Expert Group Meeting to Discuss the First Draft of the Report on Social Protection Reform in the Arab Region

14 May 2019, UN House, Beirut

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BACKGROUND

In the recent years, many Arab countries devoted substantial efforts to reforming their social protection systems by extending the coverage, reducing fragmentation and improving sustainability of social insurance systems, introducing targeted social assistance schemes, improving access to basic health services and establishing integrated registries and information systems. Acknowledging the significant amount of work performed by the governments of most countries to transform their social protection, ESCWA was producing the first draft of a regional report dedicated to social protection reform in the Arab region. The draft report showcases trends in Arab countries and discusses main challenges. The report encourages a systems approach to social protection and calles upon governments to better integrate different parts of social insurance, assistance, health care, including through the establishment of integrated management information systems.

While the overwhelming body of literature on social protection in the Arab region was focused on describing longstanding gaps and dysfunctionalities, much less attention had been devoted to the reforms undertaken by countries, even when these had been ongoing for years. The report seeks to delineate and analyze such reforms. It discusses social insurance, social assistance and health care reforms, as well as informational and institutional infrastructure set up to govern social protection systems and the complex political economic aspects impacting upon the outcome of reforms.

The one-day expert group meeting (EGM) consisted of 4 sessions: (i) social insurance including health insurance / health care, (ii) social assistance and integrated registries and information systems, (iii) institutional arrangements governing social protection, and (iv) conclusions and recommendations. Each session began with a short overview of the relevant chapter of the report followed by expert discussion.

The event took place in Beirut, Lebanon, on 14 May 2019.

EXPECTED ACCOMPLISHMENTS AND OBJECTIVE OF THE EGM

The EGM gathered relevant policy-makers working on reforming social insurance, social assistance and health care systems in ESCWA member States, researchers, representatives of academia and UN agencies active in the sphere of social protection to discuss recent and ongoing social protection reforms in the Arab states. In particular, participants: (i) exchanged and discussed information on recent developments in reforming social insurance, social assistance and health care systems in the Arab region; (ii) discussed the first draft of ESCWA's regional report "Social Protection Reform in the Arab Region".

OUTPUTS OF THE EGM

The EGM provided feedback on the first draft of the report on "Social Protection Reform in the Arab Region" from policy-makers, researchers, representatives of academia and UN agencies.

RECOMMENDATIONS / FOLLOW-UP ISSUES

- **Participants will provide their written feedback on the first draft of the report by 21 May 2019;**
- **ESCWA, to the best of its ability and as much as the report allows, will incorporate the feedback and recommendations into the report;**
- **Second draft of the report will be circulated among the broader group of policy-makers, researchers, representatives of academia and UN agencies for the second round of peer-review.**

SUMMARY OF DISCUSSIONS

Session 1: Social Insurance and Healthcare

After the introduction of the chapter, participants expressed their greatly appreciation of the draft report, emphasizing its value and usefulness.

The following issues were raised in the discussion:

- added value of the report was in its systemic lens;
- the report assumed that the majority of discussed social insurance systems were PAYGO, whereas in the Arab world, most of them were either partially or almost fully-funded;
- health insurance was primarily discussed as if governments had no role in it, but many social health insurance systems were subsidized by governments;
- it was necessary to clarify the terminology to avoid misunderstanding;
- the report presented reform of the social security as a result of bargaining between different social groups, whereas discussion of bargaining between capital and workers was missing; in sectors with little organization of workers, traditional collective bargaining was not very effective;
- an analysis of the legislative frameworks should be added to the report;
- social insurance systems are in general very generous;
- mobility between the public and private sectors is important;
- a basic benefit package should be the same for everyone, with top-ups for those contributing additionally;
- poor quality of public health services led to poor uptake of public healthcare in several countries;
- in Jordan, free healthcare system generated a huge implicit debt;
- the human rights agenda in both ideological and pragmatic senses should be more clearly discussed;
- the report didn't discuss the issues of social protection for migrants and refugees;
- the notion of mixed financing was not fully explored in the report. There was no clear distinction between the contributory and non-contributory systems in most of the cases and the issue of taxation was only shortly discussed;
- the aspects of social protection outcome monitoring and evaluation were omitted;
- it was important to go beyond the narrow poverty considerations and discuss vulnerabilities;
- it was necessary to look at some demographic trends (and how they shape the reform context) and the issue of nutrition;
- a growing need for flexible shock-responsive social protection should be reflected in the report;
- the report should emphasize two things: the importance of knowing who is who in a registry (i.e. documenting people) and awareness raising (on how much was paid and for what);
- the report should mention triggers of the reforms (labour market pressures/ political decisions);
- the nuances between the long-term and short-term social insurance benefits were also missed: the incentive structure was different - in maternal and unemployment schemes there was almost an immediate correspondence of contributions and benefits;
- participants discussed the issue of a minimum vesting period and mobility between the private and public (including military) sectors;
- a public-sector pension fund should have a reasonable defined-benefit as pillar-1 (for all) and higher levels of protection based on contributions;
- a social protection ladder allowing to acquire increasing levels of protection with increasing contributions is needed in many countries;
- [pension] systems were subsidized, so majority of beneficiaries got more from the system than they had paid;

Session 2: Social Assistance and Integrated Registries and Information Systems

After the introduction of the chapter, participants discussed the following issues:

- food insecurity and nutrition should be incorporated in household income and expenditure surveys to allow for deeper analysis of multidimensional poverty and vulnerability;
- inflationary considerations should also be taken into account: it was necessary to consider potential shocks in each country and adapt social protection mechanisms to these shocks;
- it was also necessary to have information on vulnerabilities in a registry, such that social protection programmes could be quickly adjusted, if necessary;
- high level of interoperability of management information systems (MIS) could be expensive – it required complex IT and administrative systems. Thus, in some instances, PMT targeting was more relevant, whereas in other cases broader blanket geographic targeting could be more efficient; thus, strict targeting should be assessed vis-à-vis a simpler and stretched-out provision that might be less accurate, but more cost-efficient;
- shift from categorical targeting to PMT had the risk of exclusion of particular groups (e.g. persons with disabilities); the approach was ultimately household- and poverty-based: the system aimed to reduce poverty and fell short of addressing life-cycle vulnerabilities or invest in human capital;
- social assistance should be linked to other tools to achieve positive outcomes: e.g. unconditional cash transfers could bring positive nutritional changes if they were accompanied by relevant communication;
- conditionality aspect of cash transfers was introduced also to encourage Governments to provide relevant services: conditionalities were binding not only for recipients, but also for Governments;
- WFP's general experience showed that unconditional cash transfers in the short term had more positive effects in terms of providing safety nets;
- household income and expenditure surveys were critical to calculate poverty lines and set value of transfers. It was also necessary to look at relevant baskets of goods and services and at the cost of accessing them. But the levels of transfers depended on the objectives of social assistance;
- generous social assistance benefits might provide disincentives for formal employment (although there was lack of evidence): it created threats of collusion between the employers and employees to save on [social security] contributions: the more generous the social protection floor was – the more considerations there were to leave the formal sector;
- a recent ODI review concluded there was little evidence that social assistance created disincentives for labour market participation;
- universal registries and MIS had the potential to reduce targeting costs in the longer term;
- in many assistance programmes social workers were forced to work as data collectors;
- MIS allowed many poor to acquire a social identity (the Governments knew who they were);
- disproportional assistance to refugees and migrants in Lebanese host communities created requests for equal enhanced assistance for the host communities; but many Arab Governments were not taking responsibility for refugees and migrants. Therefore, although refugees and migrants could benefit from public social protection system, they were not necessarily the drivers of the reforms, except for several cases (Jordan, Syria);
- PMT in the Arab region was almost uniformly focused on selection of the extreme poor. In other regions means testing was used to exclude the rich from accessing some benefits;
- food subsidy system in Egypt would be subject to an affluence test aimed at excluding the rich.

Session 3: Institutional Arrangements Governing Social Protection

After the introduction of the chapter, participants discussed the following issues:

- who should be engaged in national dialogue? should the dialogues be held in parliaments? what kind of decisions should be taken through social dialogue?
- commitment of Governments to follow up on the recommendations of the national dialogue was important;
- organizational capacity of informal workers was low, so they were often excluded from dialogues;
- "culture" in each country mattered; many underlying implicit assumptions which trigger social protection decisions depended on the context and the political thinking of decision-makers;
- it was necessary to clarify the role of each stakeholder (government, private sector, etc.);
- in practice the national dialogue usually started on a very specific topic (with background analysis of gaps and concrete interests of parties), not from a "blank page";
- governance was not only about structures; it was also about the authority, laws and legal power, policies, mechanisms, functions, etc. These were omitted in the report;
- the report could delve more deeply into the capacity side: what capacity was needed in each country to deliver the reforms? What was lacking?
- Egypt was addressing corruption issue through IT solutions: an IT system was being developed to enable control over different processes and transactions. Beneficiary cards were another tool;
- regarding the issue of overconsumption in healthcare: every family in Egypt would have a family doctor - 'a gatekeeper' - referring beneficiaries to other specialists, if necessary. Copayments would be applied to limit overconsumption. IT solutions and auditors would check whether prescribed referrals and procedures were justified;
- other complex matters to address: where should social registries sit? (who should own and manage the data?);
- the report could also discuss lower administrative levels, as opposed to the policy level;
- regarding decentralization: local governments were closer to people, so they should be more accountable and responsive.

Session 4: Conclusions and Recommendations

Participants were invited to provide other general remarks on the report by May 21. The second draft of the report would be circulated to a wider group of experts for peer-review. Country representatives could choose to peer-review only parts that were relevant to them.
Participants made the following comments:

- it might be useful to circulate the draft to a wider group to check information, numbers and dates;
- the issue of financial sustainability of social protection (including hybrid financing) was important (at the moment, it was hidden in the report);
- it was necessary to add other probable scenarios to the report (to the chapter on political economy) – 1) universal provision of floor and 2) gradually diminishing social assistance. Such schemes were more complex to administer, but they could address some of the incentive-compatibility patterns;
- social protection system had multiple objectives (poverty alleviation, reduction of vulnerabilities and prevention), so different tools were needed to deliver these objectives. This approach could be seen in many countries around the world, where some social assistance schemes were provided on a more inclusive basis;
- it was necessary to draft 2-pagers for policy-makers with key messages;

Ms. Gisela Nauk informed participants that ISDS would try to accommodate the comments, although there were limits to which it would be possible to incorporate all feedback.

Annex 1: List of Participants

ESCWA countries

Egypt
Ms. Mai Mohamed Farid Hussien El Shakankery
Assistant Minister and Executive Director of the Economic Justice Unit
Ministry of Finance
Cairo

Oman
Mr. Shabib Abdullah Al-Busaidi
Assistant insurance expert
Public Authority for Social Insurance

UN Agencies
Mr. Luca Pellerano
Senior Social Protection specialist in the Arab States
ILO
Beirut

Ms. Hala Abou Taleb
Epidemiologist, Doctor of Public Health;
Regional Advisor, a.i. Policy and Health Planning
Health Systems Development Department
WHO
Cairo

Ms. Jane Waite
Programme Policy Officer - Social Protection
WFP
Cairo
Egypt

Academia
Ms. Maia Sieverding
Researcher
American University in Beirut
Beirut
Lebanon

Civil Society
Mr. Ibrahim Muhanna
Chairman of the Board of Trustees
Muhanna Foundation
Beirut

Annex 2: Meeting Agenda

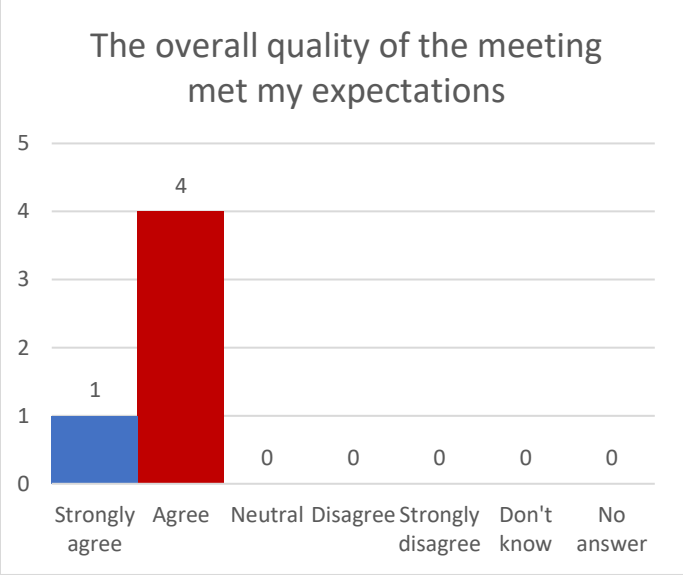
8:30 – 9:00	*Registration*
9:00 – 9:30	Opening and welcoming remarks Introduction of the participants
9:30 – 11:00	**Session 1: Social Insurance and Healthcare** This session will focus on the attempts Arab states are making to improve coverage rates and financial sustainability of social and health insurance systems and overcome fragmentation among schemes. **Moderator:** Gisela Nauk, ESCWA
11:00 – 11:20	Coffee break
11:20 – 13:00	**Session 2: Social Assistance and Integrated Registries and Information Systems** For decades state-financed social assistance in the region mainly rested on universal subsidies, but currently Arab governments are scaling back or abolishing subsidies and introducing targeted forms of social assistance, notably targeted cash transfers. The session will also focus on databases, registries and information systems set up to govern the provision of social protection. For instance, the participants will discuss different types of databases and registries, such as integrated registries, which contain data on beneficiaries of different programmes, and social registries, which comprise information on potential social assistance beneficiaries. **Moderator:** Gisela Nauk, ESCWA
13:00 – 14:00	*Lunch break*
14:00 – 15:30	**Session 3: Institutional Arrangements Governing Social Protection** The session will discuss coordination mechanisms between relevant stakeholders which can optimize social protection delivery. **Moderator:** Gisela Nauk, ESCWA
15:30 – 16:00	Coffee break
16:00 – 17:00	**Session 4: Conclusions and Recommendations** This session will consist of a final discussion on lessons learned during the EGM and outline follow-up activities. **Moderator:** Gisela Nauk, ESCWA

Annex 3: Analysis of the Feedback

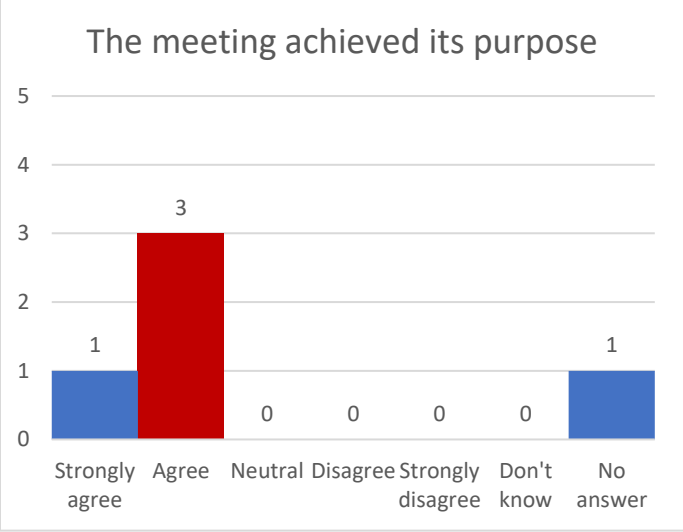
Total questionnaires: 5

Overall meeting questions:

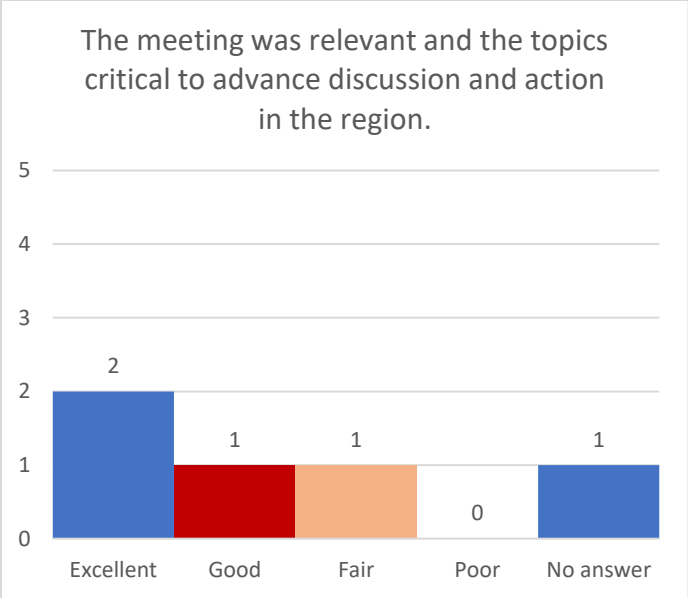
The overall quality of the meeting met my expectations			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	1	20.0%	
Agree	4	80.0%	
Neutral	0	0.0%	
Disagree	0	0.0%	
Strongly disagree	0	0.0%	
Don't know	0	0.0%	
No answer	0	0.0%	
Total	**5**	**100.0%**	



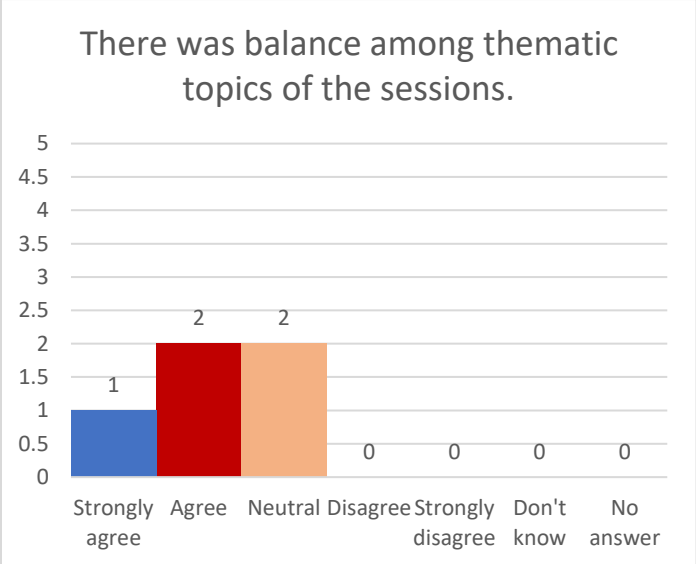
The meeting achieved its purpose.			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	1	20.0%	
Agree	3	60.0%	
Neutral	0	0.0%	
Disagree	0	0.0%	
Strongly disagree	0	0.0%	
Don't know	0	0.0%	
No answer	1	20.0%	
Total	**5**	**100.0%**	



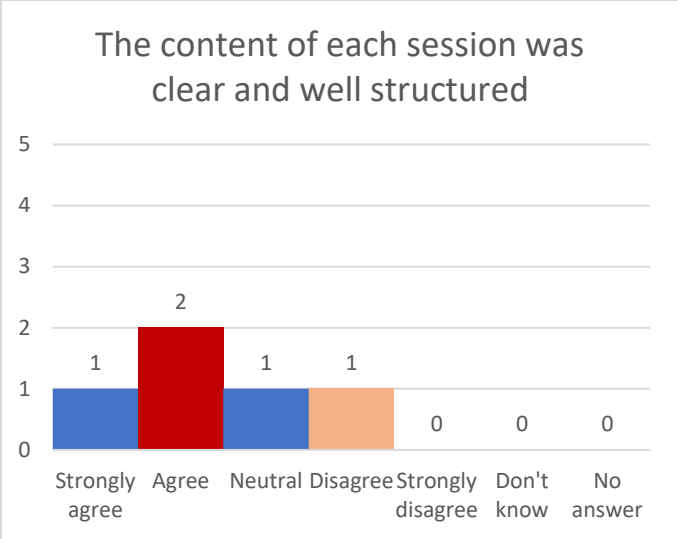
The meeting was relevant and the topics critical to advance discussion and action in the region.			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	2	40.0%	
Agree	3	60.0%	
Neutral	0	0.0%	
Disagree	0	0.0%	
Strongly disagree	0	0.0%	
Don't know	0	0.0%	
No answer	0	0.0%	
Total	**5**	**100.0%**	



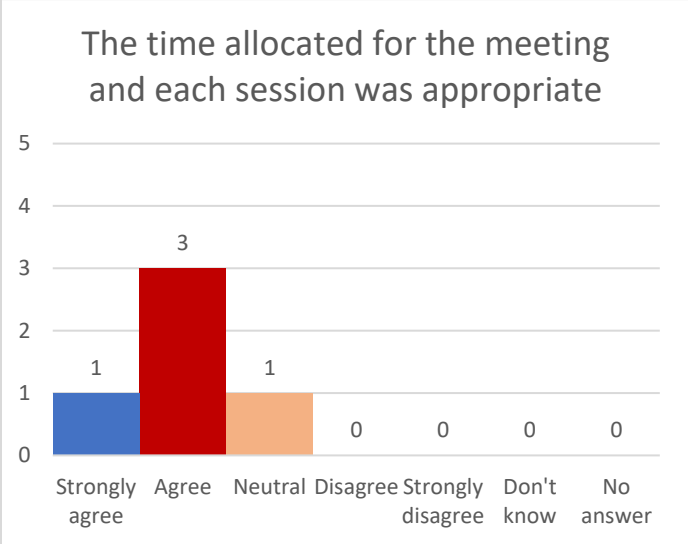
There was balance among thematic topics of the sessions.			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	1	20.0%	
Agree	2	40.0%	
Neutral	2	40.0%	
Disagree	0	0.0%	
Strongly disagree	0	0.0%	
Don't know	0	0.0%	
No answer	0	0.0%	
Total	**5**	**100.0%**	



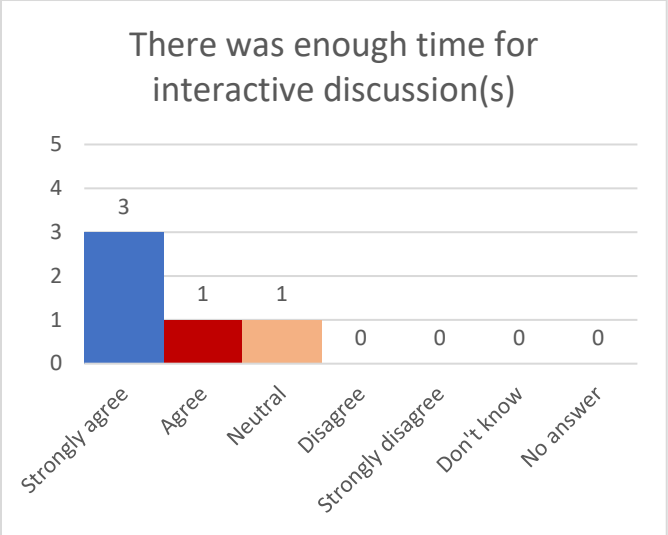
The content of each session was clear and well structured.			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	1	20.0%	
Agree	2	40.0%	
Neutral	1	20.0%	
Disagree	1	20.0%	
Strongly disagree	0	0.0%	
Don't know	0	0.0%	
No answer	0	0.0%	
Total	**5**	**100.0%**	



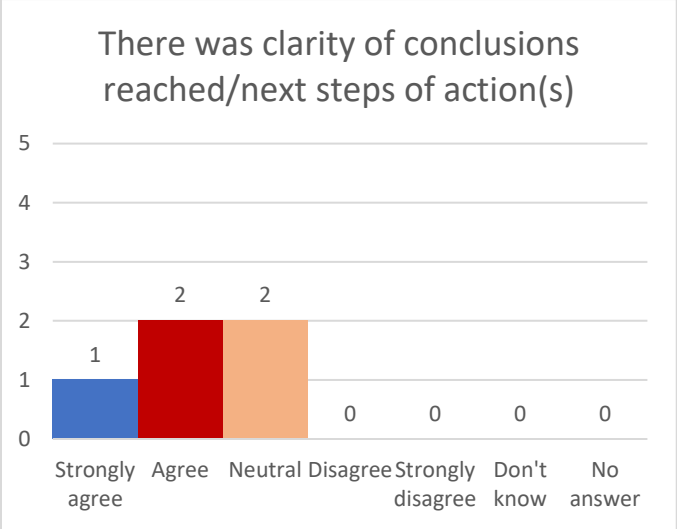
The time allocated for the meeting and each session was appropriate			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	1	20.0%	
Agree	3	60.0%	
Neutral	1	20.0%	
Disagree	0	0.0%	
Strongly disagree	0	0.0%	
Don't know	0	0.0%	
No answer	0	0.0%	
Total	**5**	**100.0%**	



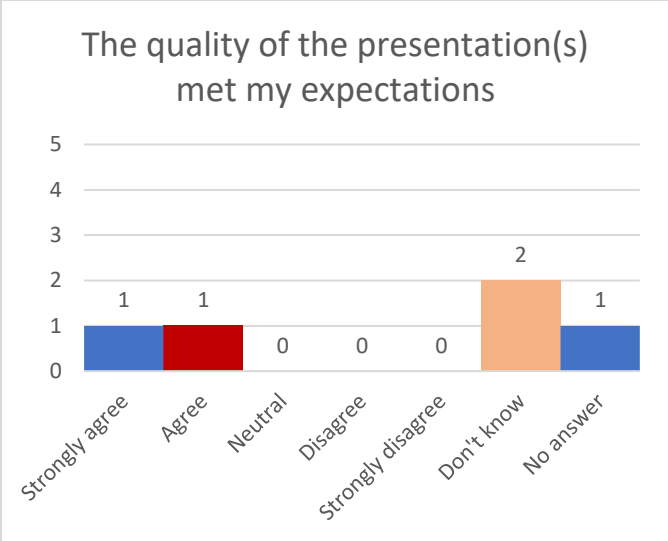
There was enough time for interactive discussion(s).			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	3	60.0%	
Agree	1	20.0%	
Neutral	1	20.0%	
Disagree	0	0.0%	
Strongly disagree	0	0.0%	
Don't know	0	0.0%	
No answer	0	0.0%	
Total	**5**	**100.0%**	



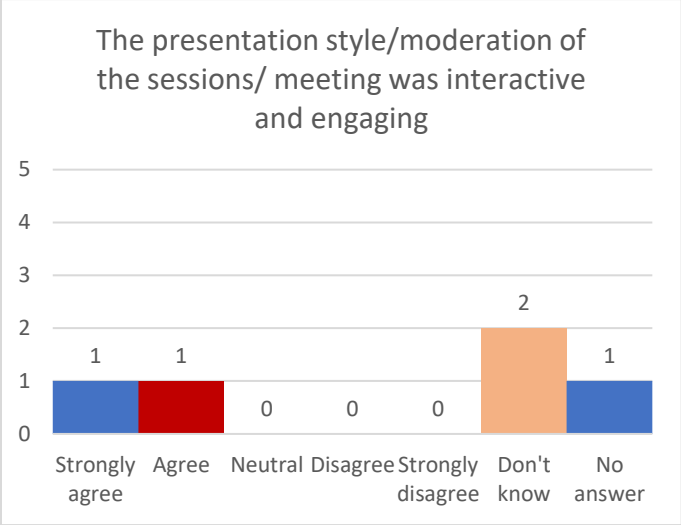
There was clarity of conclusions reached/next steps of action(s).			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	1	20.0%	
Agree	2	40.0%	
Neutral	2	40.0%	
Disagree	0	0.0%	
Strongly disagree	0	0.0%	
Don't know	0	0.0%	
No answer	0	0.0%	
Total	**5**	**100.0%**	



The quality of the presentation(s) met my expectations.			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	1	20.0%	
Agree	1	20.0%	
Neutral	0	0.0%	
Disagree	0	0.0%	
Strongly disagree	0	0.0%	
Not applicable	2	0.0%	
No answer	1	20.0%	
Total	**5**	**60.0%**	



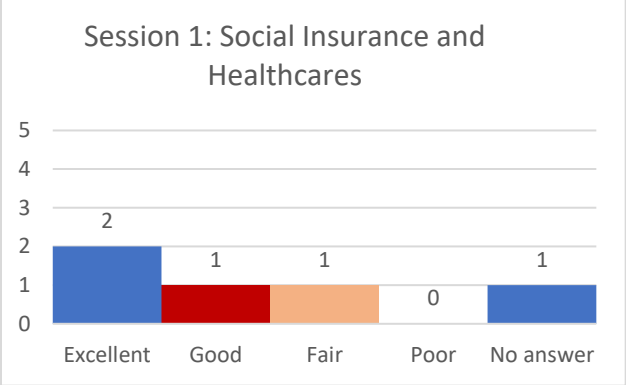
The presentation style/moderation of the sessions/ meeting was interactive and engaging.			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	1	20.0%	
Agree	1	20.0%	
Neutral	0	0.0%	
Disagree	0	0.0%	
Strongly disagree	0	0.0%	
Not applicable	2	0.0%	
No answer	1	20.0%	
Total	**5**	**60.0%**	



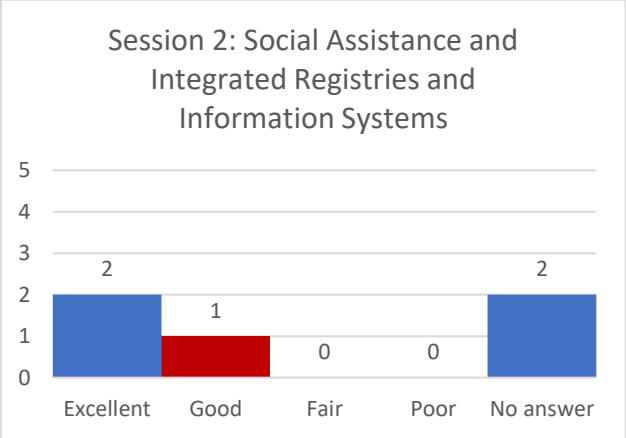
Comments:
Consideration should be given to circulating some questions in advance to further the discussion for each thematic area.

Sessions:

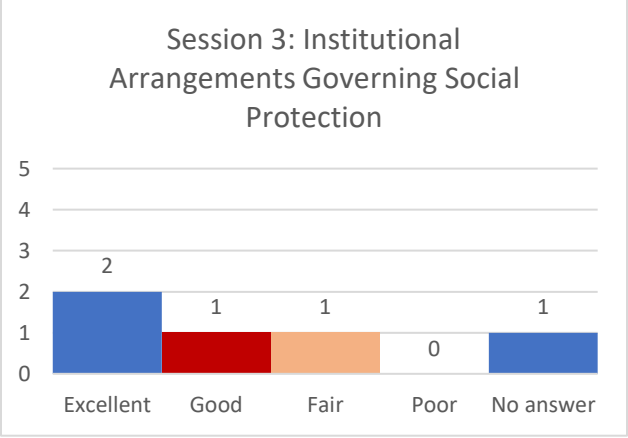
Session 1: Social Insurance and Healthcares			
Answer	**Number**	**Percentage**	**Comments**
Excellent	2	40.0%	
Good	1	20.0%	
Fair	1	20.0%	
Poor	0	0.0%	
No answer	1	20.0%	
Total	**5**	**100.0%**	



Session 2: Social Assistance and Integrated Registries and Information Systems			
Answer	**Number**	**Percentage**	**Comments**
Excellent	2	40.0%	
Good	1	20.0%	
Fair	0	0.0%	
Poor	0	0.0%	
No answer	2	40.0%	
Total	**5**	**100.0%**	



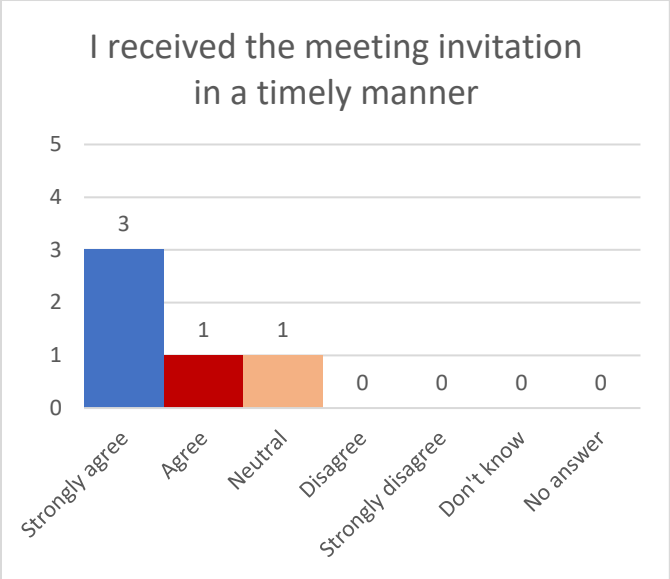
Session 3: Institutional Arrangements Governing Social Protection			
Answer	**Number**	**Percentage**	**Comments**
Excellent	2	40.0%	
Good	1	20.0%	
Fair	1	20.0%	
Poor	0	0.0%	
No answer	1	20.0%	
Total	**5**	**100.0%**	



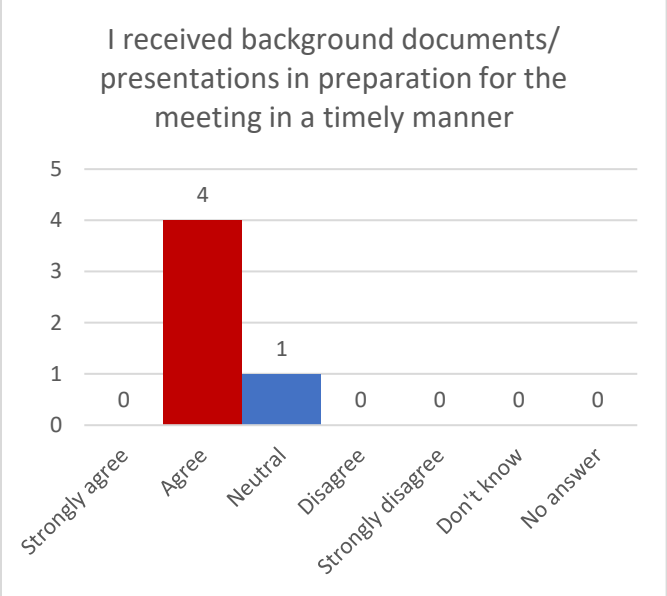
Comments:
Discussions were too general.

Organization of the meeting:

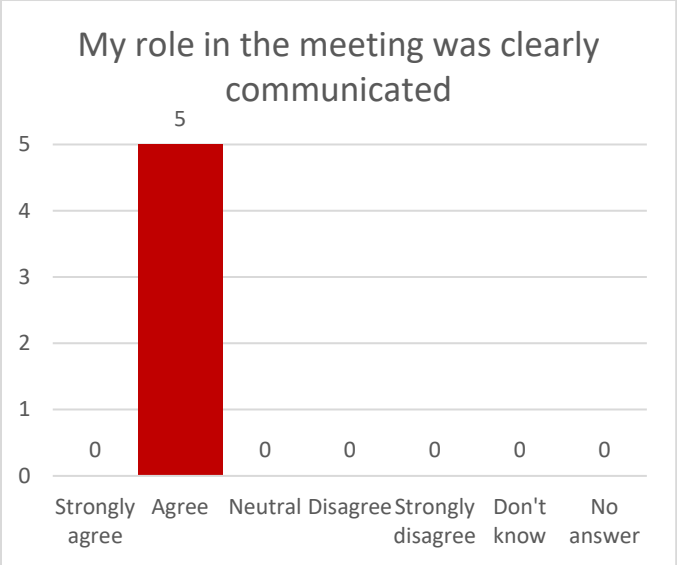
I received the meeting invitation in a timely manner.			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	3	60.0%	
Agree	1	20.0%	
Neutral	1	20.0%	
Disagree	0	0.0%	
Strongly disagree	0	0.0%	
Don't know	0	0.0%	
No answer	0	0.0%	
Total	**5**	**100.0%**	



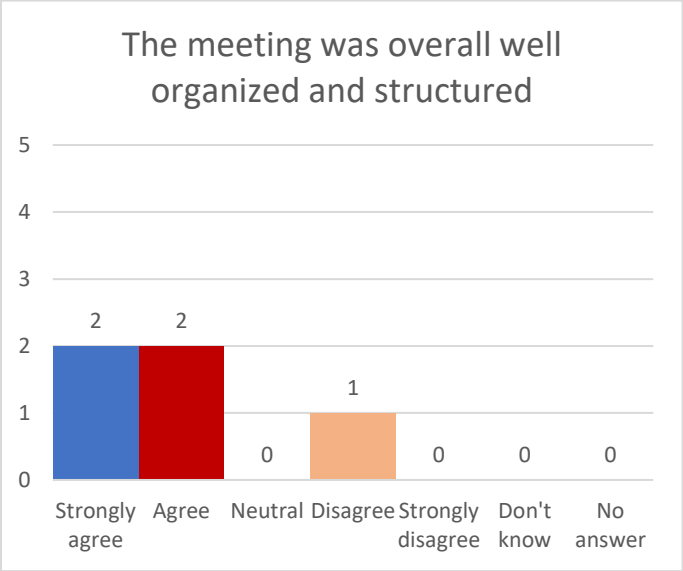
I received background documents/ presentations in preparation for the meeting in a timely manner.			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	0	0.0%	
Agree	4	80.0%	
Neutral	1	20.0%	
Disagree	0	0.0%	
Strongly disagree	0	0.0%	
Don't know	0	0.0%	
No answer	0	0.0%	
Total	**5**	**100.0%**	



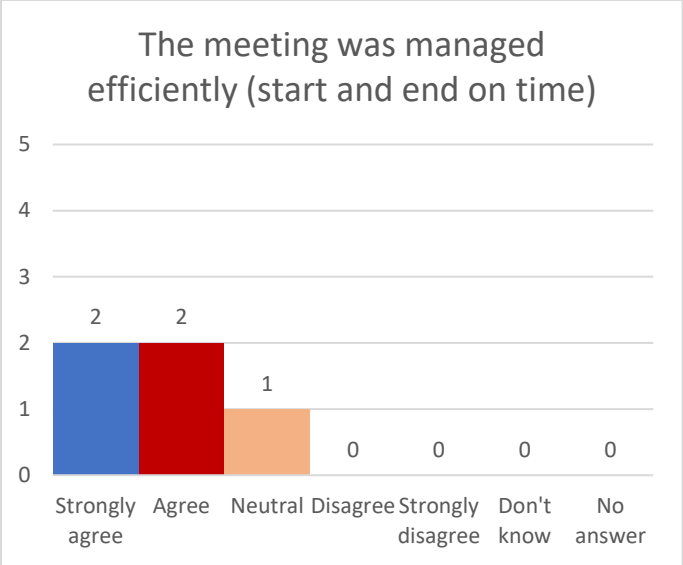
My role in the meeting was clearly communicated.			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	0	0.0%	
Agree	5	100.0%	
Neutral	0	0.0%	
Disagree	0	0.0%	
Strongly disagree	0	0.0%	
Don't know	0	0.0%	
No answer	0	0.0%	
Total	**5**	**100.0%**	



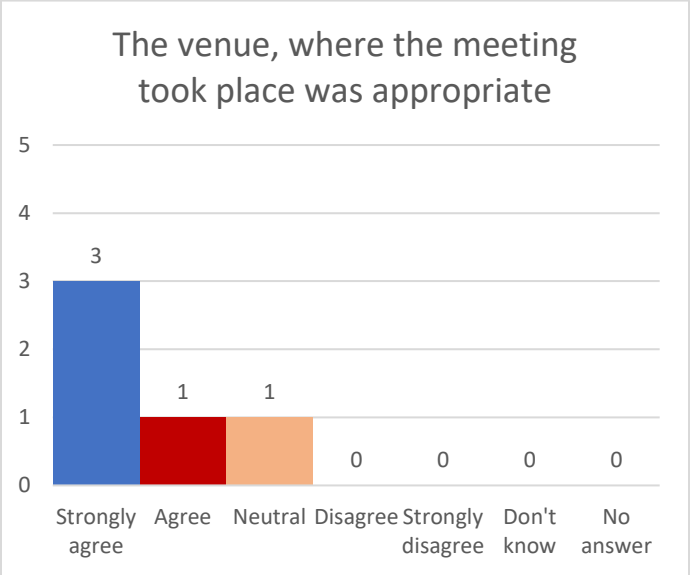
The meeting was overall well organized and structured.			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	2	40.0%	
Agree	2	40.0%	
Neutral	0	0.0%	
Disagree	1	20.0%	
Strongly disagree	0	0.0%	
Don't know	0	0.0%	
No answer	0	0.0%	
Total	**5**	**100.0%**	



The meeting was managed efficiently (start and end on time).			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	2	40.0%	
Agree	2	40.0%	
Neutral	1	20.0%	
Disagree	0	0.0%	
Strongly disagree	0	0.0%	
Don't know	0	0.0%	
No answer	0	0.0%	
Total	**5**	**100.0%**	



The venue, where the meeting took place was appropriate.			
Answer	**Number**	**Percentage**	**Comments**
Strongly agree	3	60.0%	
Agree	1	20.0%	
Neutral	1	20.0%	
Disagree	0	0.0%	
Strongly disagree	0	0.0%	
Don't know	0	0.0%	
No answer	0	0.0%	
Total	**5**	**100.0%**	



Comments:
More time would have been helpful in advance to allow for more feedback consideration.

3. Next steps

Please specify any follow-up that you may wish from the meeting type and programmatic area for follow-up action
It would be useful to get a sort of a roadmap for engaging member state actors in discussions.