
Background

Social protection is a basic right for all people that is realized through public or publicly mandated actions that enable people to deal with risk and vulnerability, that provide support in cases of extreme and chronic poverty and enhance the social status and rights of marginalized groups.

Social protection is critical to achieve social inclusion, to strengthen legitimacy of governance, to reduce the possibility of conflict and achieve sustainable economic growth with equity.

Social protection does not replace, but goes hand in hand with livelihood promotion and strengthening of basic rights. These three policies are mutually reinforcing and provide an effective strategy to enable poor people to escape chronic poverty and to achieve sustainable development.

The choice of specific instruments to provide social protection will depend on the needs of people and specific country contexts. However the instrument chosen should respect a number of principles based on social protection as a right for all.

Oxfam believes the following principles should underpin social protection policy:

- Social protection is a right of all people and therefore a primary responsibility of governments in terms of design, delivery, funding and monitoring.
- Social protection should respect dignity and favour empowerment of the intended beneficiaries.
- Social protection should foster equity, as a mechanism to redistribute resources in society and by providing benefits on an equitable basis to the recipient population.
- Social protection requires a long term commitment in terms of institutional arrangements and funding and means that benefits are predictable for the population.
- Social protection should be large in scale and have broad coverage. Pilot schemes should be evaluated on their potential to be upscaled, including on simplicity, cost-effectiveness and fraud resistance. Targeting benefits to poor people seems effective as scarce public resources are benefiting the people most in need. However targeting is complex and has significant administrative and political costs. Universal benefits can be simpler and therefore a more cost-effective alternative, particularly when it comes to provision of health and education.
- Meaningful social protection requires an active involvement of civil society. The population should be informed of their rights, so that states can be held accountable for their policies.

Adopting these principles will have significant consequences for the choice of policies. Oxfam applauds the recognition of the importance of social protection by the World Bank.

Comments/Specific Issues with Concept Note

Oxfam International welcomes the opportunity to feed into this concept note. We particularly welcome the fact that the Bank recognizes that social protection is not only a matter of poverty alleviation, but that ‘well performing social protection systems are indispensable ingredients of sustainable growth’ (p1). And that “For the World Bank, supporting social protection and labor programs in client countries is central to its
mission of poverty reduction through sustainable, inclusive growth” (p1). This is important progress: previously economic development was expected to come from macro-economic reform, while social protection programmes were implemented to deal with the worst consequences of these policies. In this vision, social protection appeared to be regarded as a non-productive use of scarce public resources. This new strategy suggests that social protection should be central to a strategy to achieve equitable and sustained economic growth. However, this being recognised, this concept note does not outline a vision of what an equitable and sustained strategy for economic growth – with social protection playing a central role - would look like. The final strategy should do so.

Climate and Food Price Crises vs Long Term Support for Resilience to Risks

- It is interesting to note that the concept note mentions that ‘social protection lending spiked in crisis years’ (p5). This clearly highlights the protection and prevention role of social protection at times of crisis. However, we are surprised to note that there is no clear mention of how the Bank’s social protection strategy links with trends in climate change and food price volatility. Oxfam’s experience of working with extremely poor and food insecure population indicates that predictable and longer term support is essential to allow poor men and women to deal with the effects of these risks and take measures to adapt their livelihood systems to build resilience to these risks.

- Oxfam stresses the need for a long-term commitment from the World Bank and donors, as social protection requires the establishment of regulatory frameworks, institutional arrangements and secure funding. Without this commitment, social protection will do little to help poor people escape the poverty trap and increase social justice. There is a need to invest in social protection as an effective way to reduce poverty, help populations cope with shocks, enhance economic justice and strengthen the social contract.

Role of Public Sector

The concept note mentions that the public sector can step in and complement measures, when communal and private arrangements are insufficient to meet society’s objectives of equity and socio-economic development (pg 2 para 7). However, Oxfam’s analysis is that far from playing a complementary role, governments will need to lead the provision of social protection if it is to be effective and equitable. The current experience with social protection in developing and developed countries is that is consists of a complex and fragmented myriad of public and private arrangements. Two specific risks occur in such a situation: 1) complexity and potential high cost of supervision and monitoring and 2) the potential inequality in services provided by private companies, social security institutions and Ministries of Welfare. In several recent publications Oxfam has called on national governments to invest in social protection as an indispensable strategy to achieve long-term resilience towards climate shocks and long-term food security. An increasing number of (low income) countries have demonstrated that, with sufficient commitment, well designed basic social protection is feasible and affordable.
Social protection is a mechanism to enhance the social contract between government and citizens. This is relevant for all countries, but especially for those affected by armed conflict.

**Implementation of Multi-Sector Approach**

- We appreciate the recognition of multi-sectorality of social protection in the strategy paper. However, the paper does not give enough clarity on how this key feature of social protection will be resourced and supported through system development and coordination between different line departments.

**Linkages between Conditional Cash Transfers and Investment in Social Services**

- The document makes reference to Conditional Cash Transfers without making a link with the investments required in social services to make them work. In many poor and fragile countries, social services are not well resourced and for that reason, Oxfam is not convinced that conditional transfers are the best option in these contexts to address the social transformation agenda.

**Supporting the United Nations Social Protection Floor Initiative**

- The document makes reference to the UN Social Protection Floor initiative (SPFI) that was adopted by the United Nations’ Chief Executive Board in 2009. Even though the World Bank is a partner agency in this initiative, there is no mention on how the new strategy links and supports the Social Protection Floor Initiative. We hope to see this spelt out clearly in the final version of the strategy.

**Fragile States**

- Oxfam welcomes the attention on ‘strengthening the focus on low income and fragile states’ (p9). We would like the final document to be more specific on what is meant by ‘fragile states’ and what will be the role of World Bank in strengthening social protection in politically fragile contexts, especially where states are either partisan or involved in large scale abuse of human rights. These are also the contexts where state structures and systems are extremely weak and fractured. Indeed in such contexts, people need social protection to not only meet their survival needs but also adapt their livelihoods to the changes. Oxfam would also like to know how P4R would build states capacity to implement social protection measures themselves.

- Oxfam’s humanitarian work is confronted with more frequent and severe humanitarian crises. Often these crises have a more-or-less permanent character and are more the result of poverty and inequality than by natural events. In these cases humanitarian aid is becoming a substitute for the incapacity or unwillingness of governments to support poor and vulnerable people. This is one of the reasons why social protection has particular significance in the context of fragile and conflict-affected states. In such countries, organizations like Oxfam provide humanitarian aid as an inadequate but often only source of relief for vulnerable people. Here, social protection can be seen as
an agenda to work towards more comprehensive and predictable support and to enhance the social contract between the state and its citizens. Oxfam considers that the World Bank must ensure economic growth for poor people and that aid too often has served as an ineffective and unpredictable substitute for pro-poor policies.

**Rapid Social Response Programme**

- We appreciate the efforts to set up the `Rapid Social Response (RSR) programme’(p7). In the final version, we would like to see more information on the design, functioning and resource allocation features of the RSR.

**Redistributive Role of Social Protection**

- The concept note emphasizes the protective, preventive and promotional role of social protection, but nothing here is said about its redistributive role. Oxfam strongly believes that social protection is a key mechanism to redistribute wealth, ensuring that the widest possible numbers of people in a society are in a position to benefit from economic growth. In OECD countries more than 13% of national GDP is redistributed to vulnerable groups. New estimates show that around three-quarters of the world’s poor now live in middle-income countries, indicating the scale of the challenge of equitable distribution.

**Human Rights Framework**

- It is appreciated that the new strategy recognises the need to focus on `systems, not just programmes’ (p6). Oxfam would like to emphasise that social protection must be looked within a human rights framework (the SPFI that the WB is a partner agency in, does this) and for that reason, we believe that social protection must not be taken up as time bound programmes or projects. A human rights approach is inclusive and recognises the myriad of vulnerabilities faced by the poor. It also acknowledges that many poor men, women and children cannot transition out of poverty in their lifetime through their own efforts.

- The concept note makes no reference to social protection as a right. Social protection is a historic basic right of all people, rooted in the Universal Declaration of Human Rights (articles 22 and 25) and the International Covenant on Economic, Social and Cultural Rights (Article 9). “The States Parties to the present Covenant recognize the right of everyone to social security, including social insurance. “ Another key reference is the International Labour Organisation (ILO) *Convention 102 (1952) on Social Security (Minimum Standards).*

- Social protection is not only about designing effective mechanisms to support the poor: it is also about creating ownership of people and governments, translating benefits in rights safeguarded by legal frameworks; and civil society having a crucial role in monitoring effectiveness and equity of social protection policy.
Increase Needs Based Component

- The concept note mentions that the social protection and labor portfolio has remained one of the best performing among the World Bank sectors, with average disbursement rates of 43% (against 26% for the rest of the World Bank). However, while the Bank’s Performance Based Allocation (PBA) system does include some recognition of need, Oxfam argues that particularly in the case of social protection, the needs-based component of the formula should be increased in weight.

Risks vs Results

- The note mentions the importance of results (p7). However, it should also be clear that the Bank, and other donors and governments themselves, should also be prepared to take risks and be creative when attempting to reach the most marginalised and vulnerable (and therefore by definition hardest to reach) people in societies.

Agriculture Sector

- Insufficient attention is paid in the concept note to social protection in the agricultural sector beyond agricultural crop insurance. Social protection in the agricultural sector is particularly important for a number of reasons. Firstly because it provides an income for so many women; secondly because of the informality of the sector and thirdly because of its seasonal nature.

Coherence with Wider Bank Policies

- This concept note recognises that the provision of universal services is one of the central pillars of social protection (a view with which Oxfam would strongly agree), however, this is not coherent with policies of other parts of the Bank. Oxfam argues strongly that to serve as real social protection, universal services must be free at the point of delivery, which, our analysis clearly shows, will be achieved in the most sustainable manner by a tax-based financing system, rather than relying on out-of-pocket spending or social health insurance schemes. Yet the Bank is not doing enough to proactively work with countries to remove uses fees and help them develop adequate tax-financing systems which could finance both universal services and more traditional social protection programmes in a sustainable manner.

- Another area where there is an apparent failure of policy coherence is that the Bank currently fails to explicitly target equity in its lending.

- A positive element in the note is the emphasis on adopting social protection schemes that have to respond to individual countries’ social contracts, societal preferences and institutional capacities (p4). In the past we have seen that donors (including the World Bank) have specific preferences: generally targeted safety net schemes and food/cash for work kind of programmes instead of universal services / universal social
protection. The Bank has also demonstrated a strong preference for market based solutions. This approach means that certain countries received broad support for their policies, while others (with other preferences) didn’t. We believe the strategy should entrench a more equitable approach that does not discriminate against universal services/universal social protection.