

ABCD of Social Protection in Bangladesh



Mohammad Khaled Hasan

Social Protection Specialist
(Deputy Secretary)

**Social Security Policy Support (SSPS) Programme
Cabinet Division and GED
Government of Bangladesh**

Table of Contents

Preface	6
1. Concepts of Social Protection	7
1.1. Social Protection and Social Service	8
1.2. Social Protection Functions.....	9
1.3. Types of Social Protection.....	9
1.3.1. Social Assistance	10
1.3.2. Social insurance.....	10
1.3.3. Labour Market Interventions.....	11
1.3.4. Informal Social Protection.....	11
1.3.5. Other Types of Social Protection	11
2. Poverty, Vulnerability and Marginalization	12
2.1. Poverty	12
2.1.1. Poverty Head Count Ratio (HCR):.....	12
2.1.2. Poverty Gap Index.....	13
2.1.3. Squared Poverty Gap Index:	13
2.2. Vulnerability:.....	13
2.2.1. Vulnerable Groups	13
2.3. Marginalization:	14
3. Impacts of Social Protection	15
3.1. Poverty Reduction.....	15
3.2. Human Capital.....	15
3.3. Promotion of Livelihoods.....	16
3.4. Risk Management	16
3.5. Economic Resilience.....	16
3.6. Social Cohesion	16
3.7. Economic Reforms	16
4. Social Protection as an Obligation	17
4.1. Universal Declaration of Human Rights	17
4.2. Constitutional Provision.....	17
4.3. Social Protection Floor Initiative.....	18
4.3.1. Four Nationally Defined Guarantees	18
4.3.2. Social Protection Staircase	19
4.4. Sustainable Development Goals	19

5.	Broad Approaches to Social Protection	21
5.1.	Poor Relief Approach	21
5.2.	Social Risk Management Approach.....	21
5.3.	Lifecycle Approach	21
5.4.	Lifecycle Risks.....	22
5.5.	Lifecycle Mapping	22
5.5.1.	Early Childhood	23
5.5.2.	School Age Children	23
5.5.3.	Youth	23
5.5.4.	Working Age.....	23
5.5.5.	Programmes for the Old Age	23
5.5.6.	Covariate Risks	24
6.	Evolution of Social Protection in Bangladesh	25
6.1.	Paradigm Shift.....	26
6.2.	Spending in Social Security	26
7.	Formulation of NSSS	28
7.1.	Process of Formulation	28
7.2.	Vision and Mission of NSSS	29
7.2.1.	Vision.....	29
7.2.2.	Mission	29
8.	Governance of Social Protection.....	30
8.1.	Implementation Challenges	30
8.1.1.	Overlap of Programmes:.....	30
8.1.2.	Leakage:	30
8.2.	Governance Tools	31
8.2.1.	Single Registry MIS.....	31
8.2.2.	Strengthening G2P Payment Systems.....	32
8.2.3.	Strengthening Processes for Fair Targeting	33
8.2.4.	Grievance Redress System	34
8.2.5.	Strong M&E	35
9.	Organizational Reforms	37
9.1.	Central Management Committee	37
9.1.1.	Terms of Reference of the Central Management Committee	37
9.2.	Thematic Clusters.....	37
9.2.1.	Social Allowances.....	38

9.2.2.	Food Security and Disaster Assistance.....	38
9.2.3.	Social Insurance	39
9.2.4.	Labour/Livelihoods Interventions	39
9.2.5.	Human Development and Social Empowerment.....	39
9.2.6.	Terms of Reference of Thematic Cluster	39
9.2.7.	Cross Cutting Ministries/Divisions	40
9.3.	Important Committees	41
9.3.1.	CMC Focal Point Committee	41
9.3.2.	Action Plan Sub-Committee	41
9.3.3.	Cluster Committees.....	41
9.3.4.	District Social Security Monitoring Committee.....	41
9.3.5.	Upazila Social Security Implementation Committee	42
9.4.	Administrative Reforms in the Second Phase	42
10.	Programmes Consolidation.....	43
10.1.	Major Programme Reforms	43
11.	SSPS Programme	45

Table of Figures

Figure 1: Social Services and Social Protection	8
Figure 2: Functions of Social Protection.....	9
Figure 3: Types of Social Protection.....	10
Figure 4: Social Protection Impacts	15
Figure 5: Social Protection Floor	18
Figure 6: Lifecycle Risks	22
Figure 7: Evolution of Social Protection in Bangladesh.....	25
Figure 8: From social safety nets to social protection.....	26
Figure 9: Social Protection Spending in Bangladesh.....	27
Figure 10: National Social Security Strategy of Bangladesh.....	28
Figure 11: Formulation of National Social Security Strategy.....	29
Figure 12: Governance Tools of Social Protection.....	31
Figure 13: Thematic Clusters	38
Figure 14: Core Lifecycle Programmes	43

Preface

The poor and vulnerable groups cannot cope with the risks and vulnerability only with their own efforts. They need external supports to emancipate from poverty by breaking its vicious circle. The social safety net programmes provide some impetus to drive them out of poverty but in the process the poor might be stuck in the safety net itself. They need a big push to sustainably graduate from poverty.

Thus, the social protection programmes continued to grow in number and dimension. For better management of these programmes a comprehensive strategic approach was felt to be necessary. Therefore, building upon the past rich experience, the Government recently formulated the National Social Security Strategy (NSSS) of Bangladesh, seeking to streamline and strengthen the existing social protection programmes.

The NSSS expresses the commitment of the Government of Bangladesh to reduce poverty, improve human development and reduce inequalities. The core of the NSSS is programme coordination and consolidation along lifecycle risks, with programmes for children, working age people, the elderly, and persons with disabilities.

The formulation of the NSSS elevated the government's initiative of social protection even beyond the safety net and ladder models. The NSSS has introduced newer trends in the thinking process of civil servants and public representatives regarding social protection. Therefore, they have to be familiar with the recent dimensions of social protection to translate the NSSS into practice.

With such objectives in view, the present booklet has been designed to provide ideas on the recent development of the government's policy in social protection and the global trends. The booklet discusses the basic concepts of social protection, the background of the NSSS and the reform initiatives of Bangladesh in this sector.

The booklet is meant neither to be any research work nor does it deal with any debatable theoretical perspectives of social protection. Rather it has been designed to present the basic issues of social protection. The contents of the booklet have been selected based on experience of numerous orientation sessions organized by the SSPS Programme for the officials of different line ministries, departments and the field administration involved in social protection. The inquisitive questions of the participants have been kept in focus while dealing with different aspects of social protection and its implication in Bangladesh.

Special thanks are due to Mr. Göran Jonsson, Senior Programme Adviser, UNDP, who has provided latest books and articles as references for the booklet. He also reviewed the contents of it thoroughly. It is to be mentioned that the booklet could never have been completed without close monitoring and guidance from Mr. Aminul Arifeen, the National Project Manager of the SSPS Programme, UNDP. Other members of the SSPS team also provided necessary support and valuable suggestions during the process of preparing the manuscript.

1. Concepts of Social Protection

‘Social protection’ and ‘social security’ are technical terms used by some literature as having different connotations, while some literature uses these concepts interchangeably. Some see social security as a broader concept; others view social protection as wider, as it includes also informal reciprocal support, while social security is a mandate of the State. Many organizations such as UNDP and ILO see the two concepts meaning more or less the same.

In Bangladesh the term ‘social protection’ was used in the initial drafting of its National Social Security Strategy (NSSS). Later on, to make it consistent with the National Constitution, it was changed to ‘social security’, without altering connotation. Similarly, throughout this booklet these terms have been used interchangeably.

The definition of social protection varies in terms of approaches adopted by particular agencies and institutions and their way of dealing with it. A wider definition of social protection is ... ‘a set of formal and informal interventions that aim to reduce social and economic risks, vulnerabilities and deprivations for all people and facilitate equitable growth’.

The NSSS and the European Report on Development define Social Protection as ‘A specific set of actions to address the vulnerability of people’s life through social insurance, offering protection against risk and adversity throughout life; through social assistance, offering payments and in kind transfers to support and enable the poor; and through inclusion efforts that enhance the capability of the marginalized to access social insurance and assistance’.

United Nations Research Institute for Social Development (UNRISD) sees social protection as consisting of ‘policies and programmes designed to reduce poverty and vulnerability by promoting efficient labour markets, diminishing people's exposure to risks, and enhancing their capacity to manage economic and social risks, such as unemployment, exclusion, sickness, disability and old age’.

OECD views social protection as ‘action to enhance the capacity of poor people to participate in, contribute to and benefit from the economic, social and political life of their communities and societies’.

UN Social Protection Theme Group in Bangladesh has agreed the following definition: ‘Social Protection refers to a set of policies, programmes and services that, over the lifecycle, protect against risks, shocks and stresses, and at the same time aim at reducing poverty, vulnerability and marginalization. It creates opportunities for poor and vulnerable groups to escape from poverty by strengthening resilience to shocks, enhancing the capacity to manage economic risks and removing barriers of exclusion, consistent with the fulfilment of social and economic rights’.

DFID considers social protection as encompassing ‘a sub-set of public actions, carried out by the state or privately, that address risk, vulnerability and chronic poverty’. Some scholars are of the opinion that social protection is concerned with protecting and helping those who are poor and vulnerable, such as children, women, older people, people living with disabilities, the displaced, the unemployed, and the sick.

In spite of some differences, the most common features of social protection are that these are programmes or interventions with the objective of tackling the challenges of poverty, vulnerability and social exclusion.

However, there is often great confusion when practically distinguishing a programme or project as that of social protection. One of the reasons of such confusion is that some non-social protection programmes also aim to reduce poverty and vulnerability as their ultimate goals. On the other hand, beneficiaries of some social protection programmes are not necessarily poor, as is the case about government pension or freedom fighters' allowance. Another reason is that perspectives of different ministries on social protection vary considerably.

The Finance Division has a general policy of considering a programme as social protection when it falls under social allowances for the poor, employment generation, food security and human development, etc. The Finance Division publishes a list of programmes as those of social protection each fiscal year.

1.1. Social Protection and Social Service

Social protection and social services have some components and activities in common, while there is certain distinction in their operational aspects. The following diagram elucidates the matter to some extent.

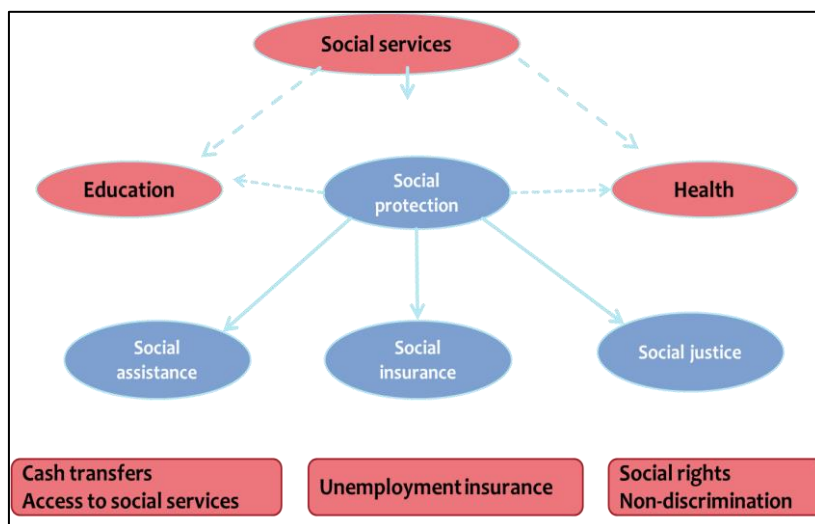


Figure 1: Social Services and Social Protection

Social protection usually falls under the wider purview of social service. Education and health are parts of social service but closely related with social protection. Social protection has three components such as social assistance, social insurance and social justice. Social assistance includes cash transfers and access to social services; unemployment insurance and coverage for health hazards especially for working age people fall under social insurance; on the other hand, social justice ensures the issue of social rights and equality.

1.2. Social Protection Functions

The objectives of social protection vary widely, from reducing poverty and vulnerability, building human capital, empowering women and girls, improving livelihoods, and responding to economic and other shocks. There are several different conceptual approaches to analysing social protection objectives and functions. Each conceptualizes potential impacts in different ways: transformation, human capital, vulnerability and human rights. The four social protection functions are shown in the following diagram:

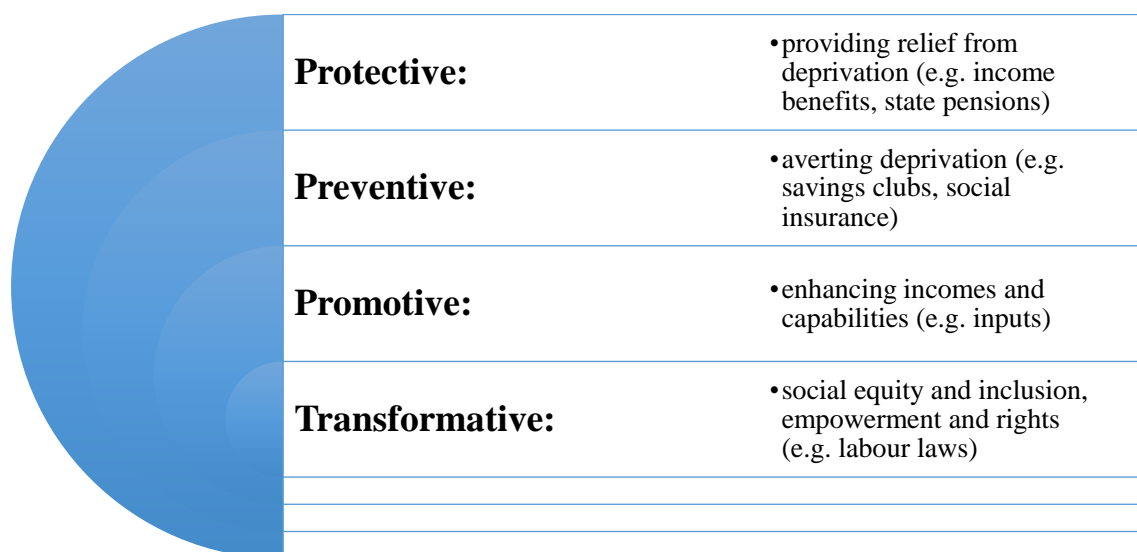


Figure 2: Functions of Social Protection

The first three functions (the three Ps) were originally conceptualized by the World Bank. The addition of the transformative element positions social protection not just to alleviate poverty but to transform lives, through pursuing policies that rebalance the unequal power relations and reverse other barriers that cause vulnerabilities.

1.3. Types of Social Protection

Social protection programmes have been broadly divided into five types such as social allowance, social insurance, labour market intervention, informal social protection and miscellaneous types. Such classification of social protection has been shown in the following diagram:

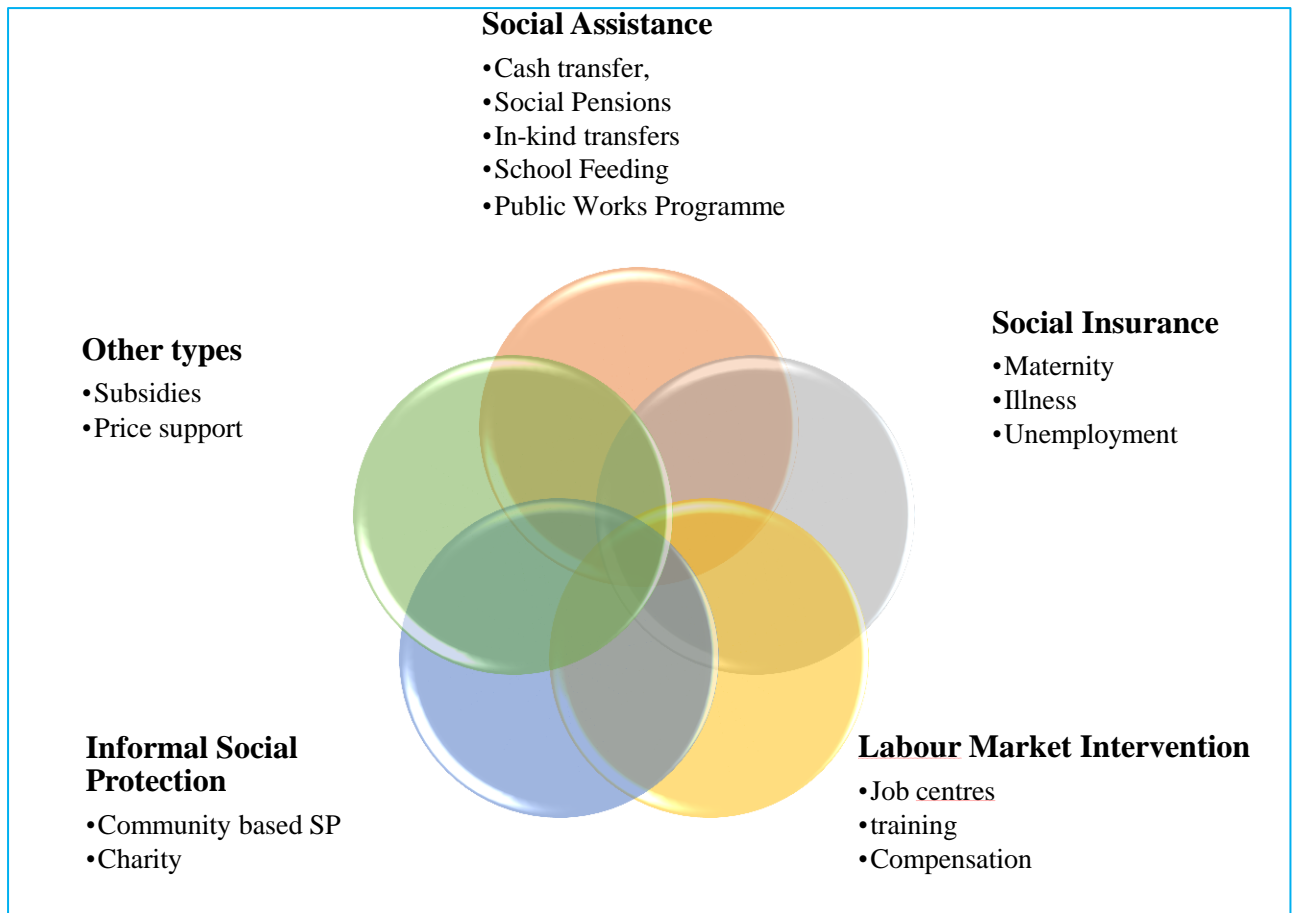


Figure 3: Types of Social Protection

1.3.1. Social Assistance

One of the most common types of social protection is social assistance which is non-contributory, tax-financed, regular and predictable cash or in-kind resources transfers to poor and vulnerable individuals or households. Cash and in-kind allowances, school feeding and public works programmes are usually included in this type of programmes.

1.3.2. Social insurance

Another equally important type of social protection is social insurance, which is usually contributory with participants making regular payments. It is a programme where risks are transferred to and pooled usually by government organizations. The benefits, eligibility requirements, and other aspects of the programme are defined by statute. Explicit provision is made to account for income and expenses (often through a trust fund). Participation is often compulsory for particular groups. It covers costs related to life-course events, for example, maternity, unemployment or illness. Sometimes costs are matched or subsidized by the scheme provider. Internationally, social insurance is a prevalent form of social protection, but in Bangladesh this system is yet to be massively introduced. The National Social Security Strategy (NSSS) of Bangladesh puts much emphasis on introducing a suitable framework of

social insurance. The Bank and Financial Institutions Division is working on developing insurance programmes for different walks of people.

1.3.3. Labour Market Interventions

Labour market interventions provide protection for poor people who are able to work, and aim to ensure basic standards and rights. Interventions can be active or passive. Active labour market policies aim to help the unemployed and the most vulnerable find jobs, through interventions such as job centres, training, and policies to promote small and medium sized enterprises. Passive interventions include maternity benefits, injury compensation, and sickness benefits for those already in work, financed by the employer. Many poor people work within the informal sector, and some people with disabilities, the chronically ill and old people may not be able to work at all, so labour market interventions cannot always reach them.

1.3.4. Informal Social Protection

Informal or traditional social protection measures have been in operation since primitive societies. The modern day social protection system does not fully replace or eliminate the need for informal social protection, such as reciprocal community support systems, bonding and bridging networks. Either because of resource constraints or operational difficulties, certain population or geographic areas may often remain outside the coverage of formal social protection. The informal community-based social protection partially covers the gaps left by formal interventions.

Such social protection is usually managed by the communities mobilizing their collective resources though there are instances of receiving external funds from the government or donors. The charities like *zakats* and alms etc. are also a type of informal social protection.

Informal or community based social protection is regarded as a strong instrument of tackling poverty and vulnerability. Therefore, the formal social protection interventions need to be carefully designed so that the potential of the informal social protection is not damaged.

1.3.5. Other Types of Social Protection

Social care and support is highly complementary to social protection, and sometimes considered to be a form of social assistance. Government or private sector subsidies are sometimes classified as social protection if they act as safety nets. Subsidies can keep prices low for basic goods and services consumed by the poor. However, subsidies are often regressive, turning out to be more beneficial for the higher income groups than the poor.

2. Poverty, Vulnerability and Marginalization

Social protection is mainly about tackling some inter-connected concepts like poverty, vulnerability and marginalization. Therefore, it will be useful to provide brief notes on these issues.

2.1. Poverty

According to UNDP, poverty is the total absence of opportunities, accompanied by high levels of undernourishment, hunger, illiteracy, lack of education, physical and mental ailments, emotional and social instability, unhappiness, sorrow and hopelessness for the future.

The World Bank regards poverty as deprivation in well-being. Poverty is multifaceted including low incomes and the inability to acquire the basic goods and services necessary for survival with dignity.

Poverty is usually measured as either absolute or relative poverty. Absolute poverty refers to a set standard which is consistent over time and between countries. The World Bank defines extreme poverty as living on less than \$1.90 a day, at purchasing power parity (adjusting the dollar exchange rate to what a dollar can purchase in each country based on price and income data).

The relative poverty is actually an index of income inequality. Usually, relative poverty is measured as the percentage of the population with income less than some fixed proportion of median income of households or individuals. The main poverty line used in the OECD and the European Union is a relative poverty measure based on "economic distance", a level of income usually set at 60 percent of the median household income.

Bangladesh has a nationally defined poverty line, calculated by the Cost of Basic Needs (CBN) method. It includes the cost of a basic food basket (eleven food items) representing a nutritional requirement of 2,122 k.cal per person per day plus estimating the cost of consuming non-food items by households close to the poverty line.

In addition, Bangladesh has an official lower poverty line defining extreme poverty. A household with total expenditure on food and non-food items combined less than the cost of the basic food basket is falling below the extreme poverty line. This line corresponds to a food intake of 1.805 k.cal per person per day.

There are different types of indices used to indicate the situation of poverty. Some frequently used poverty indices are as follows:

2.1.1. Poverty Head Count Ratio (HCR):

The head count ratio indicates the percentage of people living below poverty line. What is commonly known as poverty rate is simply the HCR. It is most common and widely used index of poverty. HCR is the proportion of a population that lives below the poverty line.

The estimated poverty headcount ratio of Bangladesh is 23 percent, against the nationally defined poverty line. Estimates also indicate that headcount ratio for extreme poverty has declined below 13 percent.

2.1.2. Poverty Gap Index

Poverty headcount ratio simply indicates how many people are below poverty line, but it does not clearly say how far below poverty line they are. Poverty gap index reveals the depth of poverty. It is the average income shortfall of the poor people from the poverty line. The poverty gap index of Bangladesh was 6.5 percent in 2010 (down from 9 percent in 2005). It means that average monthly income of poor people is 6.5 percent less than the income defining the national poverty line. From this index one can calculate how much money is required to bring all the poor above poverty line by multiplying it with total population of Bangladesh.

2.1.3. Squared Poverty Gap Index:

The squared poverty gap index is one form of a weighted sum of poverty gaps, with the weight proportionate to the poverty gap. It is calculated by averaging the square of the poverty gaps of each individual. This index is efficient to indicate the severity of poverty. The Squared Poverty Gap Index of Bangladesh was 2.9 percent in 2005, which was reduced to 2.0 percent in 2010.

2.2. Vulnerability:

Vulnerability is determined by a combination of exposure to shocks and stresses, susceptibility or sensitivity to such adverse events and capability (or lack thereof) to cope with them. While poverty describes the state of affairs in the present day, vulnerability is concerned with what the situation could be in future with respect to poverty.

If a non-poor individual or a household far away from the poverty line experiences an adverse situation s/he may come closer to the poverty line. However, if the non-poor person is already near the poverty line, any socio-economic shocks will most probably send him/her down below the poverty line. Any such disasters or losses will push the already poor people to still deeper poverty. Therefore, the person near the poverty line is very vulnerable to poverty if not supported by any protective measures.

There are some impoverishing forces or factors which increase the vulnerability of people becoming poor. These forces may be economic, political, health, socio-cultural or environmental. The process of becoming poor may be sudden and unexpected or may be a gradual sliding down. The individual depends on resources, assets, or support mechanisms sufficient to mitigate the effects from such situations. However, if his/her resources are not sufficient s/he will fall victim to poverty.

2.2.1. Vulnerable Groups

There are certain groups of people who are considered to be very vulnerable. Such groups include children, persons with disability, women, youths without job, people with long-illness

and elderly people. The vulnerable people will need special protective measures to mitigate the risks of falling to poverty.

2.3. Marginalization:

Social exclusion or marginalization is the process in which individuals or communities are systematically deprived of various rights, opportunities and resources that are normally available to members of different groups, and which are fundamental to social integration within that particular group. Such opportunities include housing, employment, healthcare, civic engagement, democratic participation, etc.

Marginalization may be linked to a person's social class, race, skin colour, educational status, living standards, or personal choices in fashion. Such marginalization may also apply to people with disability, minorities, transgender, drug addicts, elderly people etc. Anyone who deviates from perceived norms of a population may become subject to social exclusion. This also makes them hard to reach. They are often not aware of rights and entitlements, and, even if they are, might self-exclude themselves.

3. Impacts of Social Protection

Social protection has a lot of positive impacts on the socio-economic conditions of a country, especially with regard to the poor and the vulnerable. Specifically it has great impact in reducing poverty and inequality, promoting human capital development and risk management. These are described in the following diagram and the subsequent discussion:

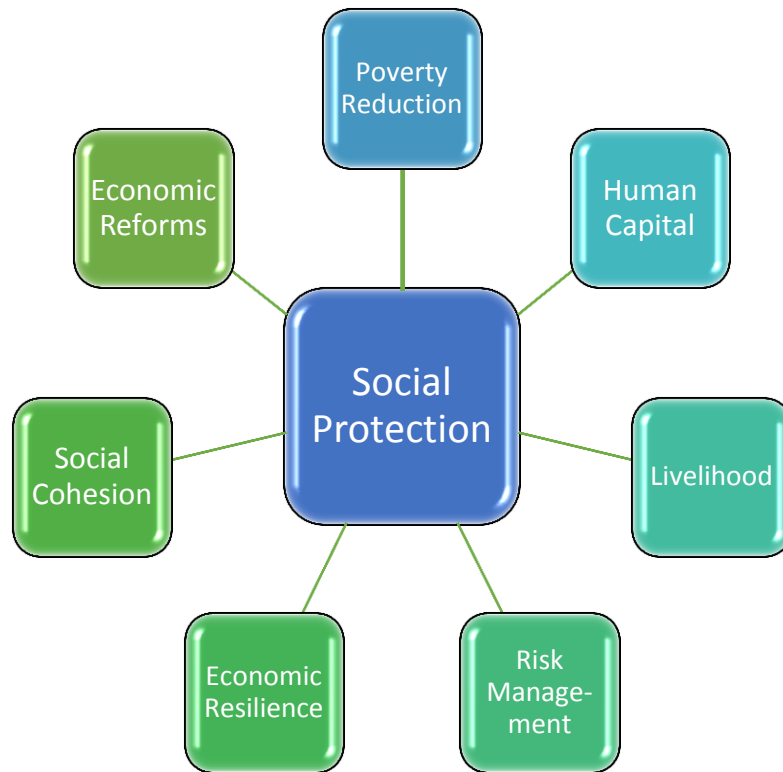


Figure 4: Social Protection Impacts

3.1. Poverty Reduction

A main impact of social protection is poverty reduction as the social transfer directly increases the income of the poor, thus reducing poverty gaps. Due to lack of productive assets and susceptibility to shocks and stresses, the poor cannot take initiatives to increase their income. Rather they invest their assets and labour in safer activities which yield comparatively less return. This is a condition usually called poverty trap which they need external supports to get out of. Social protection works as an external push to bring the poor out of their predicament. Moreover, indirectly social protection reduces poverty as it enhances economic activities in the society. Social protection can prevent some of the worst consequences of poverty - the transmission of lifelong poverty to children.

3.2. Human Capital

Social protection increases access to public services and investment in human capital, particularly health and education, helping to raise productivity and supporting the participation of the poor in labour markets. For example, child benefits and school assistance packages improve school attendance and eventually enhance education. Social protection

directly improves the health status of people, which in turn contributes to promoting human development and ultimately economic growth.

3.3. Promotion of Livelihoods

The small amount of money of social allowances is often invested by the beneficiaries in small scale livelihood development activities in their households. Moreover, the money received from social protection provides security to the recipients to better manage the risks of more rewarding but riskier economic activities, thereby enhancing the scope for better livelihoods.

3.4. Risk Management

Social protection enables poor people to protect themselves and their productive assets against shocks. It enables them to defend their long term income generating potential. Social protection enables households to resist desperate measures and reduce future vulnerability. For example, social health protection prevents impoverishment from catastrophic health expenditure, consequently protecting productive assets. Adequate cash transfers prevent farmers from selling their land and livestock, on which their future prosperity depends.

3.5. Economic Resilience

Resilience is the ability to be prepared for, absorb and cope with a shock, withstand moderate hazards and being able to bounce back from setbacks. Evidence shows that social protection supports the recipients to enhance their economic resilience. A person covered by any type of social protection programme is more capable of fighting against shocks and vulnerability and protect social and economic conditions.

3.6. Social Cohesion

Social protection helps create an effective and secure state by building social cohesion and a sense of citizenship as well as reducing conflict. People receiving social benefits from the government feel more loyal and committed to the government. Such loyalty enhances national solidarity and bonding. Moreover, the cash and commodity received as social allowances reduces the resource inequality, contributing to build up social cohesion.

3.7. Economic Reforms

Social protection can mediate new vulnerabilities resulting from the necessary economic transformation that Bangladesh is now undergoing in its transition to Middle Income Country status. It can generate gains for those groups who might otherwise be disadvantaged, by providing a balancing function. Social protection produces broader gains not only for the direct beneficiaries but also for others who participate in the reformed economic environment. It has been observed that the benefits of social protection are usually spent locally, bolstering demands for local economic activities, as the increased buying power of the poor creates more demand for locally produced goods and services.

4. Social Protection as an Obligation

In spite of the fact that social protection has so many positive effects in reducing poverty and inequality, there is also criticism that social protection often makes people dependent on the benefits. Voice is often raised that social protection might reduce the working spirit of people. Also there is debate as to whether the huge allocation in social protection could be better utilized in improving the economy of a country.

Thus social protection has often been looked down upon as useless, expensive or even dysfunctional for developing countries. However, evidence shows that the social protection is a very effective tool for accelerated poverty reduction and sustained social and economic growth. There is no substantial evidence that social protection creates a dependency trap or disincentives to work. Moreover, the governments have some obligation in social protection as is recognized in the Universal Declaration of Human Rights of the UN.

4.1. Universal Declaration of Human Rights

The Universal Declaration of Human Rights of UN asserts that “Everyone, as a member of society, ... has the right to social security through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality” (Article 22).

The Universal Declaration also ensures that “everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control” (Article 25).

The Universal Declaration of Human Rights, of which Bangladesh is a party, makes it an obligation for the government of Bangladesh to take measures to ensure social protection of the deserving people.

4.2. Constitutional Provision

The constitutional provision of Bangladesh is also in consistence with the Universal Declaration of Human Rights. Social security for citizens is mandated mainly by Article 15(d) of the Constitution of the People’s Republic of Bangladesh which provides ‘....the right to social security, that is to say to public assistance in cases of undeserved want arising from unemployment, illness or disablement, or suffered by widows or orphans or in old age, or in other such cases.

Thus the government bears the constitutional obligation of ensuring citizens’ right to social security. Though Bangladesh does not have any separate law or Act of Parliament for social security, the constitutional provision and the other relevant rules and circulars, coupled with consistently growing allocation in national budget every year, amply provide the legal basis for social protection in the country. The recently approved National Social Security Strategy of Bangladesh is another evidence of the government’s commitment to ensuring social security for the poor.

4.3. Social Protection Floor Initiative

Following the global economic recession and in pursuance of the universal declaration of human rights and other related protocols, the UN Chief Executives Board approved the Social Protection Floor (SPF) in 2009. The SPF is a global and coherent social policy concept that promotes nationally defined strategies for the provision of a minimum level of income security and access to essential services for all. The SPF promotes a holistic and coherent vision of national social protection systems, rights-based, as a key component of national development strategies. In 2012, Social Protection Floor Recommendations suggested that member states would formulate social security strategies based on national consultations. Bangladesh is a signatory to the social protection floor initiative of the UN and Bangladesh complied with the provision.

The Social Protection Floor is a set of basic social security rights and transfers, to help promote human rights and support decent living standards worldwide. The aim is to extend basic support and protection to all those in need. The Social Protection Floor should be established according to each individual nation's priorities and resources and be designed and implemented with the participation of all relevant social partners. It is to be implemented through national legislation and be progressively enhanced according to the economic development of each country.

The Social Protection Floor should be a key aspect of a country's development plans and strategies and should be closely linked to policies that promote employment and decent working conditions. Within this framework, the International Labour Organization (ILO) promotes four essential guarantees: access to healthcare, child benefits, basic retirement pensions, and income support for the working poor, the unemployed and pregnant women. It is important to acknowledge that the ILO has developed several international standards in the area of social security.

4.3.1. Four Nationally Defined Guarantees

The four nationally defined guarantees under the Social Protection Floor initiative are as follows:

All residents	•have access to a nationally defined set of essential health care services
All children	•should enjoy minimum income security through transfers in cash or kind aiming at facilitating access to essential goods and services, such as nutrition, education and care
Unemployed	•should enjoy minimum income security through social assistance transfers aiming to achieve access to essential goods and services
Old people	•should enjoy minimum income security through pensions/transfers in kind that guarantee access to essential goods and services

Figure 5: Social Protection Floor

The social protection floor initiative is a guiding principle according to which each nation defines its own minimum social security provisions. The only precondition is that the national social protection floor has to fulfil the four guarantees as mentioned above. The SPF is very flexible and requires that each country will design its own mechanism of delivering social protection benefits. The social protection floor also emphasizes that the financing of the social security programmes should be financed from national budget, moving away from dependency on external donor agencies.

4.3.2. Social Protection Staircase

The Social Protection Floor envisages implementation step by step as is the concept of the following staircase:

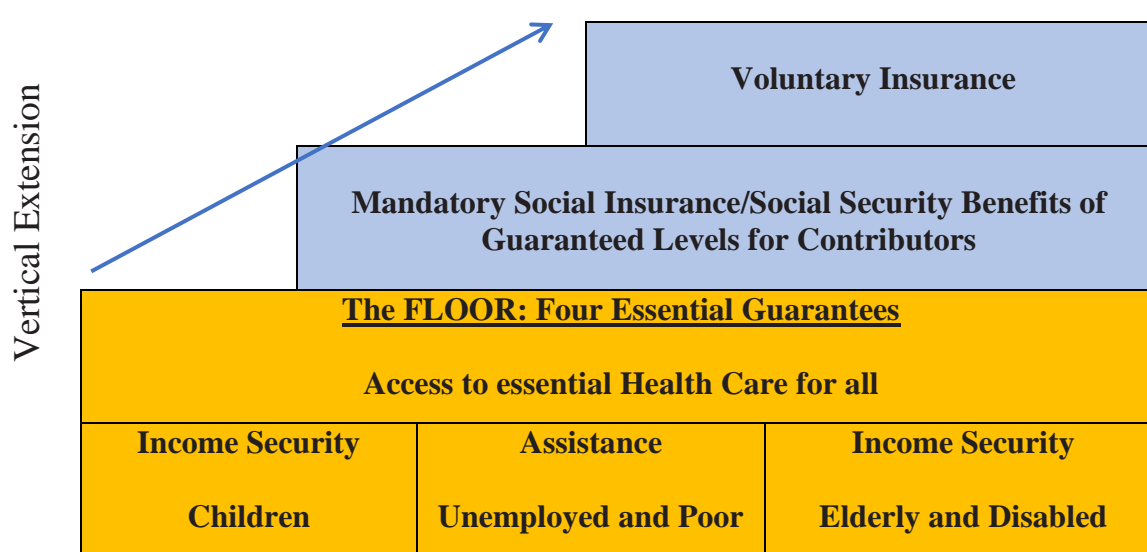


Figure 6: Social Protection Staircase

Countries have to ensure the four essential guarantees as basic floors. Then they are to gradually consider implementing the higher programmes, like mandatory social insurance and voluntary insurance, based on their capacities.

4.4. Sustainable Development Goals

Social protection plays a vital role to bring people out of poverty and also prevent them from falling into poverty. It is revealed from a study that social protection programmes are worldwide preventing 150 million people from falling into poverty. Such an important instrument as social protection was not included in the Millennium Development Goals (MDGs). However, it is undoubtedly accepted that social protection had a massive contribution to the achievement of Goal 1: Eradicate extreme poverty and hunger.

Influenced by the social protection floor initiative, the Sustainable Development Goals 2030 (SDGs) put emphasis on social protection to achieve some of the goals and the associated targets. Such goals and targets of the SDGs are shown in the following table:

Social Protection in SDG

	Goals	Target
1.	Goal 1: End poverty in all its forms everywhere	Target 1.3 - Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable.
2.	Goal 3: Ensure healthy lives and promote well-being for all at all ages	Target 3.8 - Achieve universal health coverage, including financial risk protection , access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all
3.	Goal 5: Achieve gender equality and empower all women and girls	Target 5.4 - Recognise and value unpaid care and domestic work through the public provision of public services, infrastructures and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate
4.	Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Target 8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
5.	Goal 10: Reduce inequality within and among countries	Target 10.4 - Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.

It is to be noted that Goals 3 and 8 do not directly mention social protection targets, but are included because health coverage (Goal 3) is a social protection measure and one of the four aspects of the social protection floor, and social protection is one of the four pillars of ‘decent work’ (Goal 8).

5. Broad Approaches to Social Protection

There are different approaches to social protection and the most widely discussed approaches are the ‘poor relief approach’, the ‘lifecycle approach’ and the World Bank’s ‘social risk management approach’.

5.1. Poor Relief Approach

The poor relief approach came into use in 19th century in Europe. Later on it was adopted in some developing countries like Mexico and Colombia, and subsequently utilized by other developing countries including Bangladesh. It is a short term planning striving to resolve poverty immediately by investing limited per capita resources. It has no focus on comprehensively tackling poverty. Such approach to social protection usually fails because of large targeting errors and small budgets.

5.2. Social Risk Management Approach

The World Bank developed the Social Risk Management (SRM) approach of social protection in the 1990s with the objective of extending social protection to include prevention, mitigation, and coping strategies to protect basic livelihoods and promote risk taking. Social risk management focuses specifically on the poor, who are the most vulnerable to risk and more likely to suffer in the face of economic shocks. SRM aims to reduce the vulnerability of the poor and encourage them to participate in riskier but higher-return activities in order to transition out of chronic poverty.

In SRM approach, risks are categorized in terms of their a) catastrophic vs. non-catastrophic shocks, b) idiosyncratic shocks vs. covariant shocks and c) single vs. repeated shocks. Risk management strategies fall in three broad categories such as prevention, mitigation and coping.

5.3. Lifecycle Approach

In almost sharp contrast to the poor relief approach, there came up a more comprehensive approach to social protection which is lifecycle approach. It reflects that individuals face different risks and vulnerabilities at different stages in life, and that social protection can be designed to address these risks at each stage. It is a provision of basic social protection to citizens from the cradle to the grave.

The lifecycle approach was adopted by some European countries like Sweden in the early decades of the twentieth century. It was introduced by UK in 1945 and then came to be used across developed countries; also, in a range of developing countries. The main characteristic of the lifecycle approach is that it involves long term planning -programmes directed at particular stages of the life cycle. It focuses resources on particular lifecycle risks.

It is noteworthy that Bangladesh has adopted the lifecycle approach to social protection in the National Social Security Strategy.

5.4. Lifecycle Risks

Lifecycle approach provides a comprehensive framework of lifecycle of a human being and analyses the basic risks along the cycle. The main risks during five major stages of citizens of Bangladesh have been captured in the following diagram. In addition to the lifecycle risks, the NSSS does also put similar emphasis on the covariate risks - such as natural disasters, food price shocks, etc.

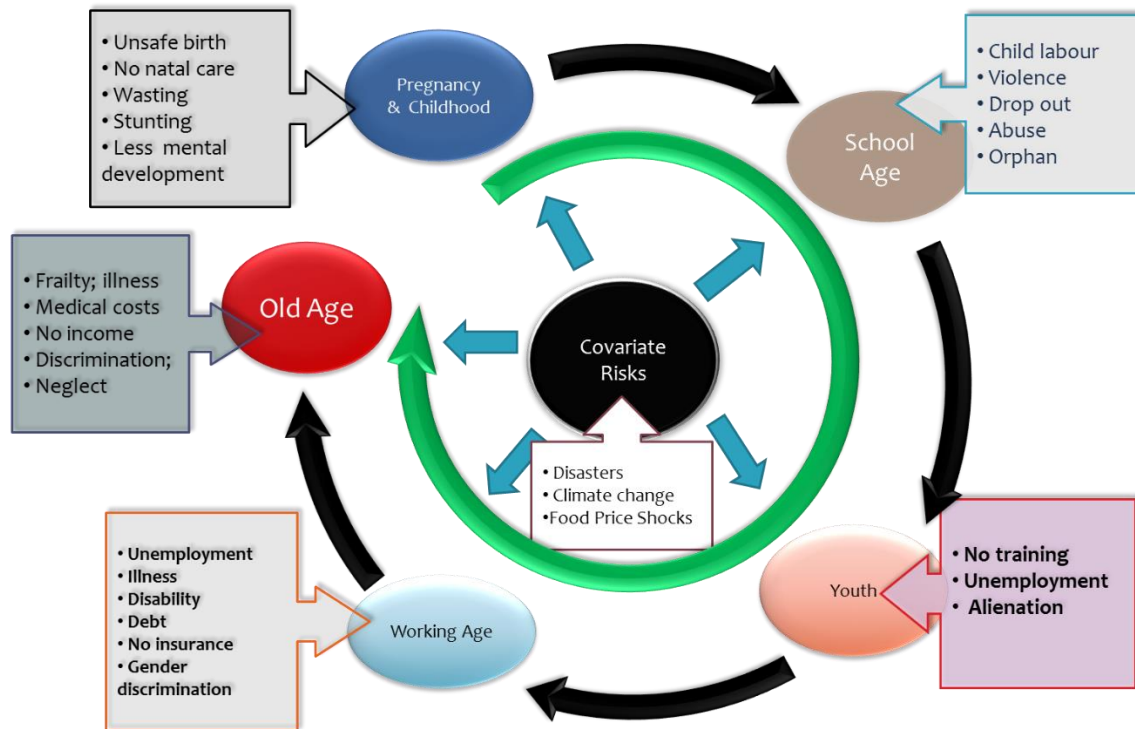


Figure 7: Lifecycle Risks

The social security systems of most countries gradually evolved to address the risks and challenges across the lifecycle. In essence, countries shape their Social Security systems to provide support to various demographic groups, although most countries also have a small safety net for those who fall through the gaps or need additional support. To a large extent, the lifecycle approach underpins the Social Protection Floor (SPF) that has been endorsed by the United Nations and its member countries including Bangladesh.

5.5. Lifecycle Mapping

Many existing social security programmes of Bangladesh fit in the life cycle framework even though this was not used explicitly as a strategic consideration. But the analysis also shows that there are some major concerns which are not covered by social protection programmes. For example, schemes to mitigate pregnancy and early childhood risks and disability are remarkably limited in both beneficiary coverage as well as financing. The average benefit of the old-age allowance programme (excluding government pension) is very

low and lots of poor old-age people are excluded. The disability benefits and vulnerable women's programmes similarly suffer from low coverage and low average benefits. The detailed lifecycle mapping as exercised in the NSSS is discussed below:

5.5.1. Early Childhood

Coverage of very young children by social security schemes in Bangladesh is minimal, despite the challenges they face, in particular, with regard to under-nutrition. The Ministry of Women and Children Affairs (MoWCA) offers a small child grant – known as the Maternal Allowance Programme for Poor Lactating Mothers – that reaches 100,000 families. Therefore, the gap in provision for young children is massive. In effect, almost the entire category – around 15 million children – does not receive direct social security support. Addressing this huge gap is arguably amongst the most serious challenges for the NSSS.

5.5.2. School Age Children

The highest coverage of social security schemes is during school age, mainly via the Primary and Secondary Student Stipends. Around 13 million children receive stipends, with the majority at primary school. Coverage is around 24 per cent of primary school age children and 17 per cent of secondary school age children. There is a small amount of transfer provided by the Ministry of Social Welfare for children with disabilities, but it only reaches 18,600 children in total - a tiny proportion of the total number of children in need.

5.5.3. Youth

Programmes for the youth have not been separately mapped in the NSSS. Rather this age group has been considered together with the working age people. The programmes taken for the working age are also meant for the youth.

5.5.4. Working Age

The major programmes in this category could be divided into two main types: workfare schemes; and programmes for women. There are as many as 8 workfare schemes of which the two largest programmes are the Food for Work Programme (FWP) and the Employment Generation Program for the Poorest (EGPP). The aim of these programmes is to help create employment in rural areas during agricultural slack seasons to create jobs for those who might need them, especially women. The schemes include Widows' Allowance, Vulnerable Group Development (VGD) and childcare for young mothers.

In the formal sectors, the two missing areas of Social Security for working age group are a) unemployment insurance and b) injured workers insurance. The lack of any social insurance is even more pronounced for the informal sector, which accounts for 87.5 percent of all employment.

5.5.5. Programmes for the Old Age

The highest level of social security spending in Bangladesh is on programmes that address the risks associated with old age. It pays generally an allowance of Tk 500 to more than 3 million elderly people. Bangladesh's Old Age Allowance has one of the lowest transfer

values in the world. Analysis of the 2010 HIES indicates that 33 per cent of beneficiaries of the Old Age Allowance are below the age of eligibility.

5.5.6. Covariate Risks

Besides the lifecycle programmes there are other programmes for managing covariate and idiosyncratic risks. Such programmes include disaster risk mitigation programmes implemented by the Ministry of Food and the Ministry of Disaster Management and Relief. Other programmes include food allowance programmes like Vulnerable Group Feeding (VGF) and Open Market Sales (OMS) for absorbing price shocks. Besides, Government has a wide range of fiscal and monetary policy instruments to counter recessionary pressures on the economy.

6. Evolution of Social Protection in Bangladesh

Bangladesh has a long history of formal social safety net programmes, which, in part, has shaped the nature of the current social security system. During the 1970s the focus of social security programmes was on poor relief and vulnerable group feeding.

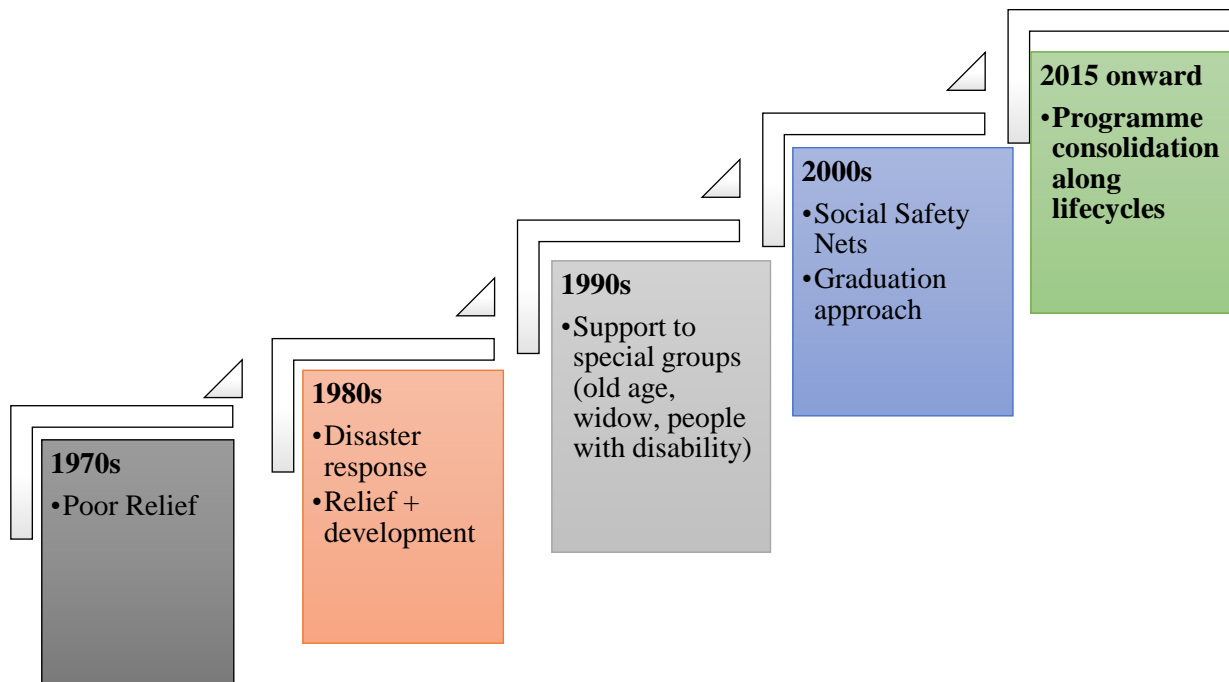


Figure 8: Evolution of Social Protection in Bangladesh

The decade of 1980s has been characterized by disaster response and relief operation. The component of development in addition to providing food was a remarkable improvement in the social protection programmes in this period. During the 1990s, programmes were taken to provide support to special groups like old age, widows and people with disability. These programmes were often supported by the development partners and NGOs. The provision of cash transfer was widely introduced in these programmes. In the 2000s, numerous social safety net programmes were taken up to support different types of risks and vulnerabilities. These safety net programmes were often reinforced with graduation programmes to bring the poor sustainably out of poverty.

It is remarkable to note that the overall social protection programmes since independence have been rather incremental in response to the needs of people. Whenever there was crisis, it was tackled by taking up new programmes or expanding the coverage of existing programmes. There was no comprehensive approach to tackle different types of social risks. It was as late as 2015 that Bangladesh adopted a strategic and comprehensive approach to social protection.

6.1. Paradigm Shift

The government's social protection programmes were limited to different types of safety net programmes to tackle poverty and vulnerabilities. Safety nets are forms of social protection which help people meet immediate basic needs in times of crisis. Typical short-term goals of these safety net programmes were to mitigate the immediate impact of shocks and to smooth consumption. Bangladesh's current social security system is complex, comprising a large number of fragmented programmes and managed by 23 ministries. There are 143 programmes under the social security system currently financed through the budget.

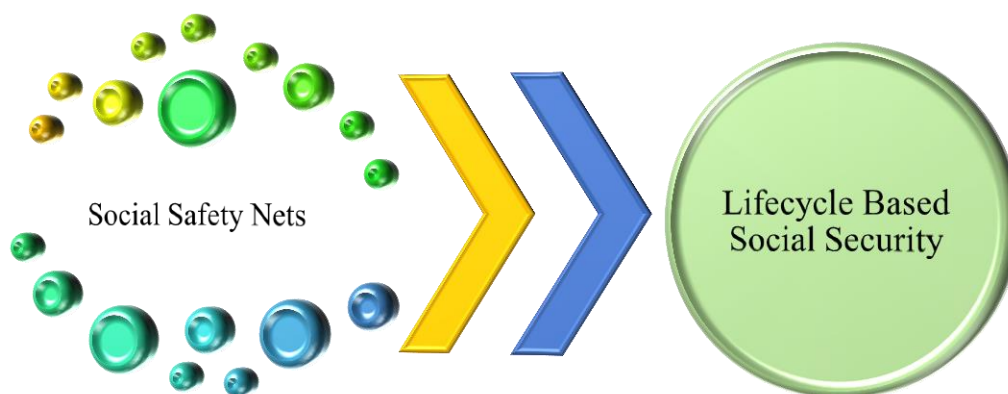


Figure 9: From social safety nets to social protection

It is for the first time in the history of Bangladesh that the government has taken a more comprehensive approach to social security by formulating the National Social Security Strategy (NSSS). It promotes the lifecycle based social protection system which is strategic in handling social risks along lifecycle. The purpose of this new system of social security is to consolidate the fragmented social safety net programmes into a lifecycle framework. Thus the formulation of the NSSS has brought in a paradigm shift in the social security programmes of Bangladesh.

6.2. Spending in Social Security

Reflecting the Government's commitment to Social Security, budgetary allocations have gradually grown in absolute terms as well as a share of GDP. As shown in the next graph the allocation for Social Security Programmes (SSPs) has been more than 2 per cent of GDP since 2008. The spending in social security was just 1.3 per cent of GDP in 1998, which has increased significantly during the present periods as shown in the graph. Although this level of funding is modest by international standards, when measured against the government's tight budget situation, it represents a substantial commitment, accounting for 13 per cent of total government spending, and reflects the high priority accorded by the Government to this aspect of the social development policy.

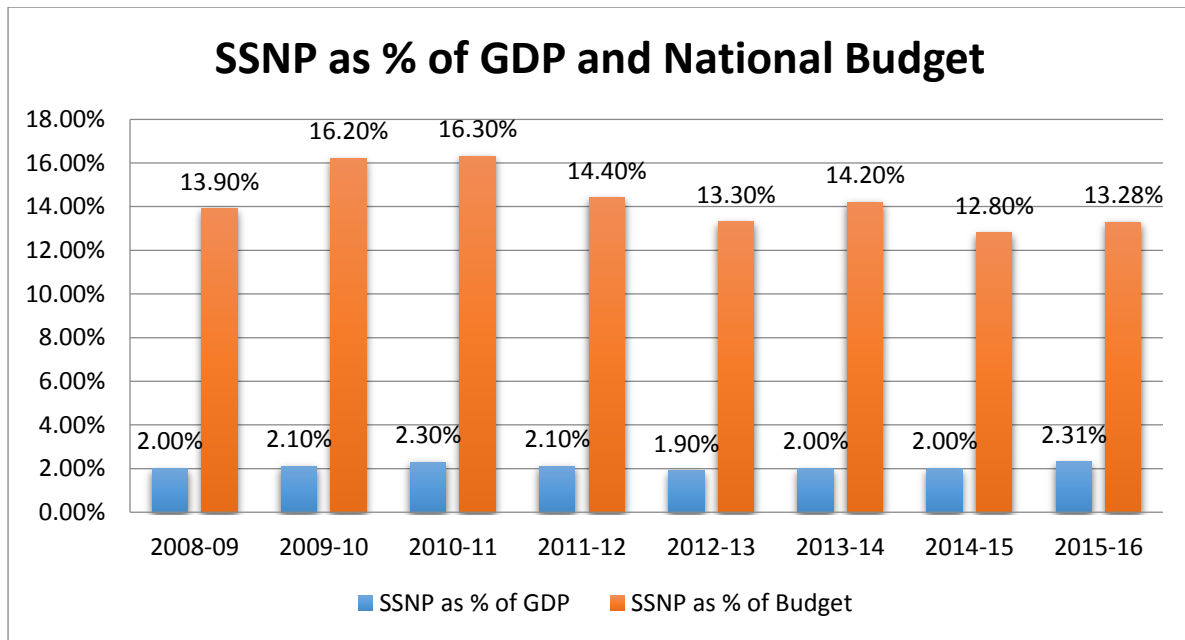


Figure 10: Social Protection Spending in Bangladesh

7. Formulation of NSSS

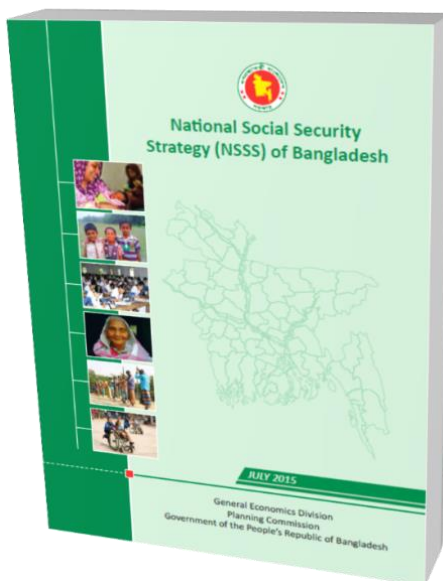


Figure 11: National Social Security Strategy of Bangladesh

In a great leap forward to develop an inclusive social protection for all deserving people, the Government of Bangladesh has formulated the National Social Security Strategy (NSSS) of Bangladesh. It addresses Bangladesh's triple problems of poverty, vulnerability and marginalization to pave the way for implementing the Seventh Five Year Plan (SFYP) and the Vision-2021. The core of the strategy is a lifecycle approach covering people's need over their entire life. Social inclusion of marginalized groups is a central principle of NSSS, with an expansion of programmes for the extreme poor and most vulnerable people.

7.1. Process of Formulation

The issue of preparing a National Social Security Strategy was conceptualized during a macro-economic review meeting in 2010 and later on in an international workshop on social protection in 2011 in Dhaka. Hon'ble Prime Minister participated in the workshop and agreed that Bangladesh urgently needs comprehensive strategic planning to better utilize the resources allocated for social protection. Then, after collaboration with stakeholders for numerous times the draft of NSSS was finalized in 2015 when it was kindly approved by the Cabinet.

The process of drafting the NSSS was initiated in 2012 with an action plan adopted by the Government. The Cabinet formed an Inter-Ministerial Committee chaired by the Cabinet Secretary to oversee drafting of the Strategy, with the General Economics Division of the Planning Commission acting as the secretariat. The plenary session of the Central Monitoring (now Management) Committee (CMC) headed by the Cabinet Secretary also reviewed the drafts of the NSSS several times.

A framework paper outlining critical knowledge gaps and key issues to address in the Strategy was prepared in 2013 and served as the foundation for its formulation. International experience sharing, seminars and training courses have brought about enhanced social protection knowledge in ministries. Ten background research papers were produced to help inform the Strategy. A series of consultations took place to ensure engagement of all

stakeholders. The draft was shared with relevant ministries and their feedbacks were reflected in the final draft. Now the NSSS is in the process of implementation, for which ministry and cluster specific action plans are being prepared. The process of formulation of the NSSS is shown in the following diagram:

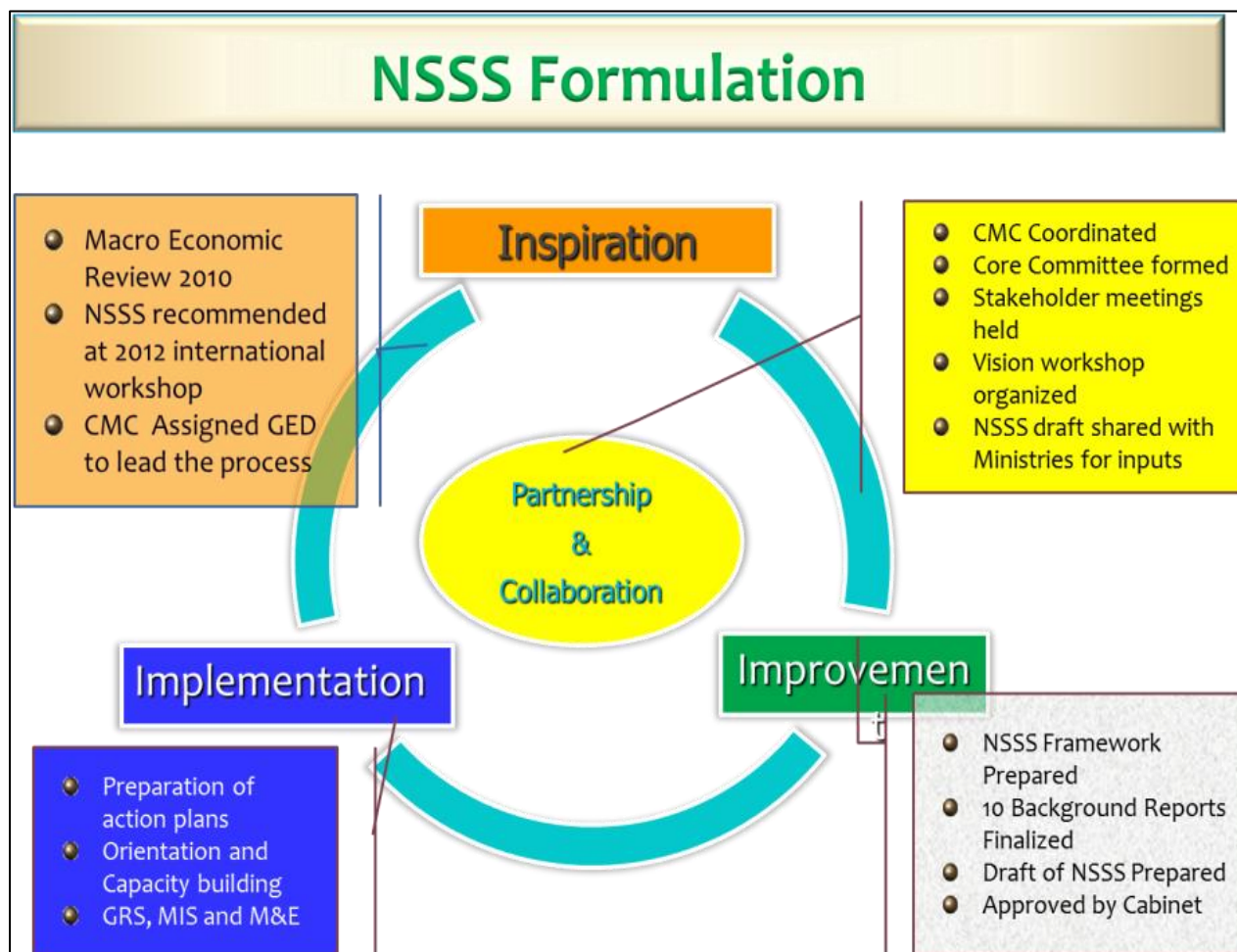


Figure 12: Formulation of the National Social Security Strategy

7.2. Vision and Mission of NSSS

7.2.1. Vision

The vision of the NSSS has been finalized after a daylong workshop with stakeholders including the representatives of the line ministries. The vision of the NSSS has been set as-

‘Build an inclusive Social Security System (SSS) for all deserving Bangladeshis that effectively tackles and prevents poverty and inequality and contributes to broader human development, employment and economic growth’.

7.2.2. Mission

The five year long mission of the NSSS is to ‘reform the national social security system by ensuring more efficient and effective use of resources, strengthened delivery systems and progress towards a more inclusive form of Social Security that effectively tackles lifecycle risks, prioritizing the poorest and most vulnerable members of society’.

8. Governance of Social Protection

The efficiency of social protection depends on the efficient design of the programmes and effective implementation of them. The most crucial parts are fair targeting and timely delivery benefits. However, with the social protection programmes being fragmented across multiple agencies there are chances of various challenges.

8.1. Implementation Challenges

The most common challenges facing implementation of social protection are as follows:

8.1.1. Overlap of Programmes:

Small and short term schemes on social protection are usually undertaken in absence of comprehensive policy frameworks. These programmes are usually incremental and are expanded when felt important. As a result, there are instances of overlap of programmes, either geographically or thematically. Similar types of programmes are undertaken in certain areas, parts of which are already under coverage of other programmes. This results in wastage of public resources and inefficiency of the programmes.

8.1.2. Leakage:

In social protection, leakage usually indicates the extent to which a programme includes beneficiaries who are not poor or not eligible for being enlisted as the beneficiaries. It is a common phenomenon in the global perspective that certain non-poor households get social protection benefits at the cost the genuine poor being excluded. In one estimate as much as 30 percent of the social benefits are wasted in leakage worldwide. In Bangladesh this rate is even more. There are some issues which are included as problems of leakage which are as follows:

Ghost beneficiaries: The benefits are given to people who do not exist at all. This is a sort of pilferage in the name of fictitious people.

Extortion practices: Beneficiaries are forced to pay a portion of their benefits to corrupt officials. Sometimes they have to pay money to get their names in the list of beneficiaries.

Clientelism: Benefits, by eligible or non-eligible people, are obtained in exchange for their political loyalty and support.

Rent seeking: Benefits are obtained by non-eligible people through their political influence.

Double dipping: This problem is also faced in social protection programmes in many countries. The beneficiaries get their names enlisted more than once so that they can receive double benefits. Sometimes they are enlisted in separate programmes of the same nature. As a result of double dipping or duplication some non-poor are deprived of the benefits. This is possible because of weak and fragmented MIS of the programmes. There is also allegation that one cannot take this privilege without connivance of the relevant staff.

8.2. Governance Tools

In order to streamline the social protection programmes two types of reforms are necessary. The first one is the programme consolidation along the lifecycle framework. Another reform need is improvement in the delivery mechanism as well as the overall governance of social protection. In consistence with international best practices, the NSSS suggests that the following five issues are vital for equitable and efficient delivery of social protection benefits to the right persons.



Figure 13: Governance Tools of Social Protection

8.2.1. Single Registry MIS

The efficient administration of Social Security schemes requires that high quality Management Information Systems (MISs) are in place. In effect, a form of national Single Registry can be established, based on a network of independent but interlinked scheme-specific MISs. It integrates and uses databases of different programmes of social protection or even other sectors by means of a single platform.

The term *registry* means an official written record of names or events or transactions. In a computerised environment, 'databases' and 'registries' are overlapping concepts, but both are for storing and retrieving information. MIS is a system that transforms retrieved data from a program's database into information that can be used for efficient and effective management. To do so, computerised MISs are based on tailored application software that allows for input,

process and output of information. In social protection literature, the term MIS is mostly associated with programme-level information management systems.

The characteristics of single registry are as follows:

- A single registry is a database of all people and households registered with programmes.
- Though it is called single registry, it may not necessarily be single.
- It aims to collect, record and store updated and historical information on individual and household characteristics and circumstances, and verifies and checks information.
- It can be compiled and unified from the data collection of several programmes.
- It is linked to a software application that acts as a platform for integration of different MISs.

Three categories of MISs can be considered ‘single registries’ in the perspective of social protection. The **most basic category** involves a system that solely manages internal programme operations. This category of system can be housed effectively in a specialised unit within the programme or may be outsourced to a specialised government agency. The **middle category** offers possibility of checking data of other departments for verification purpose. For example, in case of conditional cash transfer the data of education or health may be accessed. But in this category one programme cannot access the data of another programme. The **most advanced category** allows accessing data between different programmes.

The NSSS recommends the advanced category of single registry and this is in the process of implementation. The NSSS stipulates that the Government will establish a national Single Registry that uses the database from the national identity system and is based on building scheme-specific MISs that communicate with each other and deliver comprehensive information across government.

The Statistics and Informatics Division (SID) will take the lead in establishing the Single Registry in coordination with other concerned Ministries/Divisions. The Civil Registration and Vital Statistics (CRVS) initiative of Cabinet Division is to coordinate data of different organizations including election commission, birth and death registration, and health information system. It will provide a strong basis for creating single registry MIS for social protection.

8.2.2. Strengthening G2P Payment Systems

The choice of an appropriate delivery system depends on the specific type of social protection programme. In developing countries, delivery of hard cash is the main option in cash transfer programmes. Recently, opportunities for delivering cash through financial inclusive options such as bank account, mobile cash and ATM have been created. Possibility of introducing inclusive payment depends on positive conditions of the following - a) government policy, b) beneficiary profile, c) technological infrastructure, d) available service providers, e) cost of transaction and f) security. The most positive aspect of inclusive payment method is that it stops possibilities of corruption and leakages.

Financially inclusive payments arrangements are increasingly feasible in developing countries. Financial inclusion method, especially through electronic media offers more and better services to recipients while also reducing the administrative and personal cost. Therefore, there is enthusiasm for the promise of shifting social benefit payments from “cash transfers to e-payments for the poor usually called digitized G2P or government to person payment.

A key reform initiative as recommended in the NSSS is introduction of digitized Government to Person (G2P) payment systems so that they promote financial inclusivity and prevent leakages. The Government has already improved the cash delivery systems in some Social Security schemes so that transfers are delivered through financial institutions. The modalities of transferring cash through mobile banking, postal cash cards and agent banking are being piloted for establishing sustainable system of inclusive cash transfer. So far the Bangladesh Bank has issued circulars for regulating mobile banking and agent banking which will further facilitate strengthening the G2P payment through digital channels.

In Bangladesh there are some programmes which have *in kind* transfer, such as rice or wheat. The NSSS suggests that these programmes should be changed to cash transfer except the programmes for disaster response and relief, and Open Market Sales. Food for work programmes have already been changed to food for Taka programmes. Eventually the money will be transferred through electronic channels. The UNDP supported SWAPNO project of the Local Government Division has introduced a digital system of cash transfer to the beneficiaries. The Ministry of Social Welfare has introduced the digital system in a number of upazilas on pilot basis. Subject to positive experiences of these pilots the system will be rolled out nationwide.

8.2.3. Strengthening Processes for Fair Targeting

In social protection, targeting represents one of the most challenging elements of social protection design and implementation. The most serious concern is the transfers of benefits to the right people. It is a common challenge faced by developing countries, in particular when using poverty-based selection processes. One of the reasons is that the poverty condition of people is constantly changing. It is difficult to keep track of people when they are entering into eligibility or when they are going out. Moreover, there are other issues like political intervention and nepotism.

There are many typologies of targeting approaches, each with very different institutional arrangements. The most common types are as follows:

- **Household Assessments:** In this process the incomes, expenditures, assets, etc. of a household is assessed. Two different methods are used for such assessment.
 - **Means Test:** In this method the income and expenditure and the wealth of a household or individual is taken into consideration.
 - **Proxy Means Test:** In this method the economic conditions are assessed based on proxy indicators such as number of household members in employment, asset ownership and quality of housing with formula estimates of

the probability of a household being poor. In this process a score card is prepared and the scores indicate the poverty condition of the households.

- **Categorical targeting:** It involves identifying easily distinguishable attributes that characterise poor households and the provision of benefits to those who share those traits – such as children, widows, older people or people who live in low-income areas.
- **Self-targeting:** In this process the people identify themselves as most deserving candidates. The benefits of self-targeting programmes are purposefully made unattractive, so that only the poorest will want to participate in them.
- **Community-based targeting:** The community members take mutual decisions as to who are the most deserving candidates of the offered benefits.

Some countries use a single process for identifying the right persons as beneficiaries. Sometimes multiple processes are utilized for targeting. For example, in the Philippines a list of beneficiaries is prepared based on proxy means test. Then it is displayed to the community people for their endorsement. After revising the list in line with community opinions (if any) the list is finalized.

The NSSS adopts the household assessment approach with the method of proxy means test for targeting. Accordingly, the Statistics and Informatics Divisions (SID) has taken an initiative to establish a Bangladesh Household Database using the Proxy Means Test (PMT) scorecard approach which will be completed by 2017. In view of the limitations of the PMT approach, a combination of PMT, support from local government, and support from NGOs will be employed to identify the actual poor and vulnerable population.

8.2.4. Grievance Redress System

Grievance Redress System (GRS) is a functional platform for receiving people's complaints about quality of services delivered by government organizations. Its ultimate objective is to improve public administration and services quality, and thereby to enhance good governance. For fair and equitable administration of social protection programmes, GRS is considered as important in many countries.

There are normally two approaches to GRS, namely *aberration tackling approach* and *systemic pattern approach*. The first one is rather traditional, trying to correct any abnormality in service delivery. In this process each case of grievance is handled separately while taking it for granted that the administrative mechanism is free from fault. The second approach analyses the pattern of the grievances and suggests measures for improvement of the administrative system so that the causes of grievances do not arise at all. The advancement of information technology has made this approach practicable and many countries including India, Malaysia and Japan have implemented systemic pattern based GRS.

In order to ensure fair selection of beneficiaries and proper delivery of social protection benefits, a grievance redress mechanism is important. The NSSS mandates the Cabinet Division to build up a system of complaint and grievance management. The Local

Government Division will also facilitate to mitigate the grievances of the recipients at the grassroots level. NGOs will create mass awareness about the rights of the people in social protection and empower people to raise their voice in case of any deprivation.

As part of the Government agenda to establish Digital Bangladesh, the Cabinet Division recently installed a central online GRS to handle people's feedback more efficiently and effectively. In addition to written complaint, there is provision for hearing people's complaints in person. The Cabinet Division has issued directives to all the field offices to reserve one weekday for hearing people's complaints. Accordingly, the field offices are regularly hearing about people's dissatisfaction and providing instant remedy with records.

Some ministries have their own online grievance redress systems. However, it is recommended that measures should be taken to integrate the patchworks of all the ministries into a more robust and integrated GRS. The Cabinet Division took measures for capacity building of GRS officials of all the ministries and formulated a GRS guideline in 2015. However, in order to make the best utilization of the GRS platforms, the people have to be sensitized so that they avail themselves of the facility of GRS to give vent to their dissatisfaction.

8.2.5. Strong M&E

Monitoring and evaluation (M&E) is a function that helps improve performance of programmes and achieve results. Monitoring is the process of measuring and tracking performance indicators and reviewing the programme's implementation. It is an on-going process throughout the duration of the programme. Monitoring is done periodically, usually quarterly or monthly based on the nature and duration of the scheme. It primarily provides the management and stakeholders with early indications of progress or deficiency in achieving the results. Monitoring information helps the authority make timely decisions and ensure accountability of the responsible persons. Monitoring provides the basis for evaluation.

Evaluation, on the other hand, is the systematic and objective assessment of an on-going or completed project or programme. The main objective of evaluation is to determine achievement against the targeted results of the intervention. In evaluation the data of monitoring is used. Moreover, it is often necessary to conduct randomized control trial to assess the actual impact of the intervention in contrast with a control group not receiving benefits.

M&E commonly endeavours to find out the answer to the following questions:

- a) **Relevance:** Are the objectives and goals relevant in addressing the problems and needs?
- b) **Efficiency:** Is the project efficient, i.e. does it deliver output in a timely and cost efficient manner?
- c) **Effective:** To what extent does the project achieve its objectives? What are the supportive factors and obstacles encountered during the implementation?
- d) **Impact:** What were the intended or unintended effects of the project?
- e) **Sustainability:** Are the benefits of the completed project durable?

There are different types of M&E framework developed and improved by different organizations and countries for different purposes. Development Results Framework is a commonly used format of M&E. The recently introduced Annual Performance Agreement (APA) in Bangladesh also utilizes a framework of M&E.

An effective framework of monitoring and evaluation (M&E) is necessary to improve delivery processes, document results, inform policymakers about the effectiveness of alternative approaches, and mobilize political support for sustainability and expansion of the programmes that comprise the strategy. M&E activities will be divided into three components. Implementing Ministries/Divisions will monitor progress of their respective programmes; IMED will be responsible for overall monitoring and evaluation of implementation of projects/programmes. Lastly, the role of GED would be to prepare a results framework, using a matrix of specific indicators and evaluate performance of NSSS implementation in a holistic approach.

9. Organizational Reforms

9.1. Central Management Committee

In consideration of the multi-dimensional expansion of the responsibilities, the erstwhile Central Monitoring Committee (CMC) on Social Safety Net Programmes has been reformed and renamed as Central Management Committee (CMC) on Social Security Programmes. The committee is formed with the Cabinet Secretary as the chair and secretaries of 33 Ministries/Divisions as the members and the Additional Secretary (Coordination) of Cabinet Division as its Member Secretary.

9.1.1. Terms of Reference of the Central Management Committee

The main terms of reference of the CMC include the following:

- a) To provide support to the five thematic clusters on social security for coordination of mutual cooperation and provide guidance in solving inter-ministerial or inter-cluster disagreements or disputes;
- b) To approve the action plans for implementation of NSSS and to monitor progress in implementation of these action plans;
- c) To assist the ministries/divisions in obtaining reasonable amount of budget allocation and logistical supports for implementation of the action plans;
- d) To provide guidance to the ministries/divisions in aligning their on-going programmes along the life-cycle framework;
- f) To provide necessary directives to field administration in order for them to properly coordinate the implementation of social security programmes in consistence with the NSSS;
- g) To monitor the activities of the district and upazila level committees on social security, review their reports and take necessary decisions accordingly;
- i) To give guidance to the concerned ministries/divisions to implement the activities like, establishment of a single registry MIS, digitize G2P payment system, develop M&E and a robust GRS.

9.2. Thematic Clusters

The NSSS suggests some administrative arrangements for smooth functioning and coordination of the social security programmes undertaken by the line ministries. One of such newer arrangements is to provide a platform of coordination for ministries/divisions with identical types of social security programmes. Such ministries/divisions have been grouped into five clusters to coordinate their programmes for avoiding probable overlapping. The five clusters as recommended in the NSSS are shown in the following diagram:

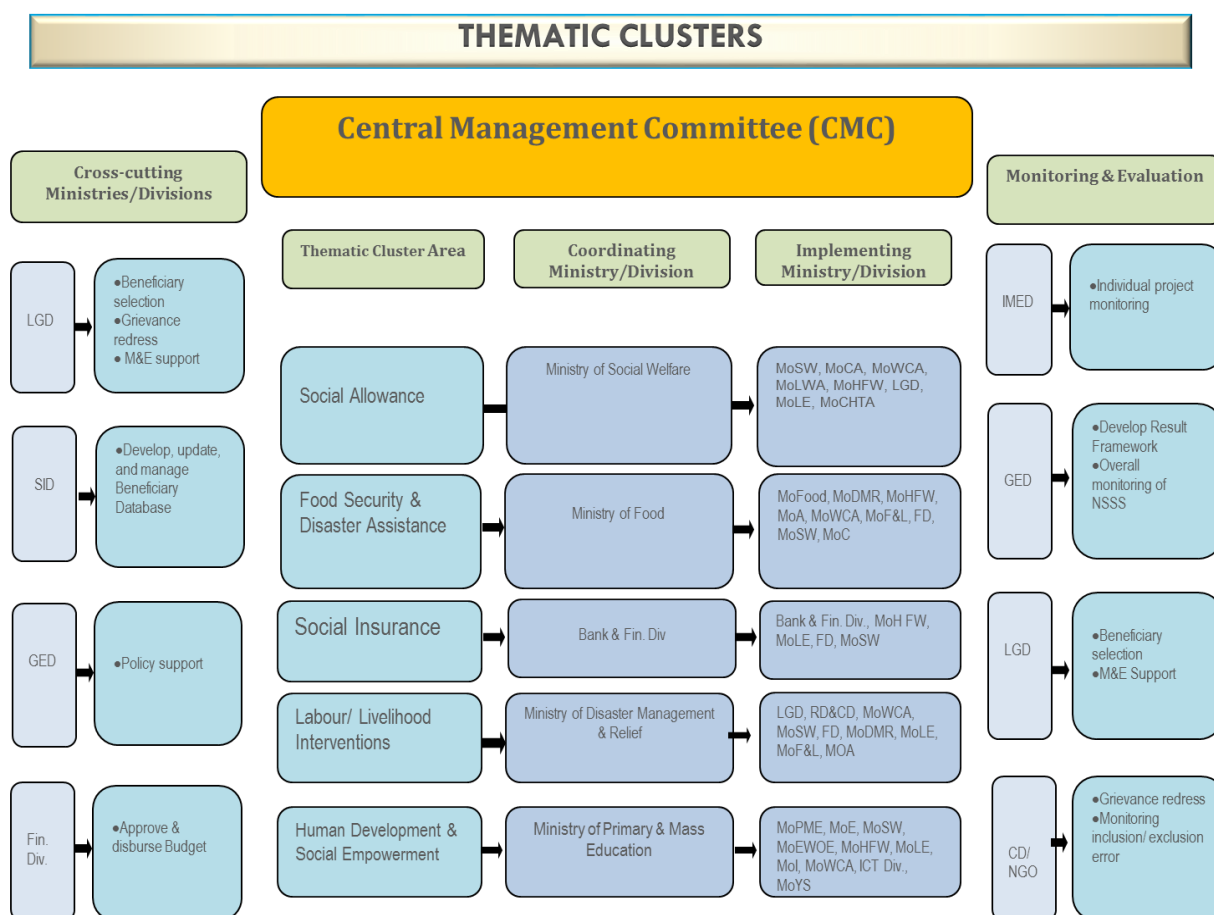


Figure 14: Thematic Clusters

In order to give effect to the recommendations of the NSSS the Cabinet Division has issued a circular clearly defining the structure of the thematic clusters and their roles. The thematic clusters are as follows:

9.2.1. Social Allowances

Ministry of Social Welfare is the lead coordination ministry while the other member ministries/divisions are as follows:

1. Ministry of Women and Children Affairs
2. Ministry of Cultural Affairs
3. Ministry of Liberation War Affairs
4. Ministry of Health and Family Welfare
5. Local Government Division
6. Ministry of Labour and Employment
7. Ministry of Chittagong Hill Tracts Affairs

9.2.2. Food Security and Disaster Assistance

Lead coordination ministry for this thematic cluster is the Ministry of Food, while the other member Ministries/Divisions are as follows:

1. Ministry of Disaster Management and Relief
2. Ministry of Health and Family Welfare

3. Ministry of Agriculture
4. Ministry of Women and Children Affairs
5. Ministry of Fisheries and Livestock
6. Finance Division
7. Ministry of Social Welfare
8. Ministry of Commerce

9.2.3. Social Insurance

Lead coordination division for this cluster is the Bank and Financial Institutions Division. The other Ministries/Divisions included in this thematic cluster are:

1. Finance Division
2. Ministry of Health and Family Welfare
3. Ministry of Labour and Employment
4. Ministry of Social Welfare

9.2.4. Labour/Livelihoods Interventions

Lead coordination ministry for this thematic cluster is the Ministry of Disaster Management and Relief; the other Ministries/Divisions are:

1. Local Government Division
2. Rural Development and Cooperatives Division
3. Ministry of Women and Children Affairs
4. Ministry of Social Welfare
5. Finance Division
6. Ministry of Labour and Employment
7. Ministry of Fisheries and Livestock
8. Ministry of Agriculture

9.2.5. Human Development and Social Empowerment

Lead coordination Ministry is the Ministry of Primary and Mass Education. Other Ministries/Divisions are:

1. Prime Minister's Office
2. Ministry of Land
3. Ministry of Education
4. Ministry of Social Welfare
5. Ministry of Expatriates' Welfare and Overseas Employment
6. Ministry of Health and Family Welfare
7. Ministry of Labour and Employment
8. Ministry of Industry
9. Ministry of Women and Children Affairs
10. Information and Communication Technology Division
11. Ministry of Youth and Sports

9.2.6. Terms of Reference of Thematic Cluster

The terms of reference of the thematic clusters are as follows:

- To reform, consolidate and integrate social security programmes in the light of the NSSS and to coordinate the action plans of ministries within each thematic cluster;
- To coordinate NSSS action plans of the Ministries/Divisions within the cluster and to submit the integrated action plans to the Central Management Committee;
- To coordinate with the Finance Division for securing necessary budgetary allocations for implementation of action plans;
- To identify rules and regulations relating to the social security programmes of the cluster to be amended for the sake of implementing the NSSS;
- To monitor and evaluate the progress of implementation of the action plans of the Ministries/Divisions within the clusters;
- To design integrative plans for different programmes to ensure correct targeting and their effective implementation.

9.2.7. Cross Cutting Ministries/Divisions

Besides the thematic clusters, there are some ministers/divisions which have cross cutting roles as follows:

- **Cabinet Division:**

The Cabinet Division will review the proposals regarding consolidation, reformation or termination of social security programmes of different ministries/divisions and the thematic clusters. The Division will be responsible for establishing a Grievance Redress System (GRS). It will also formulate Management Information System (MIS) and Annual Monitoring & Evaluation (AM&E) regarding social security programmes. Providing secretarial support to the Central Management Committee (CMC) is the responsibility of the Cabinet Division.

- **General Economics Division (GED):**

GED will formulate a results-based monitoring and evaluation framework for the social safety net programmes; ensure consistency of the social security programmes with Five Year Plans and other national strategies;

- **Finance Division:**

The Finance Division will approve and disburse public-financed social security budget and track financial delivery.

- **Local Government Division:**

The responsibility of Local Government Division is to provide assistance in targeting the beneficiaries through Local Government Institutions following participatory methods; to resolve any complaints relating to selection of beneficiaries and assist in preparation of a monitoring and evaluation system in this regard; and to provide assistance to the Ministries/Divisions in implementation of their social security programmes through the local government institutions.

- **Implementation Monitoring and Evaluation Division (IMED):**

This Division will be responsible for monitoring and evaluation of implementation of projects/programmes.

- **Statistics and Informatics Division (SID)**

SID and BBS will develop, maintain and update a single registry beneficiary database, as well as the Bangladesh Household Database from which eligible beneficiaries can be sourced.

9.3. Important Committees

There exist a number of committees which facilitate the implementation as well as monitoring of the social protection programmes with focus on the NSSS. Some of these committees are as follows:

9.3.1. CMC Focal Point Committee

This is an informal committee headed by the Secretary (Coordination and Reforms), Cabinet Division to monitor the implementation of the CMC decisions and also to make recommendation to the CMC on certain issues in detail. The Social Protection Focal points of the CMC ministries are the members of the committee. The Focal Point Committee plays a very significant role in assisting the CMC.

9.3.2. Action Plan Sub-Committee

In order to prepare action plans of the NSSS a 13-member NSSS action plan sub-committee has been formed, headed by the Secretary (Coordination and Reforms) of the Cabinet Division. The main responsibility of the sub-committee is to review the progress of the formulation of NSSS action plans of ministries/divisions and the thematic clusters and to conduct coordination as and when required. The sub-committee will submit the NSSS action plans of the Ministries/Divisions and thematic clusters to the CMC. It will also monitor the implementation progress of the NSSS action plans and provide support in trouble shooting any problems when necessary.

9.3.3. Cluster Committees

In order to coordinate the social protection activities of each thematic cluster and to carry out all the responsibilities of the thematic clusters, cluster committees headed by the Secretaries of the cluster lead ministries have been formed. The focal points of clusters member ministries/divisions are members of these committees.

9.3.4. District Social Security Monitoring Committee

With the objective of monitoring the social security activities at the district level a District Monitoring Committee on Social Security Programmes was formed in each district in 2010. It is a 22-member committee headed by the Deputy Commissioners of the respective districts. The main terms of reference of the committee are to review the social security budget at the district level; to review and coordinate the social security action plans of different

departments at the district; to review the policies and procedures of selection of the social security beneficiaries; and to review the overall activities of social security at the district and to provide necessary guidance for implementation of relevant programmes.

9.3.5. Upazila Social Security Implementation Committee

There is a social safety net implementation committee in each Upazila. This is a 15-member committee with the Upazila Nirbahi Officer (UNO) as the chair and the Upazila Chairman as its adviser. The main responsibility of the committee is to finalize and preserve the list of beneficiaries; ensure the delivery of social benefits to the recipients; and to monitor the overall implementation of the social security programmes at the Upazila level. The committee will explore if there is any duplication in beneficiary selection and take measures to stop such duplication.

9.4. Administrative Reforms in the Second Phase

The reform measures as mentioned above will continue till 2025. From 2026 onward the social protection system will enter into the second phase of social protection reforms characterised by a strengthened and reformed Department of Social Service (DSS) under the Ministry of Social Welfare. The DSS will be in charge of implementing or coordinating all the lifecycle based programmes. Disaster response schemes, workfare programmes and other programmes falling outside lifecycle based programmes will continue to be implemented by each respective ministry as required.

Line ministries concerned will design and implement new innovative SSPs based on allocation of business, addressing emerging shocks and vulnerabilities, and coordinate such programmes between them. The governance and policy making functions of the Cabinet Division will continue. The role of other ministries in dealing with cross cutting issues and M&E will remain as it is now.

10. Programmes Consolidation

The NSSS recommends that the sporadic and fragmented social security programmes will be coordinated and consolidated into core lifecycle programmes. The consolidated lifecycle programmes will take a shape as indicated in the following infographic:

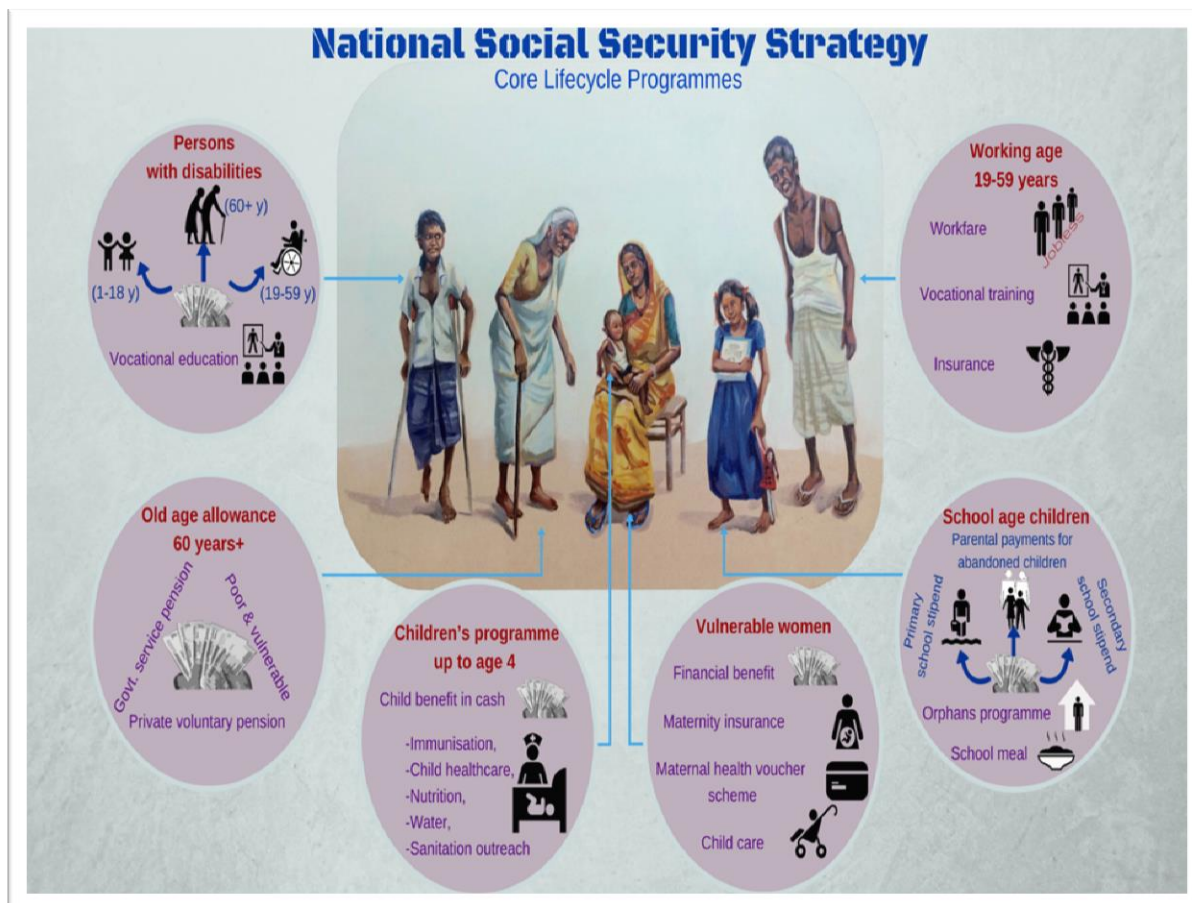


Figure 15: Core Lifecycle Programmes

10.1. Major Programme Reforms

Of the existing social security programmes, 65 percent represent a lifecycle framework as suggested in the NSSS. There are still some gaps which have to be filled by either taking up new programmes or revising the existing ones. In this process some of the programmes will be terminated or will not be renewed. The major reformation in the social security programmes will be as follows:

1. Strengthening Social Security for Children (age <1 – 18)

- Child benefit
- Primary and secondary school stipends
- Continuing orphans and school meals programmes
- Ensuring child maintenance payment for abandoned children
- Strengthen immunization, child healthcare, nutrition and water and sanitation programmes

2.a Strengthening Programmes for Working Age (age 19-59)

- Strengthen education and training
- Strengthen workfare programmes
- Introducing unemployment, accident, sickness and maternity insurance under NSIS

2b. Strengthening Programmes for Vulnerable Women (age 19-59)

- Consolidate into one Vulnerable Women Benefit programme on a cash basis.
- Provision of childcare across all formal & informal employment
- Maternal health care
- Training programmes

3. Comprehensive Pension System for the Elderly

- Old age allowance (age 60 +)
- Government service pension
- The national social insurance scheme (NSIS)
- Private voluntary pensions

4. Strengthening the system of social security for people with disabilities

5. Strengthening the social security system for the urban poor

6. Consolidate and reform food security type programmes

7. Consolidate small, special and covariate risk mitigation programmes

11. SSPS Programme

As part of implementation of the National Social Security Strategy, a Technical Assistance project called ‘Social Security Policy Support (SSPS) Programme’ has been undertaken jointly by the Cabinet Division and the General Economics Division of the Planning Commission. The duration of the programme is from 2014 to 2017 in the first phase. The project is supported by UNDP Bangladesh, DFID and DFAT. The project is operated by a national project director, two deputy project directors and three assistant project directors. It is staffed by national and international consultants and specialists directly appointed by UNDP.

The main objective of the project is to support implementation of a robust social security system and modernize the delivery system of social protection and enhance overall governance in this sector. Specifically, the project works for supporting the consolidation of the social security programmes into a lifecycle framework, establishment of a single registry MIS, implementation of GRS, facilitating expansion of G2P payment system and establishing results based monitoring and evaluation system of the social security programmes.

The SSPS programme is also involved in capacity building of the relevant officials of the government and public representatives. With this objective, the project engages itself in conducting research and developing knowledge products on social protection. It also organizes seminars, workshops and dialogues on burning issues of social protection. So far it has organized workshops for officials of ministries, field administration and public representatives including the hon’ble Members of Parliament.

