

Highlights of the Bi-regional Conference on Social Protection and Poverty Reduction

Cape Town South Africa 7-9 June 2007

Lessons learnt:

Mexico

- Large scale cash transfer programmes are feasible.
- They are cost effective - have a positive impact on poverty reduction
- They do not reduce the proportion of the poor significantly but are able to reduce inequality in a cost effective manner
- Evaluation is critical; it legitimizes sustainability
- The emphasis should not be on graduating people out of the programme but more on inter-departmental cooperation so that they can be moved into sustainable income generation programmes.

Chile

- Targeting the extreme poor remains a challenge, compared to targeting the poor
- Comprehensive set of social protection interventions do work
- Transition from collective to individual accounts can have a huge cost implication

Argentina

- Dispersed social protection system does not work well - need to correct fragmentation
- Social protection systems were a response to economic crisis
- Social security systems need to evolve towards unified frameworks, with flexibility and solidarity

Brazil

- Large scale social transfer programs are feasible, necessary and cost effective
- Role of the State is critical – poverty reduction and social protection is an obligation of the State. As such State capacity is key

- Comprehensive social protection programmes work better
- Planning, coordination and monitoring and evaluation are important
- There are three “types” of cash transfers: income insurance, human capital accumulation and “developmental approach” (incl. micro-credit and training)

Issues from Southern Africa

- Southern Africa is not homogenous – varying levels of development, social security and social protection systems
- Where social protection mechanisms exist, coverage is low and workers in the informal sector not covered
- There are regional instruments – Charter of Fundamental Social Rights (Social Rights), but implementation is a challenge
- Need to think of a continuous form of social insurance that includes informal sector and that does not inhibit future growth of informal sector
- Many SADC countries are undertaking social security reform

Concluding session: An attempt to sketch a way forward on concretizing South-South Cooperation for poverty eradication