



Social Pensions in Asia

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- **Social protection for older persons in Asia**
- **Social pensions as a means to reducing vulnerabilities and social exclusion**
- **Policy implications**



Social protection for older persons in Asia

- The existing schemes are historically weak and fragmented
- Limited formal contributory schemes
 - 10% of working age population in Viet Nam
 - 15% in Thailand and the Philippines
 - Reliance on informal support
 - Traditional family and informal support systems for older people have weakened (?)
 - Implications for women



Social pension schemes

Country	Scheme	Eligibility	Age
Bangladesh	Old Age Allowance	Means-tested	62 women 65 men
India	Indira Gandhi National Old Age Pension	Means-tested	65 poor 60 for those with some health conditions
Nepal	Old Age Allowance	Universal	70 general 60 for Dalits and Karnali residents
Thailand	Old Age Allowance	Universal	60
Vietnam	Social Pension	Universal Means-tested	80 universal 60 targeted
Philippines	Expanded Senior Citizens Act of 2010	Means-tested	60



Coverage inclusiveness

Country	Scheme	Life expectancy at birth	Eligibility
Bangladesh	Old Age Allowance	71 women 67 men	62 women 65 men
Nepal	Old Age Allowance	61 upper caste 51 Dalits	70 general 60 for Dalits and Karnali residents
Thailand	Old Age Allowance	76 women 71 men	60
Vietnam	Social Pension	74 women 69 men	80 universal 60 targeted



Reducing vulnerability

- **Economic vulnerability**
- **Participation in social and ceremonial activities**
- **Support for other household members**
- **Importance of rigorous impact evaluations**
- **Small benefit size**



Transfer size

Country	Scheme	Monthly transfer size (2011)	% of poverty line
Bangladesh	Old Age Allowance	TK300 (\$3.6)	1/5 of poverty line
Nepal	Old Age Allowance	NRs500 (\$6)	1/2 of national subsistence minimum
Thailand	Old Age Allowance	B500 (\$18)	1/3 of poverty line
Vietnam	Social Pension	D180,000 (\$9.5)	1/2 of national min living standard



Reducing social exclusion

- Institutional significance - addressing structural driver of old-age vulnerability:
 - Source of income support in the absence of contributory social security and inability to earn sufficient income in the labour market
- Effectiveness in addressing exclusion in practice is contingent upon benefit generosity



Policy Implications

- Importance of greater redistribution (and growth) to finance more generous benefits
- Transition from poverty targeting to addressing life cycle vulnerabilities:
 - Is it feasible, achievable and practical?
- Integration in the consolidated system of social protection and as a pillar of contributory pensions
- More research needed