

INVESTING IN SOCIAL PROTECTION: A means of reducing poverty and inequality

The provision of social protection is important in the lives of most children, particularly those who are especially vulnerable due to their socio-economic background, or because of illness or disability. Interest in social protection policies and programmes has been growing across Africa with evidence of positive impact in low-income countries in contributing to poverty reduction and improved health, nutrition and education.

Social protection programmes can complement and increase the effectiveness of investments in health, education, water and sanitation, as well as helping to reduce poor people's vulnerability to economic shocks and hikes in the cost of food items. From a child rights perspective, these investments can also be vital complements to legislative measures to protect children from deprivation.

For many low income countries in Africa, the existence, or not, of a basic social protection schemes, particularly for children, could make the difference in achieving, or not achieving, the Millennium Development Goals (MDGs). **But there is a huge unmet need for social protection in Africa and it is the most neglected sector in the continent.**

Social Protection Programmes

Social protection involves programmes and initiatives that help to protect people against risk and vulnerability, mitigate the impacts of shocks and support people who suffer from chronic incapacities to secure basic livelihoods.

Social protection includes;

- Social insurance (such as health, life and asset insurance, which may involve contributions from employers and/or beneficiaries)
- Social assistance (such as cash, food, vouchers or subsidies)
- Services (such as maternal and child health and nutrition programmes).

Social protection programmes targeting children include;

- Cash transfers for poor households needing emergency assistance
- Cash transfers for poor households fostering orphan or vulnerable children
- Cash for work for food-insecure and asset-poor households
- Unemployment benefits
- National orphan care programmes
- Child survival projects
- School feeding programmes
- Minimum income for school attendance for poor families with school-age children.

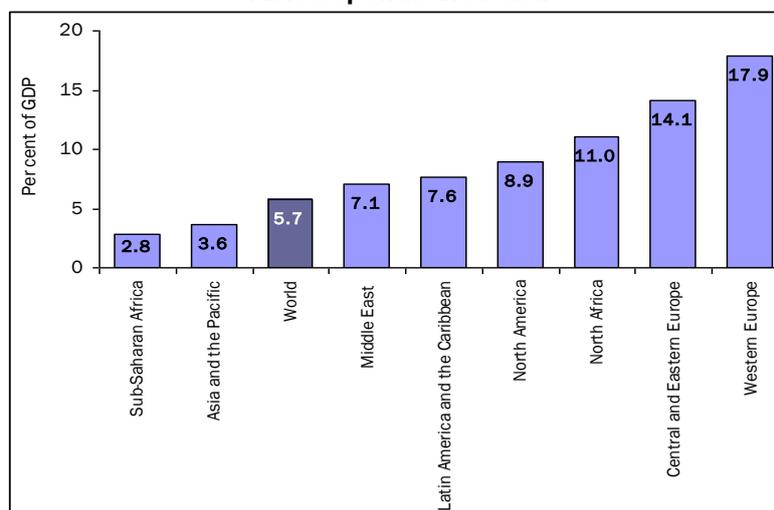
Africa's track record in social protection

Social protection is the most neglected sector in Africa. Despite increased interest in social protection programmes by governments and donors alike, Africa is still drastically under investing in such initiatives;

- Many countries in Africa spend less than 3% of their GDP on social protection – the lowest among all regions of the worldⁱ
- Unmet social protection needs in Africa remain very high at around 80%ⁱⁱ
- But there are a small number of African countries that are committing a relatively high proportion of their resources to social protection including Egypt and Seychelles who are committing almost 12 % of their GDPⁱⁱⁱ

- Economically poor countries such as Ethiopia and Liberia are also investing not insignificant amounts of resources
- South Africa is one of the few countries which provides specific budget information on child-focused social protection programmes. In the 2010/2011 budget South Africa allocated approximately \$US 12 billion to social grants – some 4% of GDP^{iv}. Of this, nearly a third is dedicated to child support grants which benefit more than 9 million children below the age of 18^v.

Budget expenditure on social protection as per cent of GDP by regions of the world 2004-2007. Africa spends the least.



Source: Based on data from ILO (2010)

Short-term relief vs longer term rehabilitation

Social protection schemes in Africa tend to focus mainly on easing urgent problems in the short term, rather than being aimed at ultimately rehabilitating and reducing the vulnerability of the beneficiaries. Where schemes exist, they tend to lack a long-term perspective and in most cases focus on easing immediate problems, rather than providing sustainable support and services over time.

Policy measures aimed at putting in place or strengthening social protection systems can help attain specific MDG targets in education and health, which also help mitigate poverty and vulnerability in the longer term.

What African governments need to do

- Governments need to align social protection to their policies on education, health, housing and food security
- Sustainable sources of funding need to be developed for social protection
- Mechanisms should be put in place to target beneficiaries effectively
- Reliable data should be collected that can be used to develop effective policies and to monitor progress.

ⁱ Based on data from International Labour Organization (ILO), 2010

ⁱⁱ Pal et al (2005), *Can low-income countries afford basic social protection? First results of a modeling exercise*, Issues in Social Protection, Discussion Paper 13, Geneva, International Labour Office

ⁱⁱⁱ Based on data from International Labour Organization (ILO), 2010

^{iv} Gordhan, P. *Budget Speech 2010* delivered by Pravin Gordhan, Minister of Finance, South Africa

^v National Treasury, Republic of South Africa, Medium Term Budget Policy Statement 2009.