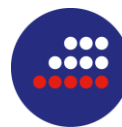


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**Global Coalition for
SOCIAL PROTECTION FLOORS**

NOTES

Panel session at Civil Society Policy Forum of World Bank/IMF Spring meetings 2018,

Financing Universal Social Protection to promote Inclusive Development and Reduce Inequality

Organizing partners:

Global Coalition for Social Protection Floors (GCSPF)
ACT Alliance (Action by Churches Together)
NGO Committee on Financing for Development (NGOsonFFD)
International Labour Organization (ILO)

Speakers

Isabel Ortiz, Director of Social Protection, ILO
Stephen Kidd, Senior Social Protection Specialist, Development Pathways
Carolina Dantas, Social Protection Officer, Trade Union Confederation of the Americas
David Coady, Chief of the Expenditure Policy Division at the Fiscal Affairs Department, IMF
Anush Bezhanyan, Practice Manager, Social Protection and Labour, World Bank Group

Moderator

Peter Bakvis, Director ITUC/Global Unions – Washington Office, International Trade Union Confederation

See presentations from ILO, Development Pathways and TUCA attached.

Notes from IMF and World Bank responses

IMF:

Thanking the presenters for extensive and interesting input on the subject. In agreement with 90 % of it.

Would like to make a plea: “No Ministry of Finance should be allowed to say that they should increase tax without also saying what they will spend it on, and vice versa: no other Ministry should be able to increase social spending without showing how it will be financed – fiscal sustainability.”

Social protection is more than poverty reduction – it is both social assistance and social insurance.

The discussion should not concern errors of inclusion – that the rich are getting part of social benefits – but should instead focus on how to include the poor.

We need to broaden the discussion beyond spending: How is it going to be financed? IMF needs to see this for each country. When a country is in a fiscally problematic situation there are reasons for IMF concern. However, the response must be a medium-term strategy which takes into concern the need for social protection.

[IMF Fiscal Monitor: Tackling Inequality, October 2017](#) discusses how fiscal policies can help achieve redistributive objectives. It focuses on three salient policy debates: tax rates at the top of the income distribution, the introduction of a universal basic income, and the role of public spending on education and health.

IMF participated in SPIAC-B and in the State of Social Safety Nets 2018 report

World Bank:

Thanking the presenters and noting that there are more points in agreement than disagreement with the World Bank's view on social protection. Invites the panelists and civil society to continue the conversation.

World Bank engages in partnerships and international agreements for social protection, for example the partnership with ILO on Universal Social Protection.

ILO [World Social Protection Report 2017-2019](#) and World Bank [The State of Social Safety Nets 2018](#) reports different numbers in social protection coverage.

We need to be mindful that many countries have limited capacities in delivering social protection with broad coverage. There are challenges for example in lack of registries and ID cards.

On the criticism of the World Bank's support to building social registries: Registries should be mechanisms for inclusion rather than exclusion.

Q&A

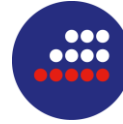
Q: How can financing of Social Protection Floors be linked to pollution taxes, sin taxes etc? **(CSO)**

A: Sufficient taxation proponents, it should be fiscally neutral. There are opportunities to develop a package that is getting broad support (?) **(IMF)**

Q: Political economy: Do you focus on countries where it can be a constituency for social protection and do you give up in other countries? How do you go about promoting universal social protection? **(CSO)**

A: In a democratic context it is about enabling citizens to make these decisions in elections. Social protection grew through elections. The need to break down for decision makers the idea of deserving and undeserving of the poor. It is not wrong for the middle class and the rich to get access to the same social protection systems as the poor. **(Development Pathways)**

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Graduation in social protection: graduation programmes do not work – not in the long term. Child grants and pensions eliminate the risk and fear of falling back into poverty.

A: IMF's role is to create fiscal space that enables governments to do whatever they want to do in the social sphere. Governments have ownership but are affected by conditionalities. **(IMF)**

A: See expenditure from other sectors, but not at the expense of health or education. Expand the pie. **(ILO)**

Q: Explain the logic around promoting UBI (universal basic income) and at the same time promoting targeting in social protection. **(CSO)**

A: It depends on if your fiscal system supports it. **(IMF)**

A: The World Bank will also ask: How are you going to implement the social protections systems, do the countries have the right capacity for universal social protection? **(World Bank)**