
During FY2002–2007 the World Bank engaged with 118 countries on social safety net (SSN) issues, providing lending in 68, analytic products in 86, training in 87, and a combined package of all three services in 42. A review of these safety net activities shows a strong diversity with respect to the regions, types of intervention, sectors and financing instruments. This reflects evolving thought within the Bank with respect to the role of safety nets in broad development strategies, not just immediate or temporary programs.

The findings of the portfolio review take into account all project and analytic documents where a thematic code of “social safety nets” was assigned. The analysis shows a noticeable variability over time, particularly as the portfolio expanded when large or multiple countries faced economic crises. The regional distribution of safety net activities reflects the dominance of Latin America, with emerging activities in the African and South Asian context.

**Overall Portfolio**

During FY2002–07 safety nets appear in 145 projects (see Table 1). The total value of these projects is US$13.4 billion, of which 25 percent are dedicated to Safety Net activities. The safety net portfolio is US$ 3.4 billion (see Table 2). Nine percent of all World Bank projects include safety nets, though these are usually a small share of the overall loan. The safety net portfolio accounts for 2.6 % of total World Bank lending.

**Table 1. Number of projects with Safety Net components, by region and fiscal year, FY02–07**

<table>
<thead>
<tr>
<th>Region</th>
<th>FY02</th>
<th>FY03</th>
<th>FY04</th>
<th>FY05</th>
<th>FY06</th>
<th>FY07</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFR</td>
<td>2</td>
<td>11</td>
<td>3</td>
<td>9</td>
<td>1</td>
<td>7</td>
<td>33</td>
</tr>
<tr>
<td>EAP</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>ECA</td>
<td>8</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>3</td>
<td>30</td>
</tr>
<tr>
<td>LCR</td>
<td>3</td>
<td>10</td>
<td>8</td>
<td>7</td>
<td>9</td>
<td>6</td>
<td>43</td>
</tr>
<tr>
<td>MNA</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>5</td>
<td>13</td>
</tr>
<tr>
<td>SAR</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>4</td>
<td>6</td>
<td>7</td>
<td>19</td>
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<tr>
<td>Total</td>
<td>16</td>
<td>30</td>
<td>19</td>
<td>29</td>
<td>22</td>
<td>29</td>
<td>145</td>
</tr>
</tbody>
</table>

2 Since December 2001, project task team leaders have assigned thematic codes to projects. Thematic Code 54 “Social Safety Nets” is meant to capture safety net activities. The guidance note for coding defines Thematic Code 54 as “Activities intended to provide social assistance (i.e., in-kind or cash assistance to poor and vulnerable individuals or families, including those to help cope with consequences of economic or other shocks). It includes: benefits in-cash to vulnerable groups; benefits in-kind to vulnerable groups; subsidies for goods to vulnerable groups; subsidies for services to vulnerable groups; workfare programs; other risk coping activities.”
Limited comparisons with a previous inventory (done without the aid of the current coding scheme) show a larger number of loans in every year since FY98, the year before the social risk management framework that underlies the Social Protection strategy was written. There is noticeable variability in size as the portfolio expands when large or multiple countries face economic crises. Figure 1 reflects the impact of high dollar value loans, for example, large loads to Argentina’s Jefes de Hogar program in FY03.

Similar trends emerge with respect to SSN analytic products, with growing analysis during FY 03–07 when approximately 315 products were generated. Two factors may account for this including the timing of financial crises, as well as the release of the Social Protection strategy in 2001. An area where the treatment of safety nets has unambiguously increased is Country Assistance Strategies (CAS).

**Distribution of Activities by Region and Income Level**

The safety nets portfolio is dominated by LCR both by number of projects and dollar volume. By number of projects, LCR, AFR and ECA are all active, with the other regions much less so. LCR claims the highest share of lending of the SN portfolio, and by a wide margin (51 percent), followed by SAR, ECA, AFR and EAP. The regional pattern of analytic work is somewhat similar to that for lending. ECA carries a heavier weight in analytic work than in lending.

It is interesting to note that the number of projects split between IDA (61 projects, $667 million) and IBRD (51 projects, $2.1 billion) is about the same as for the overall Bank port-

<table>
<thead>
<tr>
<th>Region</th>
<th>FY02</th>
<th>FY03</th>
<th>FY04</th>
<th>FY05</th>
<th>FY06</th>
<th>FY07</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFR</td>
<td>58.9</td>
<td>123.3</td>
<td>39.7</td>
<td>112.4</td>
<td>5.5</td>
<td>93.3</td>
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<tr>
<td>EAP</td>
<td>0.0</td>
<td>55.0</td>
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<td>61.6</td>
<td>64.0</td>
<td>8.0</td>
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<tr>
<td>ECA</td>
<td>136.4</td>
<td>91.9</td>
<td>24.8</td>
<td>88.6</td>
<td>102.3</td>
<td>10.1</td>
<td>454.0</td>
</tr>
<tr>
<td>LCR</td>
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<td>857.5</td>
<td>311.1</td>
<td>176.6</td>
<td>207.9</td>
<td>120.9</td>
<td>1736.9</td>
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<tr>
<td>MNA</td>
<td>4.4</td>
<td>6.8</td>
<td>17.0</td>
<td>24.0</td>
<td>0.0</td>
<td>18.8</td>
<td>70.9</td>
</tr>
<tr>
<td>SAR</td>
<td>30.2</td>
<td>39.2</td>
<td>0.0</td>
<td>96.5</td>
<td>158.5</td>
<td>192.7</td>
<td>517.0</td>
</tr>
<tr>
<td>Total</td>
<td>293.0</td>
<td>1173.7</td>
<td>392.5</td>
<td>559.6</td>
<td>538.2</td>
<td>443.7</td>
<td>3400.7</td>
</tr>
</tbody>
</table>

Figure 1. SSN Portfolio, FY 02–07 (US$ m)

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Table 2. Lending Commitments for Safety Nets, by region and fiscal year (in US$ million), FY02–07

a. Number of projects

- SAR (19 projects) 13%
- ECA (33 projects) 23%
- AFR (33 projects) 13%
- MNA (13 projects) 29%
- LCR (45 projects) 51%
- EAP (7 projects) 5%

b. Amount of allocation (US$ million)

- MNA ($71) 6%
- LCR ($1,737) 51%
- EAP ($433) 13%
- ECA ($454) 13%
- SAR ($517) 15%
- AFR ($189) 6%
This highlights that social safety nets are increasingly focused on low-income countries, despite a common perception that they can only be afforded in middle and high-income contexts.

**Distribution of Activities by Types of Intervention**

The total lending portfolio for SSN’s covers many different types of intervention. By dollar value, the portfolio is nearly evenly divided among a range of cash programs, various types of non-cash programs, public works, and technical assistance respectively. Non-cash assistance dominates the portfolio by number of activities, but it is slightly smaller by dollar value than cash programs. There are relatively few public works projects, but some large ones which dominate the portfolio.

Despite their appearance in all sorts of recent development writing the conditional cash transfer portfolio is fairly small—just 6 percent by number of projects and 14 percent by dollar volume. The number and amount of CCT projects reported also reflects coding to other sectors and multiple program objectives. Using alternate accounting methods, which assign CCT activities to SSN, the percentage of the portfolio rises to about a third by dollar volume.

The most common theme in analytic work is cash transfers, with non-cash programs running second, and public works a distant third.

The regional breakdowns are not surprising: ECA leads in analysis of cash transfers, child allowances, disability allowances and in-kind energy programs. LCR dominates work on CCT programs, but has a diverse portfolio including most topics. Africa and East Asia do little analysis on safety nets, though AFR does some work on public works and food programs, while EAP focuses mostly on cash transfers as well as fee waivers for health and education. Finally, SAR leads the analysis of micro-credit and income generation activities and does a good share of studies on public works, food-related programs, and CCTs.
The SSN portfolio has a good track record of credible impact evaluations—especially conditional cash transfers and public works programs. Of the CCT programs in 77 countries in this portfolio, credible evaluations are available or planned for 10 and results to date are largely positive. Impact evaluations and beneficiary assessments of public works programs are available for only five of the seventeen countries where the Bank supports this type of intervention, but these account for more than 80 percent of the public works portfolio (of US$760 million).

**Future Activities and Strategies**

Based on an assessment of the current trends, country needs and other factors an active future portfolio is expected in the area of SSN’s. The substance of the portfolio is anticipated to focus on several areas including:

- work on implementing safety nets in the income countries of South Asia and sub-Saharan Africa;
- lending for CCTs in additional countries;
- further work throughout the portfolio, especially in middle income countries, on institutional issues—targeting, decentralization, improved service delivery, etc.; and
- policy issues throughout the portfolio, particularly how safety nets fit in the poverty reduction and social policies of each country.
- Higher share of non-lending activities, responding to government preferences to self finance safety nets.

**Distribution of Activities by Lending Instrument**

Seventy percent of the projects approved over the period FY02–07 are investment loans which represent 62 percent of the total spending on SSN activities, the remainder are policy based or ‘adjustment’ operations. Concerning analytic work, the largest category is working papers, which together with the book category; add to 43 percent of total products. The World Bank is also active in capacity building via training. In FY 05 and FY06 approximately 20,000 training days were provided related to SSN’s.

The World Bank Social Safety Nets Primer series is intended to provide a practical resource for those engaged in the design and implementation of safety net programs around the world. Readers will find information on good practices for a variety of types of interventions, country contexts, themes and target groups, as well as current thinking on the role of social safety nets in the broader development agenda.

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Social Protection, Social Safety Nets  
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