Caroline Tassot

The vulnerability analysis in the Social Protection System Review
Joint project between European Union, OECD and Government of Finland

Support low and middle income countries in building sustainable and inclusive SP systems

Country specific work and global research
EU Social Protection Systems Project

10 countries
EU Social Protection Systems Project

10 countries
2 Social Protection System Reviews
Social Protection System Review
A framework for a comprehensive analysis of the SP system

Starting point is government demand for a comprehensive analysis of SP system

Methodology always tailored to country needs and realities, building on and adapting existing social protection tools and methodologies

Relevant focal points within government are identified to ensure country ownership and generate joint recommendations

Covers social assistance, social insurance and labor market programs
SPSR covers five dimensions:

- **Need**: Forward-looking analysis of risks and vulnerabilities across the life-cycle to determine social protection need
- **Coverage**: Identification of existing social protection schemes and gaps in coverage
- **Effectiveness**: Adequacy, equity and efficiency of existing social protection instruments
- **Sustainability**: Fiscal policy and the financing of social protection
- **Coherence**: Institutions and political processes for social protection and alignment with other policies.
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- **Need**: Forward-looking analysis of risks and vulnerabilities across the life-cycle to determine social protection need

- Social protection needs, now and into the future.
- Risks and vulnerabilities across life cycle
- Analysis of income inequality and inclusive growth
- Key potentially evolving drivers of demand for social protection, such as demographics, urbanisation, migration, and climate change
- Identify synergies, achieve sustainable progress in alleviating poverty and break intergenerational transmission of poverty
Identifying needs for SP

Analysis of income inequality and inclusive growth: Cambodia

Real Consumption Distribution, 2009 prices

Growth

0 10 20 30 40 50 60 70 80 90

2004-2009

2009-2014
Identifying needs for SP

- Analyse the dynamics of poverty
Identifying needs for SP

- Identify and analyse risks and vulnerabilities across life cycle
Latent Class Analysis

- Latent Class Analysis: group households in clusters based on shared characteristics

- Overview of interrelations between different socio-demographic characteristics

- Profiles of the poor and vulnerable to better target them
Latent Class Analysis - Cambodia

Legend

2004

- No education; high income insecurity; children; rural dwellers
- Low education; income insecurity; elders to care for; rural dwellers
- Disabled prime-age members
- 45-64 year olds with high work intensity

2009

- No education; high income insecurity; children; rural dwellers
- Low education; income insecurity; elders to care for; rural dwellers

2014

- Disabled prime-age members; income insecurity; children to care for
- Low education; disabled prime-age members; children to care for
- No education; high income insecurity; children; rural dwellers
- Children and elders to care for

- 45-64 year olds with high work intensity; financial strains
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Latent Class Analysis - Cambodia

2004

Disabled prime-age members; income insecurity; children to care for
Low education; disabled prime-age members; children to care for
No education; high income insecurity; children; rural dwellers
Children and elders to care for
45-64 year olds with high work intensity; financial strains

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Legend

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Characteristics of the poor relatively consistent from 2004 to 2014

- Lack of education and caring for children / disabled are key characteristics of the poor
- Living in rural areas was a determinant in 2004 and 2009, but was not anymore in 2014

Inform targeting and sequenced approach to expanding SP to prioritize most vulnerable groups
Latent Class Analysis – Kyrgyzstan

- **Middle aged highly educated men**, employed (though risingly unemployed in 2010 and 2014), increasingly urban, decreasing proportion with children across years, no elderly
- **Highly educated married young male HHH**, with children U6, about 1/3 receiving UMB and increasing, decreasing family transfers, no elderly
- **Elderly with poor education**, half are widow(er)s, receive pension, half to 3/4 women, majority are multigenerational HH
- **Middle aged women**, often widowed or divorced, half in HH with children, most receive pension and family transfers but no UMB
- **Old age pensioners**, higher prevalence of disability in HH, mostly in rural areas
- **Employed young married men**, with children, half living in small urban household, no elderly in HH, 15% get UMB
- **Elderly women**, higher prevalence of widows, higher prevalence of disability, receive pension and often family transfers
- **Older employed (80%) or unemployed (15%) 50/50 men or women household heads**, higher prevalence in urban areas, half receiving family transfers
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