Universal Social Protection for Resilient Recovery and Future Crisis Preparedness

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Extreme Poverty Rises During Pandemic

Trend of Poor and Extreme Poor in Indonesia, 2014-2020

- In 2018, Indonesia has reached single digit poverty which become a strong base for achieving the SDGs target in 2030.
- Indonesia aims to achieve zero extreme poverty by the end of 2024, which means that we should eradicate extreme poor more than 2 million people per year on average.
- However, the outbreak of COVID-19 threatens Indonesia's entire gain in reducing poverty.

Source: Statistics Indonesia, 2014-2020
1. Data transformation leads to social-economic registry
   Improvement of data and development of an integrated data collection system with a coverage of 100% of the population.

2. The development of an adaptive social protection scheme
   Adaptive social protection scheme for economic shocks and natural disasters.

3. Digitalization of distribution
   Utilization of digital platforms (data integration), integrated social assistance account opening and the platform of banking payment and fintech.

4. Reformation of Financial Scheme
   The development of innovative, expansive, and sustainable financing schemes.

5. Development of Distribution Mechanism
   Delivery mechanism to ensure the invisible “visible”.

6. Program Integration
   Integration and coordination of social assistance in central and municipal level.
The Adaptive Social Protection should synergize three sectors: social protection, climate change adaptation, and disaster risk reduction.

“Building blocks” in developing ASP system based on global learning and best practice:

01 **Government leadership**: Construct a roadmap or strategy document.

02 **Institutional arrangements**: Establish continuous cross-sectoral coordination and capacity building.

03 **Data and information**: Integrated data and information systems.

04 **Programs and their delivery support**: Integrated program of all three sectors (SP, DRM, CCA).

05 **Finance**: Appropriate sustainable financing mechanism.

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Modified from Davies et al. (2009)
Integrating Multi-sector Approach in Social Protection Reform

Integrating multi-sector approach for reducing extreme poverty and outreaching the vulnerable groups

- Health insurance
- Worker accident
- Life insurance
- Pension and old age savings
- Long term care
- Housing saving programs

**BASIC SERVICES**

- Access to health, education, sanitation, electricity, technology, and others.

**SOCIAL SERVICES**

- Children, People with Disability and Older Population

**SOCIAL ASSISTANCE**

- Electricity
- LPG
- Food
- Higher education Scholarships
- Conditional cash transfers for family, disability, older people
- CCT

**SOCIAL INSURANCE**

- Assistance for social insurance premium.

**Economic Welfare Status**

- UPPER CLASS
- MIDDLE CLASS
- ASPIRE MIDDLE CLASS
- VULNERABLE
- POOR
- VERY POOR

**Poverty Line**
THANK YOU