Adopting a more accommodative macroeconomic framework (e.g. tolerance to some inflation, fiscal deficit)

# What's Next?

- In the medium term, until 2030, the World Bank, the ILO and their development partners will use their individual and collective resources and influence to support countries in their move towards providing universal coverage
- This will include joint support to countries
  - Social protection policies, programs and administration systems
  - Costing the extension of schemes and expanding fiscal space for universal social protection
  - Addressing bottlenecks in the delivery of social protection benefits
  - Integrating principles of universal social protection into their national development strategies.



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# Thank you

<http://universal.social-protection.org>