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## REDISTRIBUTIVE SOCIAL PROTECTION MAPPING STUDY

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# 1 | Introduction

After having been relatively absent from national and international development agenda's, social protection has recently become one of the key policy priorities of many low- and middle income countries. Donors and International organisations (the ILO and the World Bank in particular) are playing a major role herein, shaping the debate and implementing programmes in this area. The challenges that are being responded to also remain huge. The 2014 ILO Report on World Social Protection (ILO, 2014, p. 1) notes that only 27% of the global population enjoys a comprehensive social protection cover with the remaining 73% only being covered partially or not at all. In Africa, it is estimated that 70% of the population lacks access to any form of social protection (World Bank, 2012). The synthesis report of the UN Secretary General on the post-2015 agenda (UN, 2015) echoes this concern by underlining the universal character of social protection and the responsibility of national governments to finance social protection floors (§91; UN 2015, p. 22).

The way the UN Secretary General is addressing social protection in the Report on the post-2015 agenda represents a major policy shift in developing countries. Since the 1990's, numerous programmes and projects related to social protection have been implemented in developing countries. These were first initiated by donors but progressively also by national governments and to an even larger extent by civil society organisations. From the late 2000's, it became clear, that all those initiatives were rather fragmented and faced considerable difficulties in ensuring effective cover and in scaling-up. Their limited financial and technical sustainability was also questioned. At the same time research demonstrated the affordability of social protection systems in developing countries. This strengthened the idea that social protection should be primarily financed at national level with governments taking a more important role in their design. Furthermore, the problem of growing inequality led to an increased interest in social protection as an instrument for redistributing wealth at national level.

Social protection is not a new field of action for Belgium. Way before its inclusion in the Law on Development Cooperation from 2013, both governmental and non-governmental actors were already active in this field, particularly related to the health sector. Also the Belgian strategy paper on middle-income countries suggests to explore to what extent Belgium can support efforts of governments towards the mobilisation of domestic resources to finance social protection. This Working Paper, in the context of the BeFind research programme, aims at supporting this exploration. By explaining the various dimensions of redistributive social protection as well as by analysing how donors are currently engaged in this area.

We first give a brief overview of the schools of thought regarding social protection and explain how it emerged as a priority area. Chapter 3 then presents a theoretical framework that outlines the various processes involved in building national redistributive social protection systems in developing countries. Chapter 4 explores, from a redistributive perspective, a range of financial options that are suggested by the ILO to expand social protection at country level. In chapter 5 we look at the technical measures that can be taken and analyse them according the extent in which they can contribute towards a redistribution of wealth and to address the structural causes of inequalities.

Chapter 6 zooms in on the political dimension by looking at the socio-political factors and actors that interplay (or could/should interplay) when social protection is addressed from a comprehensive and redistributive perspective. In chapter 7 we review the practice of different donors in this area while chapter 8 gives a brief overview of Belgium's efforts at bilateral level. The chapter analyses these efforts according to the financial, technical and socio-political dimensions of redistributive social protection systems. The final concluding chapter also suggests some recommendations directed to the Belgian development cooperation.

## 2 | Social protection and development aid: a historical overview

### 2.1 Defining social protection

The ILO defines social protection as ‘the set of public measures that a society provides for its members to protect them against economic and social distress that would be caused by the absence or a substantial reduction of income from work as a result of various contingencies (sickness, maternity, employment injury, unemployment, invalidity, old age, and death of the breadwinner), the provision of health care, and the provision of benefits for families with children’ (ILO, 2014). However there is no consensus on the definition of social protection. For instance, the World Bank or DFID will give more emphasis on the role of social protection to protect individuals and society from poverty and destitution. Other institutions or authors (Institute of Development Studies, 2004) will define social protection by the type of measures (social assistance, social services, social insurance, social equity) or by the objectives social protection is pursuing.

#### Box 1. Some definitions of social protection

IDS, 2004: ‘Social protection describes all initiatives that: 1. *provide* cash or food transfers to the poor; 2. *protect* the vulnerable against livelihood risks; and 3. *enhance* the social status and rights of the excluded and marginalised.’

ADB, 2003: ‘The proposed definition of social protection contains [...]: (i) Labor market policies and programs designed to facilitate employment and promote the efficient operation of labor markets; (ii) Social insurance programs to cushion the risks associated unemployment, health, disability, work injury, and old age; (iii) Social assistance and welfare service programs to provide subsistence to the most vulnerable groups with no other means of adequate support.’

World Bank, 2012: ‘Social protection and labor systems, policies, and programs help individuals and societies manage risk and volatility and protect them from poverty and destitution—through instruments that improve resilience, equity, and opportunity.’

Human Declaration On Human Rights, 1948.: ‘Everyone has the *right* to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the *right* to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.’

Source: based on Roelen, 2014 and IDS (2004).

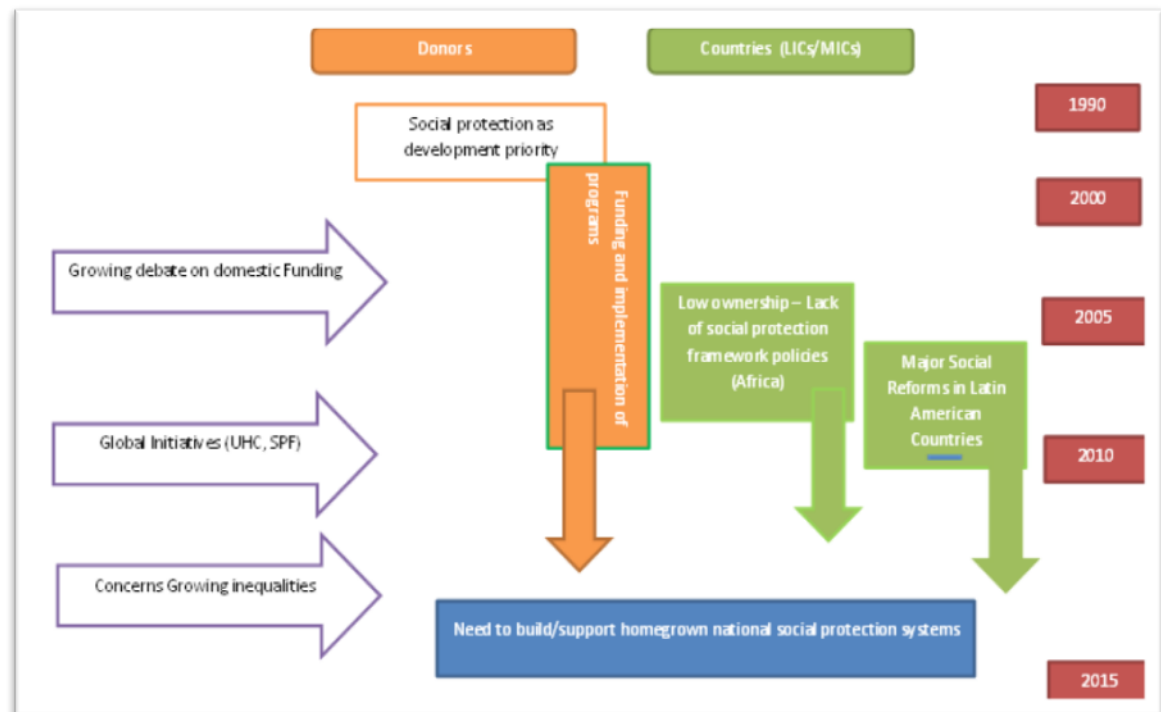
### 2.2 Evolution of social protection on the international aid agenda

In this section, we present a sketch of the evolution of social protection on the international development aid agenda since its emergence in the late 90s. Figure 1 illustrates some significant factors and observations that explain why and to what extent the vision and the practices around social protection have evolved over the years.

The rise of social protection on the international agenda has occurred in the late 90s under the leadership of the World Bank and the ILO who continue to be major actors in this policy domain. From a poverty reduction perspective, the World Bank addressed social protection through the development of a specific framework called the Social Risk Management approach. This approach

rested on the rationale that extreme poverty could be reduced through better risks management at the individual level (reducing risks) or through individual initiative (e.g. buying insurance products).

**Figure 2.1 Evolution of social protection on the international aid agenda**



The impact of the Social Risk Management framework has been huge *i.e.* due to its promotion and dissemination via the second generation Poverty Reduction Strategy Papers (PRSPs) that include a chapter on social protection based on this framework. From 1998 to 2011, the World Bank spent about \$30 billion on social protection and labour programs in developing and emerging countries, representing about 7% of the total World Bank-wide lending commitments (World Bank, 2012).

In parallel, the International Labour Organization dedicated its 2001 annual conference to social security and called for a major campaign on the extension of social security coverage in developing countries. The 2001 ILO report “Social Security: a new consensus” sought to promote consensus on the assessment of the situation and on possible ways forward” (ILO, 2001, p.41). In addition, this report proposed an analytical framework that went beyond the traditional European social security models, opening the perspective to extend social protection to groups excluded from existing systems on the one side and to offer better social protection packages for the whole population on the other side.

From the 2000s, this renewed attention to social protection has led to a growing number of programmes being implemented around this policy domain in developing countries. These programmes were supported and often designed by governmental and non-governmental development agencies. They mainly targeted specific groups of the population that were not covered by existing social security systems. Typically, these groups can be considered as either working poor, active in the urban or rural economy, or as people living in extreme poverty without any source of income. Social protection programmes mainly involved different forms of social assistance such as public works programmes or transfers in cash or kind. These were set up with

the aim of offering some kind of social protection to poor individuals and households, mainly targeting the poorest and/or most vulnerable groups of society (elderly, children under 5, pregnant women, etc.). Beside social assistance, other social protection measures were tried, like voluntary insurance (community based health insurance in particular) for people who are able to organise themselves and to financially contribute. The large focus on the poorest and most vulnerable groups was also influenced by the emphasis given by donors in the 2000's to poverty reduction which strongly shaped social protection reforms in developing countries during that time.

Not surprisingly the proliferation of these donor-driven programmes led to limited ownership of governments on social protection issues, particularly in Africa. As Hickey (2011) explains, some donors intended to influence some ministries and departments like Ministry of social welfare or community development (often considered as weak actors within government) but without succeeding (or intending) to influence higher levels of government. This lack of ownership at governmental level also explained why programmes kept being designed and implemented without being part of an overall country strategy related to social protection.

However, at the same time (namely from mid-2000), major social protection reforms were undertaken in some Latin American countries (e.g. Bolsa Familia in Brasil, Pension Reform in Chile) and Asian countries (e.g. Universal Health Insurance in Thailand). These processes, and later the positive outcomes of these reforms/programmes helped to demonstrate the key importance of political will and ownership at the country level as well as the feasibility of financing such reforms using domestic resources. From a financial perspective, these observations echoed with one of the “leading actions” suggested by Monterrey Conference on Financing for Development in 2002 which emphasized the primary responsibility of the countries for their own economic and social development and the need and opportunity to mobilise more domestic resources for development<sup>1</sup>. For social protection in particular, the debate was supported by a growing number of studies and economic projections (ILO, 2005 & 2008; Ravallion, 2010) demonstrating the affordability of social protection measures for a range of middle-income countries and even low-income countries.

In the late 2000s, another supportive factor was the growing international debate around the universal coverage of public policies, particularly around the Universal Health Coverage initiative launched by the World Health Organisation and many civil society actors (2010) as well as the social protection floor initiative launched by the ILO (from 2009 to the adoption of the 202 Social Protection Floor recommendation in 2012; see Box 8). The various debates on ‘universalism’ were reinforced by the observation that the coverage (number of people covered) by social protection schemes remained limited. Furthermore, these social protection schemes were also shown to face considerable challenges, both financial and organisational, with regards to their scaling-up.

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<sup>1</sup> <http://www.un.org/esa/ffd/monterrey/MonterreyConsensus.pdf>



These different observations and factors have profoundly reshaped the vision on social protection (see table 4.2). Social protection remains more than ever a major priority for donors but it is nowadays recognised that no major outcomes related to social protection will be achieved in the long run without being based on domestic agenda's and home-grown systems. It also means that social protection reforms should seek to contribute towards building social protection systems at national level, offering a more institutionalised set of measures on a permanent and secured basis (i.e. not dependent from temporary programs, external actors or donor funding). Consequently, social protection reforms will need to rely, at least in the long run, on sustainable and predictable and therefore mainly (when possible) on domestic resources.

Table 4.2 Past practices/perspectives vs current perspective on social protection

« Past » Vision/Practices	Current vision
<b>Donor driven agenda</b>	Homegrown system/Domestic Agenda
<b>Fragmented programmes</b>	Social protection system
<b>Targeted/sectoral approach</b>	Towards universal Social Protection Systems
<b>Temporary measures</b>	Measures guaranteed by the law Right to social protection
<b>International funding</b>	Domestic/Innovative international funding mechanisms
<b>Technical approach</b>	Political/financial approach supported by technical expertise
<b>Limited attention to outcomes beyond the programs (mainly at individual level)</b>	Social protection contribution to tackle inequalities: e.g through redistribution and other structural measures/policies towards equal opportunities
<b>No donor coordination</b>	Efforts towards donor coordination

From that perspective, the development of social protection can no longer be regarded as a mere technical process. (e.g. design of schemes, targeting approaches, organisational issues, etc.). Instead it also becomes a political process and hence will also require a political approach in addition to a technical one. Indeed, political choices will need to be made by the State about the design, the principles, the institutionalisation (legal framework), the implementation and the financing of social protection. Such choices will imply - at least in theory - interactions and debate among the institutions (e.g. Parliament) and the social forces of the countries (elites, civil society, political parties, and population) that will support, discuss or intend to influence the propositions and plans of the governments. Inequalities are part of this debate: What are the drivers of inequalities in particular countries? Why do some segments of a population fail to benefit from public policies? Who is contributing to the resource mobilisation at a domestic level? The political dimension of any social protection reform process is illustrate by the following quote:

*'Each type of social protection regime reflects a specific vision of the society, notably a particular approach to the notion of social justice and a given understanding of the role of the State'. In particular, the financial dimension makes the choices even more specific: it is about deciding from which sources of wealth or revenue fiscal space will be created, who should benefit from this public resources and to compensate to loss related to which types of risks?'* (Cherrier, 2015, p. 6)

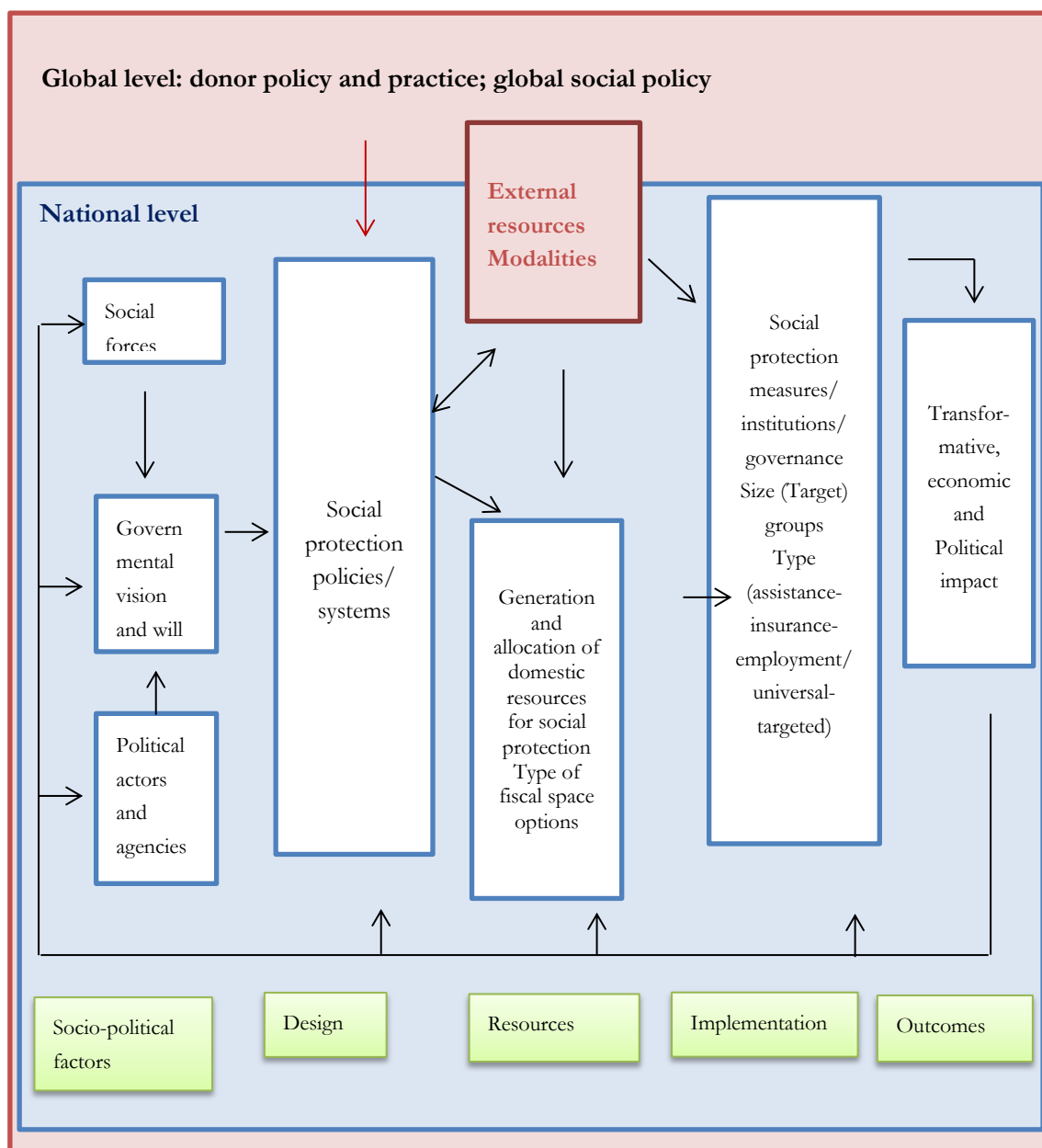
A more contemporary understanding of social protection as described above unavoidably leads to a stronger focus on the redistribution of wealth. This is because parts of the public resources mobilised by the State will need to be 'redistributed' towards providing a certain level of social protection

to the population at large or to parts of the population. Furthermore, when social protection is considered as a redistributive social policy, (i.e. redistributive social protection) there is need for a comprehensive understanding of the (actual or potential) sources of wealth and revenue in a country and of the drivers of inequality. The theoretical framework that is discussed in chapter 3 is aimed to help in developing this comprehensive understanding as in analysing the various dimensions involved within redistributive social protection systems.

### 3 | Towards a theoretical framework

The previous chapter showed that redistributive social protection, as an instrument for redistributing wealth, comprises in our view 3 different dimensions: a socio-political dimension, a financial dimension and a technical dimension. We use the theoretical framework suggested by Hickey (2008) on the politics of social protection in Africa, to explain how these three dimensions are shaping the current understanding of redistributive social protection (see figure 3.1).

**Figure 3.1 Theoretical framework\***



\* Author's conception derived from Hickey, 2008.

**The political dimension** involves two levels of policy making represented by the larger frame (Global level) and the smaller frame (National level) in figure 3.1. The global level, namely the global social policy trends and donor policies and practices. Policy making at a global level has become more and more important in the field of social protection through the elaboration of joint normative frameworks related to social protection (ILO Social Protection Floors; see Box 8 or the WHO Universal Health Coverage approach).<sup>2</sup> Along the same lines, many bilateral donors and most multilateral donors have made social protection one of their policy priorities and their influence continues to be strong, particularly in the implementation of social protection programmes and the design of national social protection systems (Hickey, 2008). Redistributive social protection puts governments and national institutions as central actors in the decision making process related

<sup>2</sup> The goal of universal health coverage is to 'ensure that all people obtain the health services they need without suffering financial hardship when paying for them' (WHO, 2010).

to the design of social protection systems. At the same time, existing global frameworks on social protection and donors' financial and technical assistance - particularly to low-income countries - continue to exert a strong influence on the choices made by governments.

The national policy making level contains: the government (including the Ministries), the political actors and institutions (political parties, Parliament, other national institutions), the organised civil society (NGOs, trade unions, social movements) and the other 'unorganised' social forces (including elites, spontaneous popular movements, influential leaders, etc.). From a theoretical perspective, those actors will interact in the discussions and decision making process related to the design of social protection policies and systems (see second box from the left in figure 3.1). These interactions will take place, both formally (consultations, elections, propositions, etc.) and informally (lobbying, influencing, etc.). The interactions between the national actors - (more or less influenced by the global frameworks and global actors) - represent the socio-political dimension of redistributive social protection. As we will see in the chapter 6, these interactions can in theory lead to the establishment of a kind of 'social contract' between governments and - to be simplistic - the citizens.

**The financial dimension** is of course not disconnected from the socio-political dimension. The financial dimension refers to the resources that are available and/or to be generated in order to fund the different measures that will be part of social protection systems (redistributive or not). As shown in theoretical framework (figure 3.1), we expect that these resources will be mainly mobilised at a domestic level in order to ensure nationally owned and sustainable social protection systems. External financial support provided by donors is still part of the scenario but will be questioned and will be seen as less relevant from the perspective of redistributive social protection in case it supports the implementation of social protection programmes that are temporary and not nationally-owned because designed and implemented by foreign actors. The theoretical framework can help to assess the usefulness or necessity of external aid and the modalities in which it can be delivered – to ensure that it is not in contradiction with the vision and the wishes of the Governments and other National stakeholders. Of course, the reality is often more complex than this theoretical scenario. In practice, the availability and modalities of both external aid and mobilised resources at domestic level (amount, sources) will also influence the choices related to the design itself of the social protection systems.

**The technical dimension** refers to the more operational side of implementing social protection systems. It relates to making decisions about the kind of social protection measures to use (assistance-insurance-employment/universal-targeted), as well as the governance and organisation of these measures (including the functioning costs), etc. At the same time these 'technical' decisions are as also partly political. For instance, the choice to implement universal social protection systems (aiming to provide universal access to social protection for all) reflects a certain idea of social justice and equity. These decisions will be influenced by the actors that will play a role in the implementation of parts of the social protection system. These can be government actors (ministries, public institutions, decentralised authorities like communes or districts, etc.) or non-governmental actors (NGOs, mutual health organisations, etc.). Here again, the story is not as linear as presented in the theoretical framework. In practice, the influence of some of these governmental and non-governmental actors (as shown in the other boxes of the figure) will also shape the technical choices, either because they want to be part of the implementation (like NGOs or mutual health organisations for instance who already provided forms of social protection before becoming part of a national social protection system) or because they don't want to be part of it (like some ministries or institutions fearing additional responsibilities without adequate financial resources or without enough say in the decision making process).

### **Equity and social justice at the heart of redistributive social protection**

Social protection is not an end in itself. Depending on the vision of policymakers, social protection can contribute to a range of objectives ranging from equity and social justice, poverty reduction or economic growth. Within redistributive social protection, the objectives of Equity and social justice are the central objectives within redistributive social protection because it seeks to contribute to more equity and solidarity between different groups within a population (e.g. between low-, middle- or high-income earners; between groups active in different economic sectors (public sector, private sector - formal and informal, rural sector, etc.) or between groups with different socio-economic and geographic backgrounds. From that perspective, social protection can contribute to foster social justice within a society. In this paper, we refer to this expected outcome as being transformative. This term has been introduced by Sabates Wheeler and Devereux in the early 2000s, indicating that the transformative dimension seeks to 'address concerns of social justice and exclusion, such as the exploitation of the workers or discrimination against minorities' (Sabates-Wheeler & Devereux, 2008, p. 71). This dimension can be apply within every social protection measure as long as they seek to address such concerns and do not reinforce them. According to these authors, the transformative dimension can also include specific actions (sensitisation campaign against discrimination, collective action for workers 'rights) that are not classically seen as being part of social protection. Within this paper we argue that the transformative dimension is at the heart of a redistributive social protection system. Such social protection systems contribute to the redistribution of wealth within a society, recognizing that not all individuals and groups are equal in terms of opportunities and risks and ensuring that the less favoured groups (or the ones facing specific risks) are protected. It is our view that the transformative dimension also stems from that fact that the redistribution issue can stimulate political debate within society about the drivers of inequity, the contribution of the different sectors or groups of the population to national revenue and the allocation of resources. In theory, such political debate, combined with the social and economic outcomes (on individuals and groups) of social protection, could to a certain extent (re)shift the power relations between the actors of a society and shape their future interactions (which brings us back to the left part of the theoretical framework).

This theoretical framework will guide us along our analysis of the redistributive issue of social protection in low and middle-income countries. In the next chapters, we will explore each of the three dimensions - financial, technical and socio-political - of social protection, understood from a redistributive perspective putting domestic ownership and funding at the centre of the debate.

## **4 | The financial options to expand social protection: analysis from a redistributive perspective**

Social policies have for long be considered as unaffordable for low-income countries and even a luxury in the contemporary context of scarce resources, and as such almost an exclusive feature of wealthier economies (Cook, 2014). As indicated earlier, studies have demonstrated the affordability of basic social protection packages in a range of low-and middle income countries (ILO, 2008). Along similar lines, a range of middle income countries (like Philippines, Ghana, Indonesia, Thailand or Vietnam) have engaged in extending their social protection coverage while they were still being classified as low income countries (Bender, 2014). As table 4.1 shows, almost all partner countries of the Belgian development cooperation have increased their public social protection expenditure (in percentage of GDP) in a 15 year time span. Table 4.1 also demonstrates that this increase is particularly pronounced when health expenditure is included.

**Table 4.1 Public social protection expenditure in Belgian Partner countries**

	Public social protection expenditure and health expenditure (% of GDP)										Public social protection (excluding health care)		
	1990	1995	2000	2005	2007	2009	2010-2011	2012-2013	Last year available	Difference between 2000 and last year available (in %)	Latest available year	Year	Source
Algeria	7.60	4.50	6.30	7.45	8.04	NA	9.73	8.53	8.53	+12	5.36	2011	ILO
Benin	1.33	2.59	2.62	3.25	3.31	4.31	4.20	NA	4.20	+215	1.98	2011	World Bank
Bolivia	NA	8.56	10.02	10.40	9.58	11.81	12.12	NA	12.12	+21	8.50	2010	ECLAC
Burundi	1.71	3.30	3.68	4.23	5.54	4.91	4.94	NA	4.94	+34	2.05	2010	UNICEF
Ecuador	1.39	1.66	1.12	2.12	2.89	3.92	4.37	NA	4.37	+290	2.30	2010	ECLAC
Mali	NA	NA	NA	NA	NA	NA	4.88	NA	4.88	-	2.07	2010	World Bank
Morocco	2.40	3.54	3.92	4.78	5.98	6.45	6.57	NA	6.57	+68	4.51	2010	ILO
Mozambique	3.50	3.50	4.51	4.71	4.29	4.49	5.32	NA	5.32	+18	2.02	2010	ILO
Niger	1.90	2.00	1.82	3.48	3.26	3.29	2.91	NA	2.91	+60	0.53	2010	ILO
Palestinian Territory	NA	NA	NA	NA	NA	NA	NA	NA	-	-	-	-	-
Peru	2.31	4.20	5.71	6.55	6.06	6.92	6.85	NA	6.85	20	5.27	2010	ECLAC
RD Congo	NA	NA	0.27	1.73	2.73	5.33	3.71	3.48	3.48		0.74	2012	GSW
Rwanda	1.90	NA	2.15	4.71	5.66	6.87	7.31	NA	7.31	+240	1.60	2010	National
Senegal	4.30	2.98	3.40	4.79	5.05	NA	5.34	NA	5.34	57	2.06	2010	ILO/SSI
South Africa	5.97	6.78	6.88	8.92	8.90	10.17	9.79	NA	9.78	42	5.05	2010	IMF
Tanzania	1.90	2.00	2.05	3.29	5.39	6.08	6.81	NA	6.81	+232	2.23	2010	ILO/SSI
Uganda	NA	0.90	4.27	4.17	3.15	3.04	3.46	NA	3.46	-19	1.16	2011	IMF
Vietnam	2.50	4.99	4.06	4.21	6.04	6.46	6.28	NA	6.28	+55	3.74	2010	ADB

\* Middle-income countries are shaded in grey.

Source Based on ILO, 2014 – Table B.12, p. 297 and following



This is true for all middle-income countries but also for many low-income and fragile countries like DR. Congo, Niger, Rwanda or Burundi. In the case of Rwanda for example, this increased expenditure in social protection has allowed the government to offer benefits like health insurance (covering now more than 90% of the population), household minimum income support or public employment programmes (ILO, 2014, p. 145). In Niger, public employment programmes have been implemented to enhance income security for workers in rural areas in the lean season (ILO, 2013, p. 233). But the table does not indicate through which sources (domestic, international) or revenue mechanisms this increase has been made possible nor to what extent these increased expenditures in social protection are contributing to the redistribution of wealth. One cannot assume that this will automatically happen through increased expenditure in social protection. For instance, Loewe (2014, p. 198) explains that while many Arab countries spend a high percentage of their GDP on social protection (in comparison with other countries): ‘only a small proportion of it goes to social protection schemes that redistribute funds in favour of the poorest in society’. Even worse, research has documented instances in some Arab Countries where social protection schemes [...] have redistributed income in reverse direction: from the poor to the urban middle class.’ (Loewe, 2014, p. 198-199).

As illustrated for the case of DR Congo (see Box 2), in many social protection strategies elaborated by low- and middle-income countries, the paragraphs on the financing of their social protection system demonstrate some goodwill towards redistribution but remain vague on the identification of financial resources (Fonteneau, Vaes & Huyse, 2014).

**Box 2. Sustainable financing of social protection in DR Congo**

The document of the ‘Programme National de Protection Sociale (PNPS) 2014-2016’ of the Democratic Republic of Congo contains a strategy related to the sustainable financing of social protection. Acknowledging the key importance of this challenge, the document states that this strategy ‘supposes the creation of new resources as a healthy management of the existing resources. For this purpose, the PNPS commits to encourage all activities that could generate wealth and to redistribute it at the level of the country and to all social categories.’

Source: PNPS, 2014-2016, DR Congo (own translation).

The 2014 World Social Protection (ILO, 2014, pp. 149 and following) suggested 8 options to create fiscal space for financing social protection. In the next part of this chapter, we review and illustrate these eight options from a redistributive social protection perspective.

**Box 3. Eight options to create fiscal space**

- Option 1: Reallocating current public expenditures.
- Option 2: Increasing tax revenues.
- Option 3: Extending social security contributions.
- Option 4: Borrowing or restructuring existing debt.
- Option 5: Curtailing illicit financial flows.
- Option 6: Drawing on increased aid and transfers.
- Option 7: Using fiscal and central bank foreign exchange reserves.
- Option 8: Adopting a more accommodating macroeconomic framework.

Source: ILO, 2014

## 4.1 Reallocating current public expenditures

Reallocating current public expenditure is considered as the ‘most orthodox option’ and implies an assessment of on-going allocations, efforts to eliminate spending inefficiencies or tackling corruption (ILO, 2014). This option is often chosen when the expansion of current revenue is not pos-

sible. Such decisions imply political discussions over the strategic importance of various policy domains. Considerations of strategic importance will then play a role in targeting specific policy domains for reduced funding. Following this logic, military spending has been reduced in Thailand and completely eliminated in Costa Rica many years ago (Duran-Valverde *et al.*, 2014). In terms of redistribution, some reallocation can have counterproductive effects. For instance, if cuts in the education budget are made to expand the pension schemes of the formal workers, it will benefit a category of the population that already has a certain level of social protection coverage and hinder the social mobility of groups with less favourable socio-economic backgrounds. Along the same line, the quick removal of some subsidies on fuel in low income countries has recently led to popular protests due to sudden hikes in food or transportation prices. These protests were exacerbated by the fact that these goods and services were until then relatively accessible for the more vulnerable members of society, precisely because of those subsidies (ILO, 2014).

## **4.2 Increasing tax revenue**

This strategy includes two sub-strategies: (1) increase, alter or create new direct or indirect taxes related to household revenue, labour or consumption (VAT) and (2) strengthening the efficiency of tax collection methods and improving overall compliance.

One of the constraints to increase tax revenues, claimed by many low income countries, is their high reliance on taxes from consumption and trade as compared to many developed countries who rely more on payroll taxes. Depending on the type of goods or services, consumption taxes could be increased in theory. But from a welfare perspective, they should not be applied on goods and services related to basic needs (including communication and transport) in order not to harm the most vulnerable groups. For instance, the option of extending taxes on trade is explored in particular for oil and mineral rich countries where governments have the option to tax the activities of private operators or to distribute part of the profits made by public operators to extend social protection. Proceeds from personal income tax remain very limited in low-income countries and accounts for less than 10% of all taxes (compared to more than 25% on average in OECD Countries) (Fjeldstad, 2014, p. 184). The structure of the labour market (mostly informal in many low income countries) makes it difficult to expand the tax base (e.g. calculation of total income, organisational issues).

Strengthening the efficiency of tax collection methods and improving overall compliance remains a huge challenge in many developing countries. This issue is intrinsically linked with the structure of the economy (mainly informal in low-income countries) and with the weak administrative capacity that characterises fragile states. According to Barrientos (2008, p. 305), a 'greater efficiency in the collection of existing taxes should have priority over efforts to extend the tax base'. According to this author, a greater efficiency in existing tax collection would contribute to structural reform and that kind of reform should be prioritised over the creation of new taxes.

## **4.3 Extending social security contributions**

According to the ILO (2014), extending social security contributions is 'by nature associated with the extension of contributory social security schemes; often implemented in parallel with measures bringing more workers into formal employment'. In terms of redistribution, several scenarios are possible: increasing the social security contributions of individuals already contributing (in order to improve their own coverage or extend the coverage of other groups) or developing new contributory schemes to offer social protection to groups that are not yet covered by formal social security

schemes (e.g. workers of the informal economy in rural and urban areas) as for people that are not able to financially contribute.

Extending social security contributions is an option that is gaining importance in many Belgian partner countries (e.g. Rwanda, Senegal, Mali, Benin) especially with regards to access to health services. In those countries, this extension strategy is operationalised through a private-public partnership involving not-for-profit community based health insurance schemes. Those schemes are partly financially supported by the State to extend their coverage (number of insured people). In Senegal, the State has since 2013 subsidised the financial contributions of insured people up to 50% in order to improve the insurance package (hospital level and medicines).

#### **4.4 Drawing on increased aid and transfers**

Implementing public social protection measures through increased aid and transfers remains significant in a number of low income countries (Gentilini & Omamo, 2011). In the majority of the cases, external aid is provided to support specific social protection programs and schemes for specific target groups or pilot-programs for a limited timeframe. This support occurs mainly through projects or programmes and more rarely through budget support (Barrientos, 2008). As in other domains, the importance of external support to finance social protection raises several concerns: dependency and predictability, limited coverage, fragmentation and inconsistency of the mechanisms, ownership and accountability issues. In addition, external aid modalities do not necessarily contribute to the building and the institutionalisation of locally owned social protection systems. This can happen when no comprehensive social protection policy framework has been elaborated at domestic level or when donors are reluctant to align their support to the existing policy framework (Fonteneau, 2015).

When considering the contribution of existing aid modalities to the extension of social protection in terms of coverage of the population and to long-term institutionalisation of social protection processes, experts point out different challenges (Holmqvist, 2012). A traditional aid project does not seem relevant besides offering the opportunities to test new approaches. General budget support is considered as the most supportive option for social protection systems (see e.g. Oxfam, 2013; Barrientos, 2008; Merrien, 2013) but this mechanism is very sensitive to political ups and downs in recipient and donor countries. Sector-wide approaches are relevant too but associated with time constraints that are difficult to reconcile with the permanent nature of social protection costs.

From a redistributive perspective it is clear that existing ‘traditional’ existing aid modalities might not be appropriate to support government’s efforts to build up social protection systems. In particular (see chapter 6), the questions asked by many scholars is to what extent donors are able and well-equipped to support the dialogue between the governments and the other actors or forces of society around social protection and inequalities (Hickey, 2011). We will specifically come back to this issue in chapters 6 and 7 of this paper.

Furthermore, looking at external aid for social protection from a redistributive perspective one might be concerned by the fact that external aid does not (necessarily) contribute towards a redistribution of wealth between different groups of a population within a country. On the other hand, redistribution does not necessarily have to be considered only at country level but also at Global level. This can open up new opportunities for external aid to contribute towards the redistribution of wealth at a more international level. Various academics (Ooms, 2011) as well as policymakers (De Schutter & Sepúlveda, 2012) have recently suggested to consider alternative global redistribu-

tion mechanisms such as for example the establishment of global social funds based on redistribution of wealth and cross-subsidisation between countries (see Box 4).

#### **Box 4. Global redistributive social protection mechanisms**

In an in-depth analysis of international aid, international health and health financing, Gorik Ooms proposes to abandon the traditional donor-recipient paradigm and to adopt a global perspective to health (Ooms, 2011) and/or social protection (Ooms, 2012). This global perspective is defined ('as it has been so far', says Ooms, 2012, p. 24) as 'the practice of richer countries co-financing health efforts in poorer countries with the explicit intention of advancing shared interests - interests that are shared between richer and poorer countries'. Inspired by existing initiatives such as the Global Fund for Health, Tuberculosis and Malaria, Ooms suggests the construction of global social funds (dedicated to health and/or social protection) based on redistribution of wealth and cross-subsidisation between countries in the framework of a social contract that would clarify the relative contributions from richer countries and the corresponding efforts from poorer countries.

In 2012, the UN Social Rapporteur on the Right to Food together with UN Special Rapport on Human Rights published the report *Underwriting the Poor: proposing a Global Fund for Social Protection*. The global fund they defend would fulfil two functions: (1) closing the funding shortfall for putting in place a social protection floor in least developed countries (see Section 3.1); and (2) reinsuring social protection schemes against the risks of excess demand triggered by major shocks. From a financial perspective, the model of cooperation proposed by the authors could be implemented (permanently or as a first step) between a small group of rich countries and a small group of low income countries; or it could become a template for a new form of South-South cooperation (De Schutter & Sepúlveda, 2012).

Source: Fonteneau, Huyse & Vaes, 2014.

#### **4.5 Borrowing or restructuring existing debt**

Borrowing new loans for financing social protection is a possible option for countries that have the capacity to do so. This option might be interesting to finance social protection but no cases have been reported so far (still to be verified). Restructuring existing debt consists of a process of reducing existing levels of debt or debt service charges (ILOb, 2014, p. 41). According to the ILO (2014), this option is presented as possible and justifiable if the legitimacy of the debt is questionable and/or the opportunity costs in terms of worsening growth and living standards are high. Among the Belgian partner countries, Ecuador experienced this option in 2008 after an internal examination process about the legitimacy of its public debt. This process resulted in the government respecting its obligations towards that part of the debt that it considered as legitimate because it had contributed to the development of the country. For the other part of the debt, Ecuador decided to default and to invest the freed-up resources in human development (mainly education and social protection) leading to impressive results in terms of poverty reduction, unemployment and school enrolment rates (ILOb, 2014, p. 41).

#### **4.6 Curtailing illicit financial flows**

This option provides opportunities to generate large amounts of additional resources for socio-economic investments (including social protection). However, the 2014 world social protection report does not make reference to countries that have taken steps to expand social protection through curtailing illicit financial flows.

#### **4.7 Using fiscal and central bank exchange reserves**

This option includes 'drawing down fiscal saving and other state revenues stored in special funds, such as sovereignty wealth funds and/or using excess foreign exchange reserves in the central bank for domestic and regional development' (ILO, 2014, p. 152). The aim of creating sovereignty wealth funds for instance is to maximise financial returns on investment, usually in international capital

markets. In its 2013 report on social protection, the ILO questions the logic of ‘investing earned public income for capital market growth when those resources could be invested in social and economic goods and services’. For instance, the report mentions countries like Timor-Leste, with about 50% of its population living in poverty, but has an estimated USD 6.3 billion stored in a sovereignty wealth fund investing overseas. The opposite can be found in Venezuela where fiscal reserves have been used to finance development objectives both at the domestic level (through the Bank for Economic and Social Development which supported - to preferential rates - public and private social enterprises and institutions) and at the regional level (supporting neighbouring countries through the Petro-Caribe and Petro-Andes initiatives) (Ortiz & Cummins, 2012).

#### **4.8 Adopting a more accommodating macroeconomic framework**

Another option is to allow higher budget deficits and higher levels of inflation without jeopardizing macroeconomic stability (ILO, 2014, p. 153). This option is challenging because it requires making trade-offs between the different goals of a macroeconomic policy (supporting growth, price stabilisation or inflation control for smoothing economic cycles, reducing unemployment and poverty, and promoting equity; ILO, 2014, p. 153). As the ILO (2014, p. 153) puts it, ‘while these macroeconomic objectives are not necessarily unsound, there is an increasing risk in many developing countries that other important objectives, such as employment-generating growth and social protection, lose priority and become underemphasised’.

#### **4.9 Concluding remarks**

The eight options suggested by the ILO 2014 World Social Protection Report show that governments have different opportunities to create fiscal space for social protection. We have seen that here is no ‘one size fits all’ solution, since any suitable option will depend on the structure of wealth and the administrative capacity at country level. Some options present more redistributive potential than others (e.g. reallocating social public expenditures, increasing tax revenue from well-off groups, restructuring debt). As shown in table 4.2 below, countries generally draw from a mix of financial resources that are generated or freed up by varying combinations of the options presented above. With the purpose of financing social protection, the application of one of several of these options should always be based on a do-not-harm (the poor) principle and on a long term perspective to ensure the sustainability of the social protection measures funded by the(se) source(s) of revenue.

**Table 4.2 Fiscal spaces strategies: countries examples\***

	Pl. State of Bolivia	Botswana	Brazil	Costa Rica	Lesotho	Namibia	South Africa	Thailand
Reallocating public expenditures				X	X		X	X
Increasing tax revenue	X	X	X		X			X
Expanding social security contributions			X	X	X	X	X	X
Reducing debt/debt service	X	X	X	X	X		X	X
Curtailling illicit financial flows						X		
Drawing on increased aid & transfers						X		
Tapping into fiscal & central bank reserves		X	X					
More accommodating macroeconomic framework	X		X					

\* From ILO, 2014, p. 153.

Source Adapted from Durán-Valverde and Pacheco, 2012; Ortiz and Cummins, 2012

## 5 | The technical dimension: social protection measures and beneficiaries

Once resources are available, the question remains how to redistribute them through what kind of social protection mechanisms and to whom (specific target groups or the whole population). In this chapter we will focus on the four mechanisms through which social protection can be delivered: social insurance, social assistance, employment protection and promotion and social services. We will also briefly review to what extent they can contribute to redistribution and transformation. Table 5.1 illustrates these four mechanisms and also specifies the type of beneficiaries that are usually benefitting from them as well as their financing mechanisms.

**Table 5.1 Main measures of social protection**

	Examples of measures	Beneficiaries	Classical Financing mechanisms
Social Insurance	Contributory schemes providing protection against life-course and work related contingencies (old age, disability, unemployment, sickness)	Workers from the public and private formal sectors Individuals or households not working in the formal sectors	Domestic: social security contributions, voluntary contributions of beneficiaries
Social Assistance	Measures ensuring minimum living standards: pure income transfers, income transfers combined with asset accumulation, integrated poverty reduction programmes (cash transfers, vouchers, school feeding, etc.)	Households or groups facing poverty, vulnerability or exclusion on a permanent or temporary basis	Domestic: tax financed) External financing
Employment protection and promotion	Passive intervention: minimum standards of employment and protection of workers' rights Active intervention: aiming to enhance employability (training, skills transfers, etc.)	Targeted vulnerable groups	Domestic External
Social services	Health services Education system Specific social services	Universal Targeted	Domestic External

Source Based on Barrientos, 2011

### 5.1 Social Insurance

Social Insurance has for long been a pillar of all social security systems because of its preventive dimension aiming to avert deprivation. Traditionally, social insurance programmes refer to formalised systems of pensions, health insurance, maternity benefits and unemployment benefits, often with tripartite financing between employers, employees and the state. More recently, the notion of social insurance has been extended to insurance mechanisms (being managed by community-based organisations or by NGOs/social enterprises) aiming to cover people working in the rural and



urban informal economies. Countries like Rwanda, Ghana and Senegal have already integrated such health insurance schemes as part of their strategy to implement universal health insurance. The challenge is huge considering that the expected number of people to be covered represents about 70-80% of the overall population. In this case, the insurance is mainly financed by the voluntary financial contributions of the subscribers, often complemented by subsidies from external or domestic sources. The extent to which the mechanism of social security will contribute to a redistribution of wealth will differ following various criteria: the heterogeneity of the insured beneficiaries (presenting different risk profiles, demographic or socio-economic characteristics: sickness/wellness, young/old, poor/rich, women/men, etc.), the progressivity of the premiums and the sources of financing. For instance, if the insurance scheme only runs on voluntary financial contributions of a homogenous group of people sharing common characteristics (typically being poor or working in precarious conditions), one might say the redistributive dimension is limited to a kind of solidarity but without leading to any redistribution of existing wealth. When the premiums of the beneficiaries are partly subsidised by the State (as is the case in the three countries mentioned above) in order to improve the insurance package offered, there is redistribution of wealth (from international or domestic origin depending on the source of funding). The redistributive capacity of social insurances depends greatly on the size and heterogeneous character of the insured population, on their modalities (e.g. progressive premiums in function of the revenue), and on the resources made available to guarantee the equity of the scheme. When organised at national level and made compulsory, social insurances mechanisms will have great potential for contributing towards the redistribution of wealth.

## **5.2 Social Assistance**

Social assistance covers protective measures that provide relief from deprivation. Social assistance programmes generally aim to reduce poverty or vulnerability. In the past they focussed mainly on income and personal characteristics (e.g. gender, age) but more recently, social assistance programmes recognise the multidimensional character of poverty. In practice, this recognition has widened the scope of social assistance programmes, typically including targeted resource transfers (in cash or kind) - e.g. disability benefits, single-parent allowances, and 'social pensions' for the elderly poor. They are financed publicly - out of the tax base, with donor support, and/or through NGO projects. As such, social assistance is by nature a redistributive measure since they are non-contributory and funded by (domestic or international) resources made available for this purpose.

The transformative potential of social assistance measures has recently been subject of lots of questions and research. For instance, to what extent and under which form does social assistance not only provide relief from deprivation but also contribute to address the mechanisms and decisions (exclusion, discrimination) that are perpetuating social inequalities between different groups in society? Looking at cash transfer approaches in Zambia and Ethiopia, Cherrier (2015, p. 24) concludes that it remains unclear whether these approaches tackle the power imbalances at local level or whether such transfers represent a means for increasing consumption and basic welfare outcomes among the poorest. More importantly, a growing body of evidence shows that addressing the needs of the poor as a separate group and excluding them from the broader social and economic processes does not tackle inequalities in the long term (Cook, 2014). Devereux *et al.* (2015) note however that progress has been made in making social assistance programmes more capable of moving beneficiaries out of extreme poverty. These 'graduation' programmes offer integrated packages including for instance consumption support (cash transfers, access to savings) and livelihood support (asset transfers and training) (Devereux *et al.*, 2015, p. 29).



### 5.3 Employment protection and promotion

Employment protection and promotion refers to a broad category of measures. One group targets the workers of the formal economy and aims to protect their rights and benefits. Other groups of measures target vulnerable workers (young workers, unemployed, women, workers in the informal economy) in order to ‘promote’ their opportunities to gain an income. This latest category is criticised by certain scholars and policymakers because it would take social protection too far beyond its original conceptualisation. They argue for example that microcredits should only be considered as a social protection measure when it contributes to income stabilisation or increase or to a ‘formalisation’ of economic activities. However, employment related measures are very often part of social assistance programs (like public works programmes) targeting the unemployed and/or vulnerable groups. In such cases their redistributive and transformative potential will very often be limited.

### 5.4 Social Services

Social services (health and education in particular) are not always included in the range of possible social protection measures. Neither are they always considered in the calculations of inequalities. But in theory, they can be seen as a transfer in kind universally provided to the overall population (health, education) or targeted to specific groups facing particular issues or challenges. The redistributive potential of social services has been subject to many studies in OECD Countries (see OECD, 2011; Verbist, Förster & Vaalavuo, 2012). They concluded, though with some nuances according to the type of services considered, that social services had a positive impact in relation to the redistribution of wealth. Looking at OECD countries, Verbist and al (2012, p. 62) argued that ‘If all social public services were imputed in disposable cash income, households’ resources would increase by close to 30%, on average. The increase exceeds 40% in Sweden and 30% in Denmark, Norway, Iceland, as well as in France and Hungary. In a typical OECD country, the average annual household income would be close to USD 28,000, rather than USD 22,000 in purchasing power parities when in-kind benefits are included.’ Of course, one of the factors to take into consideration in this analysis is the percentage of social expenditures made by governments and the quality and accessibility of the provided social services. However, despite the efforts made by many low- and middle-income countries to increase their social expenditures (see table 4.1), these percentages remain low and not sufficient to cover, in quantity and quality, the needs and expectations of the population. Compared with other social protection measures, social services present many advantages to secure and institutionalise the provision of transfer in kind to the overall population. Along the same lines, some scholars (Adesina, 2011) also argue that we should look beyond the social protection paradigm to rather focus on global social policies, including the strengthening and improvement of social services.

### 5.5 Concluding remarks

As a way of concluding this chapter, table 5.2 below summarises the redistributive and/or transformative potential of the social protection measures described above.

**Table 5.2      Redistributive and/or transformative potential of social protection measures**

Social protection measure	Redistributive and/or transformative potential
Social insurance	Can be relevant from both a transformational and redistributive perspective but only under certain conditions: making sure to cover heterogeneous groups of the population (including in terms of revenue level), having progressive premiums, subsidizing the participation of people not able to financially contribute, ensuring a broad-based coverage (preferably nation-wide). This would allow a kind of cross-subsidisation between groups of the population within an insurance system based on a solidarity mechanism.
Social assistance	The non-contributory character of social assistance measures makes it by definition redistributive. But their transformative potential is not as such guaranteed. Also, the way they are designed and implemented can contribute to further exclude vulnerable groups by isolating them from the rest of the population rather than ensuring that social assistance (with accompanying measures) contributes to tackle the cause of their vulnerable conditions.
Employment promotion and protection	Can play a role in social protection although there is discussion whether all employment related measures should be considered as being forms of social protection. The design of such measures is the key-point, i.e. being conceived from a social protection perspective or from an economic perspective without social considerations about the expected social effects of such measures.
Social services	Have potential both in terms of distribution and transformation, particularly when they have a universal coverage and offer good quality level.

## 6 | The socio-political dimension

The previous chapters have shown that addressing social protection from a redistributive perspective requires looking at both the sources of revenue as well as the type of measures used to redistribute the resources and the beneficiaries who will benefit from the redistribution. Of course, none of the decisions related to the choice of these options are purely technical. On the contrary, all these decisions are political. The issue of ‘politics’ with regards to social protection gained importance from the late 2000s (Hickey, 2009, Niño-Zarazua *et al.* 2012) following a growing realisation that development actors (including government) should rather work towards building comprehensive social protection systems rather than investing resources to design and implement fragmented and often temporary social protection measures. Several Latin American countries (e.g. Brazil, Chile, Ecuador, Venezuela, Bolivia) have been decisive in this shift. Their left-wing governments decided to redesign or implement social protection measures in a comprehensive way, using domestic resources, in order to tackle existing inequalities at country level. In particular, the notion of ‘social contract’ gained importance with the increased awareness about the importance of politics. As Hickey put it (2011, p. 4), ‘the assumption seems to be that a social contract is a ‘good thing’, which denotes not only more legitimate, peaceful and consensual forms of political authority, but also a wider commitment to social justice that can help relocate public policy within the realm of rights rather than patronage’. The growing importance given to the political dimension of social protection and the social contract that could be negotiated around its design and expected outcomes is in part based on the assumption that discussing social protection needs and policies can influence the allocation and distribution of resources in broad-based social protection systems.

In this chapter, we will review the socio-political factors that interplay in the decision making process related to the design and the implementation of a social protection system. We will look at those factors from an actor-centred perspective considering that the influence of socio-political factors is mainly in the hands of actors, being governmental or not. We first look at the governmental actors and then review some of the main non-governmental actors and social forces that can interact with government on social protection issues. These include political parties, parliaments, civil society and elites.

### 6.1 Political will and commitment of the government

As various authors argue (Niño-Zarazua *et al.* 2012), it is still not clear to what extent the emergence of social protection as a policy framework responds to domestic demand or remains a new donor fad. This question can already be raised in the case of countries that are ‘only’ implementing social protection programmes for specific target groups instead of the population at large. When the objective is to design social protection as a redistributive policy, the political will should go beyond supporting isolated social protection programmes, but rather work towards an overall political vision on social protection, resource allocation and resource mobilisation.

In countries where successful social protection reforms have been undertaken, the political will and commitment as well as domestic ownership have been decisive. In their review of successful social protection initiatives, Giannovetti *et al.* (2011) note that this feature can be found both in the his-

tory of social protection in Europe (e.g. Bismarck's social policy proposal in 1878) and in more recent experiences in low and middle-income countries. Examples include Brazil, China, South Africa, Ghana and Lesotho who have profoundly reformed (or set-up) their systems over the last two decades. The political will and vision of the respective governments to make social protection a central instrument in their endeavour towards inclusive growth or tackling inequalities has been key in these reforms. In South Africa for instance, Giannovetti *et al.* note that 'the relatively rapid build-up of a system of social grants, which now covers about one-third of the population was an explicit attempt – alongside other policies – to address previous (race-based) inequalities and redress the wrongs of the past' (Giovannetti *et al.*, 2011, p. 446).

According to Bender (2014), the type of political regime should also be looked at. The underlying standard hypothesis is that 'due to electoral competition and the independent formation of interests, democracies – contrary to authoritarian regimes, face stronger pressures for redistribution and, thus offer, high levels of social protection to their citizens [...]. Therefore, processes of democratisation might instigate reforms to extend social protection' (Bender, 2014, p. 38). Evidence from Ghana, Mexico and Indonesia confirm this hypothesis. In the case of Ghana for instance, Bender (2014) recalls that the opposition party, during the first multiparty election in 2000, based its electoral campaign partly on promises related to the introduction of a national health insurance and a universal coverage. Among the Belgian partner countries, Senegal is another good example of a new elected President (Macky Sall in 2012) having based his electoral campaign on social protection as one of the pillars of his development strategy (Fonteneau, 2015). But the installation or extension of social protection systems is also possible under more authoritarian regimes as demonstrated by China and Vietnam who introduced and implemented deep social protection reforms during the two last decades. The same can be observed in various Latin American countries (including Brazil) where some social protection measures were implemented under authoritarian regimes way before the recent waves of left-wing governments. Preventing social unrest, maintaining political control or reducing social pressure for political change are common incentives for authoritarian regimes to offer higher levels of social protection. The comparison between social protection measures in 8 countries leads Hickey (2009) to similar conclusions. Hickey however points out that political stability more than the type of political regime, seems to be an important factor that shapes the likelihood of pro-poor social protection measures to be formulated and implemented.

Besides political will, institutional and administrative capacity constitutes another major contributing factor to the success of social protection reforms as it is essential for the successful translation of the government's commitment into practice. Institutional and administrative capacity is indeed necessary at all levels of the policy cycle: design, coordination, implementation (including registration and identification systems), monitoring and evaluation, etc. Ministries and units in charge of social protection (sectoral or cross-sectoral) are often facing a shortage of staff, expertise and finance. In Burkina Faso for instance, the special task force dedicated to universal health insurance, was mainly made up by labour inspectors (coming from the Ministry of Labour and Social Security) without expertise in this area (Fonteneau, 2015). On the contrary, Giannovetti *et al.* (2012) notes that Rwanda has been more successful in translating political will into effective reforms by relying on a highly decentralised administrative structure while developing an innovative targeting approach to implement the main components of its social protection national strategy (see Box 5).

#### Box 5. Rwanda National Social Protection Strategy

'The Vision 2020 Umurenge Program (VUP), central in the national strategy, has three core initiatives to re-direct social protection programmes to vulnerable populations: public works, the Ubudehe credit scheme and direct support. Different administrative levels are involved in the implementation of the programme, driven by a strong subsidiary approach. The programme and the policy guidelines are formulated at the central level by the Ministry of Local Government, Good Governance, Community Development and Social Affairs (MINALOC). The management, accounting and coordination are decentralised at the district (Umurenge) level, while the projects are implemented directly at the community (Umudugudu) level. The persons to be involved in the programme are identified by a participatory planning process that takes place directly at the community level. This increases the ownership and accountability of the targeting process. For example, the public works component of the VUP, intended for people able to work, builds on the community-based participatory approach of Ubudehe and embodies the decentralisation objectives and structures outlined by the government. Communities identify beneficiaries and propose community projects. For the first phase, 30 sectors were selected for their socio-economic characteristics (Government of Rwanda 2007). In each sector, beneficiaries are identified by two criteria: the household must fall within one of the bottom two Ubudehe categories (those in abject poverty and the very poor, identified in a national participatory poverty assessment), and total household land holdings should not exceed 0.25 hectares'.

Source: Extract from Giannovetti *et al.*, 2012, p. 443.

## 6.2 Influence of political parties and parliaments

The influence of political parties and parliaments on social protection policies is not well documented in the scientific literature. In the previous chapters, we already mentioned countries (e.g. Ghana and Senegal) where political parties and electoral candidates based part of their electoral campaigns on promises related to social protection (in both cases linked to universal health coverage). Political parties (as well as governments and donors) have also privileged specific social assistance measures (particularly cash transfers and public work programmes) because of their popular character and visible 'effect' by providing jobs to unemployed or vulnerable groups of the population (MacCord, 2012).

From the 8 countries reviewed by Hickey, social protection reforms had been discussed in Parliament in only 4 countries (India, Lesotho, South Africa and Namibia) but with some variations in the decision making process. For instance, the Old age grant has been well-debated in the South African Parliament while the Lesotho Parliament took very little time to debate the proposed pension schemes (Hickey, 2009, p. 477). Maybe not too surprisingly since the Lesotho government had ensured that members of the parliament would have a strong stake in the pension in order to facilitate the vote (Pelham, 2007; cited by Hickey, 2009).

## 6.3 The role of Civil Society

Civil Society organisations have a double motive to influence the shaping of social protection systems: their political agenda usually includes social justice and poverty concerns and they seek to be part of the implementation and/or monitoring of social protection reforms. The situation is complex. Recent research on the situation in Africa (Centre for Social Protection *et al.*, 2010) found that governments often exclude civil society actors from social protection policy making, although civil society actors are frequently involved in programme implementation and delivery. While non-state actors might be able to exercise some influence on decision making in this area, it is often not through existing institutions (such as the parliament, the Social and Economic Council) and procedures, which undermines the involvement of a balanced selection of stakeholders and the overall legitimacy of the process (Fonteneau, Vaes & Huyse, 2014).

In terms of policy influence, Hickey (2009) concluded from his review of social protection related national governmental programmes in 8 countries that civil society organisation had played a very limited role in influencing the creation of such programmes but played a role in protecting policies once in place (e.g. South Africa and India). However, in India (National old age Pension targeting elderly destitute) and in South Africa (Old age grants) trade unions played a role in close connection with political parties but not with NGOs or other civil society organisations. In South Africa again, Trade Unions (SADSAWU in particular) also developed strategies to advocate the case of unprotected groups of the population, like domestic workers, leading to the advancement regarding their minimum wages and social protection coverage (Solidar, 2011).

The limited policy influence of civil society on social protection policies at national level can be explained by the fact that civil society organisations are not always well structured to exert an effective pressure on governments in relation to social protection policies that seek to address the needs of different groups of the society and that include a variety of measures. Some organisations have already developed expertise built from their own experience as provider of social protection services in specific sectors (see below). But for many other civil society organisations, social protection is a relatively new concept and their claims for social justice are not always addressed from a resource allocation and technical perspective. Even existing civil society platforms do not always have the expertise to take position on governmental proposals. In contexts where civil society have already a weak negotiation position with government due to power imbalances, the lack of expertise complicates an effective participation and a frank dialogue (Fonteneau, Vaes & Huyse, 2014). Interestingly, the influence of civil society organisations seems to be greater at the global level. For instance, 52 NGOs organised in a Coalition for Social Protection played a major role during the discussion around the ILO Recommendation (202) on Social Protection Floor and obtained for example that the recommendation would include the full participation of civil society organisations, and trade unions to the building social protection floors at national level (NGO Coalition for Social Protection; Van Ginneken, 2013). African partners of Belgian NGOs, active in this area (World Solidarity and Solidarité Socialiste in particular) testify that advocacy efforts at national level receive more echo from national authorities when they are carried out with international NGOs or NGOs from donor countries (Fonteneau, 2013).

From a sectoral perspective, more can be said about the involvement of civil society organisations in the design and the implementation of social protection policies. In several African countries (Rwanda, Senegal, Ghana), the universal health coverage strategy adopted by governments is mainly based on the intermediary role that non-state organisations (mutual health organisations) will play in the setting-up and management of insurance schemes at local or regional levels. This situation is partly due to the organisational issues governments are facing or related to the implementation of their social protection strategies, particularly when it comes to reach unorganised or vulnerable groups (informal economy workers, poorest, etc.). But civil society organisations also advocate to play this role based on their previous experiences in insurance mechanisms and arguing their involvement also presents advantages in the representation of the interests of the insured population vis-à-vis the State and the ministries in charge. In Burkina Faso for instance, mutual health organisations, at a certain point in the design phase of the universal health coverage strategy, claimed and obtained to become the exclusive channel to provide insurance to the informal economy workers (Fonteneau, 2015).

#### **6.4 The influence of elites**

The previous chapters looked at institutions and actors formally organised and recognised. However, it is well known that politics also occurs beyond these formal spheres. Informal channels can

be more influential than formal institutions, particularly in the distribution of public resources (Hickey, 2007; Chabal and Daloz 1999). As Booth (2005, pp. 3-4; cited by Hickey, 2008, p. 252) notes for Africa, ‘many or most of the key decisions are made informally, by small groups of politicians linked together by networks of clientelism and patronage’, so that ‘formal decision making processes ... are ... largely ‘theatre’. The influence of elites on social protection and poverty reduction policies has mainly been studied from the perspective of attitude and perceptions towards the poor and toward social protection measures and policies benefitting the poor (Duman, 2014, Moene & Wallerstein, 2001, Ulriksenn, 2013) as well as from the perspective of domestic resource allocation towards social policies and social protection (Kalebe-Nyamongo & Marquette, 2014).

Recent studies bring out interesting elements about attitudes. Some studies shows that elites and richer groups of the population would be more inclined towards supporting social protection policies targeting poor people when they attribute the cause of their situation as non-individual causes (lack of initiative, laziness, etc.) (Duman, 2014). Ulriksenn (2013, p. 40) points out, ‘low-income groups tend to support social protection spending whereas the well-to-do are more reluctant to support it – particularly if they do not benefit themselves’. Such factors can have an effect on the acceptance of the well-off to willing contribute to the financing of social protection systems and on the demand of the poor or middle-class for social policies.

## **6.5 Concluding remarks**

In this chapter, we intended to point out the factors and actors that play - or could play - a role in the discussions and design of social protection systems in low-and middle income countries. The central actor in this scenario is the government with a vision and a will to offering social protection guarantees to the citizens and doing it by involving other actors, preferably following institutional ways or – particularly regarding the elites by tempering the informal influence they would like to exert, at the expense of the general interest.

The influence of political parties and parliaments on social protection policies is not well documented. Available empirical information on that matter seems to demonstrate a limited influence and even a limited will to influence with regards to social protection. Of course, such statement has to be put in perspective with the overall functioning of Parliament in low and middle income countries as well as from their capacity to exert influence on regimes with an authoritarian character. Along the same lines, empirical evidence does not demonstrate a strong influence of civil society on the discussions related to social protection at national level. Here again, the level of structuration and the capacity of the civil society have to be taken into consideration as well as their weak position in many countries with strong political regimes. However, civil society organisations also play - and will play - a major and innovative role in the delivery of social protection services. And at sectoral level (health in particular), they are part of on-going national reforms in which they (can) exert an influence on design, implementation and evaluation of social protection policies. Finally, the influence of elites is decisive in the current debate on social protection that includes issues related to mobilisation of domestic resources, resources allocation, and redistribution of wealth. Although the existing studies do not provide clear-cut conclusions, the influence of these evasive groups and individuals constituting the elites of a country will merit more attention in future debates.



## 7 | Donors trends about social protection and redistributive mechanisms

The previous chapters explored several dimensions of social protection from a redistributive perspective. We have seen that ownership, vision, political will and (technical and financial) capacities of low and middle income countries are key elements of to build sustainable broad based social protection systems. This new vision on social protection also obliges donor countries to possibly review the way they want to support or influence social protection policies in partner countries.

In the first part of this chapter, we give an overview of the evolution of ODA for social protection in a selection of donor countries. In the second part, we present a range of donor approaches and policies that appear to be in line with social protection systems that contribute to redistribution of wealth at national level.

### 7.1 ODA earmarked for social protection

Assessing trends in ODA earmarked for social protection is quite a complex task due to a number of reasons: firstly, support for social protection can be channelled through a broad range of sectors, strategies, mechanisms and actors. In addition, interventions aiming to provide economic opportunities (e.g. through micro-credit or support to entrepreneurship) are sometimes addressed from a social protection perspective while other aren't. OECD-DAC recognised that the existing Credit Reporting System (CRS) does not make a clear distinction of ODA expenditure related to social protection from other types of funding (OECD, 2013). The 'social/welfare services' code (16010), generally used to assess ODA related to social protection, underestimates donors efforts in this area because not all social protection interventions are falling under this category. Along the same lines and from a strict interpretation of the Paris Declaration's alignment principle, the assessment of donors efforts related to social protection should also be in line with the recipient countries approaches on social protection. For instance, efforts related to the education sector are not always understood as being part of a country's redistributive social protection strategy (see previous chapter) while they could be, at least from a theoretical perspective.

Confronted with these challenges, the OECD carried out a survey in 8 OECD DAC members to find out to what extent their respective ODA was earmarked for social protection related programmes. These included Australia, Austria, Finland, France, Ireland, Germany, United Kingdom and the European Commission, all active in social protection. From a methodological perspective, the OCDE-DAC Social protection task team, in charge of the survey, chose not to attempt to agree on a common definition but rather to collect information related to a broad range of social protection category/type programmes (see Box 6). Through this large interpretation of social protection, OECD-DAC wanted to give donor countries an opportunity to get a better assessment of their actual efforts in this thematic area.



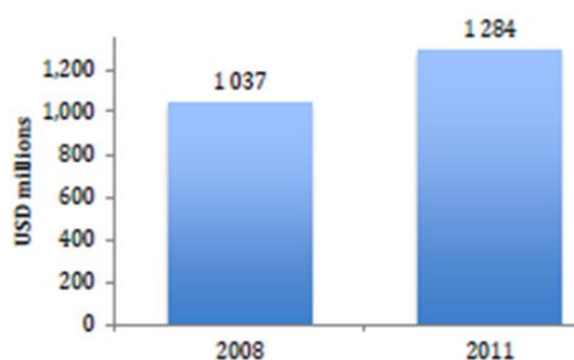
**Box 6. Social Protection Category/type of programme used in the OCDE-DAC survey on ODA evolution for social protection.**

- Unemployment benefits.
- Social health protection/assistance ensuring or facilitating access for poor and vulnerable to health services (targeted).
- Other social insurance (maternity, disability benefits).
- Assistance for the elderly (e.g. non-contributory pensions and basic allowances for the elderly, old-age allowances).
- Health assistance (e.g. reduced medical fees for vulnerable groups).
- Child protection (school meals, scholarships, fee waivers, allowances for orphans, feeding underweight children, street children initiatives).
- Family allowances (e.g. in kind or cash transfers to assist families with young children to meet their basic needs).
- Welfare and social services for the sick, the poor, the disabled and other vulnerable groups, including support to social funds.
- Cash transfers (conditional and unconditional), welfare transfers and/or in kind transfers (e.g. food stamps, food aid).
- Temporary subsidies for utilities and staple foods targeting vulnerable groups.
- Employment guarantee or generation through public works programmes, e.g. food for work, cash for work or input for work programmes.
- Direct employment generation through loan-based programmes if loans are subsidised and specifically for job creation.
- Skills development and training for vulnerable groups.

Source: OCDE-DAC survey on ODA evolution for social protection (OCDE, 2013, p. 5).

The results of the 8 donor countries surveyed show a clear increase of ODA expenditure on social protection from 2008 to 2011 (years chosen because they allowed comparison in terms of datasets) (see figure 7.1).

**Figure 7.1 Total ODA expenditures of 8 OECD DAC members on social protection 2008-2011\***



\* Nominal values.

Source OECD DAC, 2013

The ODA expenditure on social protection arose from USD 1.037 million in 2008 to USD 1.284 million in 2011, translating an increase of 24% in absolute terms (OECD-DAC, 2013,p. 6). OECD-DAC (2013) notes that, the figures would have probably been higher with more robust statistical set-ups and methods.

## **7.2 Relevant approaches of donors regarding the support of redistributive social protection**

In this chapter we explore whether donors are adapting their policies, strategies and aid modalities in order to contribute towards sustainable and broad based social protection systems that are able to redistribute wealth at a national level based on the visions and strategies of recipient countries, including if it is the choice of the country, attention to redistributive aspects.

### **7.2.1 Considering the political dimension with supporting tax reforms**

Financial support is the most obvious support strategy for donors and increased aid and transfers represents a common financial option for recipient countries to draw on in order to expand their social protection systems.

However, as we have seen earlier in this paper, in order to make social protection systems financially sustainable and more redistributive, there is need to create fiscal space. Therefore support to an administration in charge of fiscal issues could be part of donors efforts related to redistributive social protection. Support for tax reform is not new for donors and dates back from the 50s. But the growing attention towards the mobilisation of domestic resources as well as the global financial crisis have emphasised the important link between taxation and development. Flejstad (2014) distinguishes three broad working areas for donors to support tax reform processes in developing countries: improving tax policy and design, creating more effective tax administration and encouraging constructive engagement between the state and society around taxation. Fjeldstad (2014) notes that until the mid-80's income distribution considerations were a main concern for donors supporting tax reform processes in developing countries as they sought to improve tax policy and design and to strengthen tax administration. While most early efforts focused on the development of a progressive income tax system, such taxation did not become the major tax base as initially anticipated (Flejstad, 2014, p. 184). Personal income tax accounts for less than 10% of all tax revenue in most LICs (compared with 25% in OECD countries). Fjeldstad (2014) attributes this to both administrative and political challenges: 'a very narrow set of taxpayers, poor capacity to expand the tax base to self-employed workers and resistance from the elite and wealthy individuals with plentiful opportunities to conceal their income' (2014, p. 184).

Donor support that specifically targets the socio-political dimension (see also the theoretical framework in section 3) of redistributive social protection, in a way that it encourages a constructive state-society engagement around taxes remains limited (Fjeldstad, 2014). Therefore, as the importance of this dimension is growingly recognised, it is clear that there is still much to do to develop what Fjeldstad called 'a clear-cut governance-focused tax reform agenda' in dialogue between government and society (Fjeldstad, 2014, p. 189).

Germany is one of the only bilateral donors to address fiscal and redistributive issues in their analysis of existing social protection systems in partner countries (see Box 7) and places social protection within a 'distributive justice' agenda. However, it is not clear (from their policy documents and their contribution at the OECD-DAC survey), to what extent they really translate this concern in practice.

**Box 7. Germany diagnosis of existing social protection from a distributive justice perspective**

'In the partner countries, social protection systems often have a regressive design, meaning that they redistribute in favour of prosperous population groups. In many countries only formally employed people have access to social protection systems. In addition, the systems often grant more generous benefits or lower contribution rates to the privileged part of the population than the social protection systems available to the rest of the population. Furthermore, many social insurance systems are subsidised by tax funds despite only a comparatively prosperous minority having access to them. This is especially problematic because the major part of tax revenue in developing countries is raised by indirect taxes, which are also paid by low-income earners, in some cases even primarily by them.

To sum up, it can be said that while most developing countries do show beginnings of social protection systems, they are not able to meet the respective challenges. The existing systems only reach a privileged minority while the majority of the informally employed and the poorest are not protected. The establishment and the extension of social protection systems, which are adapted to the respective country contexts and explicitly reach the poorest of the poor, is therefore not only a contribution to social and economic development. It is also a contribution to efforts that foster peace and prevent conflicts in our partner countries'.

Source: Extract from GIZ (Sector strategy on social protection), 2012, p. 11.

Over the last decade, other multilateral donors (UNDP, World Bank, ILO, EU) have published various studies and research reports (e.g. the 2014 ILO Report on Social protection) related to the creation of fiscal space for the mobilisation of domestic resources and their dedicated use for social spending/investments according to social protection policies.

### 7.2.2 Options related to the technical dimensions

In our conceptual framework of redistributive social protection (see section 3), the technical dimension relates to the types of social protection measures and to the beneficiaries of these measures. In the perspective of redistributive social protection, the coherence and articulation between social protection measures and the target groups within society is an important point of attention when building social protection systems.

From the OECD-DAC Survey, it appears that it is mostly the larger donors (UK and the EU) that are supporting national programmatic approaches. Other donors have a narrower field of action as they link social protection to a specific sector (like health care in the case of France). Conditions within the recipient country are also a determining factor. When donors give priority to supporting Fragile States for instance, local conditions (e.g. lack of vision, limited domestic resources and weak capacities at governmental level) are often not considered conducive to be able to support the design of social protection systems. However, as one of the future trends identified by the OECD-DAC Survey (2013), most donors indicated a 'preference for strengthening national systems for sustainable extension of coverage of social protection in the long term, indicating a move away from supporting pilot schemes and *ad hoc* mechanisms.' Also multilateral donors like UNICEF (2012) and or the World Bank (2012) have taken a clear position on their overall strategy focusing on the building social protection. UNICEF (2012, p. 35) for instance is saying that 'only in exceptional cases where government capacity to implement or coordinate is weak or there is a humanitarian crisis would UNICEF consider supporting implementation of *ad hoc*, temporary safety nets or social protection programmes outside of government collaboration'. In relation to affordability, UNICEF (2012, p. 54) states that 'a political choice is at the core of the social contract between governments and citizens: how much a society is willing to redistribute, and how'.

In terms of measures, the OECD-DAC survey shows that not all (participating) donors have a specific strategy on which social protection measures they prefer to support. Various factors seem to shape the decision about which measures to support: recipient countries' institutional capacities (allowing budget support), the policy areas (for instance, social assistance when the support to

social protection takes place in an extreme poverty reduction programme or cash transfer to address food insecurity). Donors priorities, values and own social security history will also influence the preference of donors for specific social protection measures (Fonteneau & Galland, 2006). For instance, countries like France and Germany, (... and Belgium as we will see in the next chapter) will prefer to support insurance schemes while the UK will have preference for supporting cash transfers or universal (free) access to social services.

The discussion related to social protection measures is linked to the kind of beneficiaries governments and donors intend to reach. The accent on poverty reduction that prevailed in the 1990s-2000s in donor thinking has led to a clear focus on social protection measures targeting the 'poor and poorest', neglecting the other groups of society. For instance, civil servants or people working in the private formal sector were not considered by these donor supported policies and programmes. At the same time the existing social protection systems for formal workers (provided by formal social security systems) also contained considerable shortcomings such as limited coverage for health care for instance. Beside the technical challenges (e.g. the risk of error of means-testing methods) and ethical considerations (e.g. risks of stigmatisation or issues related to 'who are the truly deserving' Mkandawire, 2005), the main motive for targeting specific groups was financial rather than political or technical: how to make 'best' use of limited resources (coming from either donors or governments). Targeting poor households rather than the population at large was, according to Merrien (2013), above all, a way to achieve greater efficiency in the fight against poverty.

Over the years, the debate evolved towards more universalistic approaches, mainly under the influence of UN organisations (ILO and UNDP with the social protection floor initiative or WHO with the universal health coverage approach) that came with the principle of universalism in the social protection debate (see Box 8). The debate on universality was also backed-up by the right based approach that emerged in the 2000s in many donors policies. Combined with the limits (e.g. outreach, scaling-up, management issues, sustainability) observed in many 'isolated' social protection programs, Universalism and a right-based approach were conducive factors to promote this new vision about the need for national social protection systems. Freedland (2013) notes that organisations such as the World Bank have for long been reluctant to use the term 'social security' or 'social protection', instead applying the neutral term 'safety nets', which feels less risky from a right-based perspective. In practice, recognizing social protection as a right has important consequences. Governments or international organisations would then have to translate this right into entitlements and standards, meaning they have to determine levels of risks and deprivation that are unacceptable within a given society. Additionally they would have to put in place policies that are deliverable, effective and sustainable (Norton, Conway *et al.*, 2001) (see also Fonteneau, Vaes & Huyse, 2014).

#### Box 8. ILO Normative Framework on Social Protection

Within the UN system, the International Labour Organisation (ILO) has for long been the only organisation dealing with social security issues. The ILO normative framework for the extension of social protection is constituted by two main instruments, the Social Security (Minimum Standards) convention (Convention 102), adopted in 1952 and de Social Protection Floors Recommendations (Recommendation 202). The Convention 102 regroups the nine classical social security contingencies (medical care, unemployment, old age, employment injury, family responsibilities, maternity, invalidity, and survivorship) into a single legally binding instrument. When a State ratifies this convention,<sup>3</sup> it commits to implement it and regularly report on its effective implementation. The Convention 102 doesn't make any mention of the financing dimension of the implementation of these minimum standards.

The 202 Recommendation provides 'guidance on closing social security gaps and achieving universal coverage through the establishment and maintenance of comprehensive social security systems' (ILO, 2014, p. 6). According to this recommendation, Social Protection Floors should comprise basic social security guarantees that ensure effective access to essential health care and basic income security at a level that allows people to live in dignity throughout the life cycle. Basic social protection floors should at least include: access to essential basic care including maternity care, basic income security for children, basic income security for persons of working age who are unable to earn sufficient income, in particular in the case of sickness, unemployment, maternity and disability. The philosophy of the social protection floor is that it is the overall and primary responsibility of the State to act on this recommendation and to decide how a social protection floor will be progressively built at national level. However, the recommendation advises members to apply a range of principles of which some refer to the idea of redistribution, e.g.: universality of protection based on social solidarity; solidarity in financing while seeking to achieve an optimal balance between the responsibilities and interests among those who finance and benefit from social security schemes; financial, fiscal and economic sustainability with due regard to social justice and equity.

Overall, the ILO is suggesting governments to utilise all possible options to expand fiscal space and to invest in their people to achieve a virtuous circle of sustained growth and social development and avoid the risk of a slow growth and a weak human development trap'.

Source: ILO, 2014, p. 149.

### 7.2.3 Support to socio-political processes

Support strategies directed to the socio-political dimension of redistributive social protection constitute a rather new area of work for donors. This dimension is course highly sensitive and donors could prefer the 'comfort zone' of co-managed projects rather than getting involved in domestic politics. However, this does not mean that donors have been completely absent from such political areas. In particular the support to NGOs and local civil society organisations has contributed towards advocacy and awareness campaigns related to social protection possible. Also in their technical programs, are donors also relying on NGOs (OECD-DAC, 2013; see also chapter 6).

At the governmental level, donors are quite active in supporting capacity development processes of Ministries involved in social protection reforms. The OECD-DAC study on ODA for social protection reveals that 7 out of the 8 donors who responded to the survey are providing institutional and technical support to Ministries in charge (OECD-DAC, 2013).

From our literature review, we could not find examples of donor support to political non-governmental actors, like Parliaments or Economic and Social Councils in order to make them more able to participate to the debate at national levels. Such concerns are however present in donor policy documents. For instance, UNICEF makes clear in its strategy paper on social protection that 'interventions such as social health insurance, removal of user fees and cash transfers can reduce key financial barriers to accessing effective health services and covering related costs such as transportation. The strategy paper also indicates that redistribution mechanisms need to be justified and validated by citizens (beneficiaries and non-beneficiaries) and that implementation mechanisms and

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<sup>3</sup> Convention 102 has been ratified to date by 50 countries (ILO, 2014).

structures require the active participation of beneficiaries to enhance their relevance, appropriateness and ownership, and to ensure their effectiveness.

Germany seems to be active in this area and recently published a report describing their support in 'brokering the consensus' on (successful) social health insurance reforms in Mongolia involving (competing) ministries and social partners (GIZ, 2013). From this experience, the German Development Cooperation drew interesting lessons learned. This included choosing the right entry points (being individuals and institutions) involved in the expert groups running the process, the learning by doing approach (including pilot-projects and learning-oriented evaluation), the limited but effective use of foreign influence (meaning the donor kept his facilitator position while providing external foreign expertise when required by the Mongolian stakeholders who 'ran the show', GIZ, 2013, p. 36) and the explicit address of (even old) power issues between governmental actors and between social partner during the process.

Some scholars are showing scepticism about the capacity of donors to support – in a relevant way - the political process related to successful social protection reforms. They question this, not only from an efficacy perspective but also from a transformative perspective in terms of State-Citizens relationships and in terms of social and economic outcomes at individual and collective levels. Notwithstanding the need to first understand (before taking action) the political ingredients of social protection in developing countries, Hickey (2011, p. 16) points out that donors should then be forced to make serious shifts in the way they work. According to Hickey (2011, p. 16), '[t]his includes a stronger commitment to 'doing no harm' and to move away from a model of promoting ownership of policy reforms that is based on securing donor influence, and towards one that is based on enabling countries to take 'control' of their own policy agendas (Whitfield, 2009; Hickey *et al.* 2008), whether or not this involves the donor's preferred instrument of social protection; or indeed, whether it involves social protection at all'. As good of this principle can appear in theory, one might not forget that countries could chose to progress on social protection issues by further implementing unarticulated programmes, and without consideration for neither redistributive nor transformative issues. In such situation, the ownership principle would enter into contradiction with the normative vision of donors on social protection and it is not clear whether donors would react by coming back to their 'business as usual', entering in discussions with the countries or deciding to reallocate their ODA to other fields of interventions or to other countries.

#### **7.2.4 Better Donor coordination**

Beside their support to the various dimensions related of distributive social protection, donors can also contribute to the building of social protection systems by better coordinate their actions. Efforts have been made into that direction. At the international level, the Social Protection Inter-agency Co-operation board (SPIAC-B) has been created in 2012 and defined itself as a 'light, lean and agile inter-agency coordination mechanism - composed of representatives of international organisations and bilateral institutions - to enhance global coordination and advocacy on social protection issues and to coordinate international cooperation in country demand-driven actions'.<sup>4</sup> SPIAC is housed at the ILO and is operating on a mandate from the G20 Development Working Group. SPIAC is constituted by 16 International Organisations, 17 bilateral governmental agencies and 5 International NGOs. Belgium is one the bilateral members. SPIAC-B is co-chaired by the ILO and the World Bank. Meeting twice a year, the SPIAC-B offers opportunities of exchange of information, inventory of social protection activities and efforts of standardisation of social protec-

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<sup>4</sup> <http://www.ilo.org/newyork/issues-at-work/social-protection/social-protection-inter-agency-cooperation-board/lang--en/index.htm>



tion assessment tools, including at the statistical level and in cooperation with OECD-DAC Working Party on Statistics (OECD-DAC, 2013, p. 13). The SPIAC has among others led to the creation of the Social Protection Assessment Tool (previously called Social Protection Assessment of Results & Country Systems) designed a set of operational tools aiming clarify and provide advice on how social protection systems can best be established, based on international good practices of operations'. This tool is aimed to be mainly used by developing countries with the ambition to contributing to build social protection systems (see SPIAC-B Secretariat, 2014).

Initiatives of donor coordination like SPIAC-B represent an important step, particularly considering the differences of visions existing between major donors and international actors. The fact to be the ILO and the World Bank co-chairing the committee is significant from that perspective. Deacon (2014) notes for instance that one of the challenge of the SPIAC is to manage the tension between the ILO wishing to keep the Social Protection Floor as a focus and the [World] Bank preferring a broader Social Protection agenda (including labor policies and economic opportunities) while still talking 'safety nets' (Deacon, 2014, p. 411).

### **7.3 Concluding remarks**

This chapter reviewed some donor trends regarding support to social protection in low and middle income countries. We have seen that methodological issues limits the assessment of actual financial efforts of donors (ODA) towards social protection but that the existing data are notwithstanding showing an increasing of ODA in the recent years. We have also seen that several donors are taking steps to abandon the support of isolated programs to rather support national social protection plans. The universalist and right-based approach principles that are gaining importance in development issues are supporting these emerging efforts. The issue of redistribution is addressed in some donors policies documents (UNICEF, Germany) but the review did not allow to conclude whether this concern is also translated in the support donors are providing to governments. Support to tax administration is provided by donor and they could contribute to the effective creation of fiscal space. However, it is not clear whether such supports to tax administration is made in perspective of social issues. As for the support to socio-political processes surrounding the building of social protection, efforts made by donors seem to be still timid although encouraging governments to implement such reforms in consultation and coordination with other national stakeholders. Scholars are also raising questions about the ability of donors to support such sensitive political processes knowing their inclination to control as much as possible the interventions they are supporting. Finally, we have seen that efforts are made, at the international level, to better coordinate the interventions, the aid modalities and the (monitoring and evaluations) tools but such efforts are not yet widely observed on the field. It is obvious that such process will take time but it is important to monitor such process in order to detect signs of profound changes in the way donors are conceiving their role in the support of social protection in developing countries.

## 8 | Belgian governmental support for social protection in partner countries

In its recent adopted Law on Development Cooperation (March, 2013), Belgium devotes special attention to social protection as a policy domain. Belgium takes position in favour of a universal right-based social protection approach and subscribes the ILO's initiatives on a Social Protection Floor as well as the Decent Work Agenda. For middle income countries, DGD has specifically identified the redistribution of wealth via social protection and taxation as one of the priority areas for Belgian cooperation. The following domains of support are suggested (Strategy paper, p. 8):

1. The development of institutions and institutional capacity to guarantee a social protection floor for every citizen (as well as expanding the guaranteed social rights and covered risks in countries where coverage of the population is already high).
2. A better collection of data as a necessary condition for effective and reasonable social protection (e.g. birth registration as an access key for social rights).
3. The promotion of social dialogue in the context of broadly supported social protection systems.

Social protection in health is a domain where Belgian development actors are recognised to play an important role mainly in African low-income countries. Since the 1990s, several NGOs as well as international departments of Belgian mutual health organisations (*mutuelles de santé*) and trade unions have been pioneers in the development of such insurance mechanisms in Africa and in Latin America (see also Box 9). There are also several ongoing collective initiatives related to social protection. The MASMUT platform (gathering DGD, BTC, non-governmental organisations and academic institutions) was established in 2003 and with co-financing support of the Belgian cooperation, seeks to develop and strengthen mutual health platforms at national level in 6 African Countries. In addition, the 'Be-Cause Health' platform has a working group dedicated to social protection in health. And Social protection is the subject of a two-year advocacy campaign (2015-2016) carried out by the umbrella organisations of Belgian NGOs. Finally, Belgium was also one of the first donors to support (through core funding) one of the initial ILO Social Protection Programmes (i.e. the STEP programme - Strategy and Tools against Exclusion and Poverty) from 1999 to 2012.

### Box 9. Belgian NGOs and social protection

Several Belgian NGOs, often with a focus on health or with connections to the labour movement, work explicitly on social protection. In the case of NGOs linked to the labour movement, the attention for social protection can be partly explained by their focus on labour issues and informal economy. All NGOs with roots in Belgian labour movements (WSM, FOS but also the French-Speaking NGO Solidarité Socialiste) were quick to adopt the ILO Decent Work Agenda as a framework for their operational and advocacy strategies. Within the labour movement, both the Socialist and the Christian national mutual health insurance funds engage in international cooperation activities supporting the emergence of mutual health organisations in Southern Countries. For NGOs specialised in health issues, their involvement with social protection is in line with a series of international or regional initiatives related to the access to health care (e.g. Declaration of Alma Ata, 1978, Bamako Initiative from 1994). Also, the recent debates on free access to health care and



the 2010 World Health Organisation on universal access to health care, link up strongly with the debate on social protection.

Some NGOs working on social protection issues have developed various strategies. Firstly, at the operational level, they undertake activities to support the design, the set-up and the functioning of mechanisms that aim to prevent risk (e.g. insurance schemes) or improve income and capabilities of certain vulnerable population groups (e.g. micro-finance). Secondly, but less frequently, their strategies aim to provide relief from severe deprivation. In this case, mostly the poor of the poorest are targeted through assistance mechanisms (such as classical safety nets or food/cash vouchers). Thirdly, Belgian NGOs support their partners' capacity building regarding the technical and organisational aspects of social protection mechanisms. Finally, Belgian NGOs and their partners are involved in national and international campaigns on social protection (e.g. 2012 Joint Campaign of WSM and FOS/Solidarité Socialiste on social protection). During the past years, advocacy has become increasingly important as many governments are planning or undertaking major social protection reforms and this opens a window of opportunity for advocacy.

Many other development NGOs use instruments or strategies that could well be part of social protection strategies. Microfinance, for example, is a perfect example of an instrument that supports household to raise and diversify their incomes. However, often these instruments are used from an economic or sectorial perspective (supporting agriculture, fishery, handicraft, etc.) without being designed from a human right or risk management perspective.

Source: Fonteneau, Vaes & Huyse, 2014.

Considering the focus of this paper on redistributive social protection at national level, this chapter will explore Belgium's bilateral governmental support, ie. from government to government, in this area.

### **8.1 Overview of bilateral social protection support programmes in partner countries**

The table 8.1 below gives an overview of the governmental bilateral supported programs in Belgian Partner countries. This overview is based on different source: the most recent and/or current Indicative Cooperation Programmes, the ODA online database and the BTC Project information by partner countries. Information previously provided by Belgian Embassies to DGD in May 2013 (specifically on social protection floors) completes this set of sources. Based on this first set data, a first mapping was carried out and is currently under review by the representatives of the Belgian cooperation in the partner countries. Note: the partner countries for which the Belgian Embassies have provided additional information for the mapping exercise are marked with a (\*).

**Table 8.1 Overview of the governmental bilateral supported programs in Belgian Partner countries**

Country	Indicative Cooperation Programme (current)	Governmental Bilateral support to social protection policies in partner countries (> 2009)
Algeria	Access to health care	<i>Extension géographique du projet intégré de santé publique dans la Wilaya de Tamanrasset (2008-2012)</i> - Gratuité des traitements prophylactiques au cours de la grossesse pour la population Démunie (15,000 euros). - Mise en place de mécanismes de solidarité au sein des communautés en cas de frais de transport ou autres dépenses liées à des situations d'urgence (25,000 euros).
Benin	Support to the organisation of the demand-side in health sector (patients) and support to 'Plate-formes société civile-santé' for exchange of knowledge on mutual health organisations	<i>Projet d'Appui au Renforcement des Zones et départements Sanitaires du Mono-Couffo et de l'Atacora-Donga PARZ Programme (2010-2014)</i> - Support to the organisation of the demand-side (patients) in the framework of the support to Universal Health coverage (Régime d'Assurance Maladie Universelle) at district level. <i>Institutional support to the Ministry of Health (AIMS) (2009-2013)</i> - Knowledge support through publication and dissemination of Benin experience related to universal health coverage 'Vers une couverture Maladie Universelle' (Ministère de la Santé, CTB, KTI, 2013).
Bolivia*	-	-
Burundi*	Equity in access to health care	<i>Projet d'Appui Institutionnel au Secteur de la Santé (2011-2015)</i> Appui aux réformes institutionnelles dans le système de la santé (stratégies alternative de financement). <i>Donor coordination</i> Advocacy towards universal health coverage (BE as chef de file of the health sector). See Joint letter to the gouvernement 'Note commune des PTF de la santé et de la protection sociale sur le processus d'élaboration de la stratégie nationale de financement de la santé et ses liens avec la protection sociale (2014). <i>Programme d'Appui au Système de Santé aux niveaux intermédiaires et périphérique (ASSNIP); Volet 3: Bas Congo, District de la Lukaya (zones de santé, Kisantu et Nselo, Ngidinga)</i> Partnership with community-based mutual health organisations (supported by Belgian NGO). <i>Other Support</i> Co-financement dans le l'étude de faisabilité à l'extension de l'assurance maladie (Fonds d'Etudes et D'expertise) (2013) (Source: Mail Ambassade à DGD 2.3; 2013).
DR Congo*		Appui à la gestion locale des soins de santé (PIC 2007-2010) – Appui à la mise en œuvre de politiques de gratuité des soins (maternité).
Ecuador	Universal Access to Health Care	<i>Projet d'Appui au Programme de Développement Sanitaire et Social de la Vème région du Mali - PADSS   Mali (2003-2012)</i> Support to the development of mutual health organisations (basic health care, reference and hospital levels).
Mali		-
Morocco	-	-
Mozambique*	-	-
Niger	-	<i>Programme d'Appui Institutionnel au Ministère de la Santé Publique (2011-2013)</i> Support to the development of community-based mutual health organisations and support free access to health care (350,000 euros).
Palestinian Territory*		-

**Table 8.1 Overview of the governmental bilateral supported programs in Belgian Partner countries (continued)**

Country	Indicative Cooperation Programme (current)	Governmental Bilateral support to social protection policies in partner countries (> 2009)
Peru*	Universal health coverage	<i>Supporting national policy to promote universal Access to health care (Seguro Integral de Salud) (Source: PIC 2009-2013) 13.5 millions euros.</i> <i>Three components:</i> - extension of health insurance towards population in poverty and extreme poverty; - extension of the insurance package in function of epidemiologic and demographic profile of the population.
Rwanda	Expected outcome of Indicative Cooperation programme (2011-2014) includes: - financial accessibility to health services for all and sustainable and equitable financing of the health sector is improved; - (universal) availability and rational use of quality drugs, vaccines and consumables is improved.	<i>Appui institutionnel au secteur de la santé – phase 4 (2011-2014):</i> Support to the dynamics related to financial access to health care.
Senegal*	Support to health insurance	<i>Support to the development of health insurance through successive programmes:</i> - institutional support to Ministry of Health (unit in charge of health insurance); - support to mutual health organisation and regional unions of mutual health organisations (PAMAS 2009-2012); - equity Funds subsidizing the insurance premiums of destitute and vulnerable groups (PAMAS II; 2009-2012); - pilot project support the development of health insurance at district level (departments of Kaffrine et Foundiougne) (combined with flat rate payment) PAODES; 2013-2016); - support to the setting-up of Departmental Unions of health insurance schemes (Kongheul and Sokone) (PAODES).
South Africa*_	-	Indirect support (through studies and expertise fund), in cooperation with WHO to support capacity development of Ministry of Finance (one expert) in the framework of a cost-efficiency analysis of the recent National Health Insurance System (pilot stage).
Tanzania	-	
Uganda	Support to health insurance through studies and expertise fund	<i>Kasese District Poverty Reduction Program - KDPRP Ouganda (2009-2013):</i> - improving the incomes of the population, especially the most disadvantaged, in a sustainable manner; - supporting Kasese local authorities' development capacity to improve its service delivery and local economic development will be strengthened.
Vietnam	-	-

\* The Wallon Region also supported a programme 'Renforcement des pouvoirs publics et des acteurs de la santé du Sud-Kivu via la mise en oeuvre d'une assurance santé solidaire' (2011-2013; 500,000 euros/year).

## 8.2 Main trends

What are the main trends that arise from this overview? First, one might remark that Indicative Cooperation Programmes do not explicitly mention ‘social protection’ as a Belgian policy priority. However, 13 of 18 ICPs include intervention areas and expected outcomes directly related to social protection. These are also mainly directed to the health sector as evidenced by the various initiatives mentioned in table 8.2 that support universal health coverage, health insurance or equity in access to health care. This may not be so surprising considering the expertise built and claimed by Belgium in the health sector. The accent given by developing countries on universal health coverage as a strategy to expand the coverage of social protection in health offers a policy framework that is in line with Belgian policy priorities and expertise.

In terms of mechanisms, health insurance schemes (at community or district-level and with regional or national scope) seem to be a preferred (Benin, Burundi, DR Congo, Mali, Niger, Senegal, Rwanda, Senegal). Depending on the related policy strategy of the partner countries and the existing level of development of such social protection mechanisms, Belgium supports health insurance through a variety of strategies: partnerships with other development actors, setting-up of new community-based insurance schemes, pilot-projects combining insurance and out-of-pocket flat rate payment, capacity building of ministries in charge, budget support, etc. In all identified countries, support to health insurance takes place in the framework of projects in the health sector. Technical and financial project documents show that health insurance is addressed from both the perspective of the supply-side (as alternative mechanisms of health financing) and the perspective of the demand side (improving the financial access to health care). In a minority of countries (Senegal, Benin), the support to health insurance is combined with social assistance mechanisms toward the poorest (through subsidisation of the insurance premiums or free access to some health treatment).

Beside this major trend of supporting social protection in health, Belgium also contributes to cash transfers programmes but according to the information provided by Embassies, mainly through multilateral channels (PEGASE European mechanisms in Palestine Territories and World Food Programme in Mozambique). In addition, poverty reduction programmes based on micro-credit (Tanzania), access to local services (Uganda) and income generating activities (Rwanda) are also to be found in partner countries but without clear linkages with social protection strategies from both donor nor the partner country.

Coming back to our conceptual framework (see chapter 3), one might observe that from a bilateral governmental perspective, the support to social protection in partner countries mainly takes place in the framework of sectoral (health) projects managed in cooperation with the recipient country. Institutional support to Ministries (of Health mainly) often includes elements of social protection, e.g. for strengthening the design and enhancing the feasibility of health insurance schemes at national level (RD Congo). At this stage of the review, no information could be found that demonstrates Belgian support to the socio-political dimension of social protection reforms (with the exception of the support provided for dialogue processes between health practitioners and authorities and representatives of health care facility users, mainly at district level). Support and capacity development of the civil society on social protection issues and advocacy efforts are mainly channelled through the co-financing of Belgian non-governmental programmes (operating at local or national levels), mainly in the health sector again.

Along the same lines, no records could be found of support to other ministries (including Prime Ministries) or agencies in charge of overall social protection strategy at national level. The issue of redistribution also seems to be absent within the supported projects that were considered in this

review. It was also not mentioned as a priority concern in the institutional support to governmental actors.

### **8.3 Concluding remarks**

From this partial overview of the involvement of Belgium, it is clear that Belgium is a seasoned and active player in the field of social protection. Through its governmental and non-governmental organisations (whose actions are not taking into consideration in this review), Belgium has built a considerable experience around this area in developing countries. In more than three quarters of its partner countries, Belgium is supporting programs related to social protection, mainly in the health sector. Those outside the health sector include social protection dimensions but they do not seem explicitly designed for that purpose. In order to improve access to health services, Belgium seems to privilege social insurance measures that are in many developing countries becoming a national priority under the objective of a universal coverage. This support is being provided through specific interventions and support to capacity development of national authorities and local decision makers. Issues related to redistribution of wealth and social transformation are not explicitly addressed in the policy documents related to health but are part of Belgium's intentions in its strategy for middle-income countries. Also, through co-financing of non-governmental programmes, Belgium is supporting civil society actors in their actions, including lobby and advocacy, towards social protection in developing countries.

## 9 | Conclusions and recommendations

There has been a shift over the years in the way social protection programmes have been designed and implemented in developing countries. It started mainly with donor funded projects and programmes. Donors also, to a certain extent, dominated the discussions and operations in this area. This situation has progressively been questioned in terms of sustainability, ownership and efficacy. From those discussion emerged a new vision on social protection that approaches it from a more comprehensive perspective, putting the developing countries' governments in the driver seat to ensure ownership and sustainability, and especially financial sustainability. Gradually, domestic resources were less seen as being, by definition, insufficient in developing countries to finance social protection systems. From this financial perspective, the vision of a comprehensive, sustainable and nationally-owned social protection system has emerged with redistributive concerns. Taking steps towards redistribution of wealth is a highly political process and it is theoretically expected that various actors will want to have their say in this and will try to have their vision and/or interests taken into consideration. Therefore, besides its financial and technical dimension, it also has a strong political dimension. And since it deals with structural causes of inequality and addresses concerns of social justice and inclusion, it also has transformative dimensions. These dimensions, as shown in the theoretical framework, elaborated in chapter 3 of the paper, are important to consider when supporting the design of any social protection system.

Donors are slowly adapting their policies and aid modalities in order to support governments' comprehensive efforts and visions on social protection. However, more needs to be done in order to learn whether and how donors can play a constructive role without interfering too much in domestic issues or operating outside the vision and strategies of the governments. Some donors have included redistribution issues in their policies but it remains unclear to what extent these concerns are translated into effective support in developing countries.

In its law on development cooperation, Belgium has made social protection one of its priorities. Belgium is a seasoned and active player in supporting social protection in developing countries through a whole range of aid channels. The brief review of bilateral programmes confirms this argument but only for the health sector even though no Belgian development cooperation policy document limits its intervention on social protection to this sector. The large experience and expertise of Belgium (including non-governmental actors) in the health sector and in social protection in health seem to explain this trend. While Belgium is exploring the opportunity to support social protection in middle-income countries, e.g. on redistributive aspects, there is so far limited evidence that this concern is already translated in the bilateral governmental operations of the Belgian cooperation.

### 9.1 Recommendations

This working paper is a first step in a longer research process that will include two case-studies around the ongoing implementation of (redistributive) social protection reforms in two Belgian partner countries. These case-studies will aim to have a more in-depth understanding of such processes from both the country perspective and the donor perspective (strategies of support, aid

modalities, success and constraints). However, based on the insights that emerged from this introductory working paper, some general recommendations can already be formulated.

### 9.1.1 Exploring new entry points to support redistributive social protection

We have seen in this paper that Belgium is already supporting sectoral aspects of social protection reforms in partner countries, *quasi* exclusively in the health sector. This support includes the implementation of programmes as well as capacity building strategies at the political and/or operational levels. From the review of bilateral governmental support to partner countries, redistributive concerns do not appear explicitly in on-going Indicative Cooperation Programmes nor in the reviewed financial and technical documents of programmes related to social protection.

About the health sector where Belgium is already active in social protection, Belgium could have a broader look at the overall financial aspects of social protection (in health) at country level in order to assess the relevance and sustainability of Belgian interventions (governmental and non- governmental) in this area. It could help Belgium to identify whether some dialogue could be created with governments on redistributive issues and whether it would be relevant to adapt Belgian strategies towards this direction.

Considering the multi-sectoral character of social protection, it would also be relevant for Belgium to explore to what extent social protection and redistributive concerns could be integrated in other sectors supported in partner countries. The case of education is obvious since support to public services is one of the measures through which social protection can be provided. As for the private sector, the Belgian strategic note mentions briefly that ‘Support to the private sector aims to promote the transition of informal economy activities into the formal economy, e.g. to allow the implementation of a universal social protection’ (DGD, *Note Stratégique Appui au Secteur Privé*, 2013; own translation). But the policy document on private sector does not further elaborate how Belgium intends to make sure that the supported interventions include social protection dimensions. These efforts would also support the engagements made by Belgium regarding the ILO Decent Work Agenda. A similar analysis could be done for the strategic note related to children’s rights. This perspective has already been explored and implemented by other donors (see DfID *et al.*, 2009 on child-sensitive social protection) and could provide guidance for reflections at Belgian level.

In terms of areas of support, Belgium is already supporting some capacity development processes of political actors and operators involved in social protection at country level. These efforts have to be pursued and strengthened considering the lack of expertise (related to the design of social protection systems) often observed at country level. This also includes areas of support that are far less explored by the Belgian Development Cooperation like providing support for tax administration and policies.

As it is the case for many other donors, little is still being done to better understand the politics of social protection at country level. This understanding is particularly important to adequately adapt the provided support to on-going political processes and make the support more effective. The introduction (supported with awareness-raising and training strategy for development cooperation staff) of methodological frameworks like Political Economy Analysis and their effective use in designing support strategies would be particularly relevant.



### **9.1.2 Coordination between Belgian actors**

A number of Belgian actors are involved in the support of social protection initiatives in low- and middle income countries: Governmental actors, NGOs, International departments of Belgian Trade Unions and Mutual Health Organisations, academics, etc. Their actions are very often complementary e.g. because they are directed to different kind of actors at country level (governments, civil society organisations, providers of social protection services) and include a variety of strategies (capacity development, financial and technical support, advocacy, etc.).

Created in 2003, The MASMUT platform and the Be-Cause Health Working Group on Social Protection (gathering governmental and non-governmental Belgian actors involved in social protection in health in developing countries) have already contributed to strengthen the exchange of information between Belgian actors (regular yearly meetings, learning oriented public seminars, publications). These platforms have also contributed to a better, although still limited, dialogue between governmental and non-governmental actors on social protection in health related interventions in specific partner countries.

Beyond the health sector, the on-going 11.11.11/CNCD Campaign on social protection will also create opportunities to identify to what extent NGOs are supporting social protection related initiatives or to what extent social protection concerns could be included in supported interventions.

The focus on the building of social protection systems at national level makes the coordination between development cooperation actors even more decisive. Belgian governmental actors should revitalise their participation in existing platforms, particularly to discuss the vision of Belgian actors on this issue and to improve the coordination and complementarity of their support in partner countries in order to become more effective. In particular, the coordination between the bilateral governmental cooperation and the actions of Belgian NGOs in terms of supporting political advocacy strategies of their civil society partners (including in terms of capacity development) are, at country level, of major importance in the context of the building of social protection systems.

### **9.1.3 Pursuing efforts towards better donor coordination**

Belgium is one of the members of the Social Protection Inter-Agency Committee (SPIAC). This committee is investing efforts to foster a better coordination between donor interventions in developing countries (including in terms of improvement and harmonisation of assessment and monitoring instruments). The improvement and standardisation of statistic methods to assess the level of ODA dedicated to social protection related issues is another domain where progress towards more coordination between donors is observed.

Belgium should of course continue and strengthen its participation to the SPIAC and to other platforms aiming at better donor coordination and ensure the use of elaborated assessment and monitoring instruments in its own support to partner countries.

### **9.1.4 Revising aid modalities**

Contributing to the building of social protection systems at country level require adapted aid modalities. Projects and programmes are not the most relevant because of their limited duration and because of their often isolated character. General or sectoral budget support, multi-donor and multilateral channels of support may be more appropriate. Discussions on that matter with partner countries and other donors should take place in each partner country. Beyond these classical aid modalities, alternative models should also be considered by Belgium like the 'Global Fund For

Social Protection’ (see Box 3) that would establish global redistributive mechanisms between countries.

#### **9.1.5 Towards a strategic note on social protection?**

Considering its engagement toward social protection and the wide range of actors involved in support of social protection dynamics, Belgium could further fine-tune its vision and strategy through the elaboration of a strategic paper. This strategic paper would be an opportunity to draw lessons from previous Belgian experiences (governmental as well as non-governmental) in the support of social protection in developing countries and to fine-tune its vision, principles and strategies Belgium intends to follow and support. This elaboration process would also give the opportunity for Belgium to be more specific about its vision on redistribution. Finally, the paper could also include to what extent and how social protection concerns should be more systematically included in other sectors or areas of intervention (e.g. education, private sector, children’s rights, gender, etc.).

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