Why should social protection become a central theme in the EU development agenda?

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

The global economic and financial crises have demonstrated that long-term investments in comprehensive social protection systems are necessary to cushion the impact of crises, reduce poverty and inequality and contribute to economic growth. Social protection systems play an exceptionally important role in protecting the enjoyment of several economic, social and cultural rights of the poorest and most vulnerable during times of economic shock and other forms of crisis, in both developing and developed countries. When the crises hit in 2008, in those countries in which social protection schemes were already in place, protected by legislative or constitutional measures and constructed in accordance with a human rights framework, individuals and households most at risk of economic hardship were able to rely on social protection mechanisms to mitigate the social and economic effects of the crises and thus were protected, in many cases, from falling into absolute poverty. This was the case in a number of Latin American countries that have well-developed and supported social protection systems. Where no adequate pre-existing social protection mechanisms were in place, States’ investments in social protection were less able to respond to the effects of the economic downturn, although they still provided an important form of support to those most affected by the crises.

- **Social protection enables the enjoyment of several human rights**

Social protection is not only relevant during times of crises. In developing and developed countries, social protection can contribute to reducing poverty, improving social cohesion, reducing inequality, and creating sustainable and equitable societies. By transferring resources to those living in extreme poverty and allowing beneficiaries to generate income, protect their assets and accumulate human capital, social protection programmes have the potential to contribute to the realization of a number of economic, social and cultural rights, such as the right to an adequate standard of living – including the right to adequate food, clothing, and housing\(^1\) – as well as the rights to education\(^2\) and health.\(^3\)

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1. ICESCR, art. 11; UDHR, art. 25.
2. ICESCR, arts. 13 and 14; UDHR, art. 26.
3. ICESCR, art. 12; UDHR, art. 25.
While the impact of social protection programmes varies according to their objectives, design and level of institutionalization, as well as the level of development of the countries where they are implemented, there is strong evidence that social protection initiatives can significantly contribute to reducing the prevalence and severity of poverty, and in doing so ensure that those living in poverty enjoy at least minimum essential levels of some economic, social and cultural rights. In OECD countries, it is estimated that levels of poverty and inequality are approximately half of those that might be expected in the absence of social protection.

Numerous studies demonstrate that specific cash transfer programmes, such as Ethiopia’s Productive Safety Net Programme, India’s Mahatma Gandhi National Rural Employment Guarantee Scheme, Bangladesh’s Challenging the Frontiers of Poverty Reduction: Targeting the Ultra Poor Programme, and Zambia’s Kalomo District Pilot Social Cash Transfer Scheme have all improved nutritional outcomes, enabling a greater numbers of individuals to enjoy the right to adequate food. In countries such as Brazil and Paraguay, school meal programmes and the distribution of food baskets have played an important role in ensuring significant gains toward reducing the prevalence of hunger.

Social protection programmes also contribute to the realization of the right to education. Empirical evidence shows, for example, that cash transfers allow families to absorb the costs associated with schooling, and school feeding programmes or initiatives that provide fee waivers or subsidies for low-income families with children have a positive impact on school attendance levels. Programmes without an explicit focus on schooling can also positively impact children’s education level; research shows that social pensions (non-contributory pensions for older persons) in Brazil, South Africa and Namibia, for example, have been used to pay grandchildren’s school fees. In addition, in some cases, investment in infrastructure such as schools, as well as roads, and bridges, through public works programmes improves access to educational facilities and their quality. Several studies demonstrate the contribution of such investments to higher school enrolment rates and total years of accumulated

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4 For a comprehensive study on the impact of cash transfer programmes, see Barrientos, A., and Niño-Zarazua M., *The effects of non-contributory social transfers in developing countries: A Compendium*, (Brooks World Poverty Institute, University of Manchester, 2010).
7 ICESCR, art. 11(1).
9 Barrientos A. and R. Holmes, *Social Assistance in Developing Countries Database* (Brooks World Poverty Institute, The University of Manchester, and the Overseas Development Institute, 2006).
10 See, for example, Devereux, S. Social protections in Namibia and South Africa, IDS, (2001) and De Carvalho F. and I. Evangelista (2000), *Household Income as a Determinant of Child Labour and School Enrolment in Brazil: Evidence From a Social Security Reform*, unpublished.
education in the communities affected. Social protection programmes even have beneficial impacts on education outcomes with regard to non-beneficiary households: experience from Mexico’s Oportunidades programme shows that school enrolment rates of non-beneficiary children rose in districts that took part in the programme, due to the so-called peer effect.

Social protection programmes may serve to protect children’s rights by reducing child labour. Evidence from Latin America suggests that greater family access to risk management instruments, such as unemployment or disability benefits, directly reduces the prevalence of child labour.

Social protection also contributes to improving the capacity of people living in poverty to enjoy their right to the highest attainable standard of physical and mental health, by addressing fundamental economic obstacles that result in health challenges. For example, by eliminating financial disincentives, cash transfers directed at families with small children have demonstrably increased regular medical checkups, reducing the risk of child mortality. These programmes have also been effective in improving immunisation and regular health visits amongst children, reducing the incidence of illness and, in extreme cases, premature death. Similarly, food transfers have demonstrably reduced malnutrition in children.

Social protection programmes can also promote maternal health, improving the enjoyment by women of their right to health. Evaluations of Peru’s Juntos scheme, a conditional cash transfer, show an increase of approximately 65% in pre-natal and postnatal visits to health clinics and a reduction in home births in areas where there were high levels of maternal mortality. Evidence also shows the positive impacts of social protection systems on the lives of people living with HIV/AIDS, and their families. In a number of African countries where HIV/AIDS is prevalent, universal old age pensions have significantly improved the lives of AIDS orphans raised by their grandparents.

These beneficial impacts of social protection systems on the enjoyment of a number of economic, social and cultural rights add further weight to the claim that there is a

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15 UDHR, art. 25; ICESCR, art. 12.
20 HelpAge International *Age and security: How social pensions can deliver effective aid to poor older people and their families* (2004).
strong and symbiotic relationship between human rights and social protection. Human rights create legal obligations to implement social protection systems and establish standards for the design, implementation and evaluation of such systems, ensuring that no one will be left out without justification, and that those that are excluded have access to claims mechanisms to challenge this: this improves accountability at the implementation level, and should ensure that even the poorest are reached. In turn, the implementation of social protection facilitates the fulfilment of a number of other human rights obligations, most importantly those related to the enjoyment of minimum essential levels of basic human rights. However, the success or failure of social protection systems in realising human rights rests heavily on whether such systems are established and operated according to the standards that human rights require and the obligations they impose.

- The EU can make a significant impact on the development of social protection systems in less developed countries

Establishing national social protection floors in all countries, including developing countries and least-developed countries, is achievable: working collaboratively with the IMF, the ILO estimates that in countries such as Benin, el Salvador, Mozambique and Viet Nam, major social protection floor programmes would cost between 1 and 2 per cent of GDP. Yet, acknowledging the essential role played by social protection systems in supporting development and poverty reduction, and given the limited financial and institutional capacity of some States to finance and implement social protection systems, it is imperative for developed countries to provide assistance to less developed countries in order to help them move towards self-financing of national social protection floors. Given the long history of social protection in Europe, EU countries have much to contribute to their partners in the developing world, both in the way of financial and technical cooperation, and in terms of guidance, experience and advice. It may be useful for the EU to compile a set of best practices, based on member states’ experiences, which can serve as examples for social protection initiatives. However, it is essential that social protection systems are designed and implemented at the national level, taking into account different country and cultural contexts. The EU should not attempt to adopt a “one size fits all” approach to social protection in developing countries, but rather should work with their partners to develop national social protection strategies that respond to the needs and constraints at the local level.

- The role of South-South cooperation

Social protection is an issue around which States could usefully forge new South-South initiatives. Initiatives such as the Africa-Brazil Cooperation Programme on Social Development, designed to foster South-South technical cooperation on social protection policies, provide an invaluable means of transferring successful experiences of human rights realization through social protection systems to countries that are still

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in the process of developing social protection. Such initiatives should be strengthened by focusing on a human rights-based approach to social protection systems, and by welcoming the involvement of civil society organizations and other actors in a collaborative process.

How can development aid support social protection in developing countries?

- **Partnership in designing social protection intervention**

  The human rights approach to social protection preferences nationally-defined social protection systems that are enshrined in legal and institutional frameworks and supported by national social protection strategies and plans of action. In promoting social protection as a key element of development cooperation, donors should commit to working with partner countries to collaboratively design and implement social protection systems that address and respond to the individual country’s needs.

  Beneficiaries of social protection programmes must also have the right and ability to participate in the design, implementation and evaluation of social protection programmes. Participation is a key element of the human rights framework: international human rights law sets out a right to participation in public life, and participation is also an essential prerequisite to the enjoyment of other rights. The participation of persons living in extreme poverty in policies and programmes that affect them is a vital part of ensuring that their rights are respected and promoted. Without adequate mechanisms for beneficiaries to give their input on the design and implementation of social protection programmes there is a risk that the programmes will not be sustainable or achieve their intended objectives, because they will not be informed by the perspectives of the poor. Participation also improves accountability, because the organizations and the poor’s representatives involved in the design of the programmes shall ensure that governments keep their promises, and shall contribute to inform beneficiaries about their rights under the programme. In contrast, sustainability and effectiveness are further threatened when there is no sense of community ownership over the programme. Widespread consultation and cooperation with the communities in which social protection programmes are to be implemented is thus essential to ensuring social cohesion and to increasing political support for the programme.

  It is vital that social protection is included in policy dialogue about national development plans. Social protection programmes must be not considered as a panacea for all economic and social issues, but rather as one element within a broad development strategy aimed at overcoming poverty and realizing human rights. To this end, States must complement social protection initiatives with corresponding policies and programmes designed to maximize the effectiveness of the social protection programme in improving the lives of the beneficiaries. In particular, social protection systems must be implemented in parallel with improvements in basic services. Because social protection enables households to invest in health and education services, the demand on such services increases considerably when social protection initiatives are instituted, particularly when conditionalities are attached to the receipt of social benefits.

  22 See ICCPR, art. 25, and the Human Rights Committee General Comment No. 25 (1996).
protection benefits requiring attendance at health or education services as a prerequisite to receiving the benefits. Social protection alone is thus insufficient to reduce poverty and inequality; considerable investments in public services are essential to ensure the accumulation of human capital and to facilitate long-term improvements in health and education outcomes.

- **Funding social protection programmes**
  
  A comprehensive and coordinated social protection strategy as part of international development agenda must take into account national priorities and needs. An essential element of such a strategy is a long-term institutionalised commitment to resourcing the country’s social protection system. Stakeholders cannot effectively plan and manage the implementation of their initiatives, and beneficiaries cannot reliably depend upon the assistance of such initiatives, without the assurance of long-term, stable financial and logistical support. Furthermore, in the absence of long-term funding commitments, the objectives of the programmes invariably shift from the accumulation of human capital to the achievement of short-term gains in poverty reduction.  

  This is a considerable challenge to the effectiveness of development cooperation in the field of social protection. On the one hand, many developing countries do not have the financial resources or infrastructure to independently implement comprehensive social protection systems, and are thus reliant on the support of donors to design and adopt social protection. On the other hand, small scale or pilot programmes implemented by external donors are vulnerable to changes in the political or fiscal environment, and are thus less reliable and effective; they also cannot, by definition, take the form of standing social protection schemes that define beneficiaries as rights-holders that can claim certain types of support before independent bodies. From a human rights perspective, a nationally-legislated funding commitment that is insulated from changing political and donor interests is the most preferable framework upon which a social protection system should be built.

  Where a social protection programme is dependent upon donor support, to the greatest extent possible long-term funding should be guaranteed, and funding should be provided in accordance with the Paris Principles on Aid Effectiveness. The recipient State should ensure coordination of resources and initiatives, in order to facilitate cooperation and integration, and must progressively assume responsibility for the implementation and financing of social protection systems as sufficient resources become available.

- **Funding social protection programmes in low income countries**
  
  The international community can play a key role in supporting the initial set up of social protection systems in low income countries, for example by providing technical and/or material assistance in designing programmes, as well as in identifying and registering possible beneficiaries. A number of core common principles can also guide

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donors on how to best support and ensure the long term sustainability of social protection systems in recipient States.

The effective management of social protection requires a long term view for the sustainability of these initiatives. Donor States must ensure a long term perspective and predictability in providing assistance. Coordination amongst the international donor community is also crucial. When providing assistance for different social protection schemes, donors must ensure that their initiatives are well coordinated. A short-sighted, fragmented approach with little coordination can contribute to a proliferation of projects, which in time could hinder the establishment of a long term sustainable social security system with broad coverage.

Ensuring sustainability also requires strengthening the recipient State’s capabilities to eventually implement the social protection programme unassisted. This includes a broad range of measures that can be supported by donor States such as providing technical support to local and national authorities; building civil society’s capacity for monitoring the social protection system and holding the Government accountable; and assisting in the implementation of effective tax systems.

➢ Opportunities

Today, there are several opportunities for the international community to assist less developed countries in implementing social protection programmes. One of the most positive initiatives is the Social Protection Floor Initiative (SPF-I) launched in 2009 by the United Nations Chief Executives Board. The SPF-I helps mobilize resources and expertise to help countries fill critical gaps in protection. The SPF-I could be understood as the minimum set of policies upon which States can build higher standards of protection once national budget capacities increase.

A Global Fund for Social Protection, such as that recently proposed by the Special Rapporteur on extreme poverty and human rights and the Special Rapporteur on the right to food, could provide another important mechanism for widening and deepening coverage of social protection worldwide. Wealthier nations such as the EU, alongside fast-emerging countries, must assist States for whom the costs of comprehensive social protection are too big to absorb alone. The proposed Global Fund for Social Protection (backed by a recent European Parliament report by MEP Inese Vaidere) would allow least developed countries to draw on international funding to meet the basic costs of putting social protection in place, while the Fund could also be called upon to underwrite these schemes against the risks of excess demand triggered by major shocks.24

In order to bridge the gap between rhetoric and implementation on social protection, global solidarity is necessary, as acknowledged by Recommendation No. 202 adopted unanimously on 12 June 2012 by the International Labour Conference (para. 12); the Global Fund for Social Protection aims to make that solidarity real and effective.

➢ Conclusion: spreading the benefits of social protection

Social protection has long been something that Europeans are justly proud of, a core European value that sits alongside their enduring support for development.

These two European priorities are reflected and combined in the recent European Parliament report by MEP Inese Vaidere, which called for the EU to help developing countries put their own social protection schemes in place.

By making social protection a key focus of development, the EU would be answering the calls of the ILO, UNICEF, the G20 and the World Bank to make social protection global, fulfilling its human rights obligations, harvesting the multiplier effects of supporting incomes in developing countries, and helping to spread the enduring social values that have served Europeans well in good times and bad.

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