

# ADB, SOCIAL PROTECTION AND THE SDGS EMERGING CHALLENGES IN ASIA AND THE PACIFIC

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 **ADB-ADB Regional Inception Workshop: Strategies for Financing Social Protection to Achieve SDGs in DMCs**

**17-18 May 2018, ADBI Tokyo, Japan**



# Social Protection in the SDGs

## Goal 1. No Poverty

Target 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

## Goal 3: Good Health and Well Being

Target 3.8 achieve **universal health coverage** (UHC), including financial risk protection, access to quality essential health care services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all

## Goal 5: Gender Equality

Target 5.4 **Recognize and value unpaid care and domestic work** through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate.

## Goal 8: Decent Work and Economic Growth

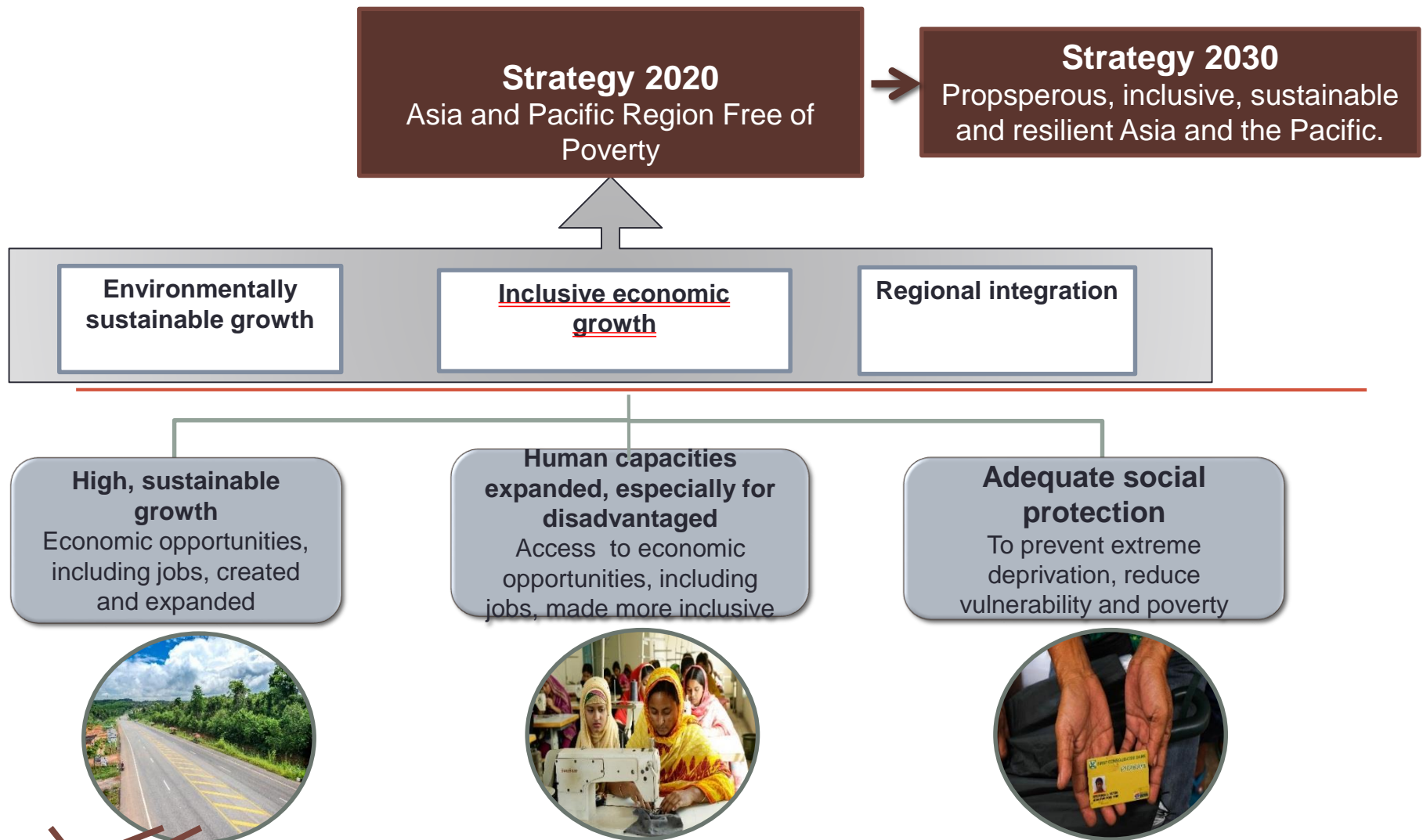
Target 8.5 by 2030 achieve **full and productive employment and decent work for all women and men**, including for young people and persons with disabilities, and equal pay for work of equal value

## Goal 10: Reduced Inequalities

Target 10.4 Adopt policies, especially **fiscal, wage and protection policies**, and progressively achieve greater equality



# ADB's Strategy 2020 and S2030



# Strategy 2030

## Operational Priority 1:

### Addressing Remaining Poverty and Reducing Inequalities

#### Human development and social inclusion

- Generating quality jobs
- Improving education and training
- Achieving better health for all
- **Ensuring social protection**



# Social Protection Operational Plan 2014-2020

- Support standalone social protection interventions  
[innovative approaches to social assistance, pension and social insurance schemes]
- Integrate social protection components into selected sectors  
[TVET, scholarships in Education; health insurance for Health; core labor standards in Infrastructure projects]
- Strengthen policy and institutional capacity  
[build country capacity to integrate social protection into national development plans, improve social protection systems]
- Support partnerships  
[collaborate with other MDBs, UN agencies, think tanks]
- Monitor social protection trends in Asia and the Pacific  
[collect data, measure and report on interventions]



# ADB and SP in the region

- ADB is supporting governments to develop systems and programs and to expand coverage
- ADB monitors social protection spending, coverage, benefits, distribution impact (poverty, gender) through the ***Social Protection Indicator***. This can contribute to new policy and program development— initiative started in 2005
- Ongoing technical assistance: *Strategies for Financing Social Protection to Achieve Sustainable Development Goals in Developing Member Countries* (Indonesia, Myanmar, Timor-Leste)
- Upcoming technical assistance to build DMC capacity and increase the pipeline of social protection projects



# Some findings from 2015 SPI data

- Social Assistance, cash transfers and social pensions coverage are expanding in many countries
- Active labor market programs remain underfunded across the whole of Asia
- The coverage of social protection in Asia averaged 55.1% of intended beneficiaries (2015 data)
- Social insurance spending prevails over other programs
- Health insurance lags behind pensions
- Many countries have achieved progress in extending social insurance
- The expenditures on social assistance were especially high in countries with broad-based entitlements
- A key policy goal is to balance coverage and benefits levels





# Changing Landscape and Emerging Challenges

## **Future of Work**

- Technology impacts
- Workplace shifts – “gig”, informalization, migration
- Potential for Displacement
- Widening inequality
- Persistent informal sector

## **Increased pressure on education and social safety nets**

- Invest in job-readiness and retraining: skills development, retraining, job transition
- Strengthen social protection and labor market policies
- Create additional fiscal space

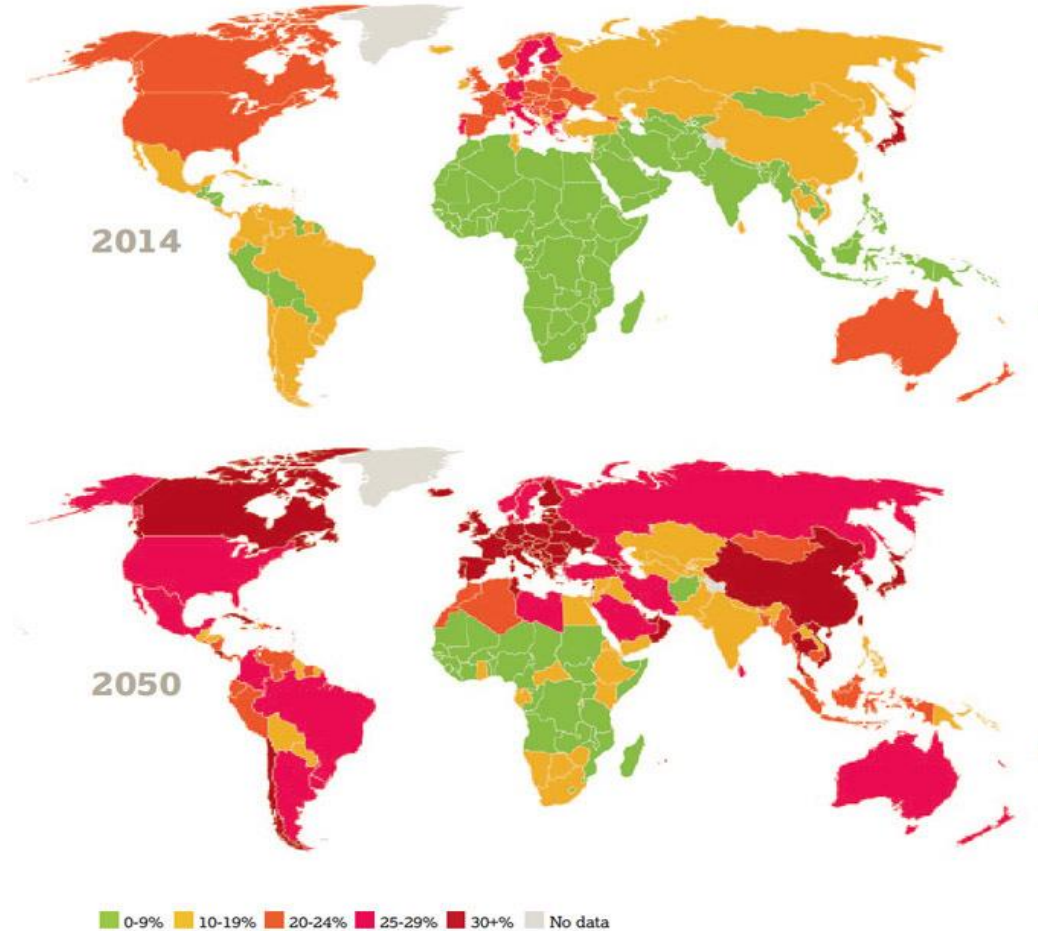


# Work related SP implications

4 <sup>th</sup> IR Impacts	Issues	Work-related social protection
<b>Job disappearance</b>	Technology displaces people from jobs that have been automated or made redundant	<p>Passive labor market policies– i.e. unemployment insurance or income replacement</p> <p>Active labor market policies for reinsertion into the labor market,</p> <p>Retraining for workers to redeploy in the labor market</p>
<b>Job polarization</b>	Middle-income and middle-skilled jobs may be disproportionately affected	Social protection systems have to consider those who may be most at risk
<b>Non-standard forms of employment</b>	Move from a “regular” or “standard” job of often indefinite duration	Most work-related social protection assumed full-time, wage-earning employment. New ways and forms of delivering social protection related to labor market participation (I.e., unemployment and health insurance, old-age)
<b>A change in status in employment</b>	The “gig” or “platform” economy provide access to labor markets and change of status in employment from wage-earner to self-employed	Questions on labor and contract laws and resulting work related social protection

# Aging

Proportion of population aged 60 or over in 2014 and 2050



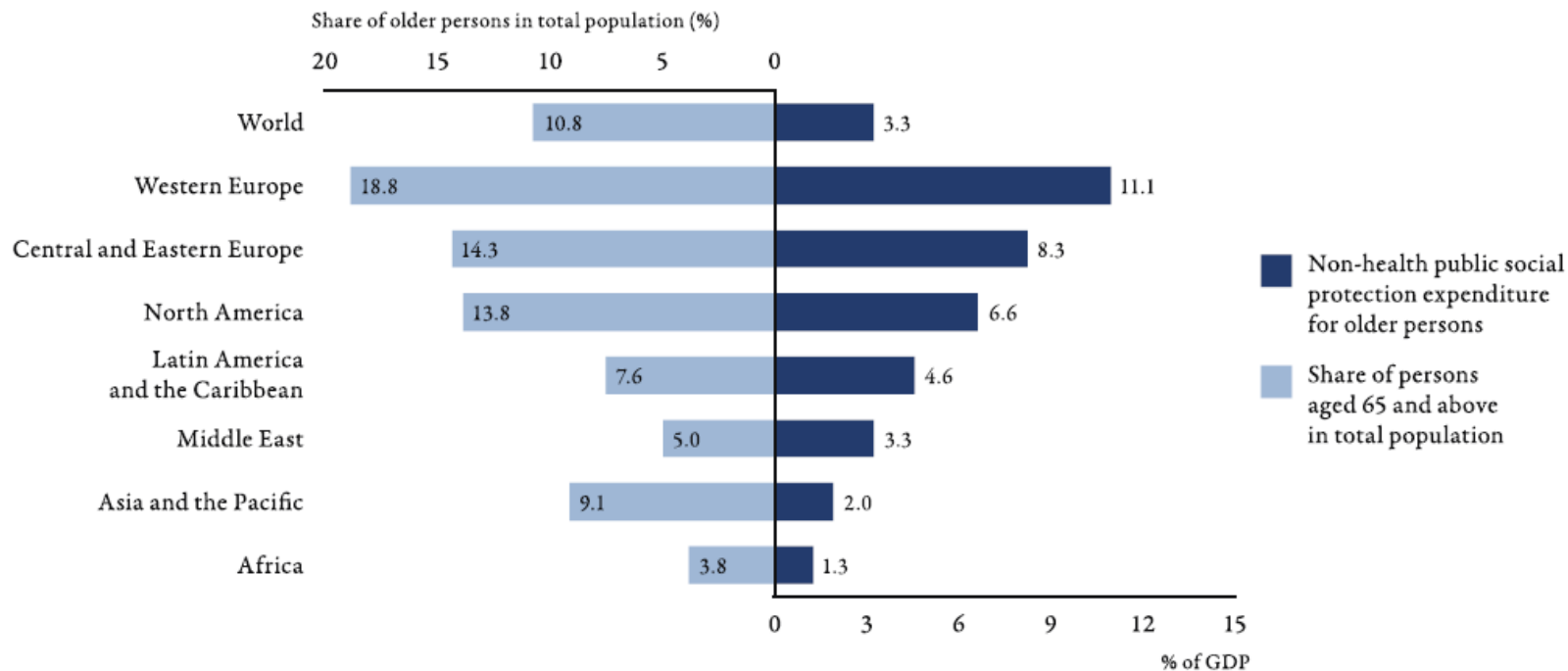
Source: UNDESA Population Division, *World population prospects: the 2012 revision*, DVD edition, 2013

Note: The boundaries shown on this map do not imply official endorsement or acceptance by the United Nations



# Asia: Limited Public Spending

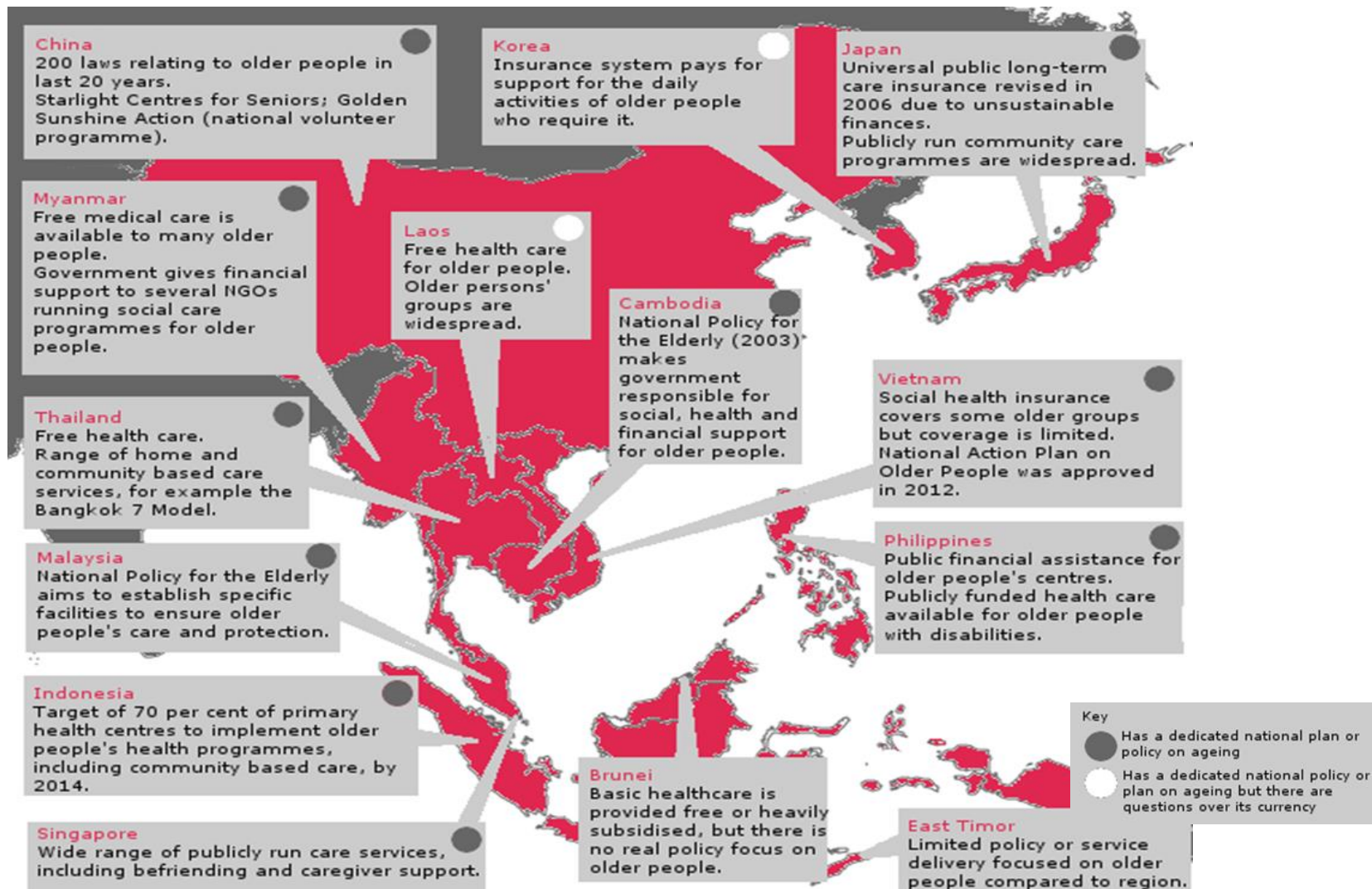
(Non health public social expenditures for elderly above 65)



Source: OECD statistics 2012



# Public Policy Map



Source: HelpAge International. 2013. Care in Old Age in Southeast Asia and China

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# Looking to the future

- Clear that the future will have profound impacts on individuals, families, communities, workers, employers and institutions
- Social protection and broader labor policies will need to adapt to the changing realities and diversity
- This is already starting to happen in the region
  - **Singapore:** Continuing Education and Retraining Masterplan - SkillsFuture, an integrated, high-quality system of education and training that responds to constantly evolving industry needs, and fosters a culture of lifelong learning
  - **Thailand** –The Department of Older Persons created in 2015 to deal with the employment of people over the retirement age and related issues
- Assessing the financing needs is a critical step

