

REGIONAL SERVICE CENTRE
FOR AFRICA (RSCA)



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RAPID FINANCING FACILITY (RFF)
**GUIDANCE ON
SOCIAL PROTECTION**

SEPTEMBER 2020

INTRODUCTION

In its effort to support the recovery from the COVID-19 pandemic, UNDP has released an integrated package of solutions that comprises social protection, governance, green economy, and digital revolution^[1]. Although these areas are listed as key for the RFF call for proposals, they are also relevant to the 'building back better' objectives. This note focuses on social protection as well as on how it can contribute to governance, green economy and digital disruption areas.

OBJECTIVE

The objective of this Guidance Note is to be a practical resource for Country Offices that wish to develop a stand-alone RFF proposal or incorporate social protection across other key areas. Social protection is presented as a sector in its own right – as a means to poverty and vulnerability reduction – and as a policy that can contribute to the 'building back better' objectives.

[1] UNDP (2020). Beyond Recovery: Towards 2030.

SECTION 1

BACKGROUND AND CONTEXT

The objectives of social protection can range from a narrower goal of reducing poverty and vulnerability, to managing risk and protecting against multiple shocks, to fostering human capital and assets, to pursuing pro-poor/inclusive growth and equality objectives, and to changing the rules that govern societal and labour relations in order to benefit the traditionally disadvantaged (e.g., through the adoption of anti-discrimination laws and employment quotas or by addressing social norms).^[2]

Social protection encompasses social insurance (contributory schemes); social assistance (non-contributory schemes providing categorical, geographical and/or means-tested benefits to the poor and vulnerable groups in form of cash, food, public works, subsidies, fee waivers, etc.); and labour market interventions and social services, which facilitate access to job and social inclusion. In the context of highly informal economies of African countries, social assistance bears most relevance; such schemes include: child grants, old age pensions, income support schemes, support for persons with disabilities, access to social workers and case management, fee waivers, job intermediation and training opportunities, etc.

Social protection can also be a complementary policy to contribute to other development goals, such as fighting environmental degradation and climate change or promoting gender equality, social cohesion, human rights and the rule of law. For example, green public works after a crisis or disaster aim to inject incomes into households and communities as well as facilitate green recovery. Programmes that target disadvantaged youth, women or persons with disabilities will strengthen their agency, in addition to reducing poverty, and so on (see examples in Box 1). Social protection transfers are often accompanied by efforts to encourage and facilitate access to basic services (health, education, water, sanitation), social services, and other government services for the poor and vulnerable groups. In other words, social protection interventions should strive for a greater coherence and coordination among economic, social, and environmental aspects of sustainable development, which is the essence of the integrated social protection approach. Finally, there is a long-term inter-generational equity as part of the building back better objective that social protection should promote: the provision of social protection for equitable, quality services for the poor and the vulnerable helps improve their – and their children’s – skills and productivity. In turn, the poor and the vulnerable (and their children) boost sustainable growth when they are equipped with assets and resources to actively take part in the development process.

[2] In the UNDP Social Protection Primer (2016), social protection denotes a set of nationally owned policies and instruments that provide income support and facilitate access to goods and services by all households and individuals at least at minimally accepted levels, to protect them from deprivation and social exclusion, particularly during periods of insufficient income, incapacity or inability to work.

SOCIAL PROTECTION IN AFRICA

Most people in Africa have no access to any form of social protection.^[3] Government capacities to design, implement and finance social protection systems need to improve. During the COVID-19 pandemic, social protection has become a 'go-to' policy to protect the poor and vulnerable populations (see examples Annex 2). This has opened tremendous opportunities beyond the RFF projects to strengthen social protection systems across countries.

Box 1: Benefits of an integrated social protection

- Social protection can facilitate and ease transition to green economies and sustainable production and consumption by purposeful promotion of the skills needed in the new sectors and shielding those who have been displaced by providing them with cash transfers.
- Public works could be designed to create or protect community assets and adapt to climate change along the lines of a 'green recovery'.
- Social protection can also help households and communities that live off the land, small farmers, wildlife traders, illegal loggers, to weather shocks better so as to not overexploit and deplete the natural capital or trigger undesired effects like zoonosis (transmission of animal diseases to humans).
- Index-based insurance helps mitigate climate-related risks, while crop insurance can protect smallholder farmers' livelihoods from losses due to unpredictable hazards. Private insurance providers can be a viable alternative to state-provided social protection such as health insurance.
- Entrepreneurship services and skills and training will improve jobs outcomes for youth.
- Gender-sensitive social protection will help close the gender gap in many ways: not only socially and economically, but also with respect to stubborn harmful social norms. For example, cash transfers can be used to encourage girls' school attendance and delay early marriage in societies that emphasize education for boys over girls.
- Coordination and integration of humanitarian and social protection responses to crises will reduce the costs of delivering cash/food transfers by removing redundancies and inefficiencies, improve coverage, reduce fragmentation and strengthen national capacities.
- Integrating social protection measures with livelihood programming in crisis and fragile contexts can address short-term vulnerabilities and boost long-term recovery.
- Community-based social protection mechanisms can be strengthened and reinforced with the GEF Small Grants programme, etc.
- Anti-discrimination laws and quotas that promote employment for PWDs can tackle poverty and social exclusion among PWDs, etc.

[3] Only 17.8 percent of people in Africa have access to any form of social protection (ILO 2019).

HOW UNDP CAN HELP DELIVER SUPPORT FOR SYSTEMATIC REFORM OF SOCIAL PROTECTION?

UNDP and partners – particularly ILO, UNICEF and the World Bank – work to address systemic gaps in social protection by providing technical assistance and advisory services; advocacy & partnerships; research and knowledge development and sharing.

Our integrated approach to social protection brings in expertise from different thematic teams, such as inclusive growth, Financing Hub, private sector, crises prevention, climate-change and DRR, environment and natural resources, governance and migration.

Box 2: Examples of social protection initiatives

- Extension of social protection to those outside of standard/formal labour markets (informal workers, workers in agriculture) or in vulnerable employment with an emphasis on the gender-differentiated needs and excluded groups.
- Economic empowerment and increased employment outcomes of vulnerable groups (e.g., livelihoods and employment programming, public works, access to finance, know-how and markets).
- Policies and measures toward integration of the vulnerable groups (including persons with disabilities, migrants, minorities or groups excluded due to location/remoteness) into the national social protection systems.
- Application of the multidimensional poverty approach to assess various layers of deprivation to design tailored solutions.
- Application of digital solutions for effective social protection governance and delivery along the programme cycle (including ID, targeting, implementation, monitoring, mobile transfers, social accountability, data privacy safeguards, harmonization across sectors, etc.).
- Reform to social protection systems to make them gender-responsive to consider gender-differentiated needs of vulnerable groups.
- Roll out of emergency cash transfers or/and public work schemes followed by the design of flexible social protection instruments that can rapidly expand, contract or otherwise adapt to covariate shocks.
- Elaboration of strategies for raising state capacity to fund social protection from domestic sources, e.g., by improving the efficiency of tax collection, expanding the tax base via progressive taxation, promoting innovative finance or curbing illicit financial flows.

SECTION 2

HOW TO DRAFT AN RFF SOCIAL PROTECTION PROPOSAL

This section discusses a number of policy and programmatic choices and considerations that COs staff might come across in their proposal and programme design. To enable a simple and systematic approach to proposal development, the steps below follow the criteria and requirements as enlisted in the RFF Guidelines.

WHAT IS THE DATA REQUIRED AND WHERE CAN WE FIND THE DATA FOR THE SITUATION ANALYSIS AND PROPOSAL DEVELOPMENT?

Socio-economic impact assessments (SEIA) are the first point of reference for current data on the impacts of the pandemic on poor and vulnerable groups, informal workers and enterprises, development sectors and the economy as a whole. Other documents, e.g., national development plans, CPDs, UNDAFs, HDRs, external publications, etc. should also be consulted. In addition to data on poverty and vulnerability disaggregated by age, gender, location, etc., data on the current social protection coverage and its adequacy pre- and during Covid-19 should also be included, if available.

WHAT KIND OF ADDITIONAL ASSESSMENTS ARE NEEDED?

During the project implementation, more in-depth assessments might be needed that will establish gaps in the current provision of social protection and refine entry points for programming (see Resources for assessment methodologies, e.g., cash-based interventions, public works/ISPA). Proposals should consider the following aspects of social protection systems: policy and legal frameworks, current status and gaps (number of people covered and adequacy of transfers) in coverage, quality of institutions (organizational capacities: MIS, digital infrastructure, government effectiveness, social protection governance); fiscal space (domestic finance, ability to raise funds) and political economy.

DO WE FACTOR IN POLITICAL ECONOMY OF THE SOCIAL PROTECTION PROVISION?

Introduction of a social protection programme or reform is inherently a political process. Political considerations will influence the decisions: whom to target, how, the amount of a transfer, duration of the programme, whether or not to attach specific conditions on transfers, and so on. Embedding social protection programmes in national institutions (budgets/taxation, institutions, policy and legal frameworks) will result in a greater political ownership and safeguard them from political change. Assessing political economy factors might entail a brief stakeholders' analysis (on power dynamics within and outside government, including public at large) and inclusion of activities aimed at strengthening national dialogue and consensus building around social protection.

SOCIAL PROTECTION FOR WHAT: HOW TO NARROW IN ON THE EXPECTED OUTPUTS

The proposal needs to define the objective/s of the social protection initiative and a theory of change underpinning it. In line with the 'building back better' imperative, a core objective of the project might be to reduce income poverty and build resilience to shocks by helping local communities sustain or build assets. A secondary objective could be to advance gender equality, youth empowerment or green recovery (see Box 1 for examples). The next step is to determine the type of support (e.g., policy support, pilot cash transfer, advocacy, cross-sector integration, etc.), scope, programme design, sequencing, partnerships, costing, M&E, etc. An 18 months project might start with a six months cash transfers or public works pilot, continue with skills and training activities and simultaneously carry out policy support and advocacy to create a pathway to a long-term social protection reform, which will show that the project has been designed to be catalytic. Securing co-financing, particularly from the government, will further demonstrate this requirement.

SOCIAL PROTECTION FOR WHOM?

The SEIA, if available, will point to the poor and vulnerable groups hardest hit by COVID-19 that can be zeroed in for the project. For example, the current crisis has exposed high levels of vulnerabilities among informal economy workers and their enterprises, which can be an entry point for UNDP programming (see Box 3). Other programmes might consider the inclusion of structurally excluded populations into social protection (e.g., ethnic minorities, refugees/migrants, persons living with disabilities, LGBTI) who may have been hardest hit. Besides identification of the target group, the proposal should indicate the targeting methodology, the number of beneficiaries and estimate the value of cash transfers (public works, cash), if applicable.

HOW TO CHOOSE THE TYPE OF SOCIAL PROTECTION INTERVENTIONS/SOCIAL PROTECTION INSTRUMENTS

The interventions are likely to be designed at the level of a policy (assessments, policy reviews, policy elaboration), a project (pilot cash transfer/cash for work, facilitation of access to services), advocacy (national dialogues, civil society engagement) or a combination of these.

The choice of specific instruments -- cash transfer, public works, access to health, entrepreneurship services, finance, etc. -- depends on a variety of factors, such as political will or cultural norms to expand and sustain social protection spending, government capacity to deliver benefits, and infrastructure. Affordability is often cited as an important determinant of a specific measure. However, it typically is a combination of the political will and governments' ability to collect revenues that play a key role in this regard.. The recent study by UNDP advocates for a Temporary Basic Income (TBI) to mitigate the impacts of the pandemic. The table in Annex 1 attempts to align sample social protection objectives against policies and instruments

Box 3: Social protection and informality

The informal workers constitute the 'missing middle'. They do not qualify for social assistance, not being poor enough; yet, their incomes might be too low or too irregular to take advantage of social insurance schemes. As observed during the COVID-19 crisis, this constitutes a serious impediment to workers' and their families' well-being and leaves them ill-prepared to withstand a variety of risks, including idiosyncratic shocks at the household level (e.g., illness in a family, expenses related to education or a funeral) and at the community level (e.g., risks associated with climate change, public health hazards, such as the current one or political volatility).

In the immediate and medium term, this requires prioritizing flexible solutions and innovations to introduce or scale up coverage, including through a mix of contributory/non-contributory schemes, private-public partnerships, private insurance, solidarity financing by the formal workers or universal social protection schemes. The level of benefits might differ from basic to full range depending on the model and needs (e.g. access to healthcare, maternity and paternity benefits, paid sick leave, unemployment, pensions, or survivorship). Gender-specific and youth-specific needs have to be prioritized considering that women and youth are over-represented in the informal economy.

SHOULD WE ADAPT A SYSTEMS APPROACH?

Ideally, the proposed project should not be designed as a 'one-off' intervention but situated within national social protection institutions and processes, contribute to their establishment or enhanced capacities. Some projects will aim at the introduction of the social protection transfers to facilitate the recovery, others at expanding coverage (adding beneficiaries or topping-up benefits), strengthening the cross-sector coordination or review of the social protection system to make it more risk-informed, gender-sensitive or seek linkages with green economy.

WHY SEQUENCING OF INTERVENTIONS IS IMPORTANT?

Sequencing of interventions over the 18 months and having a vision beyond that will further show the project as catalyst for long-term gains. In the immediate term (6-12 months), cash transfers or public works might help communities ensure food security, compensate for losses in livelihoods and assets. Following that stage, in the medium-term (12-18 months), policies and programmes should aim at increasing human capital, productive assets and jobs/employability prospects for the poor and vulnerable populations (e.g., skills, training, stipends, apprenticeship /internships, subsidies to employers, etc.). The intention here is for the vulnerable populations to accumulate enough productive assets to either create their own work or find gainful jobs/employment. In addition, at this stage, policy review might take place to make social protection shock-responsive, gender-responsive or to expand coverage to informal workers. In the long-term (beyond 18 months), initiatives should facilitate socio-economic integration of the targeted groups (e.g., access to finance to expand entrepreneurship, job intermediation, case management). See Table in Annex 1 for examples.

WHAT KIND OF INNOVATIONS IN SOCIAL PROTECTION CAN WE EXPLORE TO HELP THE GOVERNMENTS EXPAND AND FAST-TRACK SOCIAL PROTECTION PROGRAMMES?

An integrated social protection approach is in itself a policy innovation, which might be worth highlighting in the proposal.

Digital technologies can fast-track social protection cycle from the identification/targeting and registration to enrollment, to payment disbursement via mobile money and to platforms that allow for citizens participation (including grievance mechanisms).^[4] They can increase transparency, accountability and client-orientation of the public service. But such technologies can also be used for curtailing the dissenting voices, citizens' surveillance or abuse data for commercial purposes. Safeguards and data protection frameworks are necessary. Infrastructure, digital literacy and levels of financial inclusion also need to be taken into consideration.

Social innovations, such as community-based social protection schemes/'informal' social protection (saving schemes, funeral societies, mutual support schemes etc.) can also be explored for programming for complementarities between the 'informal' and state-provided/'formal' systems.

WHAT ARE THE KEY DESIGN FEATURES OF A SOCIAL PROTECTION/SOCIAL ASSISTANCE PROJECT?

Any large scale social protection/social assistance programme entails the following design features: identification and registration of potential beneficiaries, assessment of their eligibility, enrollment of participants, disbursement of payments, a 'graduation/exit' strategy, and enforcement of any conditionalities. The M&E system, case management, grievance system and outreach and communication are supporting components (see Figure in Annex 2).^[5] The programmes should be embedded in the social protection system that also has a policy or strategy, a legal framework governing social protection provision and sustainable financing that ensures continuity of the programme.

HOW CAN WE ACCESS ADDITIONAL SUPPORT?

You can contact the Inclusive Growth Team at RSCA for technical assistance. HQ/Global Response Team has several social protection experts on a retainer. They specialize in digitalization, data management, programme design, policy and strategy development. Additionally, regional and global rosters can be accessed and hiring of experts fast-tracked. UNDP's new Chief Digital Office (CDO) provides advisory services to Country Offices looking for ideas, best practices, or connections to bright spots working in digital transformation efforts. See, for example: [Airtable of UNDP's Digital Responses to COVID-19](#).

[4] Togo built a fully digital cash transfer program serving 12% of the population in just 10 days. [Interview here](#) with Cina Lawson, Minister of Postal Affairs and Digital Economy in Togo on how the country built the fully digital cash transfer scheme.

[5] TRANSFORM 2018.

WHAT ONLINE RESOURCES CAN WE CONSULT?

SEIAs

The State of Social Assistance in Africa and data platform (UNDP 2019).

BPPS Social protection offer

Covid-19 Response: Social Protection Integrated Offer to Africa

UNDP Integrated Offer on Informal Economy in Response to COVID-19 in Africa

Inter-Agency Social Protection Assessment (ISPA) tools

Guidance Note Cash-Based Interventions from Humanitarian to Sustainable Development, UNDP

Africa's digital solutions to tackle COVID-19, UNDP

Compilation of international social protection responses to Covid-19 in sub-Saharan Africa, RSCA, UNDP

Temporary Basic Income (TBI), UNDP

Social Protection and Informality: A Forward-looking Assessment, UNDP (forthcoming)

Sample Advisory Notes related to Covid-19 and social protection:

Advisory on Leaving No One Behind in designing emergency social protection schemes (inclusion of persons who are not currently participants of any of the social grants due to immigration status, lack of ID, social exclusion, stigmatization, xenophobia, etc.).

Advisory Note on Digitalization and Social Protection

Advisory Note on Social Protection for Informal Workers During and post-Covid-19

Contact: RSCA, Inclusive Growth Team

ANNEX 1

TABLE: SOCIAL PROTECTION OBJECTIVES VERSUS INTERVENTIONS AND INSTRUMENTS

Target group (examples): *Poor and vulnerable populations; structurally excluded groups (e.g., persons with disabilities, persons living with HIV/AIDS, ethnic minorities, LGBTI, older persons, women, migrants, refugees); populations outside of the formal social protection systems: informal workers, unpaid workers, gig economy workers, local communities, urban poor.*

Objectives	Interventions and instruments		
	Immediate term (6-12 months)	Medium term (12-18 months)	Long term (18 months up)
Reduction of poverty and vulnerability, social and economic inclusion of the target groups	<u>Objective:</u> Prevention of the populations affected by Covid-19 from falling deeper into poverty; sustaining food security, livelihoods and assets; early recovery.	<u>Objective:</u> Socio-economic empowerment of the poor and vulnerable groups, consumption smoothing, asset creation, increasing resilience to shocks; medium-term recovery.	<u>Objective:</u> Socio-economic inclusion of the poor and vulnerable groups, long-term sustainability and resilience of livelihoods to household- and community-level shocks.
	<u>Interventions/Instruments:</u> Cash transfers (including conditional cash transfers/CCT, Unconditional Cash Transfers/UCT, Universal Basic Income/UBI, Temporary Basic Income/TBI), food transfers, public works, public works with elements of skills development, saving or financial inclusion measures.	<u>Interventions/Instruments:</u> Shock-responsive social protection, gender-sensitive social protection (including care work), adaptive social protection, LNOB-analysis and inclusion into policy, Cash/food/public works with add-ons ('cash plus') and graduation/re-admission strategy, livelihoods enhancement services, entrepreneurship services, access to finance, skills development, stipends, subsidies, apprenticeships, internships.	<u>Interventions/Instruments:</u> Incorporation of informal economy workers into existing social protection schemes or creation of new ones; access to finance and credit, 'productive grants', access to social services (including health, case management, social workers), economic activation and labour market integration, job intermediation, minimum wage policies, progressive taxation.
Transition to green economy	<u>Objective:</u> Purposeful integration of environmental improvement and sustainability and climate action considerations into social protection programmes at an early recovery stage	<u>Objective:</u> Development and strengthening green jobs and livelihoods through medium recovery efforts (moving from green public works to building capacities for green jobs in private/public sectors, green vocations (sustainable fishing, farming, e.g.) and green MSMEs (sustainable fish processing, transportation, etc.).	<u>Objective:</u> Transition to and expansion of new green economy sectors (sustainable agriculture, fisheries and forestry, ecotourism, green energy, recycling and waste management) with the purpose of setting up enterprises along the green value chains.
	<u>Interventions/Instruments:</u> green public works/cash for work, subsidies/stipends, etc. Examples: Tree planting, forest rehabilitation, rangeland revegetation, watershed	<u>Interventions/Instruments:</u> Access to skills, training/re-training, educational vouchers, internships, apprenticeships for transition to specific green jobs, access to green startup finance, etc.	<u>Interventions/Instruments:</u> Active labour market policies, access to training/retraining (VET, internships/apprenticeships), labour integration and activation, access to

	rehabilitation, recycling and waste management schemes, small scale solar installation, climate adaptation schemes, natural disaster preparedness schemes, etc.).		green technologies, green markets and regional/global value chains, subsidies/credit, waivers, progressive taxation, etc.
Governance – building a new social contract	<u>Objective:</u> Increasing voice and participation of excluded groups in decision-making around social protection policy and practice, strengthening responsive public institutions and services.	<u>Objective:</u> Increasing agency of vulnerable and excluded groups, political ownership of and commitment to social protection programming.	<u>Objective:</u> Integration of vulnerable and excluded groups into mainstream social protection, social inclusion; a new social contract; addressing harmful social norms.
	<u>Interventions/Instruments:</u> Awareness raising, advocacy campaigns, stakeholders dialogue, participatory programme design.	<u>Interventions/Instruments:</u> Institutionalization of complaint and grievance mechanisms in social protection programming.	<u>Interventions/Instruments:</u> Social Accountability Mechanism, citizens participation platforms; gender-sensitive social protection/women empowerment measures; LNOB-sensitive strategies, lifelong learning, inter-generational schemes, social services, anti-discrimination laws, quotas; minimum wage policies, progressive taxation, etc.
Digitalization	<u>Objective:</u> Roll out of technological solutions to deliver social protection (cash transfers) and promote financial inclusion.	<u>Objective:</u> Fostering digitalization agenda, ensuring efficient and client-oriented public services, data protection frameworks.	<u>Objective:</u> Bridging the digital divide, institutionalizing data protection and privacy frameworks.
	<u>Interventions/Instruments:</u> Digitalization of core social protection functions and technological innovation: identification, targeting, enrollment, disbursement (mobile money); facilitation of financial inclusion; digital and financial literacy awareness and training.	<u>Interventions/Instruments:</u> Implementing digitalized solutions for social protection and its governance; citizens participation platforms; online feedback, grievance mechanisms.	<u>Interventions/Instruments:</u> Policy feedback and improvements to digital solution of the social protection core functions.

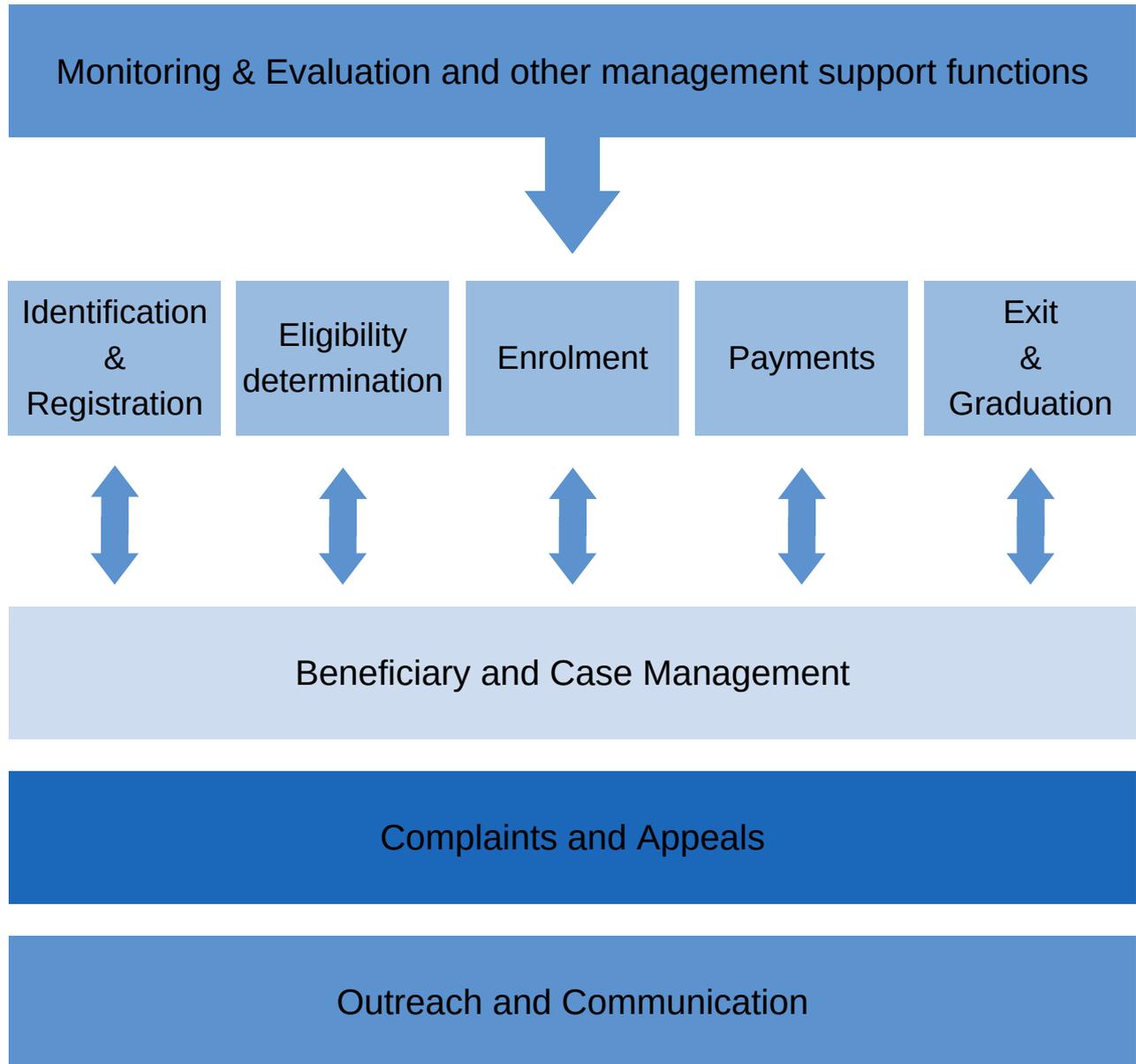
ANNEX 2

SOCIAL PROTECTION EXAMPLES OF UNDP SUPPORT IN RESPONSE TO COVID-19 (RAPID RESPONSE FACILITY)

Country	Type of support
Botswana	Relief Plan for the private sector, Rapid Analysis of the Impact of the COVID-19 on the Informal Sector; Recovery Plan – social protection system reform, informal economy.
Chad	National cash-for-work programmes and schemes for restoring livelihoods.
Congo, Rep.	Identification of the most vulnerable actors in the informal sector, establishment of a database. Micro grants to informal sector businesses and workers and the most vulnerable eligible households.
Eswatini	Emergency cash transfers.
Gambia	Cash transfers and food transfers.
Guinea Bissau	Support to food security, protection of informal workers and private sector (micro and SMEs) development. Temporary employment schemes.
Malawi	Targeted cash transfers in urban areas (MSMEs).
Mauritius	Support targeted vulnerable and high-risk groups affected– the older persons, prison populations, migrant labourers, Creole population living in the ‘so called’ pockets of poverty in very crowded spaces.
Namibia	Social Investment initiatives to boost employment and invest in areas identified as catalysts for economic growth, including through digital finance and e-governance.
Rwanda	Social and financial assistance provided to poor and vulnerable, especially those in the informal economy. Social protection support (cash transfer, food and basic non-food items/commodities) to the poor and most vulnerable groups.
Sao Tome & Principe	Expand social protection scheme and safety nets for fragile groups.
Seychelles	Social protection system reform
South Africa	Employment promotion program to support micro and small business recovery through training, development of business plans for recovery, link them to financial institutions and provide grants for recovery. The programme will specifically target women and youth working in the informal sector.

ANNEX 3^[6]

ADMINISTRATIVE PROCESSES AND UNDERLYING SUPPORT SYSTEM



Source: Adapted from Lindert et al (2016) and Barrett and Kidd (2015)

[6] TRANSFORM 2018.