EGYPT: From Social Protection to Promotion & Transformation
### Egypt – Economic Facts

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>89.8 million</td>
</tr>
<tr>
<td>% of rural population to urban</td>
<td>43% to 57%</td>
</tr>
<tr>
<td>GDP Growth</td>
<td>4.2%</td>
</tr>
<tr>
<td>Inflation</td>
<td>10.4%</td>
</tr>
<tr>
<td>Labor force</td>
<td>28.87 million</td>
</tr>
<tr>
<td>Unemployment</td>
<td>12.8%</td>
</tr>
<tr>
<td>Population below poverty line</td>
<td>25.2%</td>
</tr>
<tr>
<td>Children under 5 stunting</td>
<td>29.0% (Unicef 2016)</td>
</tr>
<tr>
<td>Fertility rate (# of child/woman)</td>
<td>5.2% (Unicef 2016)</td>
</tr>
<tr>
<td>Completion of basic education</td>
<td>83.0% (Unicef 2016)</td>
</tr>
</tbody>
</table>

*Source: World Fact Book 2016*
EGYPT – YOUNG NATION

0-14 years: 31.89%
15-24 years: 17.64%
25-54 years: 38.45%
55-64 years: 6.86%
65 years and over: 5.16%
Fertility rate: 2.85%

Note: 88% are under 54 years
Low life expectancy

WHY SOCIAL PROTECTION REFORM IS NEEDED IN EGYPT?

- Transition to mitigate impact of economic reform and protect the vulnerable and poorest especially women by investing in future generations.
- To build integrated social policies aligned with subsidy reform policies to eventually alleviate leakages & inequities.
- To introduce new transparent & equitable safety net tools (targeting, automation, social accountability..).
- To apply Conditional Cash Transfer, and hence to promote education and health rights through increasing demand and improving services.
- To develop new linkages among relevant ministries, between the State and communities and between private sector and the poor.
- To enhance social protection and eventually proceed towards promotion & transformation.
### WHAT INSTRUMENTS TO WE HAVE FOR SOCIAL PROTECTION?

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Intervention</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Social support &amp; care services</strong></td>
<td>- Social institutions for children and orphanages</td>
</tr>
<tr>
<td></td>
<td>- Social care for elderly people</td>
</tr>
<tr>
<td></td>
<td>- Social care for people with disability</td>
</tr>
<tr>
<td></td>
<td>- Child care services</td>
</tr>
<tr>
<td><strong>Social Insurance</strong></td>
<td>- Social security and its extension and pensions</td>
</tr>
<tr>
<td></td>
<td>- Health insurance for the poor;</td>
</tr>
<tr>
<td></td>
<td>- Maternity benefits, crop insurance</td>
</tr>
<tr>
<td><strong>Social Assistance (Unconditional Cash Transfers)</strong></td>
<td>- Cash transfers (including pensions, child benefits, poverty-targeted, seasonal)</td>
</tr>
<tr>
<td></td>
<td>- Food rations and food subsidies</td>
</tr>
<tr>
<td></td>
<td>- Free health and education services, school feeding</td>
</tr>
<tr>
<td></td>
<td>- Emergency assistance</td>
</tr>
<tr>
<td><strong>Conditional Cash Transfer</strong></td>
<td>- Takaful</td>
</tr>
<tr>
<td></td>
<td>- Karma</td>
</tr>
</tbody>
</table>
DEVELOPED FORMS OF SOCIAL PROTECTION IN EGYPT

Access to Free Health Care

Education & Nutrition for Children

Food Rations

Social Care

Conditional Cash Transfer

Labour Intensive Projects

Economic Empowerment
WE NEED A SYSTEMIC APPROACH

- Tailored to the specific context of each country
- Country leadership and ownership
DEVELOPMENT OF SOCIAL SAFETY NET

The Ministry of Social Solidarity (MOSS) is mandated to reform the Social Safety Net and expand its coverage, with a long-term plan to reach 3 million poor HHs. This includes Conditional Cash Transfer (CCT) “Takaful and Karama” aligned with other social policies and longer term social protection strategy.
Takaful is a family income support program to *families with children (0-18 years)*, and is aimed to produce human development outcomes, specially nutrition, maternal and child health, and school enrolment and retention.

Karama is a social inclusion program to persons, specifically the *elderly 65+ and the disabled* who cannot work, and is aimed to provide social protection and decent life for the most vulnerable persons.
PRINCIPLES OF TAKAFUL AND KARAMA PROGRAM

Human Rights-based

Equity

National ownership

Systematic & integrated

Developmental Approach
**TARGETING**

**Geographic Targeting:**
- Transfer of Cash is done to particular geographic areas or administrative units that have the lowest development indicators.
- The targeting mechanism identifies the eligible areas and then within these identifies the potential beneficiaries.

**Proxy Means Test (PMT) Targeting:**
- A score is computed for each household (HH) based on combination of different factors socio-economic variables and eligibility is determined by comparing the score against a predetermined cut-off.

**Gender Targeting**
- Targeting of women where the objective is empowering them and assisting them to achieve socio-economic mobility as well as financial inclusion pre-requisites.
## Benefit Scheme

<table>
<thead>
<tr>
<th>Takaful Program</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Family</strong></td>
<td><strong>Monthly payment</strong></td>
</tr>
<tr>
<td>Basic HH payment</td>
<td>325</td>
</tr>
<tr>
<td>Per child – Primary stage</td>
<td>60</td>
</tr>
<tr>
<td>Per child – Prep. stage</td>
<td>80</td>
</tr>
<tr>
<td>Per child – Secondary stage</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Karama Program</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Person</strong></td>
<td><strong>Monthly Payment</strong></td>
</tr>
<tr>
<td>One Person</td>
<td>350</td>
</tr>
<tr>
<td>Two persons</td>
<td>700</td>
</tr>
<tr>
<td>Three persons</td>
<td>1050</td>
</tr>
</tbody>
</table>
Pregnant & lactating mothers
• Pre-post natal care
• Safe delivery and awareness on breastfeeding

Children (0-6 years old)
• Vaccination
• Growth monitoring booklets

School-aged children (6-18 years)
• Enrollment in education and attendance rate 80% of school days.

Young people above 18 years who are still studying
• Transferred to social pension scheme.
REGISTERED VS ELIGIBLE HOUSEHOLDS

- June, 15: 133,657
  - Registered: 63,880
  - Eligible: 123,638
- Sept, 15: 201,638
  - Registered: 123,638
  - Eligible: 165,707
- Dec, 15: 396,895
  - Registered: 165,707
  - Eligible: 506,502
- March, 16: 897,000
  - Registered: 506,502
DESEGREGATION OF BENEFICIARIES

24,301,579

470,623

Takaful
PwDisability
Elderly
Issuance of a presidential decree (15/2015) to amend the social security law, to acknowledge the development of new programs targeting new categories that are eligible for social protection.

Issuance of a prime minister decree (540/2015) to develop a new Conditional Cash Transfer program (Takaful & Karama) under the umbrella of social protection.

Issuance of a prime minister decree to establish a ministerial committee for social justice to harmonize social policies and programs and jointly implement projects that targets the poor and the most vulnerable.

Issuance of the first law regulating micro-finance services and micro-credit provided by non-bank micro-financiers, such as companies & NGOs placing them under the authority of the EFSA.

Reform of procedures for issuing food ration cards and cleaning of all available data to rationalize the use of subsidies for food supplies &
Completion of targeting tools and of system automation.
4000 social workers & researchers had their capacities developed to fill questionnaires (1250 from MoSS and 2750 independent researchers).
Finished wave-1 in 10 governorate, while having 897,000 HH enrolled (3,800,000 individuals) out of which 506,000 HH proved to be eligible (2,160,000 individuals) and 391 rejected. (acceptance 56%)
Start of wave-2 in 11 governorates and registration of 273,000 HH governorates in Lower Egypt and urban areas.
Developed verification and grievance mechanisms but still being automated
Started developing social accountability committees at the community level to enhance collective responsibility.
Formed T&K Ambassadors from media people to promote T&K and raise
Social justice

Economic (& social?) opportunities

Insurance & diversification

Social assistance/safety nets
ED FOR A PRODUCTIVE SOCIAL SAFETY NET

To cope with chronic poverty

To mitigate shocks

To reduce vulnerability in the mid- and long-term by investing in human capital of children

To move on to a positive trajectory

poor and vulnerable households require different types of support – a single intervention is not enough
**Productive Safety Net.. Towards Equitable Growth**

- **CCT**
  - Vulnerable, employed or informal employment

- **Productive SF**
  - (Adults, healthy, skilled, or semi-skilled)

- Income generating activities, Savings, Training

- Smooth consumption, accumulation of assets

**Human capital accumulation and**

**Education, health and**

- **Participation for several years**

**Unified National Registry**
ECTIVE OF THE PRODUCTIVE SOCIAL SAFETY NET

- Increasing consumption of extremely poor on a permanent basis
- Smoothing consumption during lean seasons and shocks
- Investing in human capital and development
- Strengthening links with income generating activities and with private sector
- Increase access to improved social services
SUMMARY....

Social protection is an integral part of social policies.
Making sure that all of the country’s talents are given the opportunity to reach their potential
link the macro, meso and micro levels. Policies, systems, institutions & communities.
Develop knowledge, management information systems and link networks.
There is an urgent call for governmental coordination and alignment of policies.
Set up a strong legal system with accountability measures.
Partnership with private sector and civil society will speed up and develop additional value.
Strong governance mechanisms and countering fraud and corruption.
Regular M&E is indispensable.

Work for success, accept failures, but learn lessons.
Thank You