

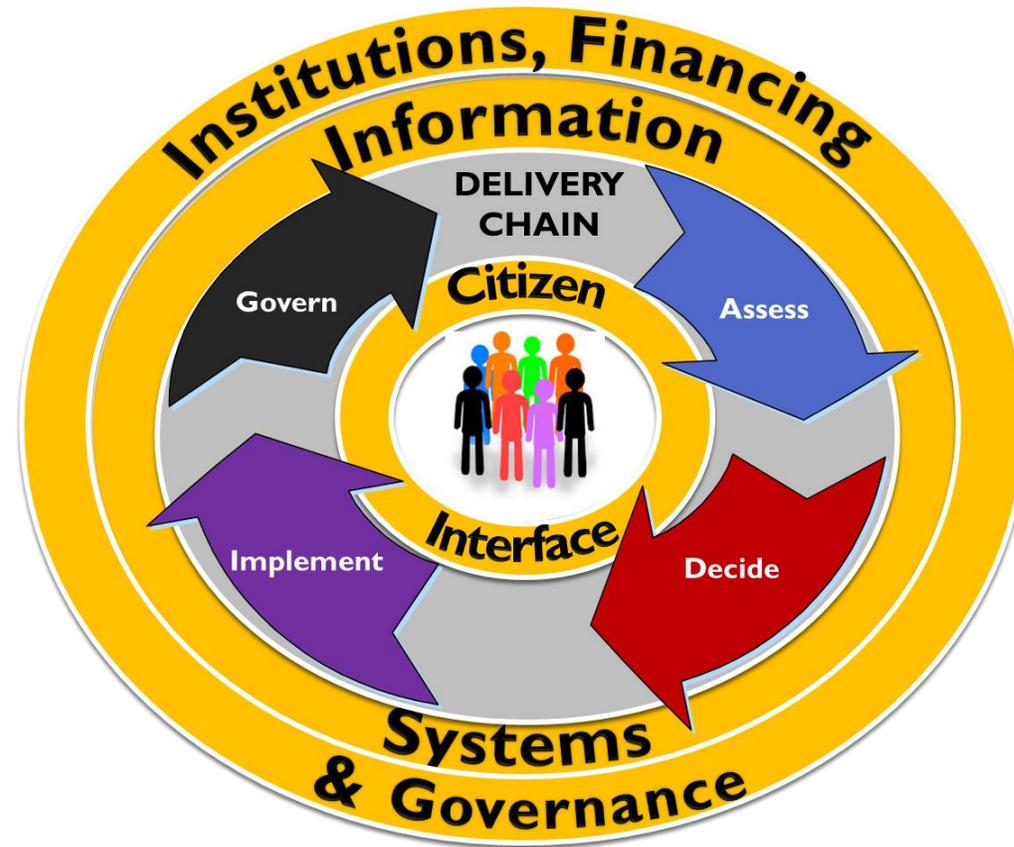


Institutions and Governance in Social Safety Nets

Social Safety Nets Core Course
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Institutions, financing and governance underpin SSN delivery systems



But institutions for what?

SSN typically include a variety of programs, services and benefits to improve the welfare of vulnerable individuals and families

What does this look like **in practice**?

- Many programs, services, benefits usually for those most vulnerable.
- Provided by different institutions, sectors and administration levels.
- Each with its own requirements, operating rules and implementing mechanisms.
- Sharing target population but not targeting the same population.
- A lot of agencies working a lot, many resources in place, not enough results

Institutional choices/options related to the ***definition*** (=> ***policymaking***), ***implementation*** (=> ***delivery***) and ***coordination*** of social programs and policies can influence social protection outcomes

What is **your** most burning (institutional!) concern?



- a) Absence/weakness of social protection policymaking body
- b) Weak coordination of social programs across ministries
- c) Limited capacity of the agency in charge to implement programs at the local level
- d) Excessive politicization of social programs
- e) Other

(i) Policymaking: who is responsible for social protection policies?

What are the legal foundation and the organizational form of the policy-making body and its mandates (i.e., what is the “sector”)?

What are the policymaking body’s formal (de jure) responsibilities and actual (de facto) capacity to coordinate policy horizontally across ministries/agencies?

What is the level of technical capability and financial/political clout of the policy-making body?

Pattern 1: A (strong) ministry with mandate for policy-making, delivery, M&E, and inter-institutional coordination
(Brazil, Peru)

Pattern 2: Multiple ministries with separate policy mandates and program portfolios

2A: With inter-institutional coordination body
(Indonesia; Punjab-Pakistan)

2B: Without a coordination body
(Bangladesh, Costa Rica)

Pattern 3: Multi-sectoral planning agency
(Nepal, Pakistan)

In my country, institutional responsibility for SP policy making follows:



(a) Pattern 1: A (strong) ministry with mandate for policy-making, delivery, M&E, and inter-institutional coordination
(Brazil, Peru)

Pattern 2: Multiple ministries with separate policy mandates and program portfolios

(b) 2A: With inter-institutional coordination body
(Indonesia; Punjab-Pakistan)

(c) 2B: Without a coordination body
(Bangladesh, Costa Rica)

(d) Pattern 3: Multi-sectoral planning agency
(Nepal, Pakistan)

(e) None of the above

(ii) Delivery: what is the most effective set up to deliver programs/services?

- What is the level of decentralization and capacity of local government structure?
- What are service provider incentives for performance accountability?
- What are the mechanisms for citizen interface/ coordination/engagement at the *user* level?

1. Central Ministry

1A. Through deconcentrated local offices

Philippines CCT; Pakistan UCT; Mexico CCT

2. Central Ministry partnership with Local Government

1B. Through service delivery agency

Australia Centrelink, South Africa SASSA

Brazil CCT, Tanzania PSSN

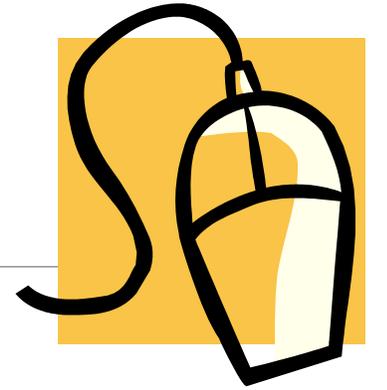
3. Sub-national Government under central oversight

Mexico Seguro Popular, India centrally sponsored schemes

4. Fully decentralized

5. Outsourced

My country's flagship SP program is implemented following:



1. Central Ministry

(a) 1A. Through deconcentrated local offices

Philippines CCT; Pakistan UCT; Mexico CCT

(b) 1B. Through service delivery agency

Australia Centrelink, South Africa SASSA

(c) 2. Central Ministry partnership with Local Government

Brazil CCT, Tanzania PSSN

(d) 3. Sub-national Government under central oversight

Mexico Seguro Popular, India centrally sponsored schemes

(e) 4. Fully decentralized

5. Outsourced

How do these institutional choices translate into coordination?

At the **national level**,
coordination is about
policy:

- shared target group
- common objective
- harmonized approaches



At the **point of delivery**,
coordination requires
some degree of
spatial/territorial
approach

...and how much of it is it a choice?

Path dependence/Political economy/context:

- Why the decision to create a central coordinating/policymaking agency?
- Why and how do some social ministries acquire “weight” while others remain “marginal”?
- What makes inter-agency coordination more difficult in some country context?
- Why are some governments more effective in eliciting inter-governmental cooperation?
- Challenge of infrastructure and technological development (e.g., connectivity), HR capacity can constrain (or facilitate) institutional options

Workgroup exercise

Case study (see handout)

1. Propose institutional options to improve horizontal coordination
2. Propose an approach to make sense of the institutional terrain and assess institutional feasibility

“Solutions”

Identifying viable institutional options for effective coordination: Some guiding questions

- Institutional design is more about **functions** than **forms**
 - What are the key functions to be performed?
 - What authorities/resources are needed to perform those functions?
 - Is there any existing institutional actor that is equipped with these authorities/resources? If not, how can they be created?
- Big picture questions
 - Is there a ministry/high-level entity that combines (i) legal mandate; (ii) organizational capacity; (iii) political weight for policy-level coordination?
 - If not, can any of the existing entity “step up” to play the coordinating role?
 - Is there any existing institution with sufficient administrative capacity to lead strategy implementation?
 - Human resources (both quantity and quality), geographic reach, data, etc.
- But details also matter
 - How does each program to be coordinated operate?
 - Legal or resource constraints that might limit their ability/willingness to be coordinated? (e.g., are they mandated to cater to different population segments? do they operate in the same geographic areas? do they operate with different time lines?)

Institutional “peculiarities” of “Corellia”

- Highly fragmented
 - Large number of ministries and (especially) autonomous/semi-autonomous agencies (AAs) in the social sector
 - Around 30 social programs receive funding through and, are required to report back to, a Social Fund -> Possibility of supervision and coordination (or even financial incentives to steer their behavior through results-based funding?) **except...**
- “Depth” of fragmentation
 - Some AAs have very high levels of statutory autonomy: guaranteed budget (not even Congress can touch it) -> the Social Fund cannot increase or reduce funding based on performance
 - Most programs have separate sources of funding besides the Social Fund and are only required to report to SF for the use of funds channeled through it but not the totality of its spending
- A relatively large social assistance agency with nationwide presence: an AA without a “parent” ministry
 - Good professional/technical capacity (e.g., no. of trained social workers in regional offices) but with mixed reputation (e.g., allegation of clientelism, inefficiency)
- Local governments have limited mandate or capacity for social program implementation
 - But the country’s small size and unitary structure means coordination with local governments is not absolutely necessary

Actual institutional arrangement for the Strategy implementation in “Corellia”

- In practice, the Strategy formulation was led by the Presidential Social Council (PSC) and the leadership of the Social Assistance Agency (SAA)
 - PSC oversees implementation based on reports from SAA
 - Division of roles & responsibilities between PCS and SAA had to be clearly defined over time
 - SAA coordinates implementation at the delivery level via:
 - Bilateral protocols for operational coordination with each participating program
 - About 9 programs/institutions selected for the 1st cycle
 - Each program has designated a national point person
 - Social workers visiting target families to prepare a family plan as a basis for referring them to relevant programs/services
 - Head of SAA appointed as Minister of Human Development (without portfolio) to spearhead the process
 - Local governments play no major role
- Current arrangement is “working” but with high risk of institutional sustainability
- Government keen to pursue creation of a new social/human development ministry but political viability is in question.

Institutional arrangements for social policy-making in “Corellia”

- Ministry of Labor & Social Security
 - Mainly responsible for labor policy & regulation but also “contribute to poverty reduction through social investment programs for socially disadvantaged groups”
 - Oversees:
 - Social Security Institute which manages a large social pension program and subsidized health insurance) and
 - Social Fund (which channels government funding to about 30 targeted social programs)
- Ministry of Housing:
 - Manages a social housing program (poorly targeted and often criticized)
 - Once a plan to turn it into Housing & Social Development
- Presidential Social Council
 - Headed by Vice President/composed of multiple ministers/agency heads
 - “Convening power” but limited technical capacity (thin staff), focused on monitoring of priority initiatives (including the Strategy implementation)
 - Created by an Executive Decree (i.e., can be rescinded by the next president)

Creation of social ministries in LAC



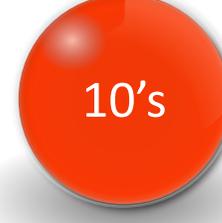
México, Sec. de Desarrollo Social (1992)
Paraguay, Sec. De Acción Social (1995)



Argentina, M. de Desarrollo Social (2003)
Brasil, M. de Desarrollo Social y Combate al Hambre (2003)
Uruguay, M. de Desarrollo Social (2005)
Panamá, M. de Desarrollo Social (2005)



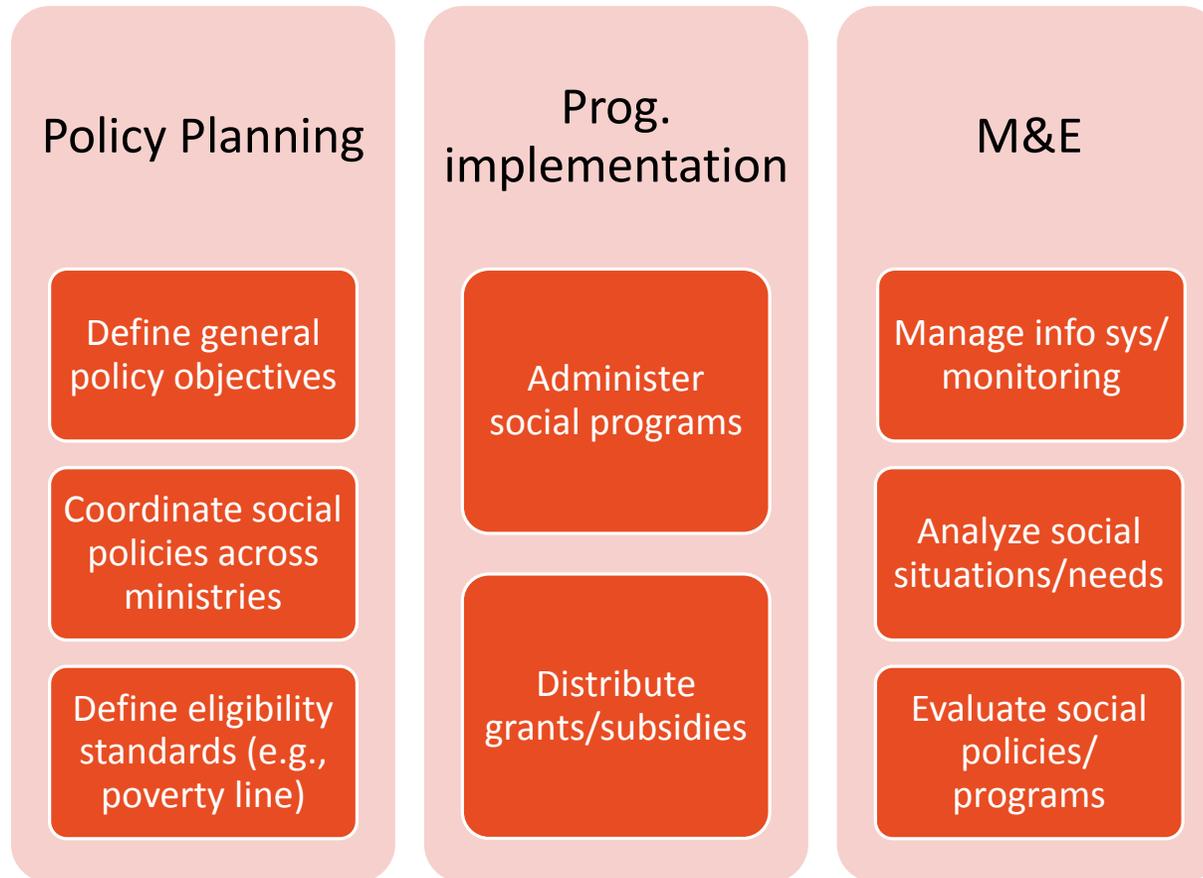
Ecuador, M. de Inclusión Económica y Social y M. Coordinador de Desarrollo Social (2007)
Honduras, Sec. de Desarrollo e Inclusión Social (2008)



Chile, M. del Desarrollo Social (2011)
Perú, M. de Desarrollo e Inclusión Social (2011)
Colombia, Departamento Administrativo para la Prosperidad Social (2011)
Guatemala, M. de Desarrollo Social (2012)



Key functions of social ministries

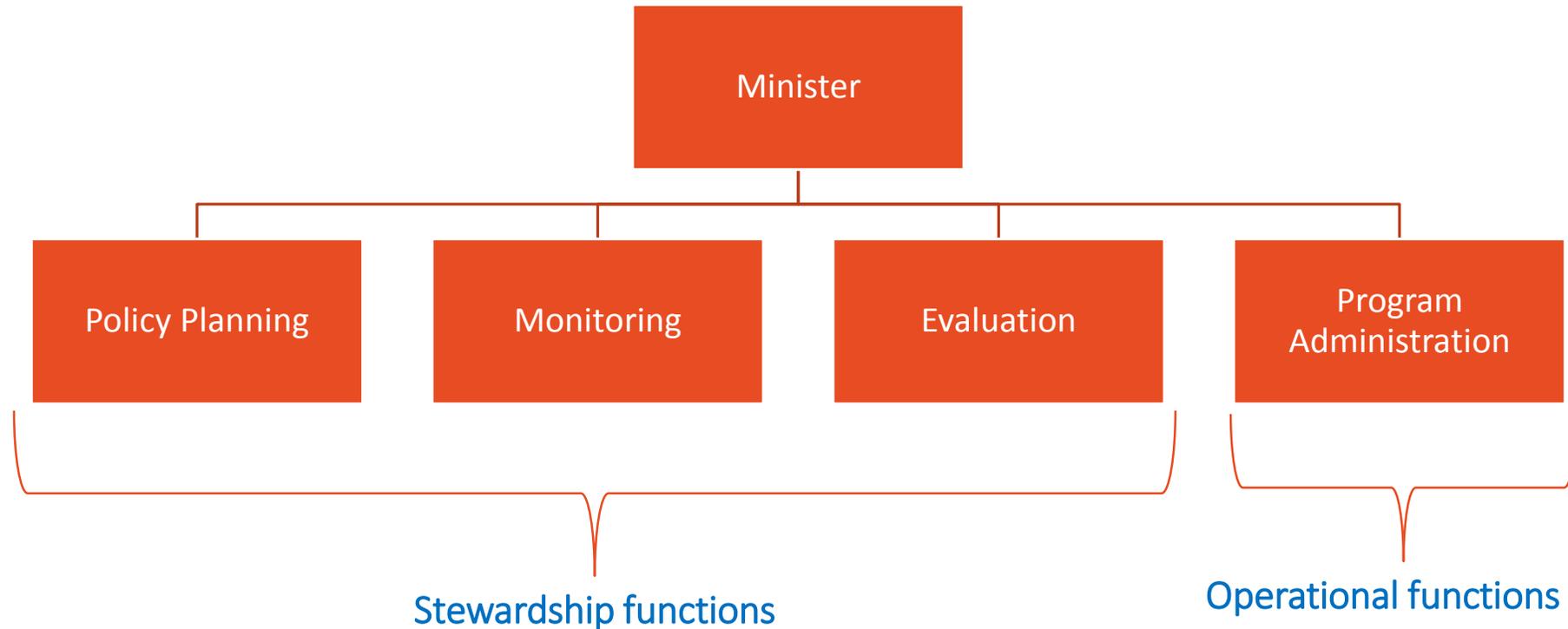


In LAC countries, the ministries on average carry out 13 functions:

- Policy planning: 6
- Implementation: 3
- Monitoring: 2
- Evaluation: 2



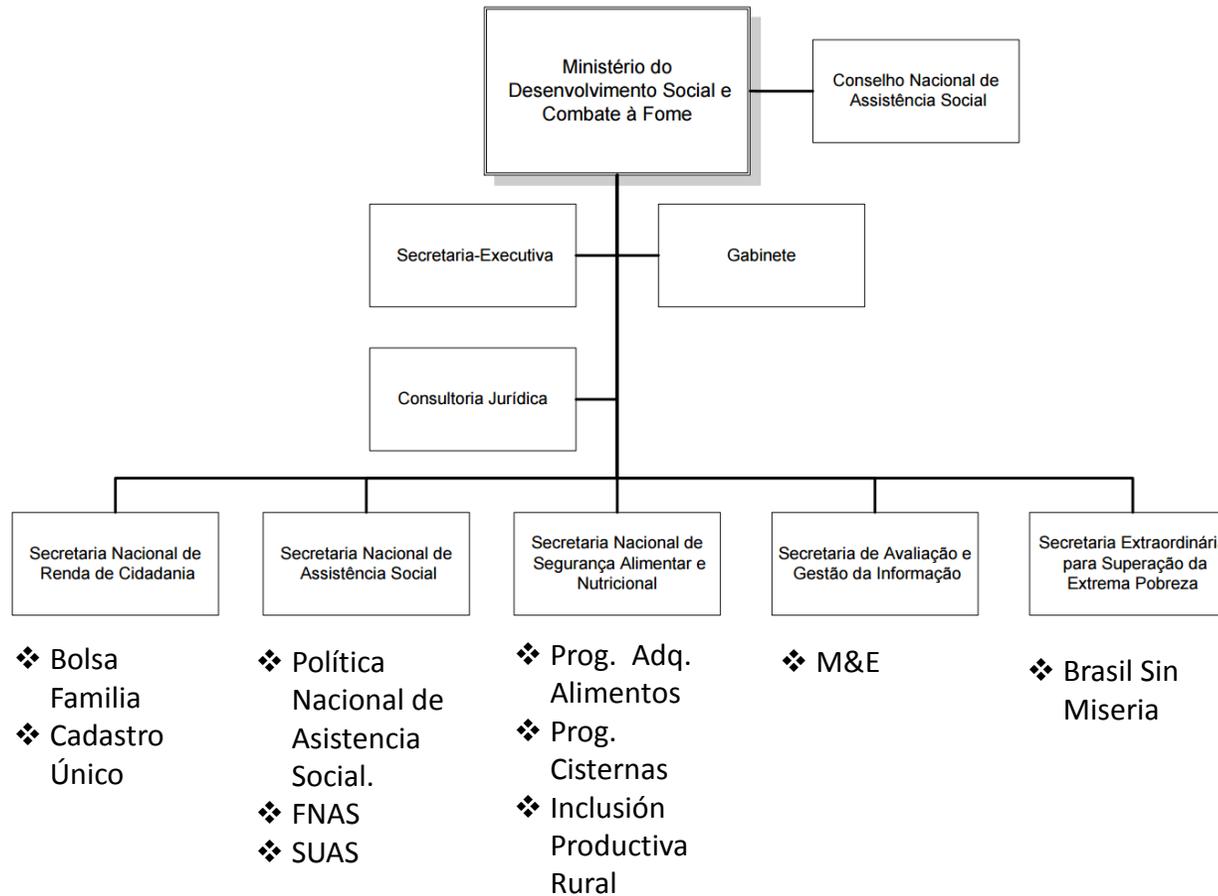
A “typical” structure of a social ministry



Example: Ministry of Social Development and Fight against Hunger (MDS), Brazil

- MDS was created in 2003 as part of a series of policy and institutional measures adopted by the Lula Administration as **Zero Hunger**
- **First, the Extraordinary Ministry of Food Security and Fight against Hunger**, which was later absorbed into MDS in 2004.
 - Also absorbed was the Ministry of Social Assistance (MAS) whose institutional position had often been unstable (in and out of Min. of Social Security)
- Five “Secretariats” (equivalent of vice ministries/general directions, etc.)
 1. To manage Bolsa Familia and Cadastro Unico
 2. To manage the Unified System of Social Assistance (formerly under MAS)
 3. To manage food security programs
 4. To manage the new initiative Brazil without Extreme Poverty
 5. M&E

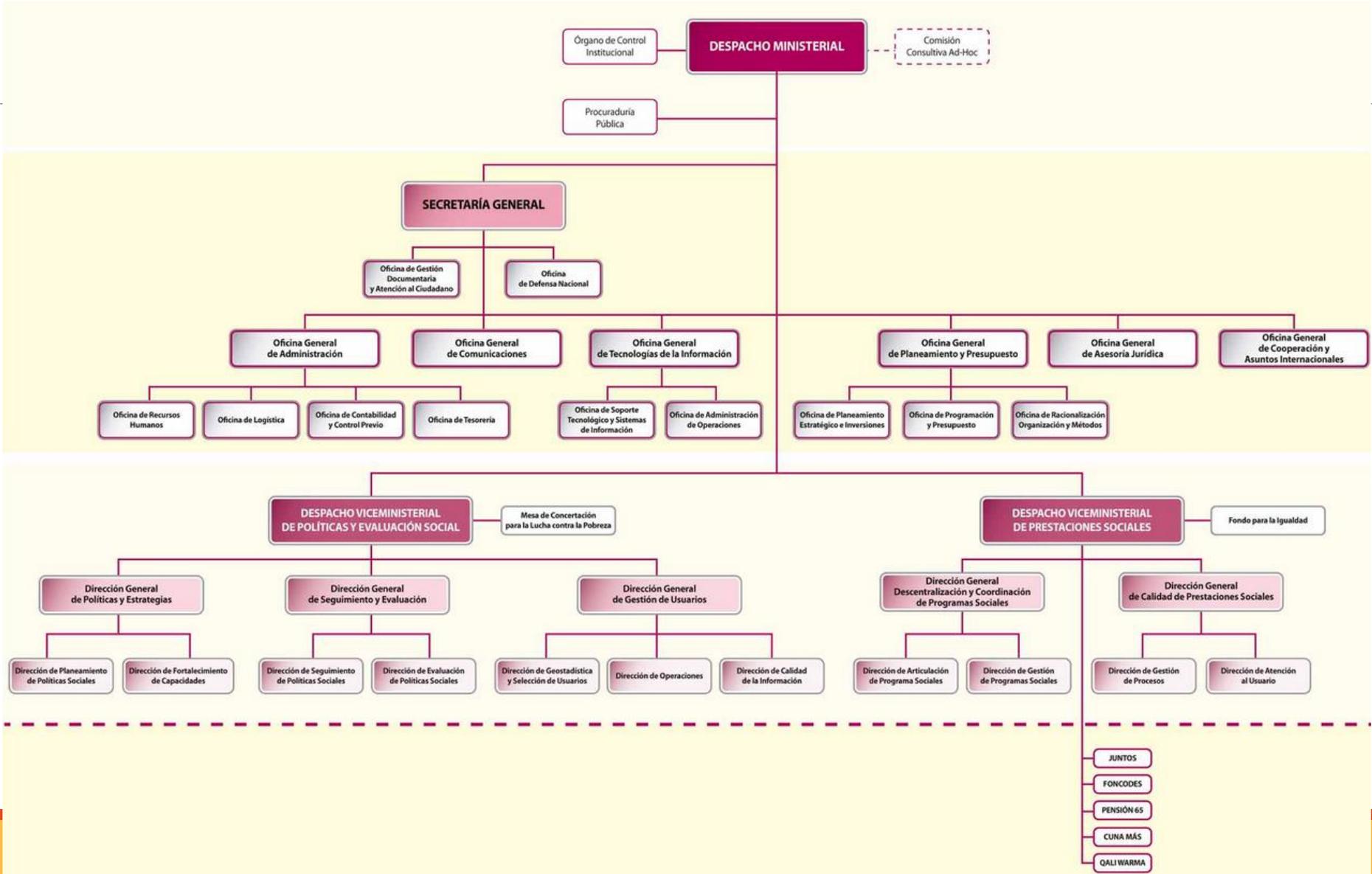
MDS, Brazil



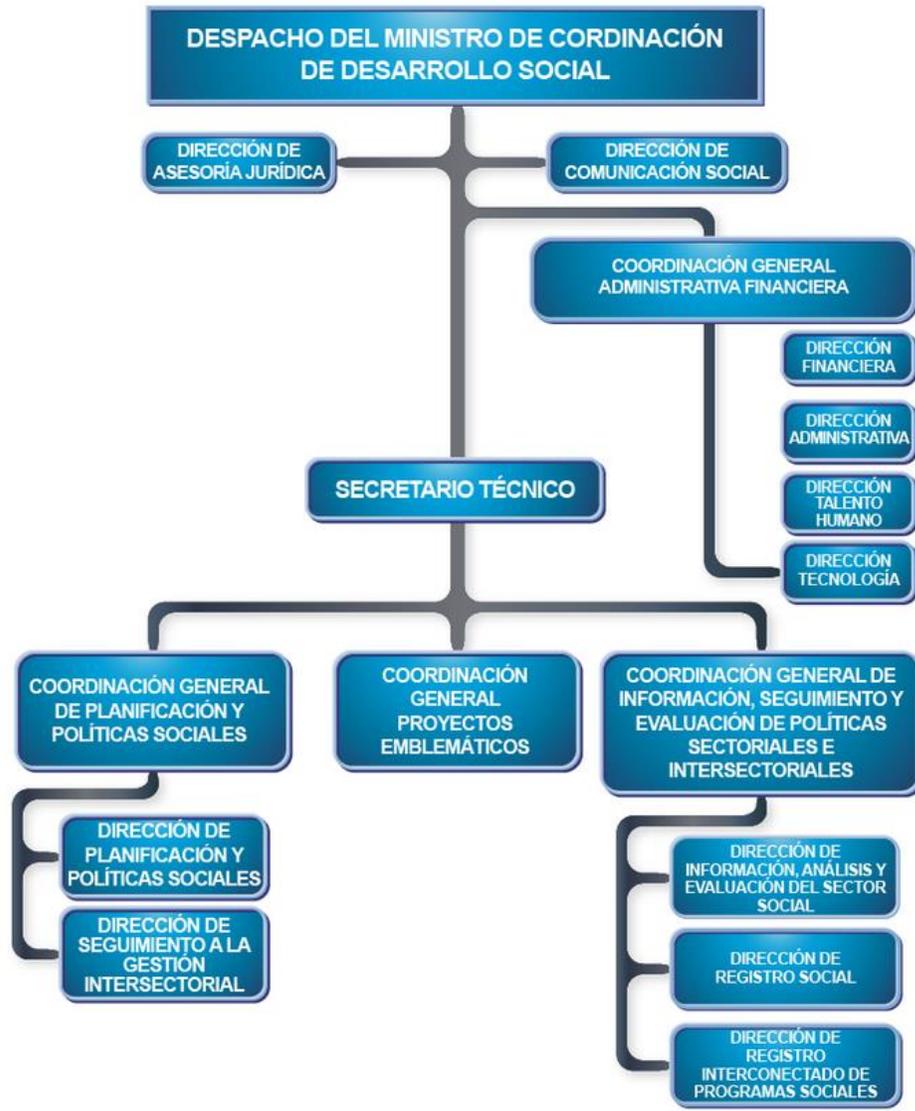
Example: Ministry of Development and Social Inclusion (MIDIS), Peru

- ❖ Created in 2011 by the Humala Administration reflecting the President's campaign promise
 - ❖ Debate/attempts at better social policy coordination at least since the mid 2000s (two previous administrations)
 - ❖ Toledo: coordination only within each sector
 - ❖ Garcia: inter-sectoral coordination to address chronic malnutrition -> model for MIDIS
- ❖ **MIDIS: 2 Vice Ministries**
 - ❖ **VM for Social Policy and Evaluation:** Planning, M&E, management and monitoring of the quality of social information.
 - ❖ **VM for Social Delivery**
 - ❖ Coordination and management of the quality of social programs in general.
 - ❖ Direct administration of 5 flagship programs.

MIDIS, Peru



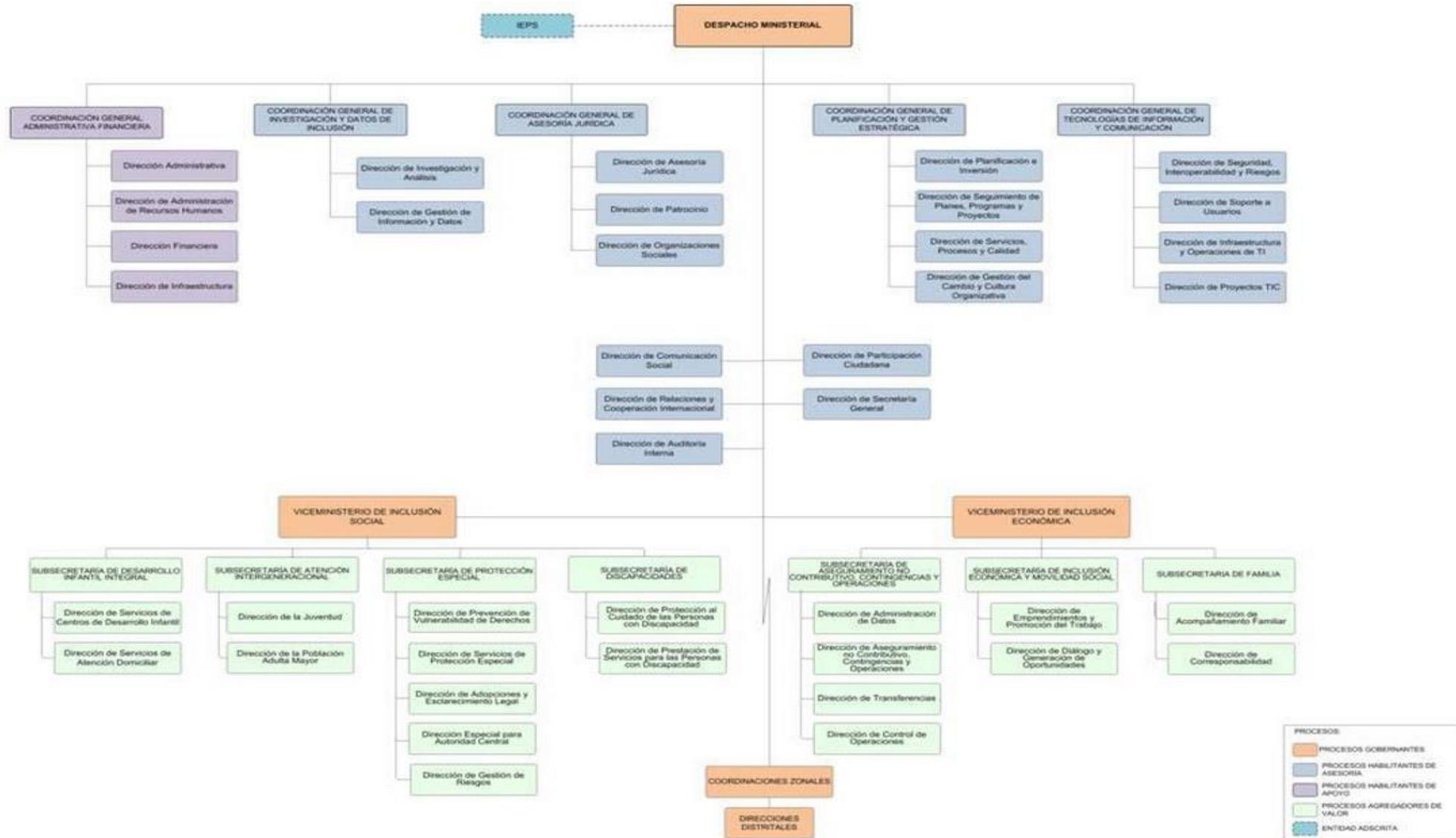
Coordinating Ministry of Social Development, Ecuador



❖ A unique model → 2 Ministeries:

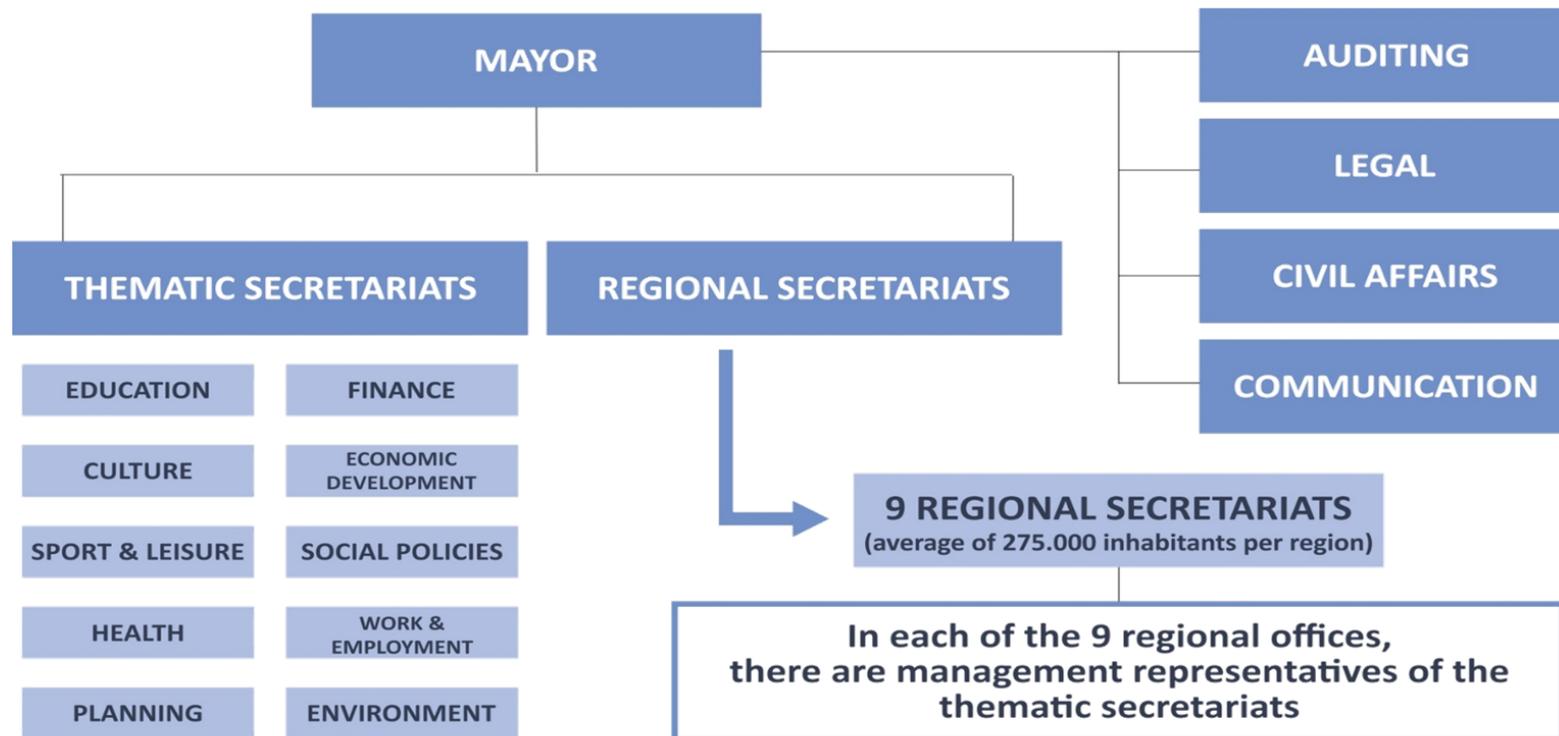
- ❖ One in charge of policy coordination: Policy planning, M&E, management and monitoring of social information.
 - ❖ Oversees: Health, Education, Sports, Urban Dev and Housing, and Economic and Social Inclusion
- ❖ The other in charge of program implementation: Economic/social inclusión programs per vulnerable groups.

Ejemplo, Ministerio Inclusión Económica y Social, Ecuador



Institutional options for horizontal coordination at the point of delivery

- Horizontal coordination by local governments: e.g., BH Citizenship. Belo Horizonte, Brazil



Institutional options for horizontal coordination at the point of delivery

Centrelink, Australia:

- supporting 25 agencies

