Universal, comprehensive and sustainable social protection and a transformative recovery with equality: strategic guidelines

Side event
Fourth Meeting of the Regional Conference on Social Development in Latin America and the Caribbean

October 27th, 2021
8:00 to 9:30 am (Antigua and Barbuda time, -4 UCT)

1. Introduction

The COVID-19 pandemic has led to the worst economic crisis in 120 years in the region, leading to deep and potentially long-lasting social impacts, if not resolutely confronted by the countries. Despite the unprecedented implementation of emergency social protection measures targeted at the most vulnerable population, and which, until January 22nd of 2021, summed up 297 measures in 32 countries, these were able to contain but not to detain the increase in poverty in the region: according to ECLAC estimates, poverty has reached 33.7% of the population of Latin America and a 12.5% of extreme poverty. However, after excluding the effect of non-contributory cash transfers, poverty would have reached to 37.2%, and extreme poverty, 15.8%\(^1\). It is also worth highlighting that 71% of the measures were new, while monetary transfers represented 46% of the total non-contributory measures that were announced.

Considering a subset of 144 of these measures in 28 countries, these would have represented an expenditure equivalent to 1.25% of GDP in 2019 in Latin America and the Caribbean, which is equivalent to 1.9 times the proportion of resources allocated to conditional cash programs and non-contributory pensions in 2018. This reflects the adaptive capacity of social protection systems in the region and of their institutional responses to face the unprecedented crisis. Likewise, the countries have implemented a set of contributory measures, focused at protecting employment, expanding coverage, and adapting unemployment and sickness insurances, among others.

This situation unfolds in a context where a large proportion of the population is vulnerable to poverty or is exposed to a significant deterioration in their well-being in the face of critical

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\(^1\) Economic Commission for Latin America and the Caribbean (ECLAC), Social Panorama of Latin America, 2020 (LC / PUB.2021 / 2-P), Santiago, 2021.
events such as those that have been confronted. Between 2019 and 2020, the population in income strata corresponding to less than three per capita poverty lines, with a higher risk to the crisis’s impacts, increased from 76% to 79.4% of the population (ECLAC, 2021a). In the case emergency cash transfers implemented by the countries in 2020 are maintained in 2021, this population could be reduced by just 1.4 percentage points. This reality shows the importance of moving towards universal guarantees and access to social protection framed under a rights-based approach. It is fundamental to identify mechanisms aimed at protecting household’s income through both, contributory and non-contributory instruments. This will prevent to avoid losses in well-being with considerable impacts on the opportunities for sustainable development in the region. This reflection becomes increasingly a priority in the face of uncertain economic future and the probability of new disasters and crises, while demanding greater preparation and the consolidation of the social protection system as a pillar of the welfare state.

The Regional Agenda for Inclusive Social Development has understated the centrality of universal social protection systems to achieve the social dimension of the 2030 Agenda in the region. Under this formulation, social protection aims to guarantee universal access to income for an adequate level of well-being, as well as universal access to social services, housing, labour inclusion policies and decent work. This Agenda raises the importance that policies tending to inclusive social development should incorporate an approach to universalism that is sensitive to differences, combining the principle of universalism in access to social services with the active overcoming of existing gaps and inequalities to leave no one behind and the acknowledgment of diverse identities and demands. The heterogenous impacts of the crisis on different population groups have highlighted the importance of this approach for the design of strategies for the recovery.

This event aims to provide a space for dialogue and exchange on the main challenges faced by social protection systems in Latin America from the perspective of their sustainability, comprehensiveness and universality, inquiring on the main lessons learned in the response of social protection to the pandemic, its durability, relevance and sufficiency; the coverage and design gaps evidenced to guarantee a basic level of income for all people reaching the middle strata, informal workers and the most vulnerable populations; and the main institutional challenges and strategic orientations that may be considered to strengthening these systems, tending towards a greater articulation between contributory and non-contributory components of social protection.

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3 Economic Commission for Latin America and the Caribbean (ECLAC), Regional Agenda for Inclusive Social Development (LC/CDS.3/5), Santiago, 2020.
The event contributes to the activities of the project "Transformative Reactivation: overcoming the consequences of the COVID-19 pandemic in Latin America and the Caribbean", executed by ECLAC jointly with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and financed by the Federal Ministry for Economic Cooperation and Development (BMZ) of Germany, and the United Nations Development Account project "Strengthening Social Protection for Pandemic Responses: Identifying the Vulnerable, Aiding Recovery and Building Resilience".

Objective

Discuss the main strategic guidelines that might be considered to strengthening social protection systems for a transformative, sustainable and resilient recovery in the face of the COVID-19 pandemic to get back on track of compliance with the Sustainable Development Goals, the 2030 Agenda, and the Regional Agenda for Inclusive Social Development.

Methodology

The session will be structured around a first round of initial brief presentations on the main lessons learned and challenges that the pandemic has shown regarding social protection systems (7 minutes per panelist), followed by a second round of interventions (4 minutes per panelist) that will aim to respond two guiding questions: Which have been the main gaps and challenges that the pandemic has revealed regarding the capacity of social protection systems to guarantee a level of basic income in the face of a critical event?, and, what strategic orientations and support from the short and long-term perspective must be considered to strengthen universal, comprehensive -with increasing articulation between contributory and non-contributory components- and financially sustainable social protection systems? Interventions might address the situation of specific population groups, such as informal or vulnerable workers, children and adolescents, among others, or lessons learned on the responses implemented and that might be considered in other emergency contexts due to disasters or climate change.
Preliminary work schedule
October 27th, 2021

**Moderator:** Claudia Robles, Social Affairs Officer, Social Development Division, ECLAC

8:00 - 8:10 **Welcome to the meeting**
Alberto Arenas de Mesa, Chief of the Social Development Division, ECLAC
Manfred Haebig, Chief Advisor of the Cooperation Project "Transformative Reactivation: Overcoming the consequences of the COVID-19 pandemic in Latin America and the Caribbean", GIZ.

8:10 - 8:55 **Lessons for social protection systems in the face of the pandemic (initial round of presentations)**
Pooja Balasubramanian, Researcher, German Development Institute
Merike Blofield, Director of the GIGA Institute of Latin America
Verónica Amarante, Associate Professor of the Institute of Economics of the University of the Republic, Uruguay
Representative from the Ministry of Development and Social Inclusion, Peru (TBC)
Van Elder Espinal, Technical Director of the Cabinet of Social Policy of the Dominican Republic
Cayo Cáceres, Vice-Minister of Social Policies, Ministry of Social Development, Paraguay

8:55 - 9:20 **Round of guiding questions**

9:20 - 9:30 **Questions and closing comments**
Simone Cecchini, Chief of CELADE – Population and Development Division, ECLAC