Building universal social protection systems that contribute to equitable and inclusive societies and resilient economies

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Introduction

- Recent crises have underscored the urgent need for **UNIVERSAL** and **ADAPTIVE** social protection systems
- Social protection systems are a precondition for developing in an inclusive and sustainable manner
- **HOW** can countries build such systems?
  - One size does not fit all, but not everything goes
  - Using international social security and human rights standards as guidelines
  - Developing social protection systems alongside other social and economic policies
Why are social protection policies needed to address current challenges?

Figure 1: At-risk-of poverty rate in the total population before and after all social transfers and taxes in the European countries, circa 2019

Note: *under United Nations Security Council Resolution 1244/99. For Albania, Iceland, Kosovo, Slovakia, and The United Kingdom data are from 2018.
Figure 2: Reduction of inequality (Gini coefficient) through social security transfers and taxes, selected countries, latest available year

Critical features of effective social protection systems

- Typically 9 branches of social protection to cover a comprehensive range of benefits across the life cycle
- Historically, most countries have focussed on certain branches first, meaning some branches are more developed
- Only 46.9% of the global population effectively covered by at least one social protection benefit – 4 billion not covered at all
- Effective social protection systems need to be adaptable to evolving contexts and demands
- Ensuring adequacy of benefits is important, as benefit levels often remain below the minimum standards of Convention 102
Adequate, equitable and sustainable financing of social protection

- Widespread under-investment leads to low coverage rates
- Need to progressively increase fiscal space and develop a social protection floor
- Benefits should be financed sustainably with ‘due regard to social justice and equity’
- Spending on social protection is NOT a zero sum game
- Social security contributions play a crucial role in financing social protection systems, not to be replaced by general taxation
- Quick fire solutions and temporary safety nets are NOT optimal solutions
Repairing the social contract and bringing the State back in

- Need to build State capacity and recover a sense of public purpose
- COVID-19 pandemic reshaped thinking about the role of the state
- How can states be held more accountable to their citizens?
- In the case of social protection, state capacity needs to go beyond the current focus on delivery systems
- This focus sidelines crucial questions about State capacity to build effective and well governed social systems and labour markets