



SOCIAL PROTECTION, AT THE HEART OF EU DEVELOPMENT POLICY WHAT DOES THE ERD RECOMMEND?



Social protection should become an integral and central component of EU development policy, concludes the second European Report on Development (ERD 2010/2011) which was launched in Brussels on 7 December 2010.

It should not replace conventional development policy measures, but it should complement them by helping combat poverty, reduce vulnerability to shocks and promote inclusive development and growth in sub-Saharan Africa and other developing regions. "Social protection is not only a right but also an investment critical to the success of the wider development approach," emphasises the report. "It is a key missing piece of the puzzle, which can significantly improve the impact of EU development policies."

The report calls on the EU and other donors to become more engaged in social protection and forge a comprehensive social protection policy framework, rather than the current limited, largely uncoordinated and piecemeal efforts. The ERD 2010/2011 identifies seven priority areas for a future EU development agenda on social protection in Africa:

1. Make social protection an integral part of EU development policy:

The EU should put in place a comprehensive policy framework for social protection, tied to concrete time-bound commitments and dedicated resources. The current debate on a possible review of EU development policy, which was set in motion by a Green Paper¹ released in November 2010, provides a golden opportunity in this regard.

2. Promote and support domestic processes:

Evidence suggests that the most sustainable and effective change starts from within, so the EU should support domestic processes and promote the implementation of an African-owned social protection agenda at continental, sub-regional and national levels, starting with the African Union Social Policy Framework. This means that investment in capacity building is key.

3. Assist in tackling affordability:

One of the major challenges facing the social protection agenda in Africa is the issue of financing. Given that the most sustainable systems are those which rely on domestic sources, the EU should help sub-Saharan African countries to maximise the mobilisation of their domestic resources, such as through tax reform and efficient revenue collection. For a transitory period, aid can act as a catalyst – which makes it all the more important that the EU and other donors honour their commitment of devoting 0.7% of their gross domestic product to development assistance, while providing predictable and reliable aid. To leverage more resources, innovative financing options should also be explored.

4. Tailor interventions to specific contexts and needs:

There can be no 'one-size-fits-all' approach to social protection, given the large heterogeneity of sub-Saharan African countries. Rather, EU support should be tailored to meet the specific needs and features of each country through a locally led process. When feasible, assistance could include budget support, capacity building and policy dialogue. In addition, monitoring and evaluation are key to ensuring accountability, to facilitating learning and to demonstrating impact.

5. Support knowledge-building and lesson-sharing:

The EU should back research into how social protection affects and benefits development in order to stimulate the learning process and enable evidence-based investments and decision-making. Further research should include the impact of social protection on growth and vulnerability in the medium term, as well as its impact on political stability, social cohesion and the social contract. Most importantly, the EU should further support Africa's capacity to develop its own thinking and vision on social protection, and contribute mutual learning between developing countries.

6. Improve the coordination, complementarity and coherence of EU action:

In order to increase the impact in the social protection sphere, the Union and its Member States need to coordinate their action with one another and with other donor countries and organisations and fully comply with international and EU aid effectiveness commitments. Towards that end, the ERD recommends the establishment of an EU-wide network of experts which would create a vital link between the various actors. The network's first task would be to map existing EU and national efforts in the social protection field. Furthermore, improving policy coherence for social protection is also crucial.

7. Strengthen EU partnerships for a progressive social protection agenda:

European involvement in social protection as a development tool has so far been limited. To address this, the EU should work more closely with strategic partners – including the International Labour Organisation and other UN agencies, the African Union and the African Development Bank – to promote a progressive international agenda for social protection and fairer globalisation. New and innovative public-private partnerships (PPPs) should also be explored in that regard.

QUESTIONS FOR DEBATE

- Can social protection really make a significant contribution to poverty eradication and inclusive growth?
- Is the effectiveness of social protection more, less or equal to that of other development instruments? What are the potential synergies? Can it have a negative effect on other development priorities, in terms notably of resources allocation?
- What role can donors play in promoting social protection in developing countries? Is there a special role for the EU?
- How important do you think domestic commitment to social protection is?
- Do you agree with the priorities identified by the ERD? How should the reports recommendations be followed up?

FURTHER READING

- European Report on Development <http://erd.eui.eu/>
- ERD 2010/2011 launch http://eudevdays.eu/event_details_en.cfm?itemid=75
- Download the report and its overview: <http://erd.eui.eu/erd-2010/final-report/>
- ERD 2009 <http://erd.eui.eu/erd-2009/final-report/>

¹ http://ec.europa.eu/development/icenter/repository/GREEN_PAPER_COM_2010_629_POLITIQUE_DEVELOPPEMENT_EN.pdf