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Response of the United Nations Team in Brussels to the EC Public Consultation on Social Protection in EU Development Cooperation

This represents the joint contribution of the UN Team in Brussels¹. The UN welcomes the opportunity to contribute to the EU's reflection on Social Protection in EU Development Cooperation. In recent years, the UN system has considerably intensified its efforts to extend and strengthen social protection coverage to all, including the Social Protection Floor (SPF). SP policies have already proven their impact on specific MDGs such as eradicating extreme poverty and hunger, promoting employment and decent work, gender equality and empowerment of women, reducing child mortality, improving maternal health, combating HIV/AIDS, malaria and other diseases and improving access to water, sanitation, food security and adequate nutrition. As such, SP policies can accelerate progress across MDGs in a coherent and concerted way.

The right to social protection is enshrined in core UN Declarations and Conventions, which recall the right of peoples to the ultimate goal of comprehensive social protection systems that adequately cover all vulnerable and marginalized individuals and households at minimally acceptable levels.

Social protection both redresses vulnerabilities and marginalization, but also addresses the structural and legal constraints that underpin inequities in opportunities, capabilities and access of specific groups in society. Designed correctly, social protection combines both the economic and social dimension of development by empowering individuals to seize opportunities for decent employment and entrepreneurship. National social protection floors should be seen as a foundation of universal social protection systems in a country, with higher coverage of protection achieved progressively.

Social protection schemes need to be adapted to diverse cultural and socio-economic contexts, as well as to the financial, institutional, technical and administrative capacities between and within countries. More attention is needed on the challenges faced by crisis-prone, low-income and food insecure countries.

¹ The UN Team consists of 26 specialised agencies, funds and programmes of the United Nations, the UN Secretariat, and the UN University in Bruges.

The international community has clearly endorsed the critical contribution of social protection to human development, in the General Assembly of the UN², the International Labour Conference (ILC)³ and the G20.⁴

The EU's leadership has been and remains key, and delivers on the EU's own core values including the Human Rights-Based Approach to development that it has consistently championed and which lies at the heart of its own European Consensus on Development.

A systematic approach to social protection will allow for greater comparability and collaboration between individual countries and programmes, to ensure (pilot) projects fall within a coherent policy framework.

This UN response draws on the following documents:

- Universal Declaration of Human Rights;
- International Covenant on Economic, Social and Cultural Rights;
- International Labour Standards, such as the International Labour Convention and Recommendation on Social Security Minimum Standards;
- International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families;
- Convention on the Rights of the Child and its two Optional Protocols;
- Convention on the Elimination of All Forms of Discrimination Against Women;
- Convention on the Rights of Persons with Disabilities;
- 1951 Convention Relating to the Status of Refugees;
- 2011 Political Declaration on HIV/AIDS;
- UNAIDS Guidance Note on HIV and Social Protection;
- UN "Social Protection Floor for a Fair and Inclusive Globalization" – Report of the advisory group chaired by Michelle Bachelet (2011)
Social protection floor for a fair and inclusive globalization, available at: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_165750.pdf;
- WHO Geneva, The World Health Report (2010)
Health Systems Financing: the path to universal coverage, available at: <http://www.who.int/whr/2010/en/index.html> ;
- Global Assessment Report on Disaster Risk Reduction (2011)
Revealing Risk, Redefining Development, available at: <http://www.preventionweb.net/english/hyogo/gar/2011/en/home/index.html>
- World Social Security Report, ILO, 2010 and Resolution on social protection of the 100th ILC session, June 2011
<http://www.socialsecurityextension.org/gimi/gess/ShowTheme.do?tid=1321>

² Sixty-sixth General Assembly Second Committee, available at: <http://www.un.org/News/Press/docs//2011/gaef3320.doc.htm>

³ Resolution concerning the recurrent discussion on social protection (social security), available at: http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_162049.pdf

⁴ Cannes Summit Final Declaration, available at: <http://www.g20-g8.com/g8-g20/g20/english/for-the-press/news-releases/cannes-summit-final-declaration.1557.html>

The UN also warmly welcomes the EU's own 2010 European Report on Development, *Social Protection for Inclusive Development*, which is inspired by the international norms, standards and aspirations in this area.

Question 1 – strongly agree

Social protection systems should be defined according to the priorities of national governments.

Most countries have in place one or more social protection schemes and mechanisms. Coverage is often insufficient in terms of the quantum and nature of benefits, efficiency of delivery, and vulnerable and marginalized groups that are excluded. Nevertheless, the profusion of and strong interest in social protection mechanisms in even the poorest countries, is testimony to their appeal and the mounting evidence of the resultant benefits.

Social protection is a set of nationally-owned policies and instruments that support access to goods and services by all households and individuals. Social protection systems should indeed be defined according to the priorities, resources, capacities and needs of countries. This goes beyond national governments and includes close involvement of parliaments, social partners and other relevant parts of civil society, including those representing the poorest and vulnerable groups in the set-up, monitoring and evaluation of systems. Question 1 should therefore be extended to the priorities of countries, not just governments.

Country governments and those supporting them should be strongly encouraged to adopt as a basis for social protection systems the voluntarily-accepted relevant international commitments, such as UN Conventions, international labour standards on social security, wider economic and social rights and possible regional obligations.

National social security systems consist of two main complementary categories of schemes; one seeks to implement floor level basic benefits for all and the other one seeks a universal level of income security and access to health care. The floor thus should reach out to entire populations, but most prominently to the marginalized and vulnerable groups who now have no or very little social protection,, whereas the higher level schemes would probably mainly cover the formal sector. The floor thus acts as a way to promote social cohesion and strengthen a social contract within countries. National social dialogue processes are crucial in facilitating the progression from policies targeting the most vulnerable towards approaches that are built upon guaranteeing and extending rights based entitlements to entire populations and institutionalizing essential social protection policies.

The Conclusions of the 100th ILC in June 2011 on social protection (social security) use the term “social protection floors” in the plural which refers to national adaptations of the global approach on the Social Protection Floor (SPF) to country-specific circumstances. Indeed, the social protection floor concept is not a one-size-fits-all prescription. It sets universal standards only with respect to the nature of core social security guarantees, i.e. essential health care for all including maternity protection, access to food and income security for all residents⁵ throughout the life cycle; although, it leaves the level of the guarantees as well as

⁵ Encompassing all groups of people living lawfully in the territory of that State.

the sequencing of the introductions of the respective guarantees to national implementation. It is an adaptable policy approach that should be country-led and therefore responsive to national needs and priorities and adapted to the available resources, which will ensure ownership of the system by governments, accountability, more efficient resource allocation, and overall stronger outcomes.

Effective country-specific social protection floors, which can gradually expand, are not only affordable but can, in the long run, pay for themselves by enhancing productivity of the labour force, resilience of society and overall stability. The funding, organization and delivery of social protection floors can be based on a pluralistic approach (insurance and contributions, non-contributory such as social assistance and expanded social assistance, general taxation, combination of short term and long term interventions in case of food insecurity, health financing etc...).

Nearly every country defines the scope of social protection differently. There are also different names in use at national, regional and international level. Some International organisations and programmes are e.g. using the name “safety nets” and more recently “social protection systems”. What matters is what social protection does in term of outcomes and certain principles to which it sticks as highlighted in the Recommendations of the UN Bachelet report (page 91-93).

Certainly, the SPF cannot be considered the solution to the world’s social problems. However, a wide range of global experiences suggest that countries can move faster in reducing poverty and social exclusion if these are addressed in a coherent and consistent way, starting by extending horizontal access to essential social services and income security.

The SPF addresses multidimensional vulnerabilities in an integrated and interconnected way. The SPF is also playing a critical role in the social dimension of climate change and greening the economy and is part of RIO +20.

Question 2 – strongly agree

Social protection is not only about protecting people against risks but also about promoting livelihoods, participating in the economy and finding jobs.

States have the responsibility to protect their citizens from risks, and therefore social protection entitlement should be recognized as a right in all countries. The concept of social protection includes “protecting people against risks” but is more comprehensive than that. Social protection is an investment in the future and the present, which accomplishes the dual purposes of contributing to the amelioration of present conditions, as well as setting up systems to protect future generations by including all sectors of the population. Whilst it is about addressing vulnerability for those excluded from conventional economic activities – elderly, children, disabled, chronically-ill-, it is also fundamentally about increasing investments in human capital to strengthen the ability of all people in a society to cope with risks, to make their life courses safer and more predictable, and to promote equality. Well-designed social protection systems support peoples’ efforts to prevent adverse outcomes, enhancing *ex-ante* resilience and earlier recovery of individuals and societies from recurrent shock. They kick-start a virtuous circle of development that provides an exit route from poverty and inequality and towards long-term economic resilience and inclusive growth (UN Bachelet report).

Social protection should aim to ensure that, over the life cycle, all those in need can afford and have access to basic income security (e.g. pensions, maternity and child benefits, unemployment benefits etc.) and it should facilitate effective access to essential goods and services (e.g. access to health care, water and sanitation, education, food security, housing and others defined according to national priorities). It may also entail broad legal reforms to protect the rights of the most marginalized and vulnerable groups and promote their social inclusion. Additionally, there are compelling reasons to ensure social protection policies contribute to food security and nutrition-related objectives, as economic achievements do not automatically translate into nutritional gains.

Therefore, social protection should be seen as an investment that enables people to participate in the human development of their society, fulfill their rights, engage in productive economic activity and supports economic development. To be efficient, social protection policies should be coordinated with policies enhancing employability, reducing informal work and precariousness, creating decent jobs and promoting entrepreneurship, and addressing food insecurity and nutritional deficits.

Question 3 - strongly agree

The European values that are behind European social protection systems should also inform the EU's stance and action in social protection in partner countries.

European values have a clear basis in UN international treaties and conventions. Those enshrined in the Treaty of Lisbon, the European Charter of Fundamental Rights and the European Convention on Human Rights were inspired *inter alia* by the Universal Declaration of Human Rights, Articles 23 and 25 of which include social protection and adequate standard of living.

Other international instruments providing a basis for EU action in social protection in partner countries include the International Covenant on Economic, Social and Cultural Rights (Articles 6-14 include labour rights, the right to social security, the right to family protection, the right to an adequate standards of living, and the rights to food, health, housing and education), the 1951 Convention Relating to the Status of Refugees (Article 24 provides for equal treatment with nationals for refugees, in regard to labour legislation and social security), the Convention on the Elimination of All Forms of Discrimination Against Women (Article 11 relates to the “right to social security, particularly in cases of retirement and employment, sickness, invalidity and old age and other incapacity to work as well as the right to paid leave (...) and the right to protection of health and to safety in working conditions”) and the international labour convention N°102 on social security minimum standards.

As such, European values, notably those of “equality”, “justice” and “solidarity”, have an international basis and should indeed inform EU approaches to social protection in partner countries, taking into account the need for social protection policies and systems to be fully effective for both women and men. Such values should underpin and inform all EU policies and programmes, both internal and external to the Union.

Question 4 –strongly disagree

The European Social model was created for Europe in the mid-20th century, when full employment in the formal sector was the norm. However, the extensive social security systems characteristics of the European Union Member States are unsuited to the economies of emerging and developing countries, which cannot afford them.

The European Social Model, however encompassing it may be defined today, emerged from national social security systems that were developed in many European countries during the last decades of the 19th and the first decades of the 20th century. These early social security schemes were introduced at a time when many European economies were under developed and as industrialisation was entering its growth phase, faced with major structural changes.

Based on economic performance, by providing a high level of social protection, education and social dialogue, the ESM supported both economic and social prosperity. The process of the ESM, which continuously adjusted to new developments, led to progress in productivity and social development in the entire European Union and shared the benefits on the basis of solidarity. Although national systems differs from each other because they were created and developed in different eras and with distinct social and political backgrounds, the ESM developed towards an extensive social security system.

The present form of the ESM cannot simply be transposed to the economies of emerging and developing countries, not least because of the specificity of national priorities and existing systems. However, as stipulated in the ‘issues paper’, the process of the ESM, the wide range of models and organizational structures of the European Member States, the different experiences and approaches in social protection, offer policy options and lessons to other countries in deciding upon their own reforms of existing social protection systems or development of new systems.

As regards affordability, work undertaken by the ILO, IMF, UN/DESA, UNICEF and ECLAC, as well as by HelpAge international offer valuable indications that the cost of specific social security measures at a basic level can be kept within a relatively modest percentage of national income, even in LICs. In most countries of sub-Saharan Africa for example, such benefits would cost around 1 per cent of GDP. Hence, even if a complete basic social protection system cannot be implemented immediately, a sequential and gradual approach can generate immediate benefits in terms of poverty reduction, pro-poor growth, social development and cohesion. The cost of a well-designed floor is ultimately small compared to the cost of failing to provide social protection in terms of widespread poverty and vulnerability, social disintegration, low educational achievement, widespread stunting, loss of assets and related effects on productive capacities. Recent flagship programmes in some emerging economies tended to involve extremely low outlays as a percentage of GDP, while tangibly addressing poverty and inequality.

Many MICs have had social protection on a relatively wide scale for longer periods, addressing poverty and inequality, improving food security, asset holdings, health and education outcomes, levels of minimum wages and women’s empowerment. These more advanced developing country experiences represent important sources of policy practice and evidence on delivery and impact to be used for affordability assessments, including

experience around creating the fiscal space – mobilizing additional resources, reallocating, building reserves, and the social contract required to guide choices on the fiscal space.

(European Communities, The 2010 European Report on Development, *Social Protection for Inclusive Development*, Robert Schuman Centre for Advanced Studies, European University Institute, San Domenico di Fiesole, p. 32.

Question 5 – strongly agree

Development cooperation for social protection is highly relevant for middle income countries, as well as low income countries, in order to reduce inequalities and eradicate poverty.

Development cooperation for social protection is indeed highly relevant for both middle and low income countries. However, different countries require different types, modalities and focus of support. It is of key importance that EU programming of development cooperation budgets includes social protection, and that the EC and member states collectively ensure social protection is effectively and adequately addressed in EU assistance as a whole.

The focus should be retained on the ultimate objective of alleviating poverty rather than overly engineering differentiated approaches for diverging characteristics of different groups of countries. In both middle- and low-income countries, there are strong indications that access to social security programmes is closely linked to a reduction in poverty and inequality: evidence comes, for example, from Brazil, Cap Verde, Mexico, Namibia, Nepal et al.. External transitional financing can help with the fixed costs associated with establishing systems, building capacity to set up and administer them, improving the supply side to meet increased demand for e.g. health and education services, as well as being able to respond to sudden increases in demand during crises. Transitional donor support is thus relevant in the start-up, to meet the learning costs, but also during periods of aggregate shocks when the demand for services may suddenly escalate.

Development cooperation can help intensify efforts in developing countries, particularly but not exclusively LICs, by supporting implementation and expansion of national SPFs, defined by the countries themselves according to their individual circumstances, on a demand-driven basis.

The focus in MICs could be on equity, as their problems tend to be centered on gaps, inequalities and disparities. In many MICs, social and legal change is often outpaced by economic progress. Since these countries typically have greater internal resources than low income countries, the focus could be oriented towards introducing progressive redistributive policies and institutional capacities to enable countries to manage their own equitable growth. This can include technical assistance that supports lesson learning/knowledge management and transfer, piloting and scaling up of innovations, and capacity building to develop and strengthen the administrative and implementation capacities of governments, implementing agencies and bodies, social partners and other non-state actors. This will enable countries to choose between alternative approaches, and access technological and other solutions that reduce costs and improve delivery.

The key to ensuring the long-term impact of technical and financial support is ownership of the country government and the society concerned. Effective capacity building actions can support this by ensuring that a group of competent analysts, planners, decision makers, and managers are available in all countries, regardless of their income typology.

The Human Rights Based Approach underscores how important is it that social protection systems' respond to special needs such as those of the disabled, people living with HIV/AIDS and women who continue to face a number of constraints that limit their access to the labour market, to productive assets and better remunerated work. Globally women have more limited access to education and skills building opportunities, especially those required for paid jobs. Gender differences in labour force participation and unemployment levels are a persistent feature of global labour markets. Women tend to be confined to more casual, insecure and hazardous forms of work and self-employment, particularly in the informal economy and as domestic workers, often without social protection and limited voice and representation, including in terms of social dialogue. These constraints and vulnerabilities reinforce each other and create additional hurdles. All these factors need to be taken into account in designing SP services to ensure their accessibility to women. The emphasis on a rights-based approach in the SPF can play a key role in guaranteeing equal access to benefits and protection and in strengthening economic empowerment of women. The gender dimension of social protection should be taken up in the EU actions. Key to empowerment of women is the scope through the design of social protection schemes to provide "transformative" services which enable women to pursue education, employment or income generating activities.

Question 6 - strongly agree

Social protection protects people against the worst effect of global crises (climate change, food price rises, economic downturn).

According to the UN Social Protection Floor report, SPFs can contribute to addressing challenges linked to transformations such as demographic change, global health risks, natural and human-induced disasters and food price volatility. This of course applies in the same way to more extensive social security systems than social protection floors. Social safeguards provided through social security systems can help to maximize the associated opportunities and minimize risks.

Whilst the purpose of social protection extends much more broadly than in times of crisis, nevertheless in times of global shocks, social protection has proven to be an efficient stabilizer. SP schemes helped attenuate the adverse impact on labour markets, contributed to maintaining social cohesion and stimulated aggregate demand. When basic systems are in place, countries can reduce response time and resources by increasing the size of existing transfers, expanding coverage of available programs, or providing one-off transfers to registered beneficiaries. Systems such as these can prevent further crises that occur when there is no social protection in place and increase the resilience of the most vulnerable to shocks.

One of the key tenets that should make SP a 'system' as opposed to a 'collection of initiatives and programs' is the establishment of institutional mechanisms, including for crises preparedness, management and response.

There is generally broad consensus and political support on the importance of social protection measures to mitigate the impacts of crises in the following ways:

- a) Maintain human development gains – safeguarding existing investments in health, education etc., thereby avoiding a situation of households’ decisions on depletion and use of assets impacting negatively on the future of the children and the next generations.
- b) Used effectively as part of a fiscal stimulus package, social protection helps retain social spending as a political priority, and shores up aggregate demand by directing resources towards those with higher propensity to consume. During recent crises, notwithstanding fiscal and capacity constraints, many LICs made social protection an important part of their response. For a number of countries, social protection – notably employment schemes – were also a way to induce structural change in job markets – e.g. commitment to a national minimum wage. The combined effect of this effort ultimately aided and spurred economic recovery in a range of countries. However, it should be emphasized that the LICs as a group are heterogeneous, as are fragile and post-conflict states, and may require nuanced approaches to SP including an explicit link to humanitarian policies and approaches.

More broadly, income-led approaches, inter alia those based on social transfers, can contribute to combating imbalances in the global economy by inducing reductions in precautionary savings and increases in the purchasing power of emerging consumer classes in developing countries, thereby strengthening the national markets.

In discussing crises, it is important to recall the importance of social protection in targeting groups of the population that are displaced within a country because of natural disasters or other environmentally-induced crises. Similarly, people who have been forced to flee, because of individual persecution, or wars, conflicts, situations of generalized violence and other types of man-made crises, should equally be offered social protection.

The Global Assessment Report on Disaster Risk Reduction 2011 - Revealing Risk, Redefining Development - notes that many countries investing in social protection such as structural conditional cash transfers and temporary employment programmes, have increased the disaster resilience of risk-prone households. The report recommends modifying criteria for receiving cash transfers when a disaster is forecast or in areas that are exposed to recurrent hazards. Furthermore, temporary employment programmes can be used after disasters or to offset predicted events such as seasonal droughts. Bundling micro-insurance with micro-finance and other loans is an additional complementary source of social protection.

Question 7 – strongly agree

Social protection can contribute to strengthening the compact between citizens and the State, and promotes social inclusion and greater accountability.

Achieving social cohesion is today seen to require an integrated policy approach, formulated by the Council of Europe in terms of “an active, fair and socially cohesive society in which policies for economic and social development work in tandem” (Report of High-Level Task Force on Social Cohesion (2008), *towards an active, fair and socially cohesive Europe*).

Indeed, social protection mechanisms at the floor level can have a vitally important benefit in giving “voice” to disadvantaged and vulnerable groups. Transfers have also been found to increase social capital and social cooperation, and hence contribute to social cohesion. There is evidence that they promote social justice, reduce discrimination, increase internal stability and decrease civil unrest. Social protection’s poverty reduction properties are most likely to be realized if they are accompanied by other strategies by way of strengthened labour and social institutions and the promotion of pro-employment macroeconomic environments, progressive tax systems and decent work.

In this context, it is important that the guarantee of a certain level of income security provided through the social protection floor or higher level social security mechanisms be conceived as a right and not as a form of charity. It is crucial that there be no sense of shame or stigma attached to receiving benefits, but rather that beneficiaries understand and are understood to be simply exercising their rights.

Depending on the definition given to the notion of ‘citizenship’, the compact between citizens and the State should be clearly understood as encompassing all groups of people living lawfully in the territory of that State. The compact between the citizens and the State also includes groups of non-nationals in line with international standards, such as regular migrants, refugees and asylum seekers and, depending on the situation, returnees or repatriated persons.

Question 8 – strongly agree

The EU is able to make a significant impact on the development of social protection, because of its own long history with social welfare and social security systems, and because the EU is the world’s largest donor.

The EU and its Member States can make a significant impact on the development of social protection because of the range of entry points open to it, including but not limited to the EU’s own history with social welfare (see also Q2) and its development assistance. The EU Member States and the EU have also a long standing involvement in international and regional cooperation and coordination on social protection and in international and regional standard setting. The EU is also a strong promoter of human rights and equality worldwide.

The impact of the EU and its Member States will depend on its ability to put its own experiences, expertise and resources behind international and nationally-led processes. It is vital that the EU continues to cooperate with and support the global efforts on social protection aiming at extending and strengthening the coverage of social protection. where its combined institutional and Member State entry points can have considerable effect. Indeed, the EU has an arguably unique advantage in combining a) leadership in the intergovernmental setting to secure international consensus and agreement; b) knowledge sharing based on its own diverse and long experience of social protection schemes; whilst c) supporting capacity building initiatives at the (developing) country level. Twinning and other initiatives involving EU Member state expertise and capacities, while not aiming to export specific models- should be about foster learning from and adaptation of EU experience by third countries as relevant to them. To enhance the flexibility of external support to social protection programmes to respond to emergencies and unpredictable shocks, coordination

between those institutions responsible for short term relief and long term social protection needs to be enhanced. Social protection platforms should not be developed in isolation, but rather be part of broader consultations to inform decision-making processes.

The UN makes a strong call for international cooperation and coordination, including technical and financial assistance, and encourages also regional organizations to engage in international cooperation in support of social protection. The UN Bachelet report recommends the establishment of a multi-donor social protection trust fund to finance joint advisory services supporting the implementation of social protection floors. The EU could contribute to this fund and could also link possible EU facilities for supporting advisory services and exchange of experiences with the international efforts. The EU and its Member States can cooperate with and support the global efforts on social protection floors and in particular the Joint UN SPF Initiative, aiming at extending and strengthening the coverage of social protection. It can also encourage and provide operational and financial support to more permanent collaborative structures of the relevant UN agencies, bilateral aid agencies, and the Bretton Woods Institutions as recommended by the G20.

Question 9 - strongly agree

Part of the EU's comparative advantage in social protection lies in the fact that the social protection systems of the European Member States provide a wide range of models and organisational structures that other nations can learn from and from which expertise can be drawn.

The EU's comparative advantage in social protection stems from a number of characteristics. EU Member States indeed provide a wide range of models and organizational structures on social protection. The outcomes they intend to achieve have been influenced by the international labour standards on social security and the regional social security instruments such as the Council of Europe social security code that is itself inspired by international labour standards. The EU combined expertise, evidence base, models, resources, aid instruments and experience with reforms to create fiscal space, are all relevant experiences and provide a rich basis from which lessons can be drawn. This is a body of information to be assessed and shared systematically with other countries, tailoring advice and its delivery in ways that can be best picked up and utilized by third countries to inform their own strategies according to their diverse cultural and socio-economic contexts, as well as to the financial, institutional, technical and administrative capacities available to them.

Question 10 – slightly agree

The EU Member States and the European Commission should develop a single, coherent policy framework for cooperation in social protection in order to improve the quality of their support for partner countries.

It is important to distinguish between two levels: administrative coherence and policy options. To be efficient, support provided by EU Member States and the European Commission should be predictable, multi-annual and respect the particular path individual countries take to construct or strengthen their social protection floor through their own priorities and leadership. Having a coherent approach across Member States and the Commission will help ensure that Europe is a reliable partner for countries and contributing to the promotion of effective resource allocation and aid efficiency. Dialogue and policy

coherence between the various spheres of the EU institutions which have a role in this matter - can also help. However, what is key here is to simplify and streamline operational mechanisms while leaving open the full access to the diverse EU experiences per se – i.e. administrative harmonization should not reduce or somehow limit a priori third countries' access to the diverse policy experiences of the EU . Indeed, key to national ownership is this access to diverse and different policy options that the EU can bring.

The above is consistent with the Paris Declaration on Aid Effectiveness, the Accra Agenda for Action and the Busan Declaration which indeed commit our respective institutions to simplify the international aid architecture and coordinate assistance. Overlaps and lack of coordination in the field have led to smaller-scale pilot programmes which as the European Report on Development notes, are seen to be “quite problematic, as they tend to create temporary islands of access to internationally financed social welfare, at the cost of both ownership and sustainability” (European Commission, 2010 p. 94). To be most effective, international efforts need to be aligned behind policies that are owned and driven by the countries themselves, using their systems and processes, integrated into their overall budget and planning, and accountable to the parliament and people of the country concerned.

An EU-wide framework for cooperating on social protection needs to be gender responsive - not only to address the needs of poor and vulnerable women but more importantly to prevent feminization of poverty in the first place and contribute to economic development. Gender responsive social protection systems are effective for both women and men. Women and men face different risks and constraints and may experience the same risks differently. Social protection systems that contribute to achieving gender equality should be governed by gender sensitive principles.

Question 11 – strongly agree

The EU should support cooperation between partner countries (south-south cooperation), which may provide relevant models well fitted to the needs of partner countries.

There is already vibrant exchange between countries on social protection. Intelligently designed North-South, South-South and triangular knowledge transfers are indeed an efficient way to reduce costly trial and error. However, it is important to note and address the challenges in adapting policies to new environments. In this domain, in line with the recommendation of the G20 Development Working Group, the EU can usefully support and facilitate common, multipolar knowledge sharing network or platform for the transfer, adaptation and adoption of social protection good practices across countries. The G20 called for the establishment of such a platform to be hosted in cooperation between relevant International Organizations.

Traditional donors and new development partners could agree on triangular cooperation mechanisms where relevant to enable the building of social protection systems in partner low-income countries. These mechanisms could combine forces between those in a position to predictable multi-annual funding e.g. including through direct budgetary support to expand affordability of social programmes, while allowing all countries with relevant SP experiences to focus on knowledge sharing, capacity building and the sharing of operational expertise specific to developing country logistical and administrative environments. International fora

on development cooperation, such as the high-level forums on aid effectiveness could serve as a platform to agree upon such mechanisms.

The EU can also use this as an opportunity to develop its strategic partnerships with others. It could be effective to use social protection to institutionalize partnerships and develop further dialogue with other countries on development and social protection initiatives. Supporting others to offer South-South cooperation does not of course preclude the EU from offering its own expertise in social protection areas such as monitoring and evaluation, and political dialogue.

Question 12 – strongly agree

The EU should play a leading role in raising awareness of the role of social protection as a key driver for inclusive growth in international fora, such as the G20 and the UN.

The EU has a vital contribution in raising awareness of the role of social protection as a driver for inclusive economic growth based its own experience, especially because of the current economic situation. Social protection has the potential not only to help stabilize currently unstable economies, but also to prevent future crises. Social protection provides stability in terms of both economics and security, both national and regional.

The EU consistently promotes multilateral solutions to common problems, advocates UN international norms and standards and helps countries build their capacity to meet these. The EU's strength lies in its ability to function both at the intergovernmental level, and practically on the ground through development investments. As such, the EU has considerable leverage to influence global policies by promoting ever more progressive approaches, with potentially high returns in terms of development impact. The world needs the European Union to continue to lead by example in both its internal and external policy approaches. Its diverse models of social protection make it more relevant to developing countries, especially the fact that its models were developed when its countries were not of high-income status. In addition, the EU plays a lead role in establishing innovative financing for social protection, which other countries can emulate.

Moreover, as a global stronghold on human rights and gender equality, the EU has a key role to play in ensuring social protection support for gender equality and women's empowerment. This is fully in line with EU's strong commitment to gender equality as a human right, a question of social justice and a core value of the EU development policy, highlighted in EU policies, including the EU Plan of Action on Gender Equality and Women's Empowerment in development (2010-2015).

Question 13 – strongly agree

Social protection should be included in policy dialogue about national development plans.

Social protection should not only be included in policy dialogue about national development plans, but in all aspects of EU external relations, including trade negotiations, economic partnerships agreements and human rights dialogues. This will ensure that the EU practices

coherence across all areas of policy, and help deliver on the commitment in the Lisbon Treaty and elsewhere to policy coherence for development.

The policy approach chosen should be anchored in national development strategies, with strong, articulated cross-sectoral linkages that address the combination of alleviating and reducing poverty, protecting against risk, facilitating and expanding access to social services to build up human and social capital, and empowering people to seize opportunities for decent work. This requires buy-in across ministries, to connect effectively health, education, rural development, employment and other relevant policies in an integrated, coordinated and comprehensive approach. Discussing social protection in national development plans will contribute to increased ownership from national partners; help ensure commitment from national partners to social protection initiatives, and will further promote core EU values to third countries. It will also highlight the importance of social protection in the eyes of the EU, relative to trade and other economic policy issues.

The spread in the existence of social protection schemes has generated fresh evidence that linking social protection to other policies and programmes for development e.g. conditional cash transfers directed to health or education, require simultaneous efforts to ensure the supply of quality facilities and providers accessible to target populations. Close connection between cash transfers to allow people to engage in more effective job searches require close integration with policies aimed at fostering employment and livelihoods.

Social protection floor activities should not be built through parallel structures but take into account processes already under way in countries, positioning social protection within the existing development and policy agenda. Depending on the country context and existing national social protection policies, the social protection floor is to be included in National Social Protection Strategies, National Development Plans, Poverty Reduction Strategies and Accelerated Growth Strategies.

One benefit of the social protection floor concept is to bring together in one framework the disparate and often uncoordinated planning processes of different sectors that are interlinked. This facilitates setting priorities and sequencing the introduction, reform and financing of social protection policies, and allows for synergies between different sectors. The process of setting priorities, sequencing introduction of different schemes of the floor and higher levels, as well as the pattern of financing should be subject to a national dialogue with a view to each country finding a sustainable and robust national consensus.

Question 14 – slightly disagree

Social transfers, including social protection benefits, belong to the recurrent part of national budgets and should not therefore be funded by development partners such as the EU.

Social protection floors and systems should be based on long-term fiscal sustainability and economic affordability which should be anchored in predictable and sustainable domestic funding sources, a point explicitly acknowledged in the Discussion on Social Protection of the 100th ILC in June 2011. The question of affordability is first and foremost the responsibility of the country itself. Ultimately, there should be a clear political commitment so that countries choose to make the fiscal space and decide upon the necessary trade-offs in

making expenditure decisions. Civil society has an important role in helping determine where the trade-offs are acceptable to a society lie.

However international solidarity in the form of transitional cost-sharing may be needed to help start or accelerate the process in some low-income countries. The report of the UN Bachelet advisory group and the G20 calls for international cooperation and the support of development aid. The international community must accept that to progress with social protection schemes involves not only start-up and capital costs but also support to recurrent expenditures. The UN highlights that longer term aid on development assistance can also include recurrent costs to have a sustainable impact. These are likely to increase in the short to medium term as systems are put in place, also because of the need to expand the supply side of health, education and other services responding to likely increased demand. They are likely to decline as a proportion of total expenditure in the long term with increased incomes and improved employment.

The necessary resource requirements should be carefully assessed and projected by countries. Calculating the costs and the direct and indirect benefits is highly complex, requiring data at household and spatial levels that may well not be fully available. Experiences of a large number of developing countries have shed new light on design and impact, providing lessons on affordability, targeting, conditionality etc. Based on sound statistical data and shared effectively, such experiences can potentially reduce costs.

For many developing countries, faced with limited and uncertain fiscal space, but also inadequate institutional capacity for the design and implementation of social protection schemes, complementary donor funding is essential. This may be to meet the start-up costs but also to support systems as they evolve to become self-sustaining.

There exist many good examples of joint government/donor technical committees which highlight the importance of coordinated support during a transition phase bringing together different sources of financing and technical assistance, whilst paving the way to transition into more permanent arrangements.

Question 15 - strongly agree

The EU should make an exception to this rule in the case of least developed countries, where donor financing may be required in the initial stages of establishing a social protection system and in fragile states where national governments are not able to deliver services.

As mentioned above, economic affordability and long-term fiscal sustainability should be anchored in predictable and sustainable domestic funding sources. However, international solidarity in the form of cost-sharing may be needed to help to start, accelerate and expand coverage in some low-income countries. Therefore, the provision of social transfers should not be described as an “exception”, but rather a part of a larger process, which will be accompanied by strong systemic and financial capacity-building, and a focus on addressing governance and corruption challenges.

Fragile states, prone to or recovering from conflict, pose significant challenges for the development of adequate social protection and therefore require special attention. There are a

number of examples of progress in developing social protection in fragile states where entry points have been found for working with authorities, social partners and other non-state actors. The support of the EU is particularly relevant in such settings. The SPF can act as a valuable instrument to restore the social contract in fragile states, kick-start early recovery, enhance economic growth, further respect for human rights, reduce stress on people caused by a country's fragile situation, and develop confidence between government and people, while at the same time promoting sustainable and positive social change and thus contributing to contribute to nation building and sustainable peace and security.

Question 16 – strongly agree

Social protection programmes and policy dialogue should pay special attention to ensuring that disadvantaged groups (such as persons with disabilities) are also able to benefit from and contribute to inclusive growth.

The UN Secretary-General's Millennium Development Goals for 2011 report shows that despite substantial progress in reducing poverty, preventing maternal deaths and increasing access to clean water and nutrition, gains tend to bypass those who are lowest on the economic ladder, and/or are disadvantaged because of their sex, age, disability, HIV status or ethnicity. Taking a life cycle and human development perspective, social protection policies should indeed pay particular attention to addressing special needs and vulnerabilities of disadvantaged groups. Non-discrimination, gender equality and responsiveness to special needs are key principles in this regard.

The key objective should be to integrate disadvantaged groups into wide solidarity pools that facilitate the sustainable long-term financing of the particular needs of minorities. This is appropriate from a human-rights based approach to development. It is also in states' interests to avoid or diminish social exclusion which can be divisive and affect stability and growth.

There should be a strong focus on the multidimensional nature of poverty and recognition of the fact that exposure to one risk (e.g. malnutrition) does not always correlate with vulnerability in another dimension (e.g. income poverty). This is the case in both low and middle income countries. In middle income countries, per capita income is an inadequate measure to use alone for social protection, as there are often regions or groups with levels of per capita income and living standards equivalent to low income country levels. In such places, the vulnerable groups -and most vulnerable amongst them, such as children in already-marginalized ethnic groups- are often seriously disadvantaged. It is thus vital to encourage approaches that focus on equity and reducing disparities.

Gender-responsive social protection systems need to be in place not only to address the needs of poor and vulnerable women but also to promote gender equality and the empowerment of women. Women's livelihoods are affected by multi-faceted gender-based discriminations that they face throughout their lives. SP systems need to take these discriminations and gender specific vulnerabilities into account to ensure that a) they are addressed; b) they don't impede accessibility of SP benefits and; c) are tackled with aim of achieving gender equality.

Special consideration should be given to people who do not formally have the nationality of the country (or whose nationality has not been clearly established or is contested). In

particular, social protection measures should include asylum seekers, refugees, stateless persons and regular migrants. Social protection systems should also address the equality of rights and maintenance of acquired rights in case of migration. It should be noted that migrant workers often do not have access to formal social protection, hence social protection systems need to adapt so that these particularly vulnerable groups can be protected and accommodated in their host countries and upon their return home.

Social protection policies should thus provide a framework for a systemic approach to coordinated interventions that address multidimensional causes of poverty and social exclusion and aim to unlock productive capacity and empower people. The UN multi-dimensional poverty index expands upon the human development index to provide valuable data on the intersection between different types of poverty. This protection can for the most part be based on the standards set out in the relevant international conventions concerning specific groups, on general applicable international labour standards and broader human rights standards, as well as on regional standards.

Question 17 – strongly agree

The EU should have different approaches to supporting social protection in middle income and lower income countries.

Development cooperation for social protection is indeed highly relevant for both middle and low income countries. However, different countries require different types, modalities and foci of support. As noted above, the focus of attention should be on alleviating poverty wherever it is (see reply to question 3 and 5).

All EU interventions should build on and foster long-term social protection development plans that envisage the incremental development of coherent national systems that avoid disjointed programmes that are built, dismantled and rebuilt at different stages of development, but rather are conceptualized from the outset as systems that can grow in line with changing social protection needs of maturing economies.

Question 18 – strongly agree

The EU should base its approach to social protection in partner countries on the individual country's profile and national priorities.

There are no one-size-fits-all solutions in implementing social protection floors and wider social protection systems. While the SPF has been adopted as a global concept, each country should decide to design and implement social protection floors and systems shaped within a framework of national-specific institutional structures, economic constraints, political dynamics and social aspirations. All the evidence points to the value and importance of building upon what is there, and expanding approaches and access based upon existing structures.

Although the design and implementation of nationally defined social protection floors and systems should follow country-specific dynamics, the UN in Brussels recommends that some general principles be taken into account to ensure the full potential of social protection floor interventions is unleashed.

Each system should be nationally-defined through the consultation of beneficiaries, social partners and civil society organizations, in order to ensure efficiency, political legitimacy and institutional sustainability of the underlying objectives of the policy-makers. Social coverage should also be extended to include the informal economy. Indeed, it should be seen as a way to address informality since the provision of benefits and the organization and management of SP schemes can contribute to formalizing sectors. The supportive role of the EU in this process cannot be overstated. As noted in the response to Question 10, development partners can best respect the particular path that individual countries take to construct or strengthen their social protection floor, through their own priorities and leadership.

In contexts lacking formal governmental systems, and/or in the immediate aftermath of sudden shocks, development partners may not be able to provide assistance that builds on existing institutional structures. In these instances, vital support may need to be provided through *ad-hoc* and temporary arrangements. Every effort should be made for adequate consultation and where possible, for assistance to be provided in ways that help build and support national systems.

Question 19 – strongly agree

The EU should be prepared to make a long-term financial commitment to supporting social protection in LICs.

In line with international recommendations, the UN stresses the importance of predictable multi-annual financial support for the strengthening of nationally defined and determined social protection floors in low-income countries, provided within their own budgetary frameworks and respecting their ownership.

Without predictable and sustainable, albeit transitional, financing and most importantly long-term technical support and capacity building programmes, LICs would not be able to extend coverage horizontally as a first step to building universal and comprehensive social protection systems. MICs should be supported through long-term commitments to extend the coverage vertically, with an incremental implementation of higher standards with a view to their ratifying and applying the minimum social security standards.

That said, as elaborated in previous questions, one of the overall objectives should be to increase national fiscal space and national ownership of social protection programmes, which can only be fully achieved once donor support is no longer required. In this context, the goal should be the incremental decrease in EU budgetary support for social protection over the long term, while the political commitment and other types of support may remain.

Question 20 – strongly agree

The EU should support the participation of representatives of civil society in the process of designing and monitoring social protection strategies and programmes.

See also reply to Question 13.

While the role of the State in designing and implementing national social protection floors is essential, the involvement of representative social partners and other relevant civil society actors and stakeholders in the design and operation of basic social protection schemes should be strongly encouraged, to enhance legitimacy, political sustainability, transparency and accountability.

The process to develop social protection strategies and programmes should therefore always be consultative, inclusive and participatory, involving government representatives from relevant ministries, parliamentarians, social partners, academics and other non-state actors, especially grassroots organizations, and the international community including the UN system. As noted in Question 16, representation of the poorest, most vulnerable and marginalized groups is essential to ensure that strategies and programmes address their needs.

Creating a national social protection (floor) taskforce composed of representatives from government, social partners and other stakeholders will benefit the execution of social protection strategies and programmes.

As stipulated in the “issues paper”, we recommend EU support to countries for their establishment of a social dialogue with the representatives of labour/trade unions and the private sector/employers in the process of designing and monitoring social protection strategies and programmes.

Question 21 – strongly agree

The private sector has an important role to play in supporting social protection by ensuring that investments create decent employment in line with the Decent Work Agenda.

While the central responsibility of the State in designing and implementing national social protection floors and wider social protection system is essential and indispensable, the private sector has an important role to play in supporting social protection by ensuring that investments create decent employment in line with the Decent Work Agenda.

The private sector includes also cooperatives, social economy initiatives and other non-profit organizations. Productive, profitable and sustainable enterprises, together with a strong social economy and a viable public sector, are critical to sustainable economic development and employment opportunities.

The involvement of representative organizations of employers/business organizations and trade unions, non-profit organizations and other relevant non state actors and stakeholders in the design and operation of basic social protection schemes should be encouraged. When appropriate, public–private partnerships should be promoted.

The private sector’s promotion of all aspects of Corporate Social Responsibility can complement and support governmental efforts to develop social protection floors including addressing special needs such as on HIV/AIDS, disability and protection of children.