

Second Committee Special Event

Panel discussion on “Global Social Protection Floor”

Wednesday, 4 November 2009

10:00 a.m. – 1:00 p.m.

Conference Room 2

Concept Note

[Background]

The Crisis poses a multiple threat to people around the world, their incomes, their health and to their social security. However, for many people the crisis is not an isolated event. For most people in the world, it compounds a permanent social crisis that leaves 40 percent of the global population living under \$2 a day or die prematurely due to inadequate access to shelter, food or health care. This, in addition to the fact that many are hovering just above the \$2 a day threshold, any slight disruption in the market or the onset of a natural disaster threatens to push these persons back into extreme poverty and erase any gains made towards the eradication of poverty. It is essential that a minimum floor is put under poverty.

Fast working crisis relief measures are needed but should be built in such a way that they also address systemically the permanent social needs behind the present crisis. The fastest working poverty relief measure is social protection. In times of crisis, transfer incomes, notably social assistance and social security benefits act as social and economic stabilizers. Benefits not only prevent people from falling further into poverty but also limit the contraction of aggregate demand thereby curtailing the potential depth of the recession. Social transfers are also an investment in the health and productive capacity of any society. No country can unlock its full productive potential if social security or social protection systems are not available to ensure that children can afford to go to school, people are healthy and well nourished. Without using its full productive potential, no country can create enough income to ensure decent standards of living for all.

Wherever social security systems are not yet fully developed, the UN Chief Executives Board for Coordination (CEB), as one of its joint crisis initiatives, is promoting the concept of the social protection floor to ensure a set of publicly financed essential social services and social security benefits are available for all, *including* access to basic health care, income security for the elderly and the disabled, child benefits and income security combined with employment guarantees for the poor in active age. Research has shown that it is feasible to implement all or some of the basic elements of the social protection floor even in low-income countries. In some cases a phased introduction and limited donor support may be necessary. Many developing countries have successfully taken measures to introduce elements of national social protection floors in a form of cash transfer programmes, such as *Oportunidades* in Mexico, *Bolsa Familia* in Brazil during the last decade. South Africa has also taken significant efforts to administer social protection benefits and transfers. Consequently these countries are now in a much better position to cope with the social fall-out of the crisis, as the cash transfers systems can now be used as flexible response mechanisms.

[Objectives]

This panel discussion aims to draw upon technical experts to introduce the Global Social Protection Floor to a wider UN audience by discussing issues such as the necessity, affordability and possible designs of such programmes as well as explore examples of successful national experiences and exploring key policy issues.

[Key questions]

- How can a social protection floor be designed and implemented?
- What are the key differences between traditional 'social safety nets' and the concept of a social protection floor?
- How feasible is it for heavily indebted poor countries and countries with limited or no fiscal space to institute a social protection floor?
- How can the fiscal space for social services and transfers be secured or increased?
- How can a social protection floor contribute to achieving the MDGs and reduce poverty?