The International Initiative for Impact Evaluation

TYPOLOGY OF SOCIAL PROTECTION PROGRAMMES
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Background

I suggest taking the definition of Social Protection (SP) detailed in the ‘Social Protection Sector Strategy: from safety net to springboard’ (World Bank, 2001) as a point of departure for developing the typology. This publication was path-breaking for the international thinking around what SP entails, and placed it within a framework of social risk management (SRM). Any variation and updates in the World Bank thinking around social protection, as reflected in the recently published concept note ‘Building Resilience and opportunity: the World Bank’s Social Protection and Labor Strategy 2012-2022’, will be briefly introduced.

SRM was summarised in the foreword as an approach which can ‘...not only help poor women and men cope with the result of downturns (a safety net), but proactively help them take on higher return activities with less concern about the risks (a springboard). Such an approach provides the opportunity for people to move out of poverty while still providing support for those in most severe need.’

Several key concepts are important to an understanding of SRM. The most appropriate combination of risk management strategies (prevention, mitigation, and coping) and arrangements in any given situation will depend on the type of risk and on the costs and effectiveness of the available instruments. The below typology has taken as a point of departure the World Bank strategy:

In the area of **risk reduction**, the main SP measures include:
- Enhancing pre- and in-service skills building, with a focus on ensuring access (especially for women) to skills building and training that is market-driven
- Eliminating harmful child labour
- Assisting governments in making labour markets more equitable and inclusive.
  This is reflected in supporting the introduction and adherence to basic labour standards

In terms of **risk mitigation**, social protection includes:
- Improving old-age income security, with a focus on ensuring adequate retirement income for informal sector workers and lifetime poor people, as well as for particularly vulnerable groups
- Providing appropriate unemployment benefits
- Microfinance (including instruments such as micro-savings and micro-insurance)
- Building financial literacy (safe financial assets are key to poor people’s ability to mitigate risk)
Under a social **risk coping** approach, promising avenues relate to interventions that help poor people cope while reducing or mitigating future risks:

- Supporting community-based coping related to orphans and AIDS victims
- Social funds
- Safety-nets
- Encouraging expansion of support for legal reform efforts, with a focus on inheritance laws and civil laws

According to a report prepared for the USAID on definitions of key social protection terms from other donors\(^1\), the SRM framework overlaps with the WB’s social protection work, but there are aspects of SRM and SP that do not overlap. In particular, social exclusion is a social protection issue that the 2001 strategy considers beyond the scope of SRM, whereas the framework considers microfinance schemes a social risk strategy program, not necessarily a social protection program.

While recognizing the intellectual coherence that the SRM framework brought to the field of social protection, the recently published 2012-2022 World Bank concept note mentions two limitations of the framework: (i) it has not provided sufficient guidance for the design and implementation of effective social protection systems; and (ii) World Bank operations have been more likely to focus on the prevention and protection elements underlying SRM, rather than on promotion (or risk reduction in the SRM terminology) – how social protection and labor programs can work with other interventions to contribute to the preservation and accumulation of human capital. The note concludes that ‘**the future strategy for the World Bank, therefore, has to centrally address these operational issues, and also to deepen the emphasis on how better access to labor markets can help promote opportunities. This has to particularly include exploiting synergies with other sectors, given the strong multisectoral orientation of social protection.**’ (p. 7)

The IDB is in the process of updating its Social Strategy, titled ‘strategy on social policy for equity and productivity’. Like the World Bank, the IDB has quite a broad definition of SP with certain aspects relating to specific regional problem areas. The focus is both on short term mitigation of the impacts of shocks on the poor and vulnerable, as well as on providing them with the opportunity to move out of poverty. There is a strong focus on youth due to high levels of crime and unemployment among this age-group in the region, with typical interventions supported by the bank including youth training and labor insertion programs, and also on Integrated Early Childhood Development (ECD) interventions\(^2\). Typically, SP interventions supported by the IDB include safety nets and transfers, integrated ECD interventions, multi-sector programs targeting youth at risk, and articulation between social assistance/poverty reduction programs and social insurance systems. A lot of the current thinking is going into the issue of how to extend “social security” in a labor market incentive compatible way. The IDB is also involved in important reforms of school feeding programs, which are pervasive in the region. Social Funds have fallen into discredit due to the lack of evidence on

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\(^1\) R. Gross, 2007; ‘Definitions of key social protection terms from other donors’, report commissioned by USAID.

\(^2\) This includes health, early stimulation, parenting skills, nutrition, and pre-school.
positive impact and extensive governance issues, whereas public works programs have not been a pervasive policy tool.

DFID signs up to the OECD definition of social protection as referring to ‘...policies and actions which enhance the capacity of poor and vulnerable people to escape from poverty and enable them to better manage risks and shocks. Social protection measures include social insurance, social transfers and minimum labour standards.’ DFID does not have a single policy for social protection, but the institution has produced or commissioned a number of briefing papers in recent years to help in continuously informing and refining its work in social protection.\(^3\)\(^4\)\(^5\)\(^6\)\(^7\) In general, these papers focus on social assistance, particularly social transfers. Social transfer interventions supported by DFID include unconditional cash, food or asset transfers, public works, school feeding schemes, and agricultural inputs packages.

The ADB has a limited scope for SP programming. SP falls under the management of social risk among vulnerable groups within ADB’s social development matrix, and therefore has a focus on vulnerable groups. A broader definition was presented in a 2003 framework. It breaks the ADB’s SP work into five main areas: labour markets, social insurance, social assistance, micro and area based schemes to protect communities, and child protection.

Given that social protection programs is what developing countries offer in the absence of a developed welfare state, it is interesting to note that none of the above institutions include access to some form of subsidized health insurance for the poor and vulnerable among the intervention areas under SP (even though the WB risk mitigation interventions include both unemployment benefit and pension). The one institution that does go further in this regard is the ILO. Although its definition is not limited to vulnerable groups, the ILO has focused on the expansion of social services to the developing world and the informal sector.

**Recommended typology**

For the sake of learning addition, timeliness and arriving at a common denominator of studies of interest, we suggest focusing on the areas of risk coping and risk mitigation, as defined by the WB, while limiting the inclusion of risk reduction (promotion) related interventions to those of integrated ECD and interventions specifically targeting youth at risk (youth training and labor insertion programs). Within the area of risk mitigation, we suggest excluding microfinance and financial education, using the WB’s own argument that this does not necessarily belong in the SP strategy though it does

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3 OECD, 2009; ‘Promoting Pro-Poor Growth: Employment and Social Protection’
Governance and Social Development Resource Centre, accessed 10/02/2011
5 F. Ellis et al (2008); ‘Social protection research scoping study’, ODG, University of East Anglia.
7 Forthcoming: Findings from DFID social protection research: 2003-2010; and DFID evidence paper on cash transfers.
belong within the SRM framework. We recommend considering the inclusion of interventions aimed at extending protection from health risks to the uncovered, as well as micro-insurance such as agricultural insurance (weather index, livestock insurance and so on).

Within the area of risk coping, we recommend including public works programs / work fare, in line with DFIDs approach, while excluding social funds, as these have mainly been focusing on community-level infrastructure provision and as such do not readily qualify as SP interventions. We recommend excluding stand-alone interventions aimed at orphans and AIDS victims (and street children, though this was not part of the original WB list), and rather look at these issues when integrated into more holistic social protection programs. We also recommend excluding legal reform efforts. While important, this type of reform will typically be embedded in larger legal reform programs and will be difficult to detect for the purposes of a rapid scoping study. Finally, we recommend ensuring the inclusion of programs (typically policy-based programs) that focus on the development of effective social protection systems that exploit synergies with other sectors.

The suggested typology for further mapping is hence as follows:

(i) **Risk mitigation:**
   - **Old-age income security**, with a focus on the poor and vulnerable (includes micro-pensions)
   - Appropriate unemployment benefits
   - Expanding health insurance to the uncovered
   - Micro-insurance, in particular agricultural for small-holder farmers (e.g. weather index, livestock, crop)

(ii) **Risk coping:**
    - Non-cash targeted transfers (vouchers; school-meals; food-packages; seeds to poor farmers etc)
    - Public works / work-fare programs
    - Unconditional/Social cash transfer programs
    - Conditional cash transfer programs

(iii) **Risk reduction:**
     - Integrated ECD
     - Interventions specifically targeting youth at risk (youth training and labor insertion programs)

(iv) **Development of effective social protection systems** (typically includes all three risk strategies)