

Common Ground: UNICEF and World Bank Approaches to Building Social Protection Systems

Key Messages

- Developing and strengthening social protection systems is at the core of the World Bank Social Protection and Labor Strategy, and the UNICEF Social Protection Strategic Framework. This note outlines common ground in this commitment and calls on other stakeholders to engage collaboratively in the systems agenda.
- Social protection systems provide a coordinated portfolio of interventions to address different dimensions of poverty and deprivation, aiming to reduce vulnerability across the life-cycle and ensure cumulative benefits across generations.
- There are numerous challenges, risks and costs involved in taking a systems approach, including challenges of political economy and differing donor views and practice, the risks of excessive centralization, and potential costs of transactions and limited transparency.
- The movement towards more integrated systems is a gradual and contextual process. In operationalizing this agenda, it is useful to consider different levels of systems coordination: policy, programme and administrative.
- There is no one-size-fits-all in terms of operationalization of systems. Pathways will differ according to country contexts, capacity and needs, and approaches need to be country-led.
- The World Bank and UNICEF acknowledge the critical importance of donor coordination, and call for partner agencies to be part of the solution in order to:
 - Work together to present coherent support to countries;
 - Maximize synergies and common agendas, recognizing different organizations' value-added;
 - Jointly support sustainable, scalable, evidence-based interventions;
 - Enhance and share analytical work on systems development;
 - Promote South-South learning and cooperation for knowledge sharing and capacity building.

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Executive Summary

The recently released UNICEF Social Protection Strategic Framework and the World Bank Social Protection and Labor strategy call for taking a systems approach to social protection as a way to help countries, communities, families and children enhance resilience, equity and opportunity.

This note outlines common ground in the World Bank and UNICEF approaches to building social protection systems, using a focus on children to illustrate the premise and promise of a systems approach. It is part of a broader commitment by both agencies to increase collaboration across different stakeholders – governments, development partners and others – in developing and strengthening social protection systems and expanding their coverage.

The rationale for a systems approach to social protection

Central to a systems approach is a focus on coordination and harmonization in order to address the fragmentation that limits the effectiveness and impact of social protection policies and programmes. Although much of the systems discussion is currently based more on theoretical grounds than on empirical evidence, there are, in principle, a number of benefits to moving toward a systems-oriented approach to social protection.

What are the goals of a systems approach? A systems approach to social protection aims to provide a coordinated and harmonized response to the multi-dimensional vulnerabilities across a life-cycle cycle. Such an approach has the potential to **build resilience, enhance equity and coverage** by addressing heterogeneous needs, as well as to **promote opportunity** by building and protecting human capital, skills and productivity. In addition to contributing to these goals, a systems approach also aims to improve the efficiency and sustainability of social protection programmes.

What is meant by a systems approach? Adopting a systems approach in social protection may take different forms and pathways. In general terms, it comprises a portfolio of interventions which address social and economic vulnerabilities using both short-term interventions to address temporary shocks and longer-term approaches to address structural vulnerabilities and chronic poverty. Systems should be grounded in established institutional arrangements, with clear assignment of responsibilities and use of common administrative tools in order to provide channels for effective cross-programme management. As social protection systems evolve, the development of multi-sector approaches and coordination can also increasingly

address multiple and compounding risks and vulnerabilities. Social protection systems aim to be synchronized across a network of interventions and policies, equitable in the distribution of resources, and transparent and accountable in their governance.

Risks, challenges and costs

Although a systems approach has potential benefits, it may also involve a number of risks, challenges and costs. At the forefront of challenges are political economy issues that can make it difficult to move toward increased coordination, even where a strong mandate exists. Before investing financial and institutional resources along with political capital, it is important to take into account the political and institutional factors that need to be aligned for such an effort to be successful and sustainable in any given country. Donors often play a role in supporting or undermining a coherent policy environment. Institutional capacity and country characteristics are also critical, highlighting the need for approaches to be tailored to national contexts.


There are also risks to a systems approach. Excessive centralization can lead to errors being propagated across programmes that have common points of entry, and risks stifling creativity and responsiveness. There may also be fewer checks and balances, as well as information asymmetries.

Finally, there are costs to coordination, notably transaction costs to managing complex cross-programme arrangements. There may also be costs and tradeoffs involved if systems crowd out effective private and informal arrangements. Many of these risks, however, can be minimized through careful design and clear understanding of country context.

A child lens for social protection systems

The rationale for a systems approach is further enhanced when assessed through a child lens. A systems approach is particularly relevant for children, given the need for a set of multi-sector interventions to address the evolving, compounding and multiple dimensions of child poverty, deprivation and exclusion across the life-cycle.

Providing a set of coordinated interventions, social protection systems are well suited to respond to the dynamic nature of risk and vulnerability faced by children which is compounded over time if not addressed. Social protection can serve as an effective catalyst for a range of multi-sector investments needed to address children's multiple needs, including investments in child protection, education,



cognitive development, nutrition and health. A systems approach also speaks to the flexibility needed to respond during critical periods in a child's development, and to the need to invest early to gain efficiencies given that early childhood investments generate high rates of return.

A systems approach also supports the establishment of cohesive national mandates to coordinate the range of actors and interventions necessary to secure effective investments in children and generate the associated public goods. Furthermore, the foundations of equity and equality of opportunity are established during childhood and can be strengthened by social protection systems that help ensure access to critical investments among children from low-income settings or socially excluded populations. Finally, a systems approach provides responses that recognize the intergenerational and compounding nature of vulnerabilities, as children do not only experience age-specific deprivations but also share those that affect their families and communities.

In sum, social protection systems ensure that individual instruments interact with and support one another in reducing vulnerability across the life-cycle. This is important for managing risk effectively, expanding coverage, and providing predictable benefits.

Operationalizing a systems approach to social protection

Beyond the theory and rationale for moving toward a systems approach to social protection, there is a need to collaborate on supporting operational aspects. The movement towards a more integrated system is a gradual process and it is necessary to consider different levels: policy, programme and administrative levels.

The policy level defines a long-term vision and ensures policy coherence within social protection and in relation to broader objectives. This is the highest and most strategic level of engagement. It is here that the objectives and functions of social protection systems are defined in the context of national goals and priorities, and assessed given fiscal and administrative capacity.

The programme level is focused on integrating, harmonizing, or coordinating programmes. This second level of engagement is driven by initiatives aiming to improve the performance of programmes within a given function (such as child protection) or to enhance coordination across programmes to better exploit

interactions (such as training policies to build skills and move young people from assistance into more productive opportunities).


The administrative level focuses on developing the "nuts and bolts" tools that facilitate the core business processes of social protection programmes. These include, for instance, beneficiary identification systems and registries, targeting schemes, monitoring and evaluation arrangements, and contracting and payment arrangements for providers. The set-up of these tools or building blocks can serve as an entry point for the operationalization of social protection systems.

Social protection systems must also be developed relative to the existence of other programmes and policies, notably in the social sectors to effectively address multidimensional vulnerabilities. In addition, multi-sector (horizontal) coordination often also involves ensuring that social protection is coupled with effective supply-side investments in health, education, child protection and nutrition, to achieve its objectives. When properly coordinated, social protection can serve as a catalyst for expanding access to services and thus contribute to enhance equitable sector outcomes. There is also a need to consider how to best approach vertical coordination across national and local government stakeholders, as well as other existing arrangements, including private and non-formal arrangements such as community-based groups.

Pathways toward building stronger systems

Social protection systems will take many forms, with portfolios of programmes tailored to the demands of different country contexts. There is no "one size fits all" approach. Instead policies, programmes and administrative systems will need to be adapted to countries' different institutional contexts and to the demands of particular regions and groups within countries. Initial conditions set the context for how pathways can evolve and there is much to be learned from knowledge sharing across countries in setting goals and managing transitions toward stronger systems.

Regardless of country context, there are a number of areas to consider in building stronger and more effective systems including the importance of institutional capacity, financial resources and political leadership. These need to be assessed and solutions tailored accordingly.



Furthermore, there is also a need for analytical work, both to better understand the need for social protection and to shape effective responses to risk and vulnerability. On the demand side, continued improvements are needed to assess the dynamics of risk and vulnerability. This calls not only for understanding micro-determinants of households and community resilience, but also for better knowledge of how these are driven by macro elements including climate change and economic shocks such as volatility in food and fuel prices.

The World Bank, UNICEF, national government agencies and many others are investing in assessment tools to inform the design, performance and impacts of a systems approach. This includes developing a new approach to programme evaluation to focus on assessing initiatives that aim to merge, bridge, or coordinate programmes. It also calls for monitoring-based inventories of the performance of existing social protection interventions, as well as modeling tools to understand the impacts of different reform options. Each of these analytical tools calls for improving the availability, quality, and use of micro-data, notably from household surveys, administrative records, and evaluations. In most countries today, these data are of poor quality and often not produced regularly enough to serve as useful sources of information for informing policy and programme decisions.

Looking forward

UNICEF and the World Bank are committed to contributing to the emerging global social protection agenda, working in partnership with each other and different stakeholders – government, partner agencies, civil society – to help build nationally led social protection systems. Given the multi-sectoral nature of social protection and the existing fragmentation in approaches, these partnerships are essential in supporting the development and strengthening of social protection systems.

In this process, UNICEF and the World Bank acknowledge the critical importance of donor coordination, and call for partner agencies to be part of the solution: working together to present coherent support to countries; maximizing synergies and common agendas while recognizing the value-added of different organizations; aiming at sustainable and scalable interventions; enhancing analytical work to further the understanding of systems development; promoting South-South learning and cooperation for knowledge sharing and capacity building at all levels and thus address/surpass the inherent institutional and financial challenges countries face when harmonizing systems.

I. Introduction

The World Bank and UNICEF have each placed building social protection systems at the heart of efforts to support countries in developing successful social protection approaches. The recently-released World Bank *Social Protection and Labor Strategy* and UNICEF *Social Protection Strategic Framework* both call for strengthening social protection systems and recognize systems as a promising approach to address the multiple and compounding vulnerabilities of children, families and communities by enhancing their equity, resilience and opportunity.

This note outlines common ground in the World Bank and UNICEF approaches to building social protection systems, using a focus on children to illustrate the premise and promise of a systems approach. It is part of a broader effort, to which both agencies have committed, to increase collaboration across different stakeholders – governments, development partners and others – in developing and strengthening social protection systems and expanding coverage.

Today's increasingly risky and interconnected world underscores the relevance of an integrated approach to social protection and many countries have made social protection a centerpiece of their approaches in managing risk and addressing poverty and vulnerability. Social protection is needed to help children and families manage risks linked to economic and social vulnerabilities while building resilience, both in normal times and in crises. Social protection is also increasingly recognized as an important ingredient for poverty reduction and a foundation for inclusive growth,ⁱ and equity.ⁱⁱ

However, in many countries social protection programmes are often fragmented, uncoordinated and do not exist at scale. This situation is often grounded in challenges and constraints to institutional capacity and organization, political leadership and incentives, different time frames in terms of design and expected impacts, as well as financial resources. The result is often a collection of smaller unconnected efforts focused on distinct regions, discrete groups, or specific objectives without complementing each other. In other contexts, larger-scale programmes may exist but may work in silos, limiting their effectiveness and undermining the overall coherence of an effective approach, as well as potential impacts. This fragmentation calls for taking a systems approach to social protection that can enable effective coordination to best achieve the goals of social protection.

The objective of this note is to provide an initial discussion of the common understanding and rationale behind the

development and strengthening of social protection systems. This note maps out common elements in the World Bank and UNICEF approaches to social protection systems in an effort to establish a clear and common framework for an effective operationalization of social protection systems going forward. Both agencies recognize that a 'one size fits all' approach is not appropriate but that there are common elements to systems work that can be tailored to the needs of specific countries and groups. While acknowledging the different mandates of the World Bank and UNICEF, the note seeks to establish and strengthen the considerable common ground in the two agencies' approaches to social protection systems in order to better align work on behalf of our partner countries. It also recognizes that although there can often be different points of departure for taking a systems approach, there is often common ground in operationalizing a systems approach, such as finding more efficient, effective ways to reach the poorest. The objective is to start a discussion of key considerations and challenges related to the development of social protection systems, and to better align UNICEF and World Bank support to countries on this important agenda.

This note uses the lens of child-sensitive social protection to explore the relevance of systems. A child-sensitive approach is illustrative of the need for a systems approach in order to address the multiple and compounding vulnerabilities faced by children due to age-specific vulnerabilities, as well as those shared with families and communities. This focus is central to UNICEF's mandate but is also highlighted as a key element in the World Bank strategy given its focus on inclusion and recognition of children's particular vulnerabilities. Both agencies recognize the applicability of a life-cycle approach to understanding the design, performance and cohesion of social protection systems that can address both economic and social vulnerabilities as well as the structural causes that result in child deprivations.

This note is divided as follows. Section II discusses what is meant by a systems approach to social protection, including rationale, key characteristics and levels. A discussion of the potential benefits and key challenges and risks of taking a systems approach follows in Section III. Section IV explores the application of a systems approach using the lens of child-sensitive social protection with a particular emphasis on the extent to which a systems approach is an effective strategy for addressing multiple and compounding vulnerabilities across children's life-cycle. Sections V and VI provide an overview of the different levels of a systems approach, and key elements to consider in the operationalization of a systems approach to social protection. Conclusions and a call for strengthened collaboration are provided in Section VII.

II. Rationale for a Systems Approach to Social Protection

A. The Current Context: Social Protection Fragmentation

Although many countries deploy social protection as a critical component of their poverty alleviation and development strategies, in many countries efforts remain highly fragmented. The heightened relevance of social protection in the developing world has, in part, led to the proliferation of social protection programmes and policies across regions. Despite marked differences in terms of design, components, and coverage, a common characteristic of many of the recent social protection efforts is fragmentation. Largely due to the inherent challenges of building systems within a country, the fragmentation of social protection programmes has limited their potential efficiency, synergy and impact on poverty, inequality and exclusion. Fragmentation exists at the policy, programme and administrative levels and is often a consequence of:

- Programmes responding to different normative references, legislative frameworks and regulations without the benefit of a national framework or strategy for social protection, increasing complexity and inefficiency, and undermining coherence, and institutional legitimacy.
- Limited understanding of the most appropriate options to operationalize systems, especially in contexts where individual social protection programmes have been established for long periods of time.
- Lack of coordination and dialogue between national efforts and non-state and informal systems: many non-state actors and/or informal, community-based groups provide social protection services, spread across different communities, benefiting a broad range of actors but are not well coordinated with national institutionalized policies and programmes.ⁱⁱⁱ
- Weak vertical coordination between central and local levels: national social protection objectives and decentralized implementation are often not clearly linked, creating confusion between lines of responsibility as well as between accountability at the central and local levels.^{iv}
- Weak horizontal coordination among multiple actors involved in managing (and financing) a wide range of policies and programmes: programmes are managed by different agencies or by different departments within the same agency with different political/management accountabilities. Moreover, depending on the country context, programmes may be largely donor- and/or NGO-driven, translating into a wide array of programmes that often have contradictory or overlapping objectives, operate in silos, and do not follow national strategies or priorities but reflect particular donor interests and approaches.¹
- Under-funding and limited organizational capacity of the lead agencies responsible for social protection which often results in limited policy and planning capacity and human resource constraints for undertaking core functions of the ministry at the national and decentralized levels.
- Limited or non-existing links between contributory and income support (non-contributory) programmes: in some contexts, alongside the traditional contributory systems, reforms have been put in place to expand the coverage of social protection to the poorest sectors of the population. However, this has, in turn, created two-tier systems which address different income groups but are not necessarily well-coordinated across different instruments.
- The use of different administrative systems such as targeting, delivery, registry and/or monitoring and evaluation systems for each programme, with little or no coordination across programmes, increasing the likelihood of inclusion and exclusion errors while undermining the ability to communicate and manage common processes across programmes.

In its different forms, fragmentation can create significant inefficiencies, at the policy, programme and administrative levels, undermining the potential impact of social protection on building resilience and contributing to human development. At the policy level, particularly relevant in financially constrained fiscal contexts, uncoordinated programmes usually result in overlapping objectives, or parallel structures serving a similar purpose. Initiatives not integrated into national structures and/or strategies result in *inefficient*

¹ For instance, a World Bank review of cash transfer programmes in 48 countries in Sub-Saharan Africa showed that, with the exception of middle-income countries, cash transfer programmes are fragmented across ministries, and also across donors: 45% are managed outside governmental institutions and within the government-run programmes, 34% are managed by social welfare (or related) ministries; 5% by health; 2% by education and 9% by social security or labour ministries (Moore and Garcia, 2012).

allocation of resources and have limited capacity to benefit from economies of scale, and be financially and politically sustainable in the long term.^v Moreover, at the programme and administrative levels, fragmentation has implications in terms of *limited and scattered coverage*, with high inclusion and exclusion errors, where those hardest to reach, the poorest and most excluded, are not covered. In many instances, although programmes may have similar eligibility requirements for accessing benefits, limited coordination of administrative and information systems (e.g.: beneficiary lists, targeting systems, and assessments) reduce the likelihood of beneficiaries being able to access available services. Weak referral systems (e.g.: between transfer schemes and child protection services) and limited awareness among staff about other programmes and benefits become key obstacles to children's, families' and communities' access to essential benefits and services.

B. What Do We Mean By “Social Protection Systems”?

Social protection systems are defined differently by different agencies. The World Bank strategy refers to them as “portfolios of coherent programmes that can talk to each other, often share common administrative sub-systems, and work together to deliver resilience, equity and opportunity.”^{vi} UNICEF defines integration as “a network of responses, that take a multi-pronged and coordinated approach to the multiple and compounding vulnerabilities faced by children and their families.”^{vii}

At the center of these definitions is the concept of coordination, which addresses fragmentation limiting the effectiveness and impact of the core functions of social protection. Reducing fragmentation across programmes, actors, and levels of government can improve efficiency and increase coverage, resulting in strengthened resilience to poverty and exclusion, and enhanced human development. In other words, through a systems approach, there is potential for *enhancing the core functions of social protection*, namely: (i) protecting income, consumption and human capital in the face of shocks; (ii) combating poverty and exclusion by addressing structural deprivations and ensuring access to goods and services; (iii) improving individuals' earnings opportunities by promoting investments in human capital, giving access to credit, and making labour markets (which are the main source of income for most people) work

better;² and (iv) addressing economic but also *social vulnerability to poverty and exclusion* (transformative function^{viii}). The literature uses different terminology to name these functions but, beyond semantics, there is a general agreement about their meaning and purpose.

While recognizing that adopting a systems approach in social protection may take different forms and pathways, in general terms, it includes the following components:

- A set of interventions that address *both social and economic vulnerabilities* and their interaction, based on assessed needs and context.
- A set of *established policies and programmes* that can provide *both short-term interventions* to address temporary shocks and *longer-term approaches* to address structural vulnerabilities and chronic poverty.
- *Institutional arrangements, clear assignment of responsibilities, and common administrative tools* used across social protection programmes (such as beneficiary identification and registry) in order to provide channels for effective cross-programme management.
- *Multi-sector approaches and coordination*, in order to address multiple and compounding risks and vulnerabilities across the life-cycle.³

There is also considerable agreement regarding the characteristics of social protection systems, including:

- *Synchronized*. Facilitates the coordination of a network of interventions and policies to effectively address the multiple vulnerabilities of children, families and communities. Focused on exploiting interactions across programmes and mindful of establishing complementary incentives across programmes.
- *Equitable*. Ensures that resources are equitably distributed and support common rights and obligations, helping to ensure equality of opportunity.⁴
- *Transparent and accountable*. Ensures programmes' relevance, ownership, and effectiveness through the development of structures and mechanisms that

² The World Bank strategy includes labour market programmes (active and passive) and labour regulation as a central element in its approach to social protection. Not all approaches to social protection include a labour dimension.

³ See Annex I (Table 1) for a discussion of the main risks and vulnerabilities and their impact across a child's lifecycle.

⁴ Equality of opportunity refers to the leveling of the playing field by removing financial and social barriers to the access of services.

facilitate stakeholder participation, transparency and accountability.

- *Responsive and inclusive.* Able to serve both the chronic poor and those structurally vulnerable to

poverty and the different dimensions of exclusion,⁵ as well as respond to individual shocks such as job loss, disability, childbearing, old-age, or large crises such as natural disasters and conflict.

III. Benefits, Challenges and Risks of Moving Toward a Systems Approach

Much of the discussion on the pros and cons of moving toward a systems-oriented approach to social protection is based more on theory than on empirical evidence. Indeed, there is a strong need for analytical work and evidence to inform systems approaches and for knowledge sharing on successes and failures. Nonetheless, there are some elements that can be highlighted in examining the potential costs and benefits of a stronger systems-oriented approach.

What are the presumed benefits of moving toward a systems-oriented approach to social protection? A systems approach aims to improve harmonization in order to enhance countries' ability to effectively carry out the core social protection functions of building resilience to risks, enhancing equity and coverage, as well as promoting opportunity by building and protecting human capital, skills and productivity. Beyond contributing to these core social protection goals, a systems approach also aims to improve the efficiency and sustainability of social protection programmes.

A. Building Resilience^{ix}

Systems respond to the dynamic nature of risk and vulnerability faced by children, families and communities and help to address structural deprivations. Vulnerability captures the factors that make people likely to become poor or fall deeper into poverty over time. As discussed by UNICEF's framework and the World Bank's social risk management framework, vulnerability captures the interaction between exposure to risks and the capacity to respond and cope. Social protection systems, which offer a linked set of mechanisms and instruments, can contribute to addressing some of the structural determinants that impact/shape vulnerability to poverty, exclusion and deprivation, which are not only problems in their own right but can also undermine families' capacity to respond to risks.

A systems approach can allow for better coordination of different arrangements and strategies to enhance individual, household and community risk management capacity and resilience. Availability and access to a range of appropriate programmes increases individuals' ability to manage different risks at a given moment in time and the differentiated impact of these risks due to pre-existing structural deprivations – and build resilience to future shocks. The availability of a range of options can also ensure better tailoring to beneficiaries' needs and help align efforts with national goals and resources.

The benefit of a systems approach becomes particularly evident when looking at how the different dimensions of risk, exclusion and vulnerability *change across the life-cycle*. For instance, consider a child who benefits from cash transfers and nutritional supplements to ensure a safe and healthy start in life, and who then benefits from school grants to meet some of the direct and indirect costs associated with primary education enrolment and attendance (fees, costs of uniforms and materials, transportation costs, etc.). As she grows into adolescence, she may face additional and different risks associated with transition from primary to secondary school, as well as school completion due to the multiple burdens of work, unpaid care and schooling or risks associated with early marriage, HIV infection and/or childbearing. Bringing a system together can help her meet the different vulnerabilities that present themselves at different stages in her life-cycle.

The girl's story depicts the benefits of a systems approach in addressing the *multi-dimensionality of risk and vulnerability*. Effective resilience requires building capacity to meet both economic and social risks. Poor girls' parents may be forced to remove them from school, or lead them towards decisions around early marriage or displacement. This, of course, is the path for new risks including early pregnancy and increased exposure to violence. Social protection interventions can potentially address both the economic as well as the social determinants of child marriage, addressing economic hardship through social transfers, as well as through accompanying

⁵ Examples of dimensions of exclusion include gender, geographic location, disability, HIV/AIDS status, and ethnic/minority status.

legislation that prevents discrimination in access to certain services and/or implements complementary programmes to influence behaviour. Similarly, in the context of HIV and AIDS, understanding the social and economic determinants of transmission would lead to defining comprehensive responses that would address not only economic, and also social (i.e.: gender inequity, discrimination, stigma, etc.) factors which can drive new HIV infections and create barriers to the access of essential life-saving services.^x

B. Enhancing Equity and Expanding Coverage

UNICEF and the World Bank recognize social protection as a crucial policy tool for supporting equity and call for developing systems that strengthen equality of opportunity and enhance coverage. Social protection addresses the economic and social barriers that prevent access to services while placing special emphasis on the poorest and most vulnerable, and thus contributes to a fairer distribution of resources and benefits. Social protection helps ensure equality of opportunity, supporting both children and adults to realize their full potential. For instance, cash transfer programmes provide households with additional income that helps address income disparities and enables them to invest in children's wellbeing and human development. Legal and policy reform can address discrimination and unfair treatment towards women and children, ensuring their equal access to services.

The link between social protection and equity can be further enhanced through a systems approach to social protection. For example, at the administrative level, tools that help coordinate programmes such as beneficiary registries create opportunities for harmonizing information, reducing exclusion errors and expanding coverage. Comprehensive systems are also able to address heterogeneous needs and bridge coverage gap such as those between social assistance and social insurance, where instruments are needed to reach those traditionally excluded from formal contributory programmes, such as the poorest, informal sector workers and the unemployed.

C. Promoting Opportunities

Social protection has an important role in promoting opportunity and serving as a foundation for inclusive growth. Evidence suggests^{xi} that social protection programmes support opportunity and growth through five pathways: (i) building and protecting human capital; (ii) empowering poor individuals to invest in creating assets to adopt higher risk-higher return activities; (iii) promoting

greater labour market mobility; (iv) helping to manage economic cycles by promoting employment during crises (for example, through public works programmes), which can also contribute to enhancing productive assets and infrastructure; and (v) reducing inequality in society and making growth-enhancing reforms more politically feasible.^{xii}

These pathways can be enhanced by taking a systems approach to social protection. For example, systems are well suited to supporting a holistic focus on investing in human capital, as outlined in the following section which focuses on children. Systems can also provide the security needed to invest in innovation and encourage mobility and flexibility, such as by twinning social insurance and promotive-type interventions with social assistance programmes to support people's ability to successfully participate in the labour market as well as in other productive activities.

D. Increasing Efficiency

Addressing fragmentation can enhance efficiency by ensuring better coordination across actors and programmes, as well as the sharing of human, financial and administrative resources. This can lead to economies of scale, the leveraging of additional resources, greater savings, enhanced value for money, but, most importantly, the enhancement of final outcomes including expanded coverage, improved delivery of social protection services as well as better use of existing resources by beneficiaries.

Silo programmes may be effective in addressing a particular issue but may lead to duplication or contradictory results if not coordinated with other interventions in related sectors. For instance, public works programmes that do not consider potential household re-allocation decisions or do not link with education programmes may create unintended consequences such as increased child labour. Moreover, performance can be potentially enhanced by ensuring strong horizontal as well as vertical linkages. Effective coordination between programmes and instruments (horizontal integration) can effectively operationalize links between social protection programmes and other sectors and functions. Adequate coordination across different levels of implementation – national/central, regional and local levels (vertical integration) – can also enhance efficiency. This implies a careful consideration of issues such as decentralization and its implications, contracts with private providers, and coordination with non-state actors.

A coordinated use of administrative tools that facilitate integration – such as Management Information Systems (MIS) and methodologies to identify and benefit populations across programmes including common targeting, and/or

vulnerability instruments – can be well suited to identifying the vulnerable, including the “newly” poor. This is a key consideration given the dynamic nature of poverty and the need for effective responses to crises. Important design challenges remain, such as how to address the needs of seasonal workers, rural-urban internal migrants, and/or what are the most effective instruments to monitor risk and vulnerability in real-time. However, shared platforms can be an important step in responding more effectively and efficiently to risk and many innovations in information and communication technologies are already facilitating improved efficiency in areas such as payments, monitoring and beneficiary registries.

E. Challenges and Risks

However, there are numerous challenges and risks to taking a more deliberate systems approach to social protection. Although this paper only touches lightly on these issues, any country considering a systemic reform needs to carefully consider its costs and trade-offs.

Much can be learned from the rich, mixed history of working to strengthen coordination in social protection, particularly with respect to the political economy of reform and the role of particular actors and vested interests. Within countries, understanding past reform dynamics is important in informing any new reform effort. There are important political economy issues at hand that can make it difficult to move toward increased coordination, even when there is a strong mandate. Strong country leadership is required for reform, as are coalitions, notably with ministries of finance or other authorizing bodies. Incentives to encourage multi-sector coordination and the sharing of resources across agencies are also needed, as are structures to ensure the sustainability of reform efforts. Rarely is there full alignment on the needed direction for reform and efforts can be slow and cumbersome. Crises often serve as motivating factors for reform, as illustrated in numerous cases, including Ethiopia and Colombia. In many cases, it can also be easier to begin introducing a systems approach where there are fewer programmes and mandates and therefore fewer vested interests. Before investing financial and institutional resources along with political capital, it is important to understand the political and institutional factors that need to be aligned for such an effort to be successful.

Among donors, there is also a risk to ineffective coordination. Donors play a role in supporting or undermining a coherent policy environment. Effective country-based coordination and monitoring structures

require considerable long-term investments and, for funders, there is the risk that they may not see immediate results particularly when building capacity across multiple, often weak government agencies. This is particularly the case where donors may see the need for social protection as an acute emergency response (e.g. to food insecurity or HIV) as opposed to a chronic long-term developmental challenge. The temptation to ring-fence and develop quick, actionable solutions needs to be examined with an eye toward strengthening systems.

There are also risks to excessive centralization. A clear risk to a more integrated system is its vulnerability to errors being ‘propagated’ across programmes that have common points of entry. For example, if there is a single registry of beneficiaries working across programmes and an individual is not included in that registry, he/she may not have access to a number of benefits. This can serve to compound exclusion or segregation.

Centralization can also stifle creativity and lead to a lack of responsiveness or ability to adapt effectively to the needs of particular regions or groups. Different groups in society (e.g. indigenous populations) may have different needs or require different ways to address the same needs as the dominant population. An integrated system may fail to be flexible enough to accommodate these needs. It may also be easier to innovate or test new approaches in a more decentralized setting. Finally, it can be difficult to mobilize support for aggregated approaches or administrative tools that are often at the heart of systems’ design. Support is easier to generate for specific programmes meeting the needs of clearly defined groups who face specific risks. What this situation underscores is the need to view systems not as a call for more centralization and bureaucratization, but rather as a call for increased coordination to ensure appropriate complementarities without stifling the ability to tailor responses to demands and creatively develop innovative solutions.

More centralized systems can also be less flexible in their ability to adapt to changing economic circumstances and to react rapidly to crises. If too many parties are involved, rapid reactions can be undermined. This calls for timely reviews of benefit systems and the triggers automatically provided, as well as for flexibility in programme design to allow for rapid scaling up or down of responses.

If a coordinated approach is characterized by fewer checks and balances than a more disaggregated approach or if there are information asymmetries in the centralization of information and decision-making, there may be limited transparency. This calls for ensuring that systems have appropriate governance structures based on clear “rules, roles and controls.”^{xiii} This can help enhance transparency and accountability to

participants and citizens – using mechanisms such as social audits and participatory monitoring – which will help make systems more responsive and mitigate against the risks of excessive centralization.

Finally, there are costs to coordination, notably in transaction costs both for service providers who need to

manage coordination, and for beneficiaries, who need to understand a complex landscape and be able to make informed decisions. There may also be costs in terms of crowding out effective private and informal arrangements as coverage of increasingly complex public arrangements expands.

IV. Developing a Child-Sensitive Systems Approach

The need to effectively address the multiple and compounding vulnerabilities faced by children presents a compelling case for developing social protection systems. Children's needs are multidimensional in nature and necessitate a network of interventions to address them. Sector responses may deal with one of the problems; however, "they rarely provide comprehensive solutions."^{xiv} Breaking the pattern of overlapping, compounding and cumulative vulnerabilities children face requires a holistic approach which emphasizes an entire continuum of investments and care. In much the same way that unmitigated risks lead to a spiral of disparities, adequate and timely investments and interventions may reinforce each other and lead to a dramatic improvement in wellbeing and capacities. While there are various ways to deconstruct these interventions, one approach which is particularly persuasive is to address a child as a whole and childhood as just one stage in a person's life. This translates into looking at age-specific economic and social vulnerabilities as well as intergenerational factors.

Children's vulnerabilities are well-documented. Today, 1 billion children are poor, i.e. they suffer deprivations of rights that constitute poverty.^{xv} Alarming, they also constitute a large share of the monetary poor and, in many countries, monetary poverty rates are higher among children than among the population as a whole.^{xvi} There is also increasing evidence that deprivation and shocks experienced in childhood have intergenerational and often irreversible consequences, with impacts on human and economic development.^{xvii} Moreover, there is established evidence that structural deprivations and concurrent shocks have an impact on infant and child mortality. At the same time, there is a growing body of evidence on the neurological, cognitive and developmental impacts of

shocks like poverty and deprivation.^{xviii}

There is a growing consensus that investing in children's social protection makes sense not only from a rights perspective, but also from an economic and human development perspective. There are high rates of return to investing in child development and protection and high costs associated with failing to make these investments.⁶ However, securing these returns depends on a country's creation of the enabling environment necessary to reap the long-term benefits of investing in children. Since children have little voice in the decisions affecting them or in the policy process, national policies are often critical to ensuring that investments in children are made.

Why is a systems approach particularly important in the case of children's social protection?

- A systems approach is appropriate to understanding the *evolving needs of children over the life-cycle* and the need to *address vulnerabilities* that are compounded over time if not addressed. Table 1 (Annex 1) shows the key stages in a child's life-cycle, starting with infancy and pre-school years and moving through the primary and secondary school age years, adolescence, early adulthood, and the reproductive years. This approach emphasizes the build-up of risks and vulnerabilities throughout a child's life. If these risks remain unmitigated, the social and economic vulnerabilities children face might negatively shape and influence the trajectory and development of children and be further exacerbated leaving a child transitioning into adulthood at a disadvantage and with a predetermined set of vulnerabilities.

⁶ For a rights discussion, see the Convention on the Rights of the Child, articles 26, 27, 24 and 28; and the Universal Declaration on Human Rights, among others. For an economic discussion, see *The Lancet* journal, September 23, 2011.

- Social protection is a catalyst for a range of *multi-sector investments* needed to address children's multiple deprivations across the life-cycle. Ensuring access to strategic investments in cognitive development, nutrition and health, education, and child protection, not only helps children's holistic development but also lays the foundation for future gains in both human and economic development. Social protection interventions that are child-sensitive can address the underlying determinants of inequity in child outcomes and break the intergenerational transmission of poverty and exclusion.
- A systems lens on social protection is needed to establish *mandates and entry points for coordination at the national level*; this orchestration and type of directive is needed given the range of actors involved, particularly where the child would otherwise be stateless.⁷
- A systems approach also speaks to the *flexibility needed to respond during critical periods* in a child's development. Human development during childhood and youth is not uniform and consists of critical periods. Harm that occurs during these critical periods is likely to produce severe, often irreversible, intergenerational effects. A systems approach facilitates the coordination needed to ensure that investments for attaining optimal development take place during this time frame.^{xix}
- The focus on early childhood specifically also underscores the *efficiency* arguments inherent in a systems approach. Early childhood investments have been shown to yield large benefits, as shown by increasing evidence on the long-term impacts and high rates of return of programmes in the United States, Guatemala, and Jamaica.^{xx}
- A systems approach is important to enhancing *equity and equality of opportunity*, the foundation of which is established during childhood. Children

from low-income settings or socially excluded populations start school with developmental gaps that are likely to widen over time. Coordinated and harmonized social protection systems have the potential for more efficient and effective allocation of resources, identification of under-served groups, and accountability mechanisms to ensure non-discrimination in the delivery of services.

- Many aspects of children's economic and social vulnerabilities are also shared with their households and communities. An *intergenerational approach* recognizes that children's vulnerabilities become compounded not only due to the links between age groups but also due to the cumulative effects of poverty and deprivation faced by families and communities or their lack of opportunities across the life-cycle. Given the dependence of children on the care, support and protection of adults, the individual vulnerabilities of children are often further compounded by the risks and vulnerabilities of their caregivers (owing to their gender, ethnicity, spatial location, etc.). As shown in Table 1, Annex 1, a child has an increased set of vulnerabilities that are not age-specific but determined by a household's lack of access to services, the caregiver's nutritional deficiency, etc. In this context, an integrated approach is crucial to addressing compounded vulnerabilities due to links between age groups, as well as the cumulative effects of poverty and deprivation.

In sum, integrated social protection systems provide a *comprehensive package of interventions to address different dimensions of child poverty and deprivation, as well as reduce vulnerability across the life-cycle.* Such systems ensure that individual instruments complement one another to progressively achieve universal coverage and *predictable and cumulative* benefits to individuals and households. The overall impact of *comprehensive* approaches derives from the way in which the different mechanisms interact with and support one another in reducing vulnerability across the life-cycle. This ensures that benefits are cumulative across generations.

⁷ Part I, Article XII of the C.R.C.

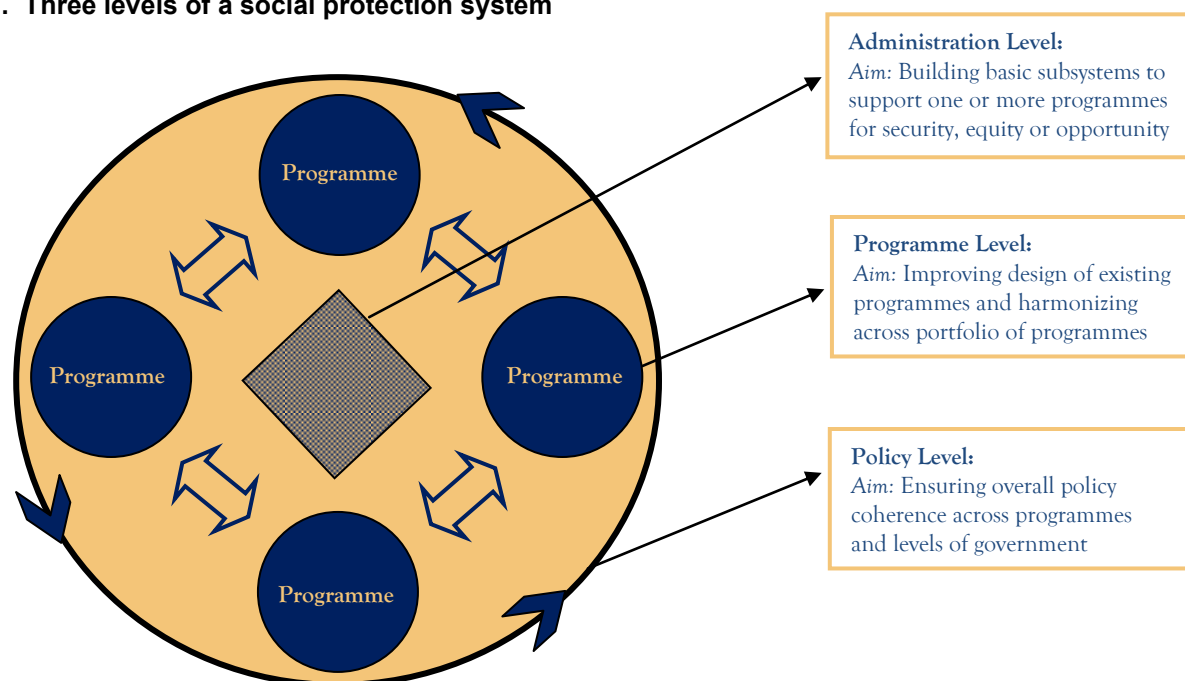
V. Operationalization of Integrated Social Protection Systems

When looking to implement a systems approach, it can be useful to consider how to enhance both (i) coordination within the social protection system, by considering linkages within and across policies, programmes and administrative tools; and (ii) coordination with other policies and programmes (such as health, education, child protection, housing, water, sanitation and rural development) and beyond. This helps ensure a response that is coherent and enhances sector outcomes.

A. Three Levels of Social Protection Systems^{xxi}

Coordination and integration of social protection need to take place at the policy, programme, and administrative levels, and adapted to different country contexts (see Figure 1). Such an approach is particularly useful when thinking about operationalizing a systems approach.

Figure 1. Three levels of a social protection system



Source: Robalino, Rawlings and Walker (2012).

The *policy level* is the highest level of engagement, where the objectives and functions of the social protection system are defined in the context of national goals and parameters. Approaches to financing, legal mandates, and institutional arrangements need to be understood. At the same time, attention should be paid to: consistency and coherence across programmes and functions; redistributive impacts; effects on incentives and general

strategy for social protection in a country that outlines a vision, existing social contract, and creates a space for social protection within the context of national goals or a vision to improve integration and coordination across programmes and functions. Also if social protection is defined and well represented in National Development Plans, Poverty Reduction Strategies, and other core frameworks, it will help ensure that social protection does not remain a residual/corrective approach and that its

integration into these structures leads to a well-understood contribution to existing welfare-related mechanisms. We illustrate below some examples of strategic steps made at the international and country levels, which demonstrate important strides made in the direction of integration in social protection.

- **At the international level, the Social Protection Floor Initiative (SPF-I) puts forward a policy framework that promotes the development of systems to progressively ensure access to essential social services and income security.** A UN-wide initiative, endorsed by the G-20 in 2011, and recommended at the recent 2012 International Labor Conference, the SPF-I calls for countries to prioritize universal access to essential services (such as health, education, housing, water and sanitation and other services, as nationally defined) and social transfers in cash or in kind, to ensure minimum income and/or employment and livelihood security. Although the specific elements that constitute a ‘floor’ will depend on a country’s objectives and its current practice and capacities, the SPF represents a call for building comprehensive and integrated social protection systems that has resonated in many countries.
- At the regional level, there are key examples, including the case of **the South African Development Community (SADC)**. The SADC was formed to promote the political, economic and social wellbeing of the region. In order to achieve these objectives, SADC member states have concluded a treaty and various social protection-related instruments which aim to ensure that everyone in the region is provided with a minimum level of social protection. Although the formation of the SADC (and the conclusion of some of its social protection-related instruments) preceded both the minimum Social Protection Floor concept and the Social Protection Floor Initiative, the treaty and instruments are consistent with both the concept and the Initiative.^{xxii}
- At the country level, programmes are increasingly being institutionalized into national social protection strategies and domestic laws, including constitutional legislation (for example in

Mozambique, Indonesia, South Africa and India). This helps create a space for social protection within the context of national goals and also defines institutional arrangements that facilitate coordination between different ministries and sectors. This is true particularly in Sub Saharan Africa, where national social protection strategies are often being developed in the context of a more comprehensive poverty reduction strategy. These strategies are now beginning to be translated into social protection policies and programmes. For instance, in the case of Ghana, the country rolled out its first National Social Protection Strategy (NSPS) in March 2007 that recognized the important contributions made by the formal and informal sectors and noted that “uncoordinated delivery and poor targeting of most of the existing interventions have resulted in limited coverage and impact.” The strategy identified the necessary institutional arrangements to systematically target the extreme poor and improve cross-sectoral coordination at all levels of government.

The *programme level* is driven by initiatives aiming at improving the performance of a given function, programme, or set of programmes. Beyond design issues to be addressed within a given programme, the focus of the policy analysis and operational work can be on harmonization or integration of similar programmes and exploiting the interactions/synergies with relevant programmes within and across social protection functions. A key element of an integrated system is its ability to identify and maximize synergies between programmes in different sectors (e.g. health, education and child protection), and thus enhance long term, human development outcomes. If a programme functions as part of a coherent system and network of responses, there is a stronger likelihood of enhancing individual programme objectives in terms of welfare gains. In other words, the aggregate increase of benefits as part of a system is higher than what can be achieved if each programme acted independently (Ribe, Robalino and Walker, 2011 LAC).

Integration at the programme level can therefore be implemented in a variety of ways. For instance, in Chile, the *Chile Solidario* programme acted as a coordination mechanism that brought together existing social protection programmes under one umbrella, facilitating integration. When social protection programmes in countries are more aligned with poverty reduction as well as with social exclusion strategies, this

results in more multi-sectoral coordination which is better able to provide solutions in a more holistic and development-oriented manner. We find that in the case of Bangladesh and Ghana, programmes like the CFRP/TUP and LEAP provide beneficiaries access to a set of programmes (essentially a network of interventions) that synergistically resulted in performing a specific social protection function resulting in asset building, as well as strengthening human capital. In the case of Armenia, strong linkages have been made between social protection and social welfare/child protection responses, to address economic determinants of exclusion as well as drivers behind violence, exploitation and the abuse of children. We provide below some more details on the above mentioned programmes to illustrate integration at the programme level.

- Social protection in Chile has been shaped by a life-cycle approach to poverty prevention and alleviation known as the *RED Protege*, which is grounded in a recognition that poverty and vulnerability represent an inherently interconnected set of challenges that cannot be addressed by discrete programmes and that if a social protection system proactively supports individuals and families across the life cycle, it builds resilience such that the need for social protection in itself is reduced.^{xxiii} Within the *RED Protege*, *Chile Solidario* is a system that was explicitly introduced to address the needs of the extreme poor and was essentially set up in 2002 as a coordination mechanism that would bring the services available in the country to the families who, despite fulfilling the eligibility requirements, were not able to access the programmes and subsidies available in the institutional network. The *Chile Solidario* programme integrated three components. Families were provided psycho-social support and, for an additional three years thereafter, they were ensured “preferential access” to other social assistance programmes to which they were already eligible but had not taken advantage of, such as family subsidies (SUF), the pension programme (PISIS), disability grants, and a water subsidy (SAP). In addition, participating households enjoy preferential access to social development and occupational skills programmes, including domestic violence

prevention and support services, special attention programmes for high-risk children, and labour market programmes (public employment/labour-reinsertion and training programmes). The *Chile Solidario* system therefore acted as a device for operation and coordination that facilitated synergies with existing social protection instruments to address the needs of the extreme poor more systematically.

- In the case of Bangladesh, a programme called the “Challenging the Frontiers of Poverty Reduction/Targeting the Ultra-poor” (CFPR/TUP) programme was developed which aims to systematically integrate various components to help the ultra-poor. CFPR/TUP uses a combination of a temporary cash stipend, an individual household asset transfer, skills training, a programme to increase participants’ social awareness, and an initiative to create links between the ultra-poor and public resources by mobilizing local elites. In addition to being an integrated approach in itself, CFPR/TUP also uses a ‘ladder approach’ which provides the ultra-poor an opportunity to benefit from microfinance programmes offered in the country.⁸
- Ghana’s Livelihoods Empowerment against Poverty (LEAP) social grants programme, on the other hand, is more concretely an example of multi-sector coordination that leverages existent social protection programmes to collectively perform a social protection function which, in this case, is to assist the poor “to reduce, ameliorate, or cope with social risk and vulnerability” (Government of Ghana, 2007). The programme offers unconditional grants to individuals with limited labour capacity (e.g. the elderly poor, and persons with severe disabilities). Conditional cash transfers exist for the extreme poor and are tied to skill development programmes. The focus is on activities related to asset building and on specific institutional arrangements that ensure that all LEAP beneficiaries are automatically enrolled in a pre-existing national health insurance scheme. LEAP therefore provides for basic needs, helps beneficiaries access other existing government interventions, and enhances participants’ human capital in order to lead to long-term sustainable solutions to eliminate poverty and strengthen communities. Similarly in the Philippines,

⁸ While microcredit is not social protection, in Bangladesh it is considered an effective strategy by the government to address poverty. The CFRP/TUP programme is a social protection programme that helps enable access to the microcredit services provided by the government.

beneficiaries of the *Pantawid Pamilyang Pilipino* Programme (4Ps) are automatically PhilHealth members.

- The case of Armenia illustrates a conscious effort made by the government to strengthen linkages between social welfare and child protection programmes, by providing child protection beneficiaries with access to social assistance benefits. Armenia's Ministry of Labour and Social Issues undertook an Integrated Social Services reform in 2010 that introduced two main changes to improve social protection services for the poorest and to link them with child protection/social welfare services at all levels: reform of case management practices with the re-orientation of service providers of the Territorial Offices of Social Services; and the development of Local Social Action Plans at the regional level with the involvement of Family, Women and Children Units.^{xxiv}

The administration level focuses on developing the “nuts-and-bolts” tools that facilitate the core business processes of social protection programmes. These tools include beneficiary identification systems and registries, grievance and redress mechanisms, approaches to eligibility, payment systems, monitoring and evaluation, and provider contracting and payment arrangements. It is now increasingly being recognized that these different components of administrative systems within a social protection scheme can also be a potential entry point for the operationalization of integrated social protection systems.^{xxv}

For instance, a management information system (MIS) is a platform through which programme information travels across different institutional levels for operational, monitoring and accountability purposes. These systems can be developed for either: internal programme operations; management of related services; or integrated management information. Regardless of the objective of different MIS systems, they provide an essential mechanism for integrated social protection systems. While many countries develop MIS systems specifically for the operation of a single programme, the kind of information collected and managed creates areas for potential integration in the future. MIS systems are created for the generation of useful information to manage actions with other institutions that are involved in a programme. While this is, again, programme-specific, the sharing of information across different institutions serves as a point of coordination. Ecuador's *Bono de Desarrollo Humano* (BDH),

Mexico's *Oportunidades* programme and Jamaica's PATH are examples where the objective of the MIS is for the exchange of information across institutions involved in a specific programme.^{xxvi}

In addition to the first two objectives, an MIS can be set up for the availability of common information for the inter-institutional management of social protection systems. Under this arrangement all the social protection programmes use a common platform/tool which can result either in a common beneficiary system; an integrated information system; or a single entry point for beneficiaries. The key characteristic of an MIS of this nature lies in common information; however, the point of use could be for social protection providers, beneficiaries or both. So, while Brazil's programme management system used for the *Bolsa Familia* programme (BFP) serves as an integrated information system to link the different existing programmes and help providers access information on beneficiaries, Chile's integrated social information system also serves as a single entry point for beneficiaries to access different existing programmes. In the case of Ghana, the MIS is a platform that is being used as a common targeting system. We provide more details on the MIS of Brazil, Chile and Ghana below.

- Brazil's BFP Management System is a common MIS that was created to facilitate the merger of four pre-existing cash transfer programmes in order to avoid duplication in coverage. The BFP was therefore an effort to improve the efficiency and coherence of the preexisting social protection system in Brazil and to scale up assistance so as to provide universal coverage of Brazil's poor.
- Chile's Integrated Social Information System was specifically designed for the *Chile Solidario* but also included information about assistance and benefits available through the whole social protection system in Chile so it resulted in being a single entry point for beneficiaries to get information on and/or access to existing programmes.
- In the case of Ghana, a common targeting mechanism was developed to improve the efficiency of all programmes in Ghana and to enable coordination across programmes. This system is being developed on the principle that stakeholders agree to use the same system and indicators to identify potential beneficiaries for social protection interventions in Ghana. The goal of this system is to enhance the efficiency, coordination and sustainability of the targeting for these programmes and a common approach to targeting individuals and households; as

as well as a harmonized platform for pro-poor targeting, which would also enable the various programmes to harness economies of scale and reduce costs through joint data collection and analysis.

The set-up of these basic tools can serve as an entry point for more structural changes, including those related to the harmonization or integration of similar programmes or the coordination of programmes within and across social protection functions. The potential entry point for integration will differ in countries, for example through the use of a unique ID system, a common beneficiary system or a single entry point for beneficiaries to access information on the available social protection programmes in the country.

In many countries each programme has its own administrative structures in place, so while integrating across these different systems is a potential avenue for integration, this may require some basic building blocks to be in place and functioning. Implementing a systems vision of social protection therefore requires innovations in terms of operational approaches.

- For instance, in India, there are a number of identification cards (that serve more as eligibility cards) issued by different social protection schemes – such as the health insurance scheme for the poor (the RSBY card), a public distribution system (the PDS card), and an employment guarantee scheme (the NREGA card) – that are essentially issued for specific purposes and entitlements. However, there is not a single indicator that serves as a point of integration across these different information systems and therefore the level of duplication or avenues for coordination across these different programmes remain unclear. India's *Aadhar* programme, which issues a unique identification number for each resident in the country, is the first step that can be used as a starting point, to integrate these different administrative systems in order to achieve better coordination and integration across programmes.^{xxvii} Alternatively, in the case of Brazil, the *Cadastro Único* system was created in 2001 to unify the registries of all the pre-reform programmes given that, until then, each of the pre-reform programmes operated its own information system to target beneficiaries.⁹ The

creation of a unique database (*Cadastro Único*) and, subsequently, a unique social identification number (NIS) was an initial attempt to respond to the need to improve efficiency and coordination and reduce duplication of administrative costs across the numerous safety net programmes. This attempt to unify the registry was then surpassed by the actual merging of these pre-reform programmes to create the *Bolsa Família* Programme in 2003.^{xxviii}

B. Multi-sector Coordination and Linkages with Wider Social Policies

Social protection systems must also be assessed and understood relative to the existence of other social programmes and policies since they need to be closely coordinated for the social protection system to be more effective. Multi-sector coordination often involves ensuring that social protection instruments are coupled with effective supply-side interventions – typically in health, education, nutrition, child protection and rural development. When properly coordinated, social protection can serve as a catalyst for expanding access to services and can *contribute to equitable sector outcomes*. This is particularly clear when social protection addresses demand-side barriers to accessing critical services such as education, health or nutrition. If the coverage and quality of services is not adequate, the impacts of social protection efforts may be limited. For instance, in the case of nutrition, although interventions such as micronutrient delivery, growth monitoring and promotion programmes, and the promotion of breastfeeding, among others, are recognized as critical to address malnutrition and prevent and/or reduce stunting among children below the age of 5, equitable outcomes can be potentially enhanced if utilization barriers – financial or social – to the accessing of these services are also addressed.

Public, formal social protection arrangements should consider and recognize the existence of informal or private, formal social protection arrangements and help ensure that public schemes avoid the displacement of well-functioning informal arrangements, compensate for their failures, and provide an enabling environment for their functioning.

From a macro perspective, social protection interventions by themselves cannot address all issues related to poverty and/or exclusion. Their impacts and contribution to inclusive growth and poverty eradication are maximized with parallel investments in complementary institutions and interventions. The impacts of social protection partly depend on the extent to which these interventions are linked to the complementary institutional framework and wider social and economic policies

⁹ For example, the Federal *Bolsa Escola* Programme had created its own beneficiary registry system, “CADBES” (the *Cadastro do Bolsa Escola*) and the *Bolsa Alimentação* programme was using a health system registry. All pre-reform programmes used unverified means-testing to determine individual eligibility.

in place such as efforts to ensure gender equality. In other words, social protection systems have the potential for maximizing outcomes and impacts if they are conceived as integral components of national development and poverty reduction strategies, linked with complementary

programmes (e.g.: livelihood promotion, labour market and intermediation programmes, food security programmes, etc.) and macro policy determinants (macroeconomic stability, economic growth, etc.).^{xxix}

VI. A Systems Vision: Context Specificity and Key Considerations

A. Pathways to an Integrated Social Protection System

Social protection systems will take many forms, with portfolios of programmes tailored to the demands of different country contexts. There is no “one size fits all” approach. Instead, policies, programmes and administrative systems will need to be adapted to countries’ different institutional contexts and to the demands of particular regions and groups within countries. The selection of the most relevant and pertinent pathways towards integration is not a linear process. Interventions may need to be implemented concurrently and/or in an iterative manner to reach set outcomes.

The social protection landscape in many countries is often determined by the nature in which the space for social protection was created, reformed and institutionalized. Initial factors that influence the creation or expansion of social protection in a country determine, in some ways, the pathways to a coherent social protection system as they often define core elements of the social protection landscape in terms of key financing entities, the nature of instruments used (depending on the crisis) and also how social protection is perceived. These initial conditions affect the foundation of social protection in a country and can determine the level of integration or fragmentation that exists in a system as a whole. As seen in the examples below, the instruments that form the core elements of social protection in Indonesia are markedly different from those in Ghana and Bangladesh, primarily due to the nature in which social protection was introduced or reformed in the country. The pathways to integration can therefore also be expected to be different in these countries.

- In Indonesia, in response to the Asian Financial Crisis, the new government put in place a public

safety net programme to protect the poor from falling deeper into poverty and to mitigate the risk of those who could become poor. The six major areas identified by the government were: food security, education, health, energy, employment and child protection.^{xxx} The package of programmes that were rolled out as the main response to the financial crisis still forms the core of the social protection system in Indonesia.

- In Ghana, the development of social protection was not a response to a specific crisis but more the result of on-going trends and nationally identified problems. The first poverty reduction strategy (GPRS I) formed the basis for social protection programmes in Ghana. With the second poverty strategy (GPRS II), there was a move towards a more sophisticated and comprehensive system of social protection provision. With the initiation of the NSPS and the roll-out of LEAP, the focus moved from asset protection to asset building.
- In Bangladesh, early efforts in social protection were rolled out as emergency measures in response to food or famine crises. The nature of the crisis determined the nature of the instruments and also the number of actors involved in the roll-out of social protection measures. The current structure of the social protection landscape in Bangladesh, where there is a large number of programmes that are not well coordinated and harmonized, is, to a large extent, determined by the initial conditions that originally created a space for social protection in the country.
- In a number of countries in Sub-Saharan Africa much of the social protection response was catalyzed as a response to threats of food insecurity and HIV and AIDS. Over the last decade, there has been an attempt

to shift from largely humanitarian approaches to predictable crises by supporting more sustainable social protection responses that can reduce the risk of future shocks and ensure more efficient and cost-effective responses. Responses to support HIV-affected orphans and vulnerable children have also shifted from fragmented responses through civil society organizations to more systemic and large-scale “HIV-sensitive” social protection responses providing predictable social grants paired with family-based care and support.

In sum, **approaches to building systems need to be tailored to different contexts and the pathways** toward strengthened social protection systems are strongly influenced by the initial conditions of social protection. Yet greater harmonization in social protection is achievable, as illustrated by many countries’ success in moving toward more integrated approaches.^{xxxi}

B. Key Considerations for Building a Systems Approach to Social Protection

The emerging consensus around harmonized systems has increased the need to identify the most appropriate nuts and bolts towards building systems, taking into account specific contexts and the stage of development of particular systems. This is a strategic area that requires further exploration, as well as close partnerships with stakeholders at the national level and among agencies and donors. This section will discuss some key strategies and elements that need to be considered when building a social protection system. The purpose here is not to be prescriptive or to delineate specific recommendations but to put forth important elements that can facilitate integration at different levels. More importantly, these processes are not linear and countries may focus on issues in a different sequence and/or combination in line with national priorities.

- *Strengthening government’s ability to plan and coordinate national social protection* to ensure effective responses. For instance, in many countries, government coordinates regular social protection development partner meetings or task forces to discuss and agree on policy frameworks, approaches and also to ensure that external funding is in line with government policies.

- In settings where social protection systems are nascent, *an appropriate focus may be on setting up one or more core programmes and ensuring that these are supported by strong, basic administrative sub-system “building blocks”* that can be used across social protection programmes such as beneficiary identification and registry systems. This could serve to strengthen social protection institutions, particularly where these are not well developed, and to lay the foundations for strong systems. This effort could start with establishing and strengthening the basic building blocks of specific social protection programmes that cover a specific part of the population – in line with national priorities. It could then progressively build administrative, institutional and financial capacity to extend these to cover more people and to add, as needed, complementary programmes to the social protection portfolio. These building blocks are often best supported by a national dialogue process during design and implementation.
- *Where there are several functioning programmes already, the goal would be to improve the efficiency and efficacy of each programme* – through refining institutional frameworks and improving incentive compatibility with other related programmes. In many cases, one or more programmes – such as a cash transfer programme or a seasonal public works programme – can be used as an entry point or common platform for providing access to other social services.
- *In contexts where many individual programmes are well-functioning, the challenge is to improve their harmonization and coverage.* Improving harmonization and expanding coverage are important “second-generation” issues in many countries. A key feature of the systems agenda in these settings is synchronization across existing tools, programmes, and policies to build consistent national systems that are well integrated both horizontally across programmes and vertically between central and local actors. This is important in three dimensions: first, across similar programmes (for example, a suite of poverty-oriented cash transfers developed for different groups); second, across different types of programmes to enhance complementarities and avoid incentive problems; and third, coordinating across actors and different levels of government, notably in federated countries. Harmonized systems facilitate the

identification of inefficient allocations of resources and of existing gaps in coverage, as well as the reduction of exclusion and inclusion errors, thereby contributing to the expansion of coverage.

- **In many settings, the ministry responsible for social protection may have limited capacity to monitor the coverage and impact** of existing social protection programmes and to direct resources to where they will have the greatest impact. Enhancing coherence across policy, planning and the M&E functions of key social protection agencies can be a cost-effective investment that ultimately improves the efficiency and effectiveness of programmes, leading to greater investments in social protection.

Regardless of country context, the importance of institutional capacity, financial resources, and political leadership should not be underestimated, as they chart the course for building more effective social protection systems.

- *Institutional capacity is needed to ensure that effective policies are developed* and appropriate mechanisms are in place to ensure the delivery of corresponding social protection services. An essential step is the development of assessments of the relevant workforce and capacity, including social welfare agents, which may need to be strengthened for effective programming. In many cases, there may be large numbers of social workers and front line workers in government, in civil society, and in informal arrangements, but they are not well integrated within a national response. Country assessments can highlight key institutional gaps in national responses and help make the case for additional national and external support for key cadres of workers.
- *Ensuring the financial sustainability of social protection systems is critical but often challenging* in light of a myriad of factors including demographics, low tax bases, high informality, competing demands from existing programmes, and the vested interests of particular stakeholders. Strengthening the capacity of governments to identify and cost policy options, assess affordability, as well as identify available financing options is essential.
- *Leadership is often needed to ensure that it is politically and practically feasible to introduce, expand and change programmes, to strengthen institutions, and to secure the financing to support a fiscally sustainable, well-designed system.* This includes a role in advocating and marshaling others in government in supporting the effective implementation of programmes and the system overall. Leadership is also particularly important to managing the dialogue around reforms that are needed to put effective systems into place, notably when there are demands from powerful groups with vested interests in specific programmes.

There is also a need for analytical work, both to understand the need for social protection in shaping effective responses to risk and vulnerability, as well as to assess capacity for response looking at core elements of system design and performance.

On one hand, vulnerability and poverty assessments can inform prioritization in a particular context, often taking a life-cycle approach to assess the vulnerabilities of different groups and using panel data to better understand vulnerability dynamics. This demand-side diagnostic should also take into account an assessment of the most common types of risks – both individual and covariate – including exposure to economic shocks and natural disasters. In addition, there is a need for developing social protection system assessment tools to map, benchmark, and guide a country’s social protection system development at the administrative, programme and policy levels. This entails not only understanding the types of policies, programmes and administrative systems in place, but also how they interact with one another and how they perform. For example, at the administrative level, are there beneficiary registries working across programmes that allow policymakers and managers to look at duplication and overlap? Are there strong performance monitoring systems that allow for tracking results and improving performance across programmes? At the programme level, can cash transfer programmes serve as effective entry points for introducing nutritional or educational support to vulnerable families? At the policy level, are insurance mechanisms available to those in the informal sector and do existing social assistance programmes discourage labour market participation? This type of assessment tool is currently being developed and will need to be based on accepted and shared technical standards regarding quality and performance; ideally, it should be used across agencies and countries. This implies engaging in dialogue with respect to standards of quality and performance, and agreeing on metrics for assessment and benchmarking. These types of assessments can be greatly enhanced through participatory governance tools such as social audits and citizen report cards,

which can contribute to greater responsiveness of programme design, as well as greater understanding of performance and impacts. They can also be enhanced by public expenditure reviews detailing the availability of fiscal and institutional resources.

Finally, informing systems work also calls for adapting analytical work to better understand the design, performance, and impacts of a systems approach. This includes developing a new approach to programme evaluation to focus on assessing initiatives that aim to

merge, bridge, or coordinate programmes. Finally, it calls for using different analytical tools more extensively to enhance the capacity to monitor the coverage and impact of existing social protection interventions, as well as understand the impacts of different reform options. Each of these analytical tools calls for improving the availability, quality, and use of micro-data, notably from household surveys, administrative records, and evaluations. In most countries today, these data are of poor quality and often not produced regularly enough to serve as useful sources of information for informing policy and programme decisions.

VII. Conclusions and Proposed Collaborative Action

This note presents an initial discussion on the common understanding behind the development and strengthening of social protection systems – a focus that is needed to address existing fragmentation and limited coverage problems across regions. At the core of UNICEF's and the World Bank's recently released strategies is a call to focus on integrated social protection systems as a promising approach to addressing the multiple and compounding vulnerabilities of children, families, and communities.

A systems approach can help in (i) managing risks and building resilience; (ii) enhancing equity and expanding coverage; (iii) promoting opportunity and inclusive growth; and (iv) increasing the efficiency of programmes. The rationale for a systems approach is brought to light when assessed through a child lens. A systems approach is particularly relevant for children, allowing for a set of multi-sector interventions needed to address the evolving, compounding and multiple dimensions of child poverty and deprivation over the life-cycle.

This common understanding is followed by a reflection on different components and structures that can facilitate the operationalization of a systems approach to social protection. However, both organizations recognize that there is no “one size fits all” approach. Social protection

systems will take many forms, will be tailored to the demands of different country contexts, and the selection of most relevant and pertinent pathways towards integration are not linear, but determined by country contexts, national frameworks, and initial conditions.

UNICEF and the World Bank are committed to contributing to the emerging global social protection agenda, working in partnership with each other and different stakeholders – government, partner agencies, civil society – and helping to build nationally-led social protection systems. Given the multi-sectoral nature of social protection and the existing fragmentation in approaches, these partnerships are essential in supporting the development and strengthening of social protection systems.

In this process, UNICEF and the World Bank acknowledge the critical importance of donor coordination, and call for partner agencies to be part of the solution: working together to present coherent support to countries; maximizing synergies and common agendas while recognizing the value-added of different organizations; aiming at sustainable and scalable interventions; enhancing analytical work to further our understanding of systems development; and promoting South-South learning and cooperation for knowledge-sharing and capacity-building at all levels. This donor coordination is crucial to addressing and surpassing the inherent institutional and financial challenges countries face to harmonize systems.

Annex 1

Table 1. Main Risks and Vulnerabilities and Their Impact Across a Child’s Life-cycle

Age	Risks and Vulnerabilities	Short-term outcomes	Facts	Long-term outcomes
<i>In utero and at birth</i>	<ul style="list-style-type: none"> - In utero exposure to maternal infections, nutritional deficiencies, and environmental toxins, as well as poor care around birth, may lead to severe and irreversible damage to the brain and other organs. 	<ul style="list-style-type: none"> - Increased risk of maternal mortality, premature births, birth defects, low birth weight, and neonatal death - Low birth weight 	<ul style="list-style-type: none"> - 19 million infants in developing countries are born with low birth weight. - 4 million newborns worldwide are dying in the first month of life. 	<ul style="list-style-type: none"> - Severe, potentially irreversible consequences for physical and cognitive growth and development - The majority of permanent disabilities have their origin in neonatal disease.
0-5 years	<ul style="list-style-type: none"> - Poor maternal and early nutrition leading to stunted growth and other life-long negative health impacts - Poor cognitive development if early care and stimulation inadequate, with lifelong impact - Acute vulnerability to disease and infection/ poor access to health services - Exposure to hazardous environments relating to poor housing and/or parents’ work - High dependency: risk from loss of parent/carer - Disability through lack of early intervention 	<ul style="list-style-type: none"> - Increased risk of infant and child morbidity and mortality. - Stunting, slow physical growth, and other manifestations of early childhood malnutrition. 	<ul style="list-style-type: none"> - 148 million children under five in the developing world are underweight for their age. - 8.8 million children worldwide died before their fifth birthday in 2008. 	<ul style="list-style-type: none"> - Irreversible effects on physical and cognitive growth and development - Increased likelihood of learning disabilities, delayed school entry, poorer school performance, and increased likelihood of early dropout and lower grade attainment

(Table continues on next page)

Age	Risks and Vulnerabilities	Short-term outcomes	Facts	Long-term outcomes
9-11 years	<ul style="list-style-type: none"> - Risk of not attending school, school dropout, or low educational quality because of lack of income or pressure due to income-income earning responsibilities - Insufficient food or poor diets increasing likelihood of illness with knock-on effects in education 	<ul style="list-style-type: none"> - Failure to enroll, delayed enrollment, grade repetition, reduced school performance, early dropout 	<ul style="list-style-type: none"> - Over 100 million children are not attending primary school, with more girls than boys missing out. - 150 million children aged 5-14 are engaged in child labor. 	<ul style="list-style-type: none"> - Loss of human capital and capacities - Persistence of gender inequalities - Social exclusion
12-18 years	<ul style="list-style-type: none"> - Lack of opportunity to access and complete primary and/or secondary schooling - Lack of access to relevant formal education, life and livelihood skills development, and peer education; lack of information and poor access to health services. Lack of access to training/formal employment leading to entry into high risk employment categories - Vulnerability of (especially girl) children to early withdrawal from school due to lack of parents/family income - Risks from early marriage and child-bearing - Increased risk of HIV and AIDS infection as individuals become sexually active - Increasing vulnerability of girls due to gender based violence 	<ul style="list-style-type: none"> - Exposure to risky behaviors: - Early pregnancies - Drug abuse - Sexually transmitted infections including HIV/AIDS, violence, and premature death - Unemployment, hazardous or exploitative labor - Exclusion from decision making of key component of civil society 	<ul style="list-style-type: none"> - 64 million women aged 20-24 reported they were married before the age of 18. - 14 million young women in developing countries gave birth between the ages of 15 and 19 years old. 	<ul style="list-style-type: none"> - Intra- and inter-generational transmission of poor health and its consequences (low birth weight, vertical transmission of HIV/AIDS) - Reduced productivity - Inter-generational transmission of household and community violence - High economic costs of risky behaviors and forgone assets for development

Source: Authors' elaboration based on UNICEF's State of the World's Children (Various issues), World Bank Life-Cycle approach, OECD (2009) Promoting Pro-Growth. Figures derived from the SOWC (2010).

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