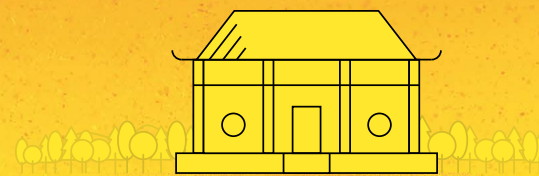


Social protection in Asia and the Pacific: Overview



Half the region left unprotected

More than half of the population of Asia and the Pacific is not covered by any social protection scheme. Comprehensive systems with broad coverage exist only in few countries and too many people are forced to rely on savings and informal support in times of need.

Coverage varies from scheme to scheme. Old-age pensions are the only schemes that cover the majority of eligible recipients. Benefits for children, unemployed, injured and persons with disabilities cover below a third of the population. There is only slightly higher coverage for maternity benefits. Only one in five persons are covered by non-contributory benefits. More than a quarter of the region's population does not have access to affordable health care.

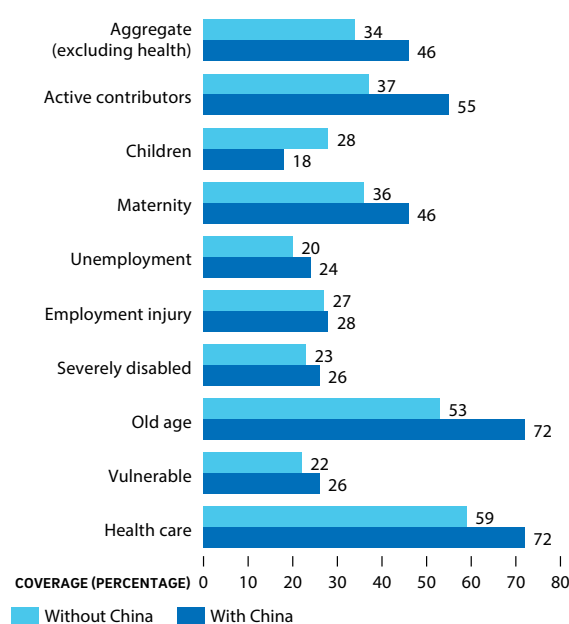
Contributory benefits is a privilege of the few

Contributory schemes is a preserve of the minority of workers in formal jobs. Those who contribute to social protection schemes tend to be wealthier, better educated urban residents. Coverage therefore tends to be lowest among vulnerable workers and those in small and medium sized enterprises. To be effective and far-reaching in coverage, civil registration systems are key to ensure people are included and can receive benefits. In the Asia-Pacific region, 135 million children are not registered and the unbanked population is large.

Non-contributory benefits are rare

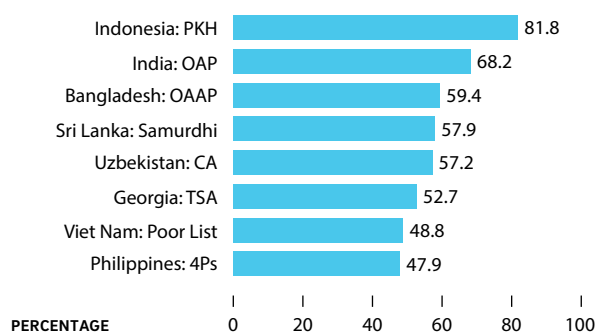
Non-contributory schemes have been expanded in recent decades but access is still limited. Many such schemes only target the poorest who are extremely difficult and costly to identify. Large scale exclusion errors mean that the best performing poverty-targeted schemes in the region miss around half of those they intend to reach. These poverty-targeted schemes also fail to cushion against specific life contingencies, such as having a child, becoming unemployed, or getting old.

FIGURE 1 Indicators of effective social protection coverage as per Sustainable Development Goal target 1.3 and health care (population weighted), Asia and the Pacific, latest available year



Source: International Labour Organization, World Social Protection Database. Available at <https://www.social-protection.org/gimi/ShowTheme.action?id=10>. Note: The aggregate indicator measures the proportion of the population protected in at least one area of social protection, excluding health, which is a core indicator of progress for Sustainable Development Goal target 1.3.

FIGURE 2 Exclusion errors for selected poverty-targeted social protection programmes, selected countries, latest year



Source: Stephen Kidd and Diloá Athias, "Hit and miss: an assessment of targeting effectiveness in social protection with additional analysis", working paper (Orpington, UK, Development Pathways, 2020). Note: Schemes in the figure are set out to target the poorest 25 per cent or less.

Low investment means low coverage

Low social protection coverage is a consequence of underinvestment. In Asia-Pacific, expenditure on social protection is considerably lower than in most other regions. At an average of 4.9 per cent of GDP, it is less than half of the global average of 11 per cent. Many countries in the region spend less than 2 per cent of their GDP on social protection, particularly in the Pacific, South-East Asia and South and South-West Asia. In many countries, the lion's share of the investment in social protection is also directed to public service pensions, reaching only a fraction of those who needs it.

'Missing middle' and migrant workers unprotected

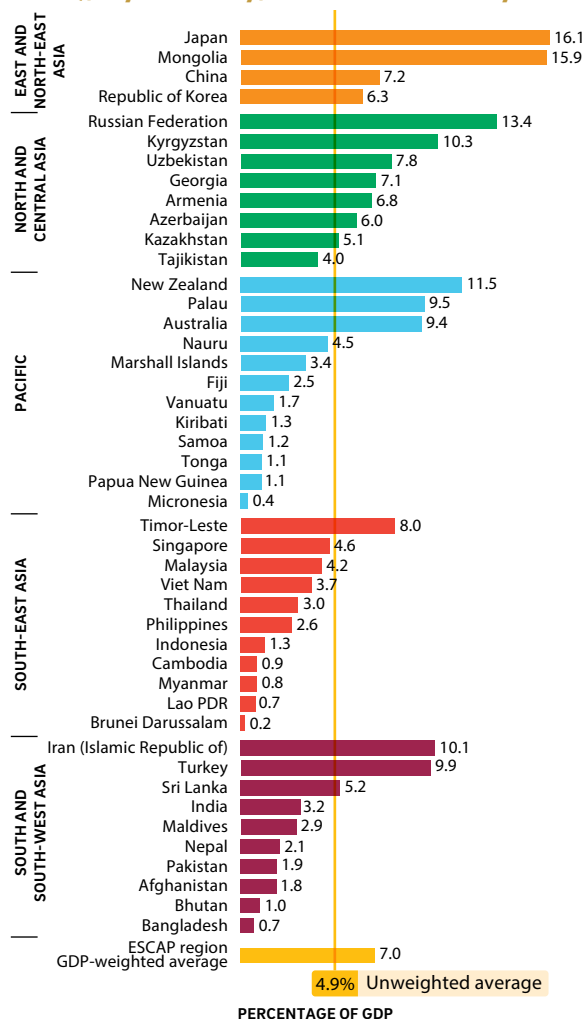
As a result of limited social protection, a significant group of people, is left uncovered. The 'missing middle' comprises those whose incomes disqualify them from poverty-targeted non-contributory schemes but who are unable to participate in contributory schemes. Typically, this group lives above the poverty line but can be pushed into poverty by modest shocks or pressure on their livelihoods. In many countries the 'missing middle' is the majority of the population. A disproportionate number of migrant workers are also left without protection against any life contingency.

Impacts of COVID-19

The COVID-19 pandemic has led to a significant rise in social protection measures across the region but responses from countries with well-established systems have been most effective.

More than 300 new social protection measures have been introduced across 40 countries. Yet countries with existing effective registration and delivery systems have been able to better identify and support people quickly. In countries with weaker social protection systems, new schemes experienced delays and large parts of the population were not reached. Nonetheless, these new schemes offer an opportunity for many countries to reform their social protection architecture in an inclusive and sustainable way.

FIGURE 3 Public expenditures on social protection excluding health (per cent of GDP), by country, latest available year



Source: International Labour Organization, World Social Protection Database. Available at <https://www.social-protection.org/gimi/ShowTheme.action?id=10>.

TABLE 1 Top 10 announced COVID-19 social protection measures in the Asia-Pacific region

MEASURE	NUMBER
Benefits for workers and/or dependents	52
Benefits for poor or vulnerable populations	37
Increased benefit levels	26
Subsidies, deferring or reducing the cost of necessities/utilities	25
Deferring, reducing or waiving social contributions	24
Subsidies to wages	23
Extending coverage	22
Improving delivery mechanism/capacity	22
Increasing resources/budget allocations	15
Relaxing or suspending eligibility criteria or conditionalities	12

Source: United Nations Issue-Based Coalition for Inclusion and Empowerment, "Social protection responses to COVID-19: in Asia and the Pacific: the story so far and future considerations" (August, 2020). Available at https://www.ilo.org/asia/publications/WCMS_753550/lang--en/index.htm.