

**SOLIDAR Round Table:****Protecting people, transforming lives - Why social protection should be an essential part of the EU development cooperation strategy**

**14 April 2010 Hosted by Thijs Berman**

**Summary**

A panel made up of speakers including **Rudi Delarue** (ILO Brussels), **Rachel Sabates-Wheeler** (Institute for Development Studies) and **Francisca Keller** MEP (Greens/EFA Group) and chaired by **Angela Penrose** (Grow Up Free from Poverty Coalition) exchanged views on the topic of social protection and why it is an essential part of the EU development cooperation strategy.

Panel members highlighted that a more positive and proactive role should be given to social protection, which extends its scope beyond the conventional role of “social safety nets”. Instead, the ‘transformative’ role of social protection should be acknowledged and the focus should be on social risk, vulnerability and the empowerment of the poor, transforming the conditions in which they struggle to construct viable livelihoods.

**Full Report**

**Angela Penrose from the Grow Up Free from Poverty Coalition**, opened the Round Table by pointing out that social protection is a valuable tool to deliver more on growth outcomes and to reduce poverty. The European Union should take a leading role in this process and increase its financial and technical support. Mrs Penrose also noted a connection between an improved system of social protection and the achievement of the Millennium Development Goals (MDGs).

She concluded by saying that for better social protection systems to be put in place all actors, including MEPs and representatives of NGOs, have to contribute and that the Round Table was a first step in bringing everyone together and making a step in the right direction.

**Rachel Sabates-Wheeler from the Institute for Development Studies** focused her intervention on the link between social protection and the MDGs. She began by stressing the critical role social protection can play in protecting lives and livelihoods against shocks; delivering on growth outcomes; managing negative distributional outcomes from economic growth; and fostering social cohesion and state building.

She continued by looking at the strengths and weaknesses of the MDGs. MDGs provide a common/shared understanding of poverty reduction; accountability and the existence of targets and indicators and pressure for more data on poverty. Nevertheless they have also several weaknesses such as defining outcomes rather than opportunities; an over-emphasis on economic poverty; they are weak on social justice and are too donor-led.

Concerning the ‘post-MDGs’ context, she recognised the growing importance of social protection in a changing world (rising oil prices, climate impacts, instability, changes in global power, changes in size/nature of aid and private capital and different impacts by country and social groups). In this context, Mrs Sabates-Wheeler urged for building resilient social protection systems and stressed that social protection should respond to specific, identified vulnerabilities in specific local contexts. It should be driven by objectives (not by preferred instruments or available resources) and it should be predictable, sustainable and guaranteed by accountable duty-bearers.

Mrs Sabates-Wheeler continued by stating that the current MDGs framework needs some adaptation in order to include a new form of global solidarity through a focus on vulnerability, rights, needs, empowerment and the distribution of opportunities.

Social protection, appropriately conceptualised and designed, will be an important pillar in supporting the success of any future progressive development agenda. She concluded by saying that there is a need for a global unified voice on the importance of social protection as an essential part of delivering on positive development promises.

**Rudi Delarue from the International Labour Organisation Brussels Office** outlined the roots and rationale of the United Nations Social Protection Floor (UNSPF) concept underlining that it is an economic and a social necessity. The UNSPF initiative was agreed in 2009 by the UN Chief Executive Board and promotes universal access to essential social transfers and services for the poor and vulnerable: it includes (1) a basic set of essential social transfers, in cash and in kind, to provide a minimum income and livelihood security for poor and vulnerable populations and to facilitate access to essential services, such as health care; (2) geographical and financial access to essential services, such as health, water and sanitation, and education. Furthermore he stressed that it contributes to economic growth by raising labour productivity and enhancing social stability.

The SPF Initiative differs from conventional “social safety nets” as it is not limited in time; it includes a rights-based approach; aims at having a wide coverage; requires a taxation/fiscal basis; includes redistribution and addresses inequalities. The SPF Initiative is affordable, and at the same time its social impact is huge in areas such as poverty, inequality, education enrolment, child labour etc. Currently, several steps have already been taken: international advocacy is underway; there has been a rapid dissemination of the policy concept of SPF; a translation of the concept into practice through a SPF manual; the set up of a global SPF Advisory Network composed by focal points in the UN agencies and International Financial Institutions to provide support to the country representatives.

But what should happen now? Mr. Delarue stated that it is highly important that the SPF concept is mainstreamed into national, regional and global planning processes and day-to-day technical cooperation activities. Additionally, there is a need to build international instruments at the UN and participating agency levels and, more importantly, the global debate on the need for social protection has to continue.

Mr. Delarue concluded that the EU should take a leading role in the SPF Initiative: (1) Decent work and SPF should be part of the EU regional dialogues and cooperation, with ACP and emerging economies; (2) studies and pilots on feasibility and sustained financing should be supported; (3) the EU should support UN agencies capacity to assist countries requesting technical advice, adopt an explicit policy and publish guidelines for EC/EU delegations; (4) training, seminars and advocacy for EU and EUMS staff should be provided; (5) connect EU Member States internal knowledge on social security with EU external action (without imposing a particular national model).

**Francisca Keller MEP** outlined that social protection should not be seen as a mere social right: it also increases the civil rights of the people and/or groups. If people receive social protection, there is a bigger chance that they can also develop other aspects of their lives.

Ms. Keller stated that it is necessary to link the right to social protection to the fight against discrimination, as some groups are socially excluded from social protection such as women. Currently, a lot of the work done by women is still unpaid and unrecognised, such as household work. If we want a new social protection system to be transformative, socially inclusive and supportive of the most vulnerable, we should keep these aspects of discrimination in mind.

She agreed with the fact that the current MDGs are very outcome-fixed, however she considered that being able to measure progress (i. e. having targets and indicators) is necessary and useful for decision-makers. Fixed indicators are unavoidable if we want to see if people are really improving their lives.

Finally, Ms. Keller also underlined that cash transfers are not inherently negative. Not all cash transfers create dependency and shouldn't be stigmatised. They should be seen as rights and not merely as creators of dependency.

**Conny Reuter, Secretary General of SOLIDAR**, outlined that Europeans tend to forget their history. Europeans have a Social Model that comes from the post second world war. He stressed that we should continue promoting a Social Europe, including a sustainable and transformative social protection system. To develop policies that really bring a change (i.e. a real structural and sustainable change) progressive civil society organisations should work together to influence the EU institutions so that they can adopt real policies for real people, which will lead to real change.

**Christophe Masson from EuropeAid** presented some concrete numbers on social protection: 80% of working population in the world has no access to social protection and in Europe 78 million people are at risk of poverty.

Mr. Masson continued by saying that because of the ongoing financial and economic crisis, social protection should be moved up on the political agenda. However, he urged for a very specific approach to social protection such as the SPF Initiative, including employment issues (e.g. child labour and decent work) and basic services, which can only be achieved by working closely with civil society organisations and NGOs and setting up a clear policy concerning social protection.

The main challenges for social protection are its sustainability and affordability. Further, there is the need to raise awareness and to learn how to provide this type of social protection to people working in the informal sector.

Finally, Mr. Masson spoke out for a pool of expertise as a step forward to address challenges concerning the development of a new social protection approach.

**Noah Nzuki from DG Development** started his intervention by introducing the 2010 European Development Report, which will have a special focus on social protection. He stressed that with regards to the MDGs, there should be increased dialogue on social protection as this is an important pillar to achieve the poverty reduction target.

### **Conclusions and recommendations**

The EU has always regarded social investment – including social protection – as fundamental to social cohesion and economic development. Without social protection measures, levels of poverty and inequality in OECD countries would be similar to those in developing countries.

The EU already recognises the importance of social protection within the development process. However, social protection must be a central component of EU development cooperation policy, with a clear strategy for implementation, if it is to achieve its goals with regard to poverty eradication and the MDGs.

The European Working Group on Social Protection and Decent Work in Development Cooperation called on EU policy makers to listen to these requests and build on the progress made so far by making social protection a top priority in development cooperation policy.

In order to achieve this, the EU should:

- Ensure greater coherence in external relations policies by developing a Communication on social Protection in development cooperation as suggested by the Council in its Conclusions on Promoting Employment through EU Development Cooperation (21 June 2007). This Communication should be tied to a concrete, time-bound action plan with dedicated resources.

The Communication should deliver a strategy to support the implementation of long-term and sustainable social protection systems in developing countries. The Communication should:

- Reinforce the United Nation's Social Protection Floor
- Capitalise on EU member states' varying areas of expertise to provide more technical and financial support to developing country governments to implement and extend social protection systems.
- Include social protection and decent work as focus sectors in more country and regional strategy papers by providing guidance for sector and budget support policy dialogue in this area. This will ensure that EU funds benefit the most marginalized people, including those living in chronic poverty and those working in the informal economy.

For more information about the Round Table, contact [barbara@solidar.org](mailto:barbara@solidar.org)

Read the European Working Group on Social Protection and Decent Work [here](#).