

## **ANNEX 1. DEFINITIONS OF SOCIAL PROTECTION AND RELATED CONCEPTS/TERMS**

### **Social Protection**

"Social protection is the systematic intervention intended to relieve households and individuals of the burden of a defined set of social risks. Social risks are defined as events or circumstances that may adversely affect the welfare of households either by imposing additional demands on their resources or by reducing their income. Needs may occur due to sickness, unemployment, retirement, housing, education, or family circumstances ... Social protection can be organized as social assistance or social insurance schemes, with the latter organized as social security schemes or employment-related social insurance schemes." (IMF, Government Finance Statistics Manual, 2014)

"Generally, social protection and labor refer to the set of policies and programs aimed at preventing or protecting all people against poverty, vulnerability, and social exclusion throughout their life cycles, with a particular emphasis on vulnerable groups. Social protection can be provided in cash or in kind, through noncontributory schemes, providing universal, categorical, or poverty-targeted benefits such as social assistance or social safety nets, contributory schemes with social insurance being the most common form, and by building human capital, productive assets, and access to productive jobs." (World Bank, The State of Social Safety Nets, 2015)

"In the context of this report, social protection is broadly understood as a set of public and private policies and programs undertaken by societies in response to various contingencies to offset the absence or substantial reduction of income from work; to provide assistance for families with children as well as provide people with health care and housing." (UN ECOSOC, Enhancing Social Protection and Reducing Vulnerability in a Globalizing World, 2000)

"UNICEF understands social protection as a set of public and private policies and programs aimed at reducing and eliminating economic and social vulnerabilities to poverty and deprivation." (UNICEF, Social Protection Strategic Framework, 2012)

"Social protection is defined as the set of policies and programs designed to reduce poverty and vulnerability by promoting efficient labor markets, diminishing people's exposure to risks, and enhancing their capacity to protect themselves against hazards and interruption/loss of income." (Asian Development Bank, Social Protection Strategy, 2001)

"Social protection encompasses all interventions from public or private bodies intended to relieve households and individuals of the burden of a defined set of risks or needs, provided that there is neither a simultaneous reciprocal nor an individual arrangement involved. The list of risks or needs that may give rise to social protection is, by convention, as follows: 1. Sickness/Health care; 2. Disability; 3. Old age; 4. Survivors; 5. Family/children; 6. Unemployment; 7. Housing; 8.

Social exclusion not elsewhere classified.” (Eurostat, The European System of Integrated Social Protection Statistics (ESSPROS) Manual, 2011)

“[I]n many contexts the two terms, ‘social security’ and ‘social protection’ may be largely interchangeable, and the ILO certainly uses both in discourse with its constituents and in the provision of relevant advice to them. In this report, reference is made to ‘social protection’ both as an alternative expression for ‘social security’ and to denote the protection provided by social security in case of social risks and needs.” (ILO, World Social Protection Report, 2014)

“Social protection refers to policies and actions which enhance the capacity of poor and vulnerable people to escape from poverty and enable them to better manage risks and shocks. Social protection measures include social insurance, social transfers and minimum labor standards.” (OECD, Promoting Pro-Poor Growth: Social Protection, 2009)

“DFID takes a narrower definition of social protection that focuses on a sub-set of public actions that help address risk, vulnerability and chronic poverty. These comprise three sets of instruments: social insurance—refers to the pooling of contributions by individuals in state or private organizations so that, if they suffer a shock or change in circumstances, they receive financial support; social assistance—comprises non-contributory transfers that are given to those deemed vulnerable by society on the basis of their vulnerability or poverty; and, the setting and enforcing of minimum standards to protect citizens within the workplace.” (DFID, Social Protection in Poor Countries, 2006)

“Social protection describes all public and private initiatives that provide income or consumption transfers to the poor; protect the vulnerable against livelihood risks; maintain and build productive assets and livelihoods activities; and enhance the social status and rights of the marginalized, with the overall objective of reducing the economic and social vulnerability of poor, vulnerable and marginalized groups.” (ODI, Guidance Note for DFID: Exploiting the Synergies Between Social Protection and Economic Development, 2014)

“Social protection consists of policies and programs designed to protect people from shocks and stresses throughout their lives... At a minimum, social protection systems include safety nets, labor market policies, insurance options and basic social services, as in education, health and nutrition.” (WFP, Two Minutes on Social Protection, 2015)

### **Social Security**

“Social security arrangements refer to social insurance and social assistance programs. The former (e.g., pensions and unemployment insurance) may not necessarily be targeted to the poor, while the latter generally are targeted to the poor.” (IMF, Social Safety Nets in Economic Reform, 1993)

“Social security is provided through (a) social insurance (generally covering pensions, unemployment benefits and health care), and (b) social assistance (comprising various in-kind

and cash transfers to the entire population or to some specific target groups). While the objectives of social insurance are income smoothing and insurance against risks, social assistance is provided to households which are either not covered by any insurance, or are very poor and vulnerable to shocks." (World Bank and IMF, Social Security Reforms and Social Safety Nets in Reforming and Transforming Economies, 1993)

"Social security schemes are social insurance schemes covering the community as a whole, or large sections of the community, and are imposed and controlled by government units. These schemes cover a wide variety of programs, providing benefits in cash or in kind for old age, invalidity or death, survivors, sickness and maternity, work injury, unemployment, family allowance, health care, etc." (IMF, Government Finance Statistics Manual, 2014)

"The notion of social security adopted here covers all measures providing benefits, whether in cash or in kind, to secure protection, inter alia, from: lack of work-related income (or insufficient income) caused by sickness, disability, maternity, employment injury, unemployment, old age, or death of a family member; lack of (affordable) access to health care; insufficient family support, particularly for children and adult dependents; general poverty and social exclusion." (ILO, World Social Protection Report, 2014)

### **Social Safety Nets**

"Social safety nets are defined broadly in this paper to include a range of transfer instruments aimed at mitigating possible adverse effects of reform measures on the poor. These instruments include temporary arrangements, as well as existing social protection measures reformed and adapted for this purpose, such as limited food subsidies, social security arrangements for dealing with various life-cycle and other contingencies (e.g., old-age, disability, unemployment, sickness, and drought), and targeted public works." (IMF, Social Safety Nets in Economic Reform, 1993)

"Social safety nets consist of a combination of measures aimed at protecting the poor from the adverse consequences of economic shocks and structural reforms, and helping them escape poverty." (IMF, Fiscal Adjustment for Stability and Growth, 2006)

"Social safety nets are noncontributory measures designed to provide regular and predictable support to poor and vulnerable people. They are also referred to as safety nets, social assistance, or social transfers, and are a component of larger social protection systems... The review does not consider generalized subsidies as part of safety nets, which in most cases include regressive interventions tied to fuel and energy consumption." (World Bank, The State of Social Safety Nets, 2015)

"Safety nets are programs designed to provide people who are vulnerable to poverty, living in poverty or who are facing food insecurity and other forms of deprivation with predictable and reliable support through food, cash or vouchers. Safety nets are best understood as part of the

larger social protection system in any given country...” (WFP, Two Minutes on Social Protection, 2015)

### **Social Spending/Expenditure**

“Social spending is defined here as public spending on education and health.” (Clements, Gupta, and Nozaki, What Happens to Social Spending in IMF-Supported Programs? 2011)

“Social spending includes social protection, education, and health care.” (IMF, Fiscal Monitor, April 2014)

“Social expenditure comprises cash benefits, direct in-kind provision of goods and services, and tax breaks with social purposes. Benefits may be targeted at low-income households, the elderly, disabled, sick, unemployed, or young persons. To be considered ‘social,’ programs have to involve either redistribution of resources across households or compulsory participation.” (OECD, Glossary of Statistical Terms, 2007)

### **Social Safeguards**

“In this paper, all measures aimed at safeguarding social spending and protecting the most vulnerable are referred to as ‘social safeguards.’ Social safeguards include (i) minimum floors for social and other priority spending, typically established using indicative targets (IT), and (ii) specific reform measures designed to protect vulnerable groups, sometimes established as prior actions or structural benchmarks under Fund-supported programs. In the context of spending floors, social spending is generally defined to include spending on health, education, and social safety nets (e.g., increase social transfers to the poor). Vulnerable groups are defined in a country context and would include, for example, the poor, the elderly, the youth and women.” (IMF, Social Safeguards and Program Design in PRGT and PSI-Supported Programs, 2017)