SOCIAL PROTECTION REFORM FOR INCLUSIVE AND SUSTAINABLE DEVELOPMENT

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Climate change has pushed around 100 million people to become extreme poor by 2030 (Hallegatte et al. 2016).

Around 20 people in every minute have become refugee, and more than 64 million people in the world were evacuated (UNHCR, 2016)

Covid-19 has infected more than 500 million people around the world, and 6.2 million of them were died. The virus has more than 50 mutations that challenge the existing vaccines.

Sources: EM-DAT: The Emergency Events Database, Université catholique de Louvain (UCL)—CRED, www.emdat.be

https://www.worldometers.info (2022)
SOME CHALLENGES OF CLIMATE CHANGE IN INDONESIA

- Increased temperature by 0.45-0.75°C
- Increased rainfalls ± 2.5 mm/day
- Increased sea level by 0.8-1.2 cm/tahun
- Increased extreme wave 1.5 m<

5.8 million km² of Indonesia’s ocean is dangerous for ships <10GT

1,800 km seashore is categorized very vulnerable

Rice Production has decreased in some areas

Sumber: Kajian Potensi Bahaya Iklim oleh Tim Ketahanan Iklim Kementerian PPN/Bappenas
SIGNIFICANT REDUCTION OF GIC 2020-2021

Nasional GIC 2020-2021


Highlight

- All GIC shows significant reduction at national, urban, and rural.
- On average reduction are nasional -2.61%, urban -2.95%, and rural -2.58%
- Urban and middle class has been impacted most
- There is shift of labor composition from tertiary (service) sector to primary sector (agriculture and mining), as it relatively less contact-intensive and informal, easy to adapt to dynamic lock down.
- Needs structural transformation as primary sector has low value added and shorter supply chain

Sumber : Susenas Maret (2020 dan 2021)
THE RISK OF K-SHAPED FROM PANDEMIC RECOVERY

VULNERABILITY due to:

- High informality
- Insufficient coverage on social safety net and security
- Fragile environment, climate change and disasters.
- Increasing inequality (among income group, financial inclusion, digital divide)

COVID-19 PANDEMIC CONTAINMENT MEASURES

- Policy package for big firms
- Benefits for government employee
- Work safety of formal sector
- Job/business loss
- Damage of agriculture harvest/products
- Bad health impact
- Insufficient social assistance
- Women, disability and other vulnerable groups experiencing further vulnerability
- No saving, asset, and insurance
- Unmanage Issues of environment and climate change
- Malnutrition
- Education loss

Increased inequality and polarization

New Poor
New Vulnerability

Sumber: Responding to the COVID-19 Pandemic: Leaving No Country Behind, ADB, UNESCAP, UNDP (2021)
MASSIVE COVID-19 VACCINE AS GAME CHANGER

COVID-19 vaccine doses and confirmed deaths

Due to varying protocols and challenges in the attribution of the cause of death, the number of confirmed deaths may not accurately represent the true number of deaths caused by COVID-19.

• Since the vaccine has been rolled out, the cases and death have slowed down; and the economy could be re open gradually.

• Government commitment for booster will help to mitigate the impact from new variant and the possibility of other wave of cases.

Building community resilience by strengthening alternative resources: capital, labor, technology, human capital and social capital

Law No.6/2014 on Village and its guidelines mention community empowerment in village is considering the poor and vulnerable including disability, children, women, and marginalized group. The Social Registry has been started from the village level.

10 Gov’t regulations have enacted for disability inclusion. There are 21 provinces, 66 districts dan 27 cities have enacted regional regulation on disabilities. The association of Mayors work together with UNESCO have also developed Inclusive Cities Network.

The internet use of vulnerable group is low, due to some of them live in remote places, reflected lack of access of other basic services → digital transformation
THE URGE OF ADAPTIVE SOCIAL PROTECTION

Adaptation Social Protection (ASP)
SP, CCA & DRR: ASP explores how collaboration between the three sectors can reduce the impact of stressors, shocks and crises on vulnerable households and communities.

Climate Change Adaptation (CCA)
CCA & DRR: characterised by tackling vulnerability to changing distribution of extreme climatic events.

Disaster Risk Reduction (DRR)
SP & CCA: characterised by tackling vulnerability to longer term climatic changes.

Shock Responsive Social Protection (SRSP)
SP & DRR: focuses on the use of SP tools to tackle vulnerability to natural hazards and extreme events.

Time frame | SP category | SP instruments | CCA and DRR benefits
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Short-term | Protective (coping strategies) | Social service protection, Basic social transfers (food/cash), Pension schemes, Public works programmes | Protection of those most vulnerable to climate risks, with low levels of adaptive capacity
Preventive (coping strategies) | Social transfers, Livelihood diversification, Weather-indexed crop insurance | Prevents damaging coping strategies as a result of risks to weather-dependent livelihoods
Promotive (building adaptive capacity) | Social transfers, Access to credit, Asset transfers/protection, Starter packs (drought/flood resistant), Access to common property resources, Public works programmes | Promotes resilience through livelihood diversification and security to withstand climate related shocks, Promotes opportunities arising from climate change
Long-term | Transformative (building adaptive capacity) | Promotion of minority rights, Anti-discrimination campaigns, Social funds | Transforms social relations to combat discrimination underlying social and political vulnerability

Adapted from Davies et al. (2009)

Sumber: socialprotection.org (2018)
THE COMPREHENSIVE FRAMEWORK OF ADAPTIVE SOCIAL PROTECTION – 4 BUILDING BLOCK

Estimated costs associated with response to shocks
Pre-planned financial and other risks
Link to the disbursement mechanism
Securing long-term financing to support a higher resilience

Government leadership
Comprehensive policy and collaboration between sectors
Institution Capacity
Strategic cooperation with non-government actors
Specification of roles and responsibilities of each actor, both government and non-government

Assessment of household risks and vulnerabilities
Social Registries
Early Warning Systems
Assessment of post-shock needs
Data sharing platform and protocols

Strengthen the overall protection system and increases coverage
Assess and adjust program design parameters
Design features to support preparedness and coping
Design features to support adaptation

REDESIGN INDONESIA’ ECONOMIC TRANSFORMATION
THAT IS MORE INCLUSIVE AND SUSTAINABLE

"Build Forward Better": With SDGs as Main Instrument toward advanced Indonesia by 2045

Strategy #1
Competitive Human Resource:
• Health System
• Education (Education System and Character Education)
• Research and Innovation

Strategy #2
Economic Sector Productivity:
• Industrialization
• MSME Productivity
• Agricultural Modernization

Strategy #3
Green Economy:
• Low carbon economy
• Blue Economy
• Energy transition

Strategy #4
Digital Transformation:
• Digital Infrastructure
• Digital Utilization
• Strengthening Enabler

Strategy #5
Domestic Economic Integration:
(economic powerhouse)
• Connectivity infrastructure: Superhub, Sea Hub, Air Hub
• Domestic Value Chain

Strategy #6
IKN Transfer:
• New source of economic growth
• Balancing the economy between regions

Universal Social Protection 2030: integration, digitalization, better protection

THANK YOU