



## The Social Protection Floor // Bob Deacon

The UN Social Protection Floor Initiative is one of the most important developments in global policy of concern to CROP in recent years. In June 2012 the International Labour Organisation agreed to a new international instrument, a Social Protection Floors (SPFs) Recommendation which all governments are urged to adopt. Here the main provisions of the Recommendation are reviewed, an assessment of it is made and some of the complicated aspects of its global governance are explained. Bob Deacon's contribution is based upon his forthcoming book (Deacon 2013).

### This Poverty Brief argues that:

1. The new ILO's Social Protection Floors Recommendation calls for
  - access to essential health care
  - basic income security for children
  - basic income security ...for persons in active age who are unable to earn sufficient income
  - basic income security for older persons
2. The twin track approach of the SPF Recommendation is concerned with both extending social security coverage horizontally to the currently uncovered, and extending it vertically to enhance the contributory wage related social security benefits of workers both formal and informal.
3. UN agencies, the World Bank, the G20, many INGOs have all endorsed the Call for Social Protection Floors
4. Four things will determine if real social protection floors are laid down:
  - The strength of national civil society-lead campaigns
  - Whether the World Bank will use its influence to twist the national definitions of floors back into targeted safety nets.
  - Whether the IMF can be persuaded to enable countries to create the fiscal space to lay the foundations of the SPFs.
  - Whether the SPF becomes embedded as an important element of the donor supported post MDG, post 2015 UN development policy.

The SPFs, according to the ILO Recommendation should comprise at least the following basic social security guarantees in all countries:

“(a) access to a nationally defined set of goods and services, constituting *essential health care*, including maternity care that meets the criteria of availability, accessibility, acceptability and quality;

(b) *basic income security for children*, at least at a nationally defined minimum level, providing access to nutrition, education, care and any other necessary goods and services;

(c) *basic income security*, at least at a nationally defined minimum level, for persons in active age who are unable to earn sufficient income, including in particular cases of sickness, unemployment, maternity and disability; and

(d) *basic income security*, at least at a nationally defined minimum level, for older persons”.

Moreover when implementing the Recommendation, countries should apply several principles among which are:

- universality of protection, based on social solidarity;
- entitlement to benefits prescribed by national law;
- non-discrimination, gender equality and responsiveness to special needs;
- adequacy and predictability of benefits;

There are two very different assessments that can be

made of this new ILO Recommendation. For its supporters the Recommendation is historic because:

- it asserts that the ILO has a role in formulating social protection policy for *residents, not just workers*
- it challenged the growth-first economists with the priority of *social protection whatever the level of the economy*
- it argues for *redistribution nationally and internationally* to fund social protection

For those who would want to detract from its significance it is easy to point to the compromises and changes of definition that have been necessary to ensure that by the time of the 2012 ILC, the most potentially controversial issues had already been dealt with. My study of the history of the SPF demonstrates the changing formulations from when the concept was first muted in the early 2000s to the final 2012 text. These changes involved:

- A shift from a set of specific benefits such as universal pensions or child benefits to a set of *outcomes*, met by governments in whatever way they saw fit
- A shift from a *global social floor* under the global economy to *nationally defined floors* with each country defining its own minimum guarantee level
- A retreat from an emphasis on *international financial support* for such a floor to mainly *national responsibility* for revenue raising to fund the floors

Furthermore the issue of social protection of migrants was ducked by leaving the definition of resident to countries. The wording of the relevant paragraph regarding who is covered does however permit of the interpretation that at least all children on the planet are covered, subject only to a country's definition of the age at which people are regarded as children.

A critical article by Francine Mestrum on the **Global Social Justice website** analyzes different proposals for a 'social protection floor'. "In short, however positively the plans for a Social Protection Floor can be assessed.....if the SPF is limited to its minimal requirements, it will be compatible with Washington Consensus policies." But here she ignores the twin track approach of the SPF Recommendation which is concerned with both extending social security coverage horizontally to the currently uncovered, and extending it vertically to enhance the contributory wage-related social security benefits on workers both formal and informal.

On the other hand an alliance of NGOs: a *Coalition for the Social Protection Floor* is being established to campaign for the implementation of the SPF. It grew out of an NGO statement signed by 59 NGOs presented to the ILC in Geneva in June 2012. Among the

signatories were the **International Disability Alliance**, HelpAge International, the **International Council on Social Welfare**, the International Movement ATD Fourth World, and Solidar. The FES is coordinating developments. The ICSW gave high priority to the SPF at the '2012 **Joint World Conference** on Social Work and Social Development: Action and Impact' which took place in Stockholm. On September 25th 2012 a meeting of INGOs took place in Berlin to plan how to carry this campaign forward.

Globally defined floors only get translated into concrete policy changes within countries if there are campaigns waged to make this happen. The Social Protection Floor was initially campaigned for by the Coalition for the Global Social Floor lead by an unofficial group of social protection experts inside the ILO and UNICEF, allied to Civil Society Organisations such as Help Age International. It was then supported in the context of the 2008 global financial crisis by the Director-General of the ILO, Juan Somavia and sold to the world at the UN Chief Executive Board meeting in April 2009<sup>1</sup> as one of several UN global initiatives to counter the negative effects of the crisis. The UN Social Protection Floor Initiative was launched involving several UN agencies, bilateral donors and some INGOs. The Bachelet Advisory Committee was then established by Somavia to garner more support and it argued (ILO 2011) that the World Bank should adopt the SPF as part of its new 2012-2020 Social Protection and Labour Strategy. Indeed the new World Bank Strategy at least pays lip service to the SPF: "The World Bank has been a strategic partner in the One-UN Social Protection Floor initiative (SPF-I), and has an important role to play both in helping countries who sign on to the SPF-I to operationalize it" (World Bank 2012: 11). The ILO managed also to influence the G20 and ensured that in 2012 the final communiqué (G20 2011) asserted "we recognize the importance of social protection floors in each of our countries, adapted to national situations" (para 6) and called on "international organizations, especially the UN, WTO, the ILO, the WB, the IMF and the OECD, to enhance their dialogue and cooperation, including on the social impact of economic policies, and to intensify their cooperation" (Para 31)..

The story of this very effective global policy coalition has not been without glitches when establishing the global governance mechanisms to drive it forward. Particularly irritating has been the emergence, despite all the calls for collaboration, of two global mechanisms. First there was the ILO/WHO-lead UN Social Protection Floor Initiative set up by the UN CEB 2009 meeting. With the participation of several UN agencies, the World Bank and INGOs it held meetings from October 2009 till January 2012 and plans a further one in 2013. This UNSPF-I created its own 'socialprotectionfloor-gateway.org' web site to spread knowledge and advance the cause.<sup>2</sup>

The G20's call for more policy coherence lead however to the establishment of the Social Protection Inter Agency Co-ordination Board, jointly chaired by the ILO and World Bank which met first in July 2012. It is associated with the "socialprotection.org" web site.<sup>3</sup> The Bank is concerned with using this forum to discuss wider social security issues. To complicate matters further, the Global Extension of Social Security "social-protection.org" web-site of the ILO carries news of this SPIACB development and its minutes.<sup>4</sup> So while a lot has been achieved to bring more coherence between the ILO and the Bank there is no guarantee that the World Bank's involvement won't be a mixed blessing with it using its position on this joint SPIACB board to continue arguing for its traditional stop-gap means tested safety net approach instead of a more universal systematic and longer lasting social protection floor approach.

So the SPF is currently high on many global agendas and is a high priority on the task list of many global NGOs such as the UN NGO committee and the ICSW (NGO 2012). Four things will determine if this global concern gets translated into real national social floors:

- The strength of national civil society-lead campaigns to convert the Recommendation into practice. Certainly many are active here including over 50 NGOs who endorsed an NGO contribution to the ILC debate on the SPF.
- Whether the World Bank's high profile engagement with both the SPF and the new Social Protection Inter-Agency Board will turn out to be a double edged sword with the Bank using its influence to twist the national definitions of floors back into targeted safety nets.
- Whether the IMF can be persuaded to enable countries to create the fiscal space to lay the foundations of the SPFs. Leading policy analysts in ILO and UNICEF certainly believe this is possible (Ortiz et al 2012) and evidence from Vietnam, Mozambique and elsewhere, report this might actually be happening.<sup>5</sup>
- Whether the SPF becomes embedded as an important element of the donor-supported post MDG, post 2015 UN development policy and as part of the Rio plus 20 sustainable development global policy. This is far from clear. Unless the Secretary General of the UN starts to use the SPF term as readily as he uses MDG term the SPF floor concept may not fly as high as its supporters wish.

## References:

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## Notes:

- 1) Somavia fortuitously was chair of the UNCEB influential High Level Committee on Programmes at this point
- 2) [www.socialprotectionfloor-gateway.org](http://www.socialprotectionfloor-gateway.org)
- 3) [www.socialprotection.org](http://www.socialprotection.org)
- 4) [www.social-protection.org/gimi/gess/ShowProjectPage.do?pid=1625](http://www.social-protection.org/gimi/gess/ShowProjectPage.do?pid=1625)
- 5) [www.socialprotectionfloor-gateway.org](http://www.socialprotectionfloor-gateway.org)

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