

Valentina Barca

SPACE Team Leader

Social protection interventions as medium- and long-term responses amid COVID-19 and beyond

26 August 2020, 15:00-16:30 (Manila Time), via Microsoft Teams

This is not an ADB material. The views expressed in this document are the views of the author/s and/or their organizations and do not necessarily reflect the views or policies of Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy and/or completeness of the material's contents, and accepts no responsibility for any direct or indirect consequence of their use or reliance, whether wholly or partially. Please feel free to contact the authors should you have queries.

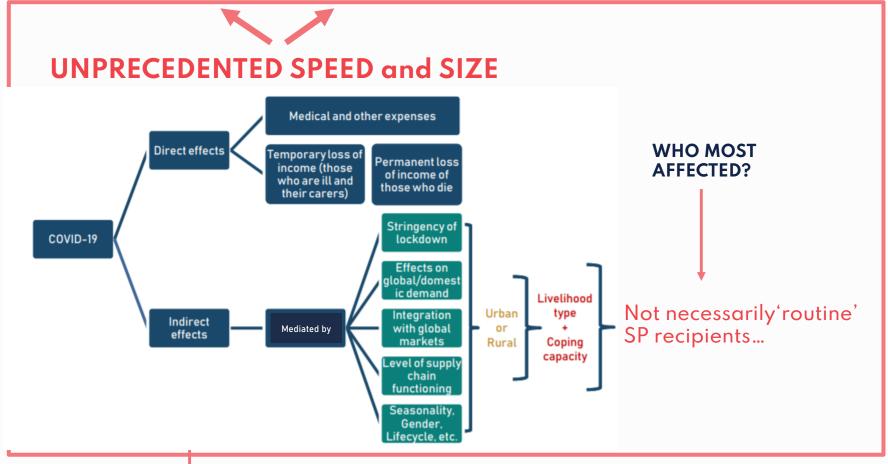


## Making decisions on social protection systems in response to COVID-19 over the short- and medium-term

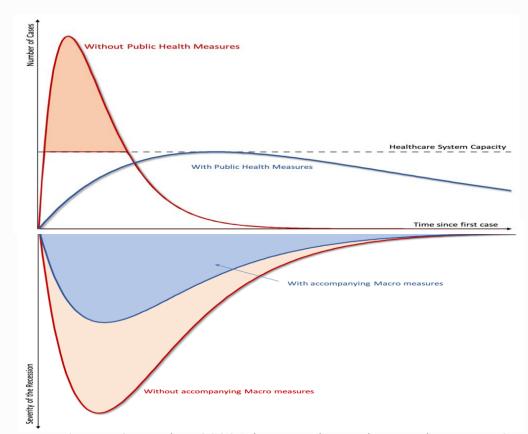


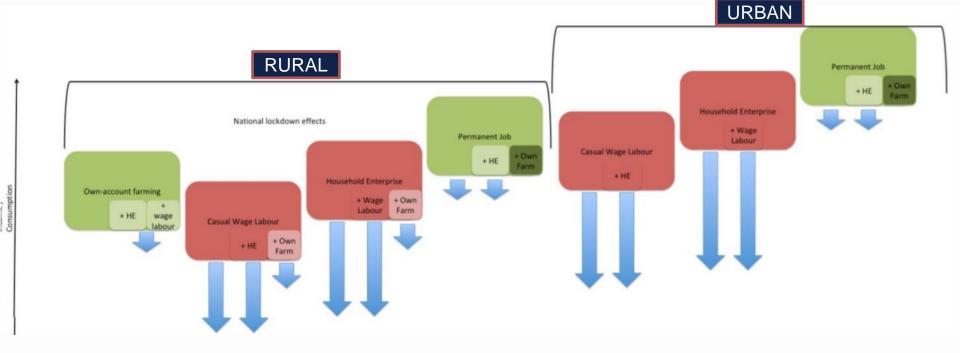
SPACE Social Protection Approaches to COVID-19: Expert advice helpline

a supportive space to plan, challenge, and innovate your COVID-19 response through collaboration with leading global experts



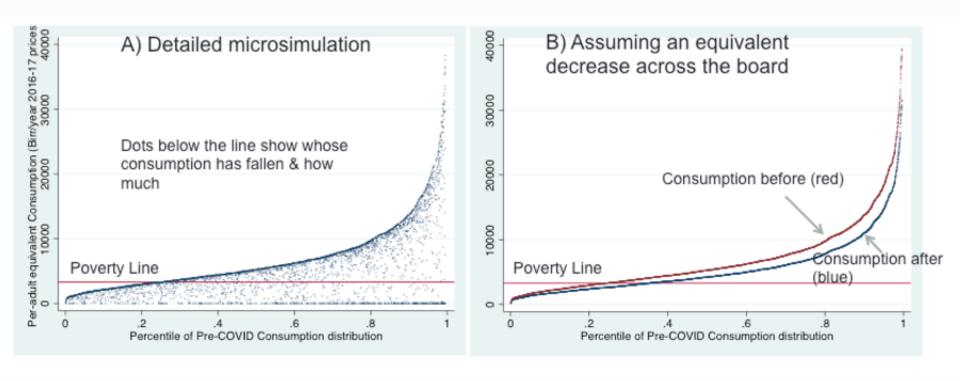
### L SHAPE NOT V/U SHAPE CURVE...





# A LOT OF HETEROGENEITY DEPENDING ON LIVELIHOODS...

Source: SPACE, 2020 "



# A LOT OF HETEROGENEITY DEPENDING ON LIVELIHOODS...



# THE ROLE OF SOCIAL **PROTECTION RESPONSES TO** DATE

### **SOCIAL PROTECTION HAS PLAYED AN IMPORTANT ROLE...**

### SOCIAL PROTECTION COMPONENTS AND INSTRUMENTS

(Note: it is not an exhaustive list of instruments)

### Social Insurance -Contributory

Unemployment

Sickness/injury

leave and pay

age, survivors,

Pensions (old)

disability)

Severance

payments (if

contributory)

Health insurance

Maternity leave

Child/family

benefits

### Social Assistance - Non-Contributory

#### Cash transfers

- Poverty targeted cash transfers
- Old age and disability pensions/grants
- Family and child allowances
- Housing/utility allowance
- Public works/workfare
- Cash for emergency
- Etc.

### <u>In-kind transfers</u>

- School feeding
- Food stamps and vouchers
- Food distribution programmes
- Nutritional programmes
- Fee waivers (e.g. edu.; health)
- Food for work/emergency

### Social care services

- Day care services
- Foster care
- Basic and specialised social care
- Domestic Violence victim care
- Residence care services (PWD, elderly)
- Homeless shelter
- Etc.

### Labour market polices/interventions

- Employment incentives (e.g. tax and social security exemption; credit to finance wage bill)
- Wage subsidiesLabour intermediation
- Training
- Unemployment benefits/severance payments
- Etc.

benefits
• Etc

Source: CODI, TRANSFORM

...UNIVERSAL HEALTH COVERAGE (not just linked to labour)

### TWO KEY FEATURES OF SHOCK-RESPONSIVE SOCIAL PROTECTION SYSTEMS:



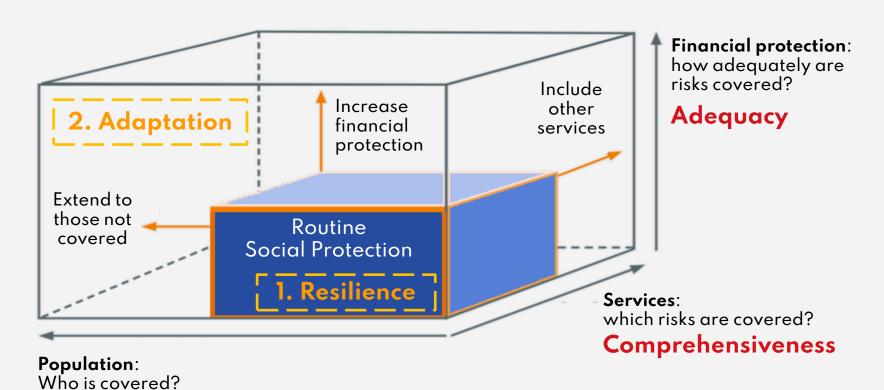
Withstand the shock to maintain routine delivery (not collapse)

This will require some changes to routine design & implementation.

Flex to cover changed context and needs

I.e. via existing programmes or new programmes that build on existing systems (via SP or other sectors).

### WHETHER IDIOSYNCRATIC OR COVARIATE...



Coverage

### SOCIAL PROTECTION COMPONENTS AND INSTRUMENTS

Social Insurance - Contributory

Social Assistance - Non-Contributory

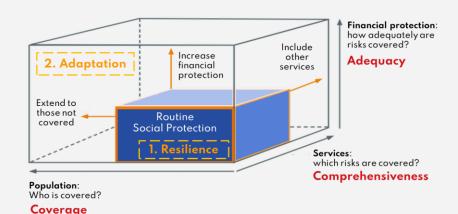
Labour market polices/interventions





Some examples in-act for COVID 19:

- Paid sick leave
- Unemployment benefits
- Employment-retention
- Wage subsidies and furlough schemes
- Pensions



### SOCIAL PROTECTION COMPONENTS AND INSTRUMENTS

Social Insurance - Contributory

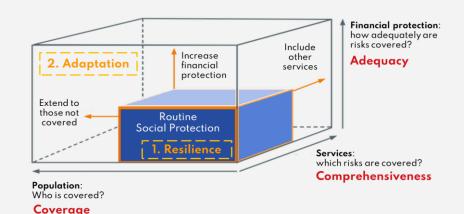
Social Assistance - Non-Contributory

Labour market polices/interventions

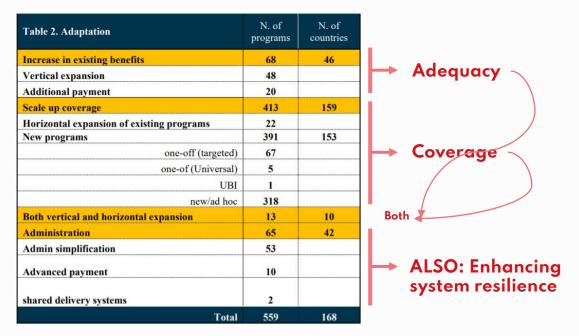


### Some examples in-act for COVID 19:

- Poverty targeted cash transfers
- Old age/disability/social pensions/grants
- Family and child allowances
- Public works/workfare
- In-kind transfers/stamps/vouchers
- School feeding
- Etc, etc....



### **WHAT HAS BEEN HAPPENING IN THE COVID RESPONSE?**



Majority of social assistance measures have been Cash Transfers!

Source:

# HOW DID WE PERFORM?



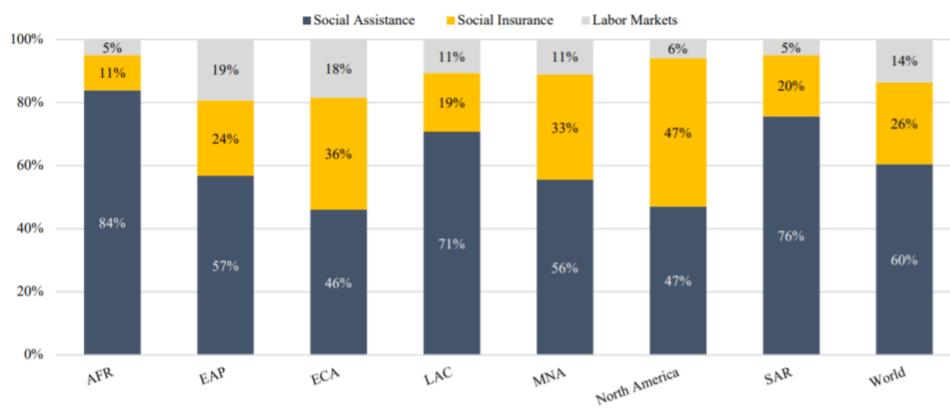


### TYPE OF INSTRUMENT, JULY 2020 DATA (GENTILINI ET AL)

	SOCIAL ASSISTANCE				SOCIAL INSURANCE				LABOR MARKETS			
Countries	Cash- based transfers	Public Works			Paid leave/unemployment	Health insurance support	Pensions and disability benefits	Social security contributions (waiver/subsidy)	Wage subsidy	Activation (training)	Labor regulation adjustment	Reduced work time subsidy
China	<b>✓</b>							<b>✓</b>	✓	✓		
Cambodia	<b>✓</b>		<b>✓</b>					<b>✓</b>	✓			
Indonesia	<b>✓</b>		✓			✓		<b>✓</b>		<b>✓</b>		
Lao PDR	<b>✓</b>											
Malaysia	<b>✓</b>			<b>✓</b>	<b>✓</b>		<b>✓</b>	<b>✓</b>	<b>✓</b>	<b>✓</b>	<b>✓</b>	
Myanmar	<b>✓</b>		✓	✓		<b>✓</b>		<b>✓</b>				j j
Timor-Leste	<b>✓</b>								✓			
Vietnam	./			_/	_/			./				

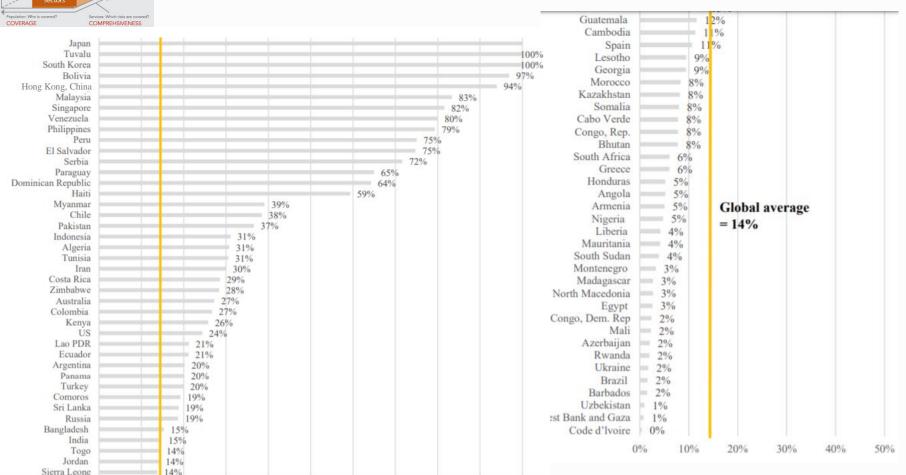
### TYPE OF INSTRUMENT, JULY 2020 DATA (GENTILINI ET AL)

Figure 7. Social protection in Covid response composition by region



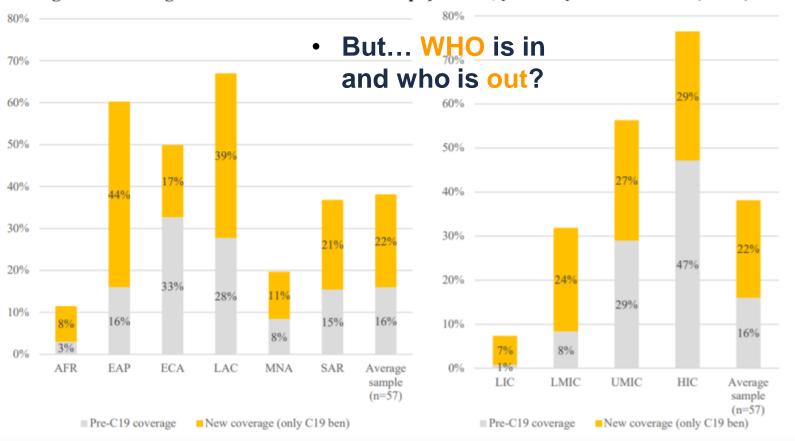


### COVERAGE CASH TRANSFERS (% POPULATION, JULY 2020 DATA GENTILINI ET AL)



### COVERAGE CASH TRANSFERS (JULY 2020 DATA GENTILINI ET AL)

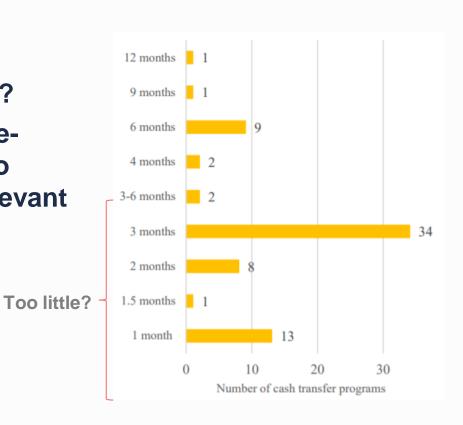
Figure 6. Coverage of cash transfers as % of the population, pre and post-Covid rates (n= 57)





### **ADEQUACY? STILL TOUGH TO ASSESS**

- What to look at?
  - Duration: one-off? How long?
  - Amount: % increase from pre-COVID levels, % compared to GDP per capita and other relevant indicators (including humanitarian MEB)
  - % GDP invested...
  - Are they being extended? Will routine transfer sizes increase?





### COMPREHENSIVENESS

- Even harder to assess…
- What do well performing countries have in common? Sequenced, layered approach





Not only FIRST payments.. Also LAST and hardest to reach



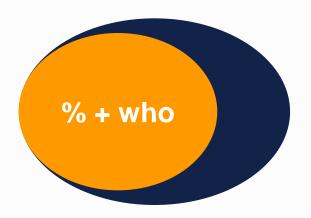
**SUSTAINABILITY?** 



# SO WHAT GOING FORWARDS?

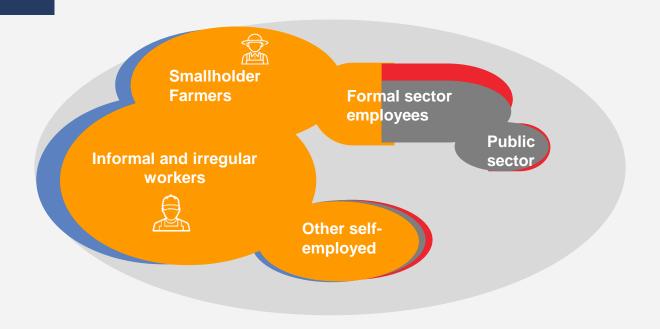
### CASELOADS

**CAPACITIES** 



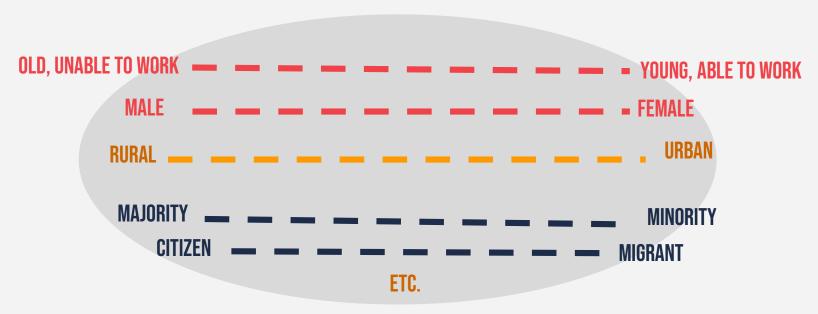


### **CURRENT SP "PROTECTION" (1. WORK)**



### So what?

- Addressing gaps and incoherence
- Social protection as an investment and not a cost...
- Cost-effectiveness of early action and resilience building



### So what?

Inclusive, catering to all when in need...

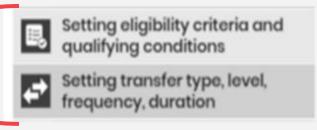
### STRENGTHENING EXISTING SYSTEMS, TO BUILD ON THOSE

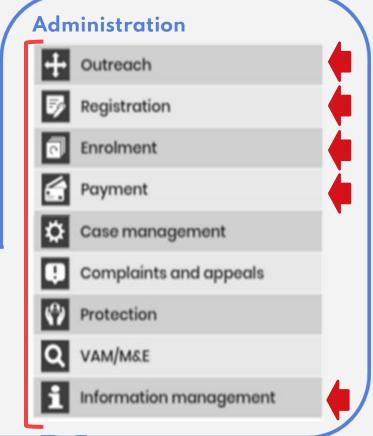
Investing in preparedness is non-negotiable

### **Policy**



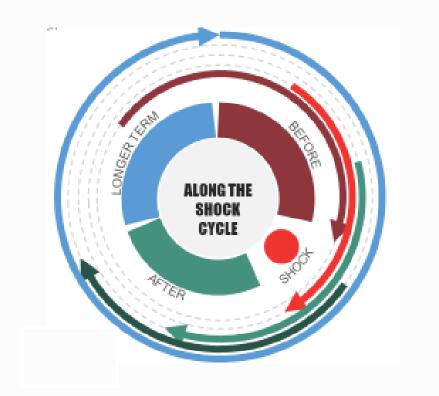
### Programme (design)





How to quickly register, enrol and pay, next time? With what funding?

### SHORT TERM: the SHOCK CYCLE



### LONG TERM: The 'policy cycle'

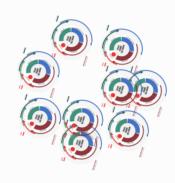


From 'fire-fighting' to 'systems-building'

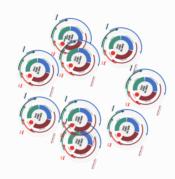








Medium term



Long term

