

The role of social protection in mitigating COVID-19 and ensuring an inclusive and resilient recovery

Informal preparatory meeting for the 60th Session of the Commission for Social Development

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An increase in extreme poverty

Extreme poverty in the world, 2015-2021

Rest of the world, 1 East Asia and Pacific, 8 Latin America and the Caribbean, 3 Middle East and North Africa, 4 77 m Millions of poor 97 m Sub-Saharan Africa, 23 South Asia, 58

Historical Pre-COVID-19 Projection COVID-19 Projection

Note: Extreme poverty is measured as the number of people living on less than \$1.90 per day. 2017 is the last year with official global poverty estimates. Source: Gerszon, D. et al. June 2021.

COVID-19-induced new poor by region, 2020

COVID-19 has accentuated rural vulnerabilities

Low access to public services	High proportion of informal jobs & self-employment	Heavy dependence on movement for livelihoods	Burden-of-care disproportionately borne by women
Less likely to have formal ID documents and/or	 Loss of livelihoods due to disruptions in food value chain 	Loss of remittances	 Most rural community health workers are
when rural populations were already operating under severe constraints these and non-tarm		 Out-of-school children and the 	
• Low human capita	products	• Limited access to land	sick
 Basic technologies Limited modern inputs Limited livestock 		 No access to credit and Social exclusion Climate-related risks 	d insurancetion in reproductive & health services

... reinforcing the cycle of rural poverty and food insecurity



Challenges of responding to COVID-19



Social protection response to COVID-19

- More than 3,300 social protection measures in 200+ countries
- About 17% of world's population covered by at least one CT payment between 2020-2021
- Total spending estimated at 3% of global GDP – 4.5 times higher than during the 2008-2009 crisis
- But disparities across countries



2,942

Covid-19

18%

Other

global

fiscal spending

82%

FIGURE 8.3—TRENDS IN NUMBER OF SOCIAL PROTECTION MEASURES AND NUMBER OF IMPLEMENTING

3,500

3,000

2,500

uoilliq \$ 1,500

1,000

500

653

Great Recession (2008

(9)

Adapting SP to pandemic has taken many forms

Expansion of SP coverage

- Expanding eligibility criteria
- Leveraging existing registration systems from within and outside the SP sector
- <u>Challenges</u>: Low ID coverage (high informality), lack of adequate MIS

Adequacy & timeliness of payments & services

- Frontloading and increasing the size of payments
- Adopting digital payments <u>Challenge</u>: rural areas have lower connectivity, fewer cellphone accounts
- Removal of conditionalities that require work or access to school & health services

Collaboration with other departments & organizations

- Pairing SP with support to smallholders/producer organizations in accessing input and output markets
- Building capacity for shock responsive social protection
- <u>Challenges</u>: Weak coordination mechanisms between stakeholders, lack of harmonization

Coverage and adequacy of SP measures has increased in response to Covid-19



Source: IMF 2021. Fiscal Monitor: A Fair Shot.

Though duration is limited



Strong systems key to timely and large-scale response



Despite Covid-19 response, huge social protection deficits persist

Population effectively covered by at least one social protection benefit



Percentage of vulnerable persons receiving social assistance cash benefits



... generally disadvantaging rural areas



Adequacy of social protection benefits by income group, 2009-19



Social protection will play a key role in the recovery



Pathways for strengthening household resilience

Reducing vulnerability and reliance on **negative coping** strategies

Enabling **investments in productive** ventures and **diversifying livelihoods**

Addressing the barriers to adopt climate-resilient practices

