Arab Republic of Egypt

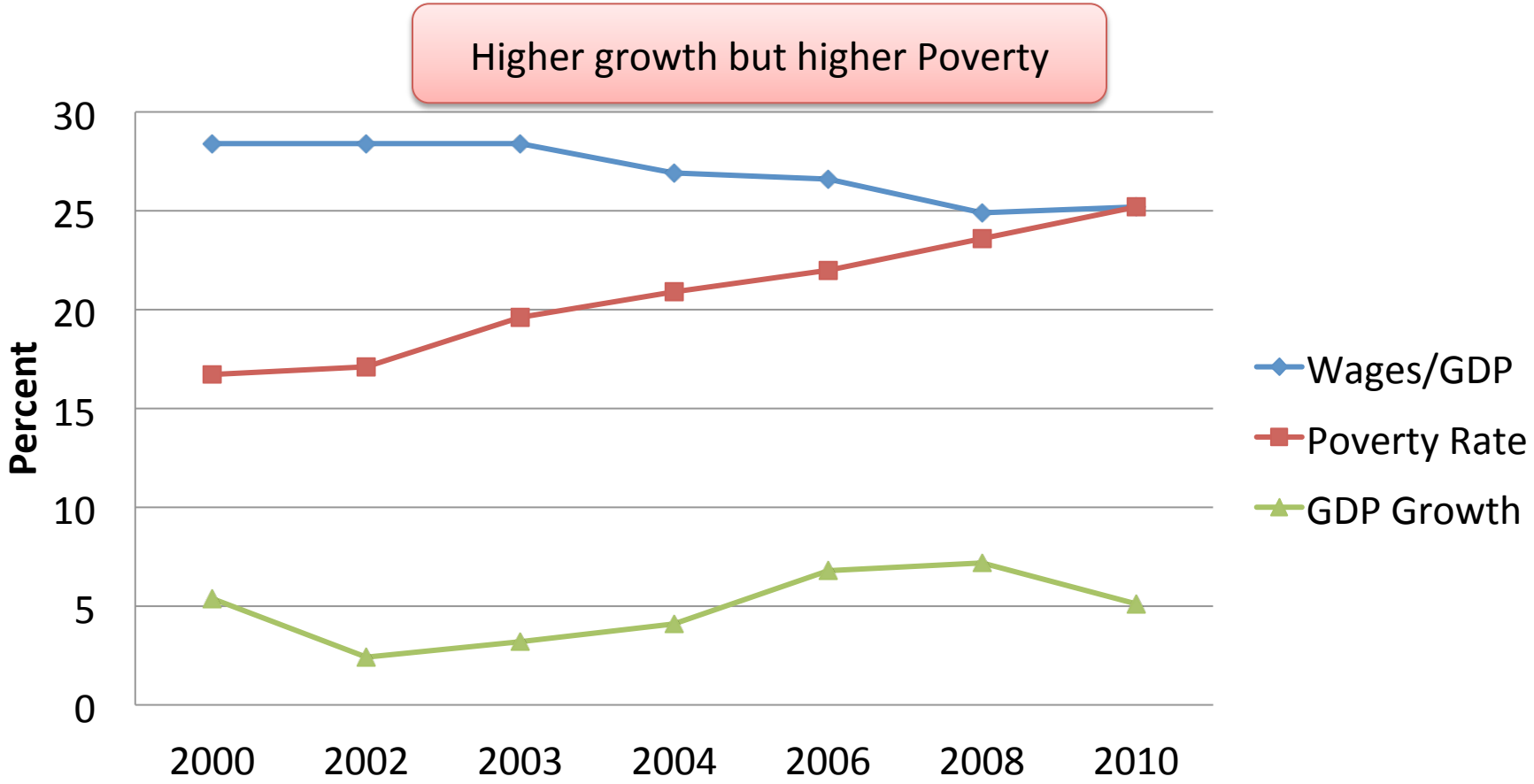
Ministry of Social Solidarity

Social Protection.. Equitable Development & Nation-building

Panama
April 2016

Economic Growth only is not Enough

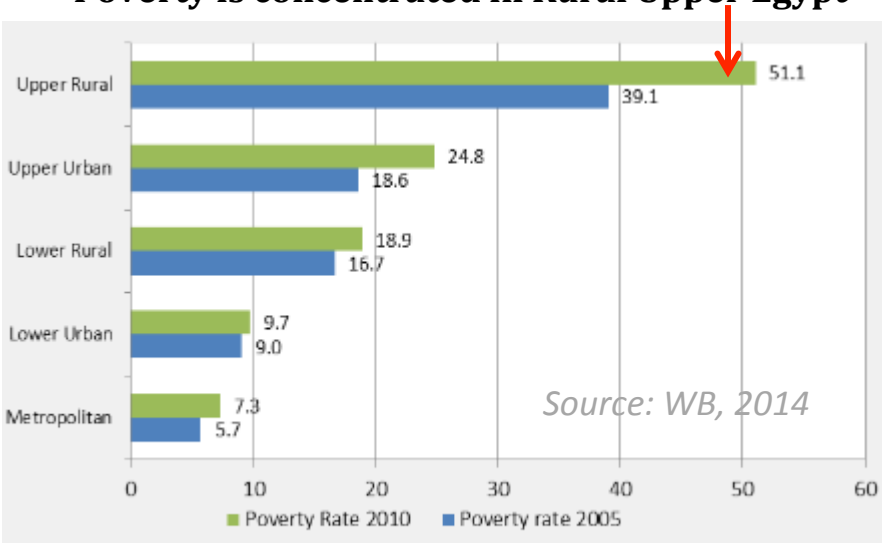
- Egypt has been following the "Growth first" model of Economic growth.
- This led to 5-7% growth rates without enough social inclusion



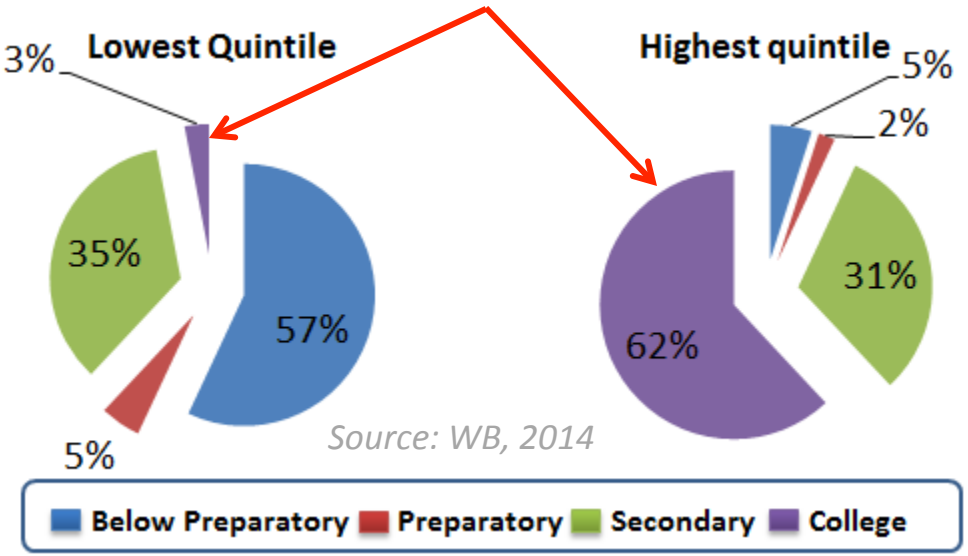
Source: WDIs, 2014

Egypt's growth has not been inclusive

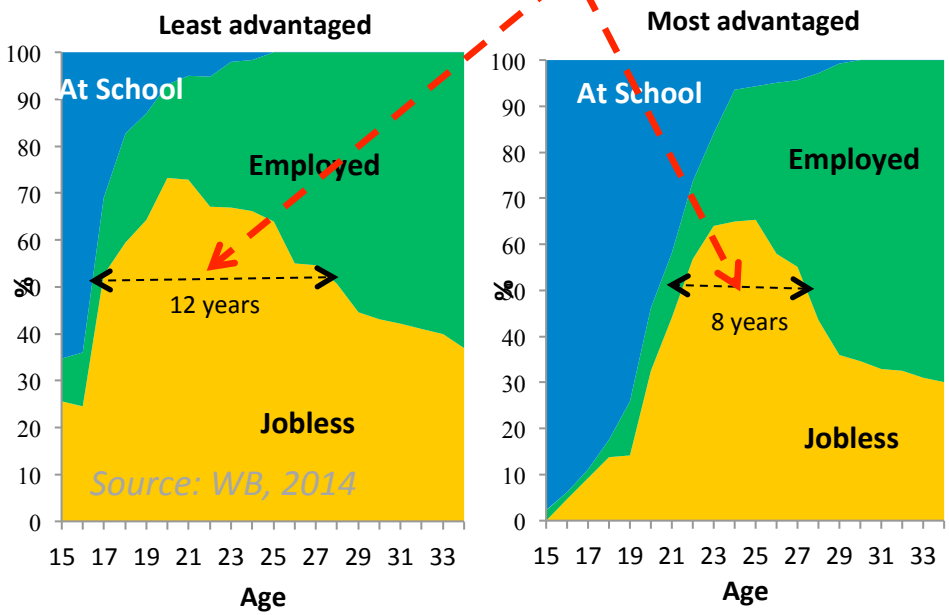
Poverty is concentrated in Rural Upper Egypt



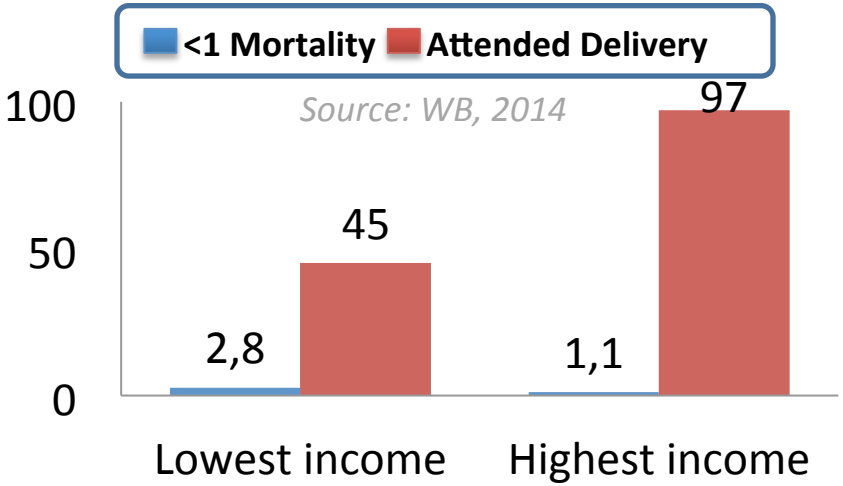
The lowest quintile has lower access to college education



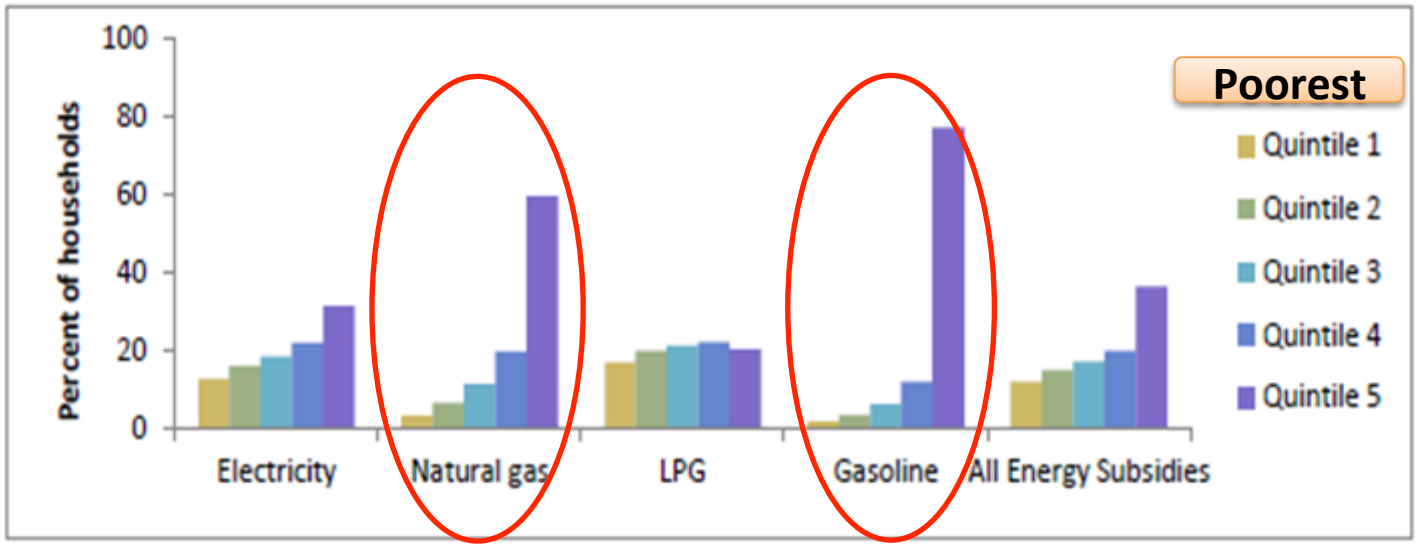
It takes the poorest 1.5 times longer than the richest to transit from School to work



A born poor infant is about 3 times more likely to die before his 1st year than a rich one



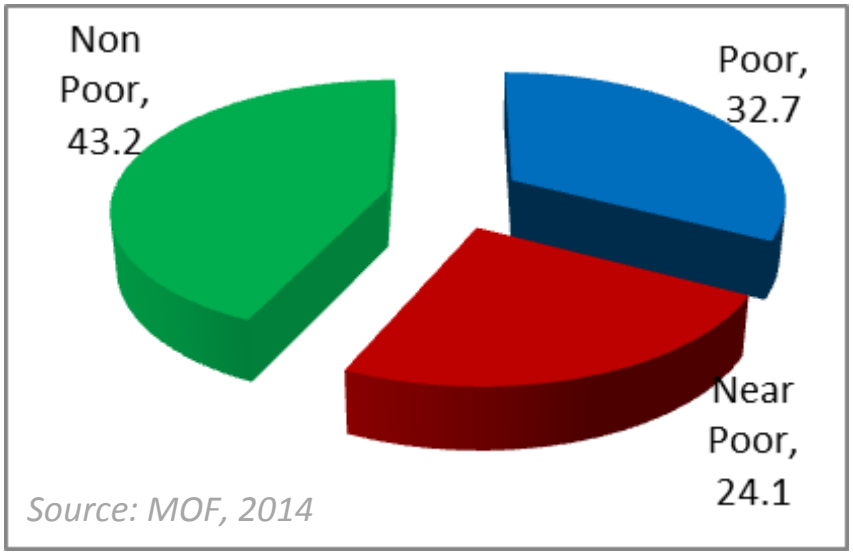
Egypt's growth has not been inclusive; Poor Targeting



Source: HIECS, 2013

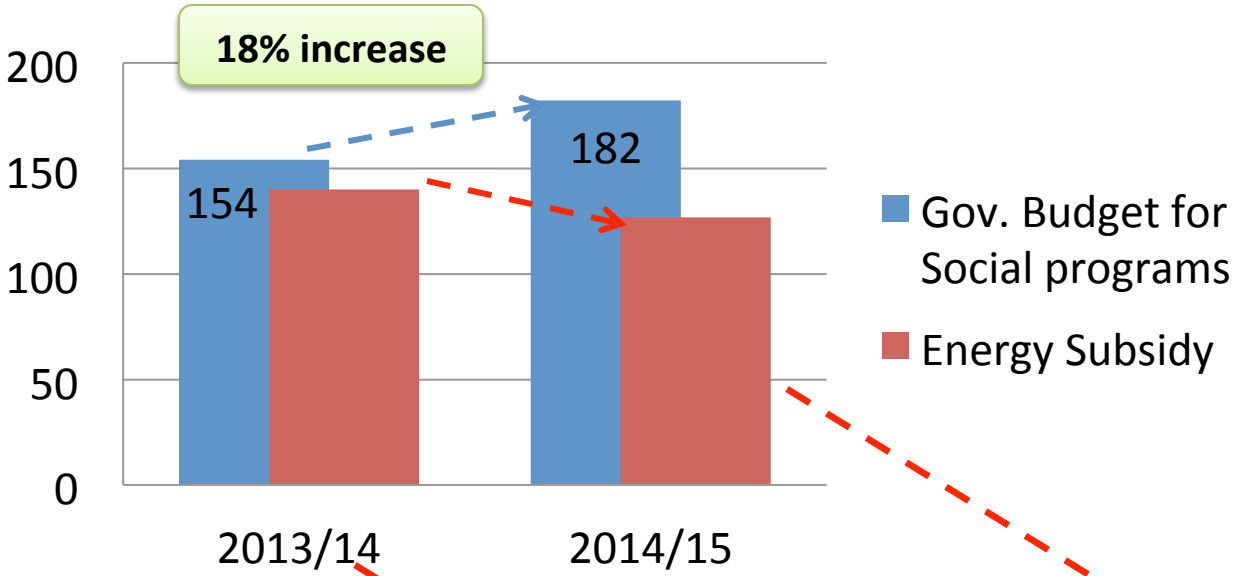
Fuel subsidies (6% of GDP): were not only higher than health and education public expenditures combined, but also mainly benefiting the rich

The Old Cash Transfer Programs is Poorly Targeted with Less than one third of the beneficiaries being poor



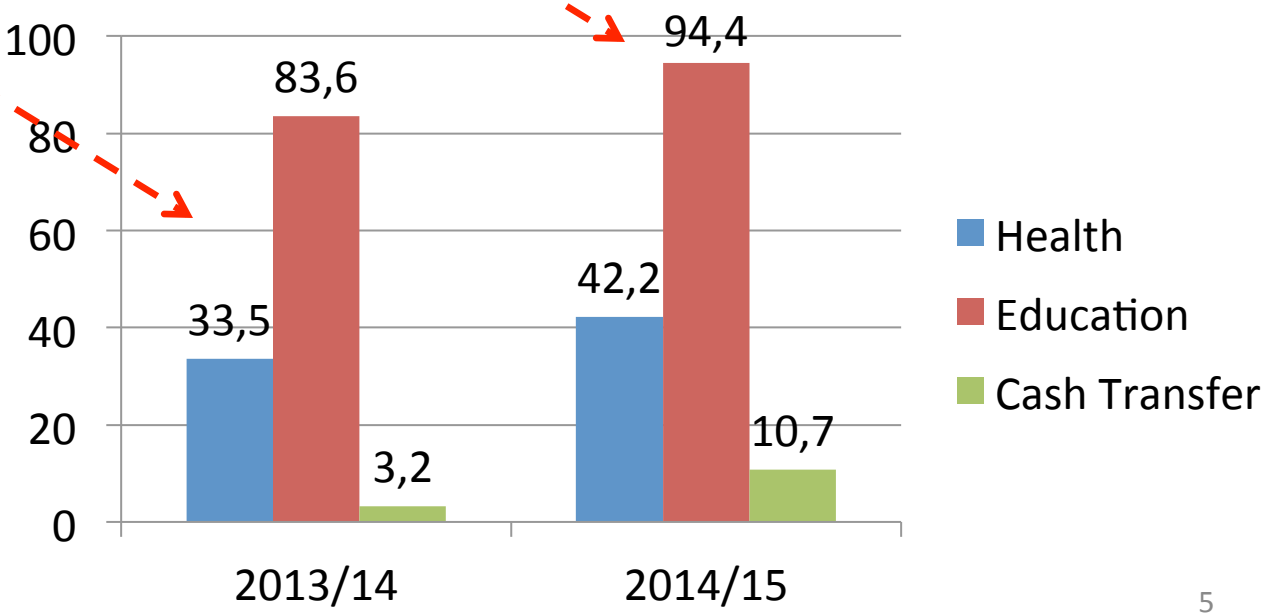
Source: MOF, 2014

Pro-Poor Social Policies; A Closer Look



Energy Subsidy reform has allowed for further investments in Social Sectors/Programs (Health, education, Cash transfer, food subsidy, farmers subsidy)

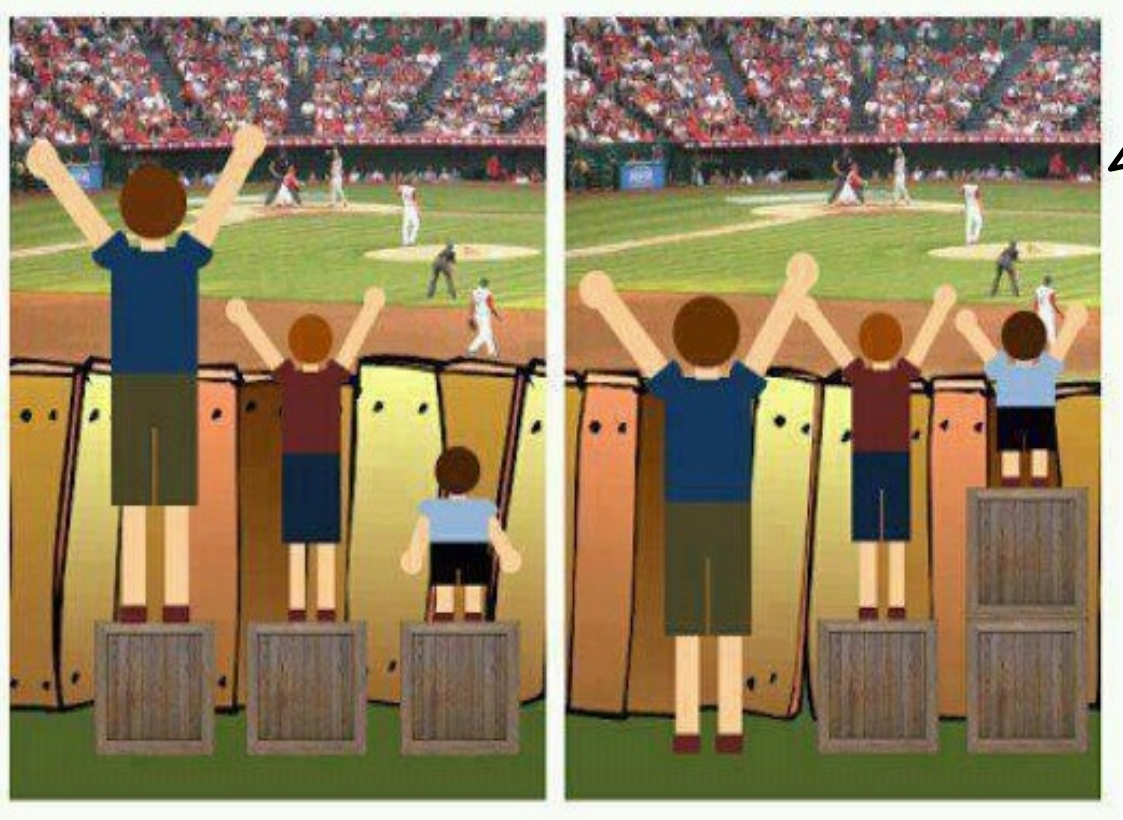
A three times increase in the budget allocations for Cash transfer (SSP, Takaful & Karama)



Source: MOF, 2014

We have already started!!

EQUITY:
EQUAL OPPORTUNITIES… NOT NECESSARILY SAME OPPORTUNITIES



… to ensure everybody can enjoy the same rights

Different treatment for different situation …

EvalPartners

UN WOMEN
United Nations Entity for Gender Equality and the Empowerment of Women

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. However, integrated systems and policies for education, health policies, nutrition, agriculture and employment are indispensable.

Developed Forms of Social Protection in Egypt

Access to Health Care

Education & Nutrition for Children

Food Rations

تكافل و كرامة

Conditional Cash Transfer

Income security for Elderly

Economic Empowerment

Development of Social Safety Net

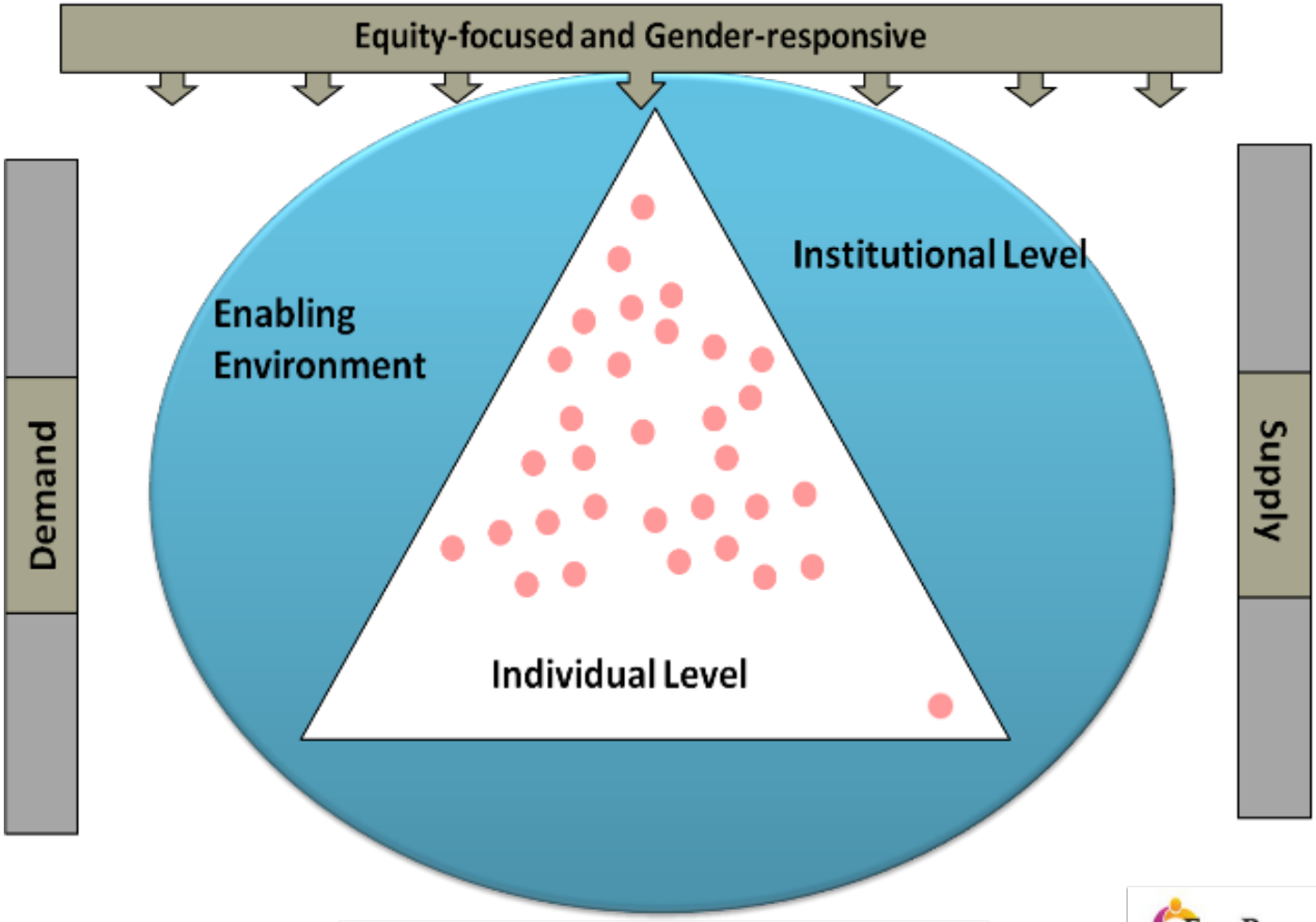
1. Moving to the approach of **Conditionality**… to invest in children and to fulfill their basic rights (health, education, nutrition).
2. **Targeting** to rationalize the use of subsidies for those who really deserve and to be as inclusive as possible.
3. **Automation** of the social protection system, to enhance transparency and to eliminate human error and potential corruption.
4. Maximize **integration/coordination** between government services to adopt an integrated approach and to boost collective efforts.
5. To **limit the period** of unconditional cash transfer for families and encourage families to seek income-generation opportunities.
6. Intensive **outreach** campaigns to reach poor families instead of waiting.
7. Establishing **accountability** mechanisms and involving communities.

TAKAFUL AND KARAMA ELIGIBILITY

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.

We Need A Systemic Approach



- *Tailored to the specific context of each country*
- *Country leadership and ownership*

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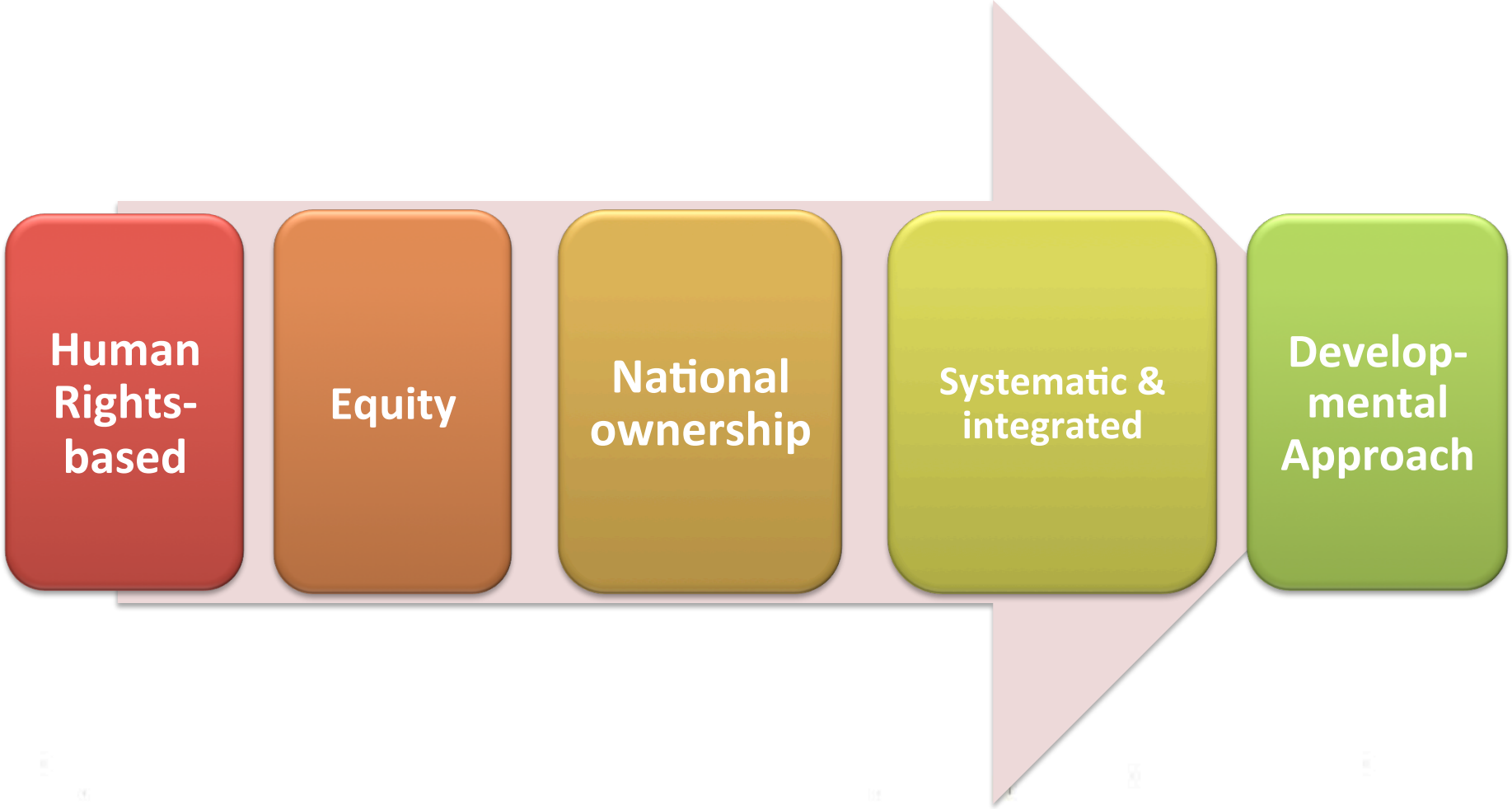
Principles of Takaful and Karama Programs



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 generated for each household (HH) based on combination of different factors; including income, education and occupation of HH members, quality of housing, demographic structure of household, and ownership of goods.
- A “score” for each potential beneficiary or household is computed and eligibility is determined by comparing the score against a predetermined cut-off.

Gender Targeting

Benefit Scheme

Takaful Program	
Family	**Monthly payment**
Basic HH payment	325
Per child – Primary stage	60
Per child – Prep. stage	80
Per child – Secondary stage	100

Karama Program	
Person	**Monthly Payment**
One Person	350
Two persons	700
Three persons	1050

Driving Forces Towards Success

1. **Presidential and Prime Minister decrees** approving the program and legitimizing its national identity.

2. **Budgeting the program** as a major national social protection program (MoF).

3. **Social Justice Committee** and its positive role towards government coordination.

4. **Readiness of non-government entities** to positively collaborate (MoH, MoE, MoI, MoF, MoPMAD, MoA).

5. **UNR** Developing Unified National Registry on national basis.

6. **Integrating other SP Programs** under social protection umbrella.

Achievements to Date

1. Completion of tools and of system automation.
2. 4000 social workers and researchers had their capacities enhanced to use tablets and fill questionnaires (1250 from MoSS and 2750 independent researchers).
3. Registration of 1,100,000 HH in 10 Governorates (60 districts) in Upper Egypt, Red Sea and Cairo.
4. Eligibility testing of 897,000 HH out of 506,000 were enrolled and 391 were rejected.
5. Developed grievance mechanism and to date received 164,000 grievances that were studies and responded to. Only 11.8% were accepted from the total received and 89.2% were responded to.

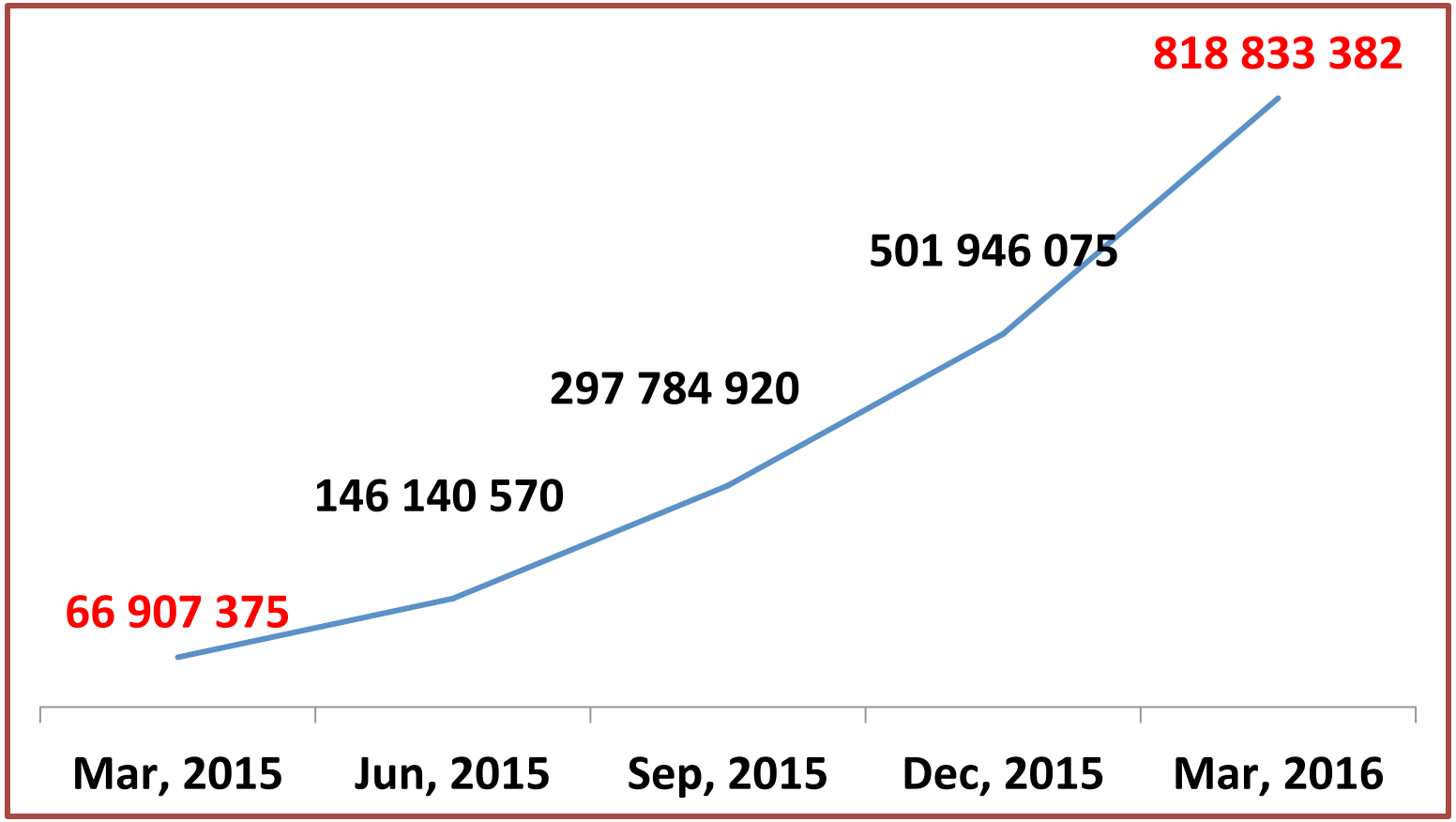
Achievements to Date

6. Developed verification mechanism with 7% sample withdrawn every quarter to spot check.

7. Established media and advocacy teams in 10 governorates; T&K Ambassadors from skilled officials and media people to promote T&K and raise community awareness.

8. Signed protocols with ministries of Health, Education, Interior, Finance, Planning, Agriculture, Agency for Real estate.

Takaful and Karama Cash Transfers (cumulative)



National Policies on "Securing Food for the Poor"

1. **Political Support:** government priority towards expanding social safety nets and having extensive coverage of the poor.
2. **National SF Policy:** Having a national school feeding policy is an important opportunity to the program.
3. **School feeding program;** for children from 4-12 years old in government schools.
4. **Children at first 1000 days;** critical age category not covered with sufficient food and energy intake, especially the poor.
5. **Governance of School Feeding:** there are national institutions in charge of school feeding, but numerous, diverse, unclear rules and need to be strengthened.
6. **Sectorl links:** Links between local agriculture and economy and school feeding is still missing and readiness needs to be strengthened.

Economic Empowerment Program "Forsa"

1. Agricultural and rural development projects.
2. Vocational training program.
3. Productive families' program.
4. Private-public partnerships.
    - One village one product
    - Online market for the local production
    - Village saving and loan associations (VSLA).
    - Work from home.
    - Supply and value chains.

Our Partners

Private Sector

- Aligning CSR with the National priorities
- Contributing to skills development and commitment to better quality jobs
- Investing in R&D and A potential role in providing innovative solutions to address the coverage gaps of social service delivery

Civil Society Organizations

- Community mobilization
- Coordination with the government and among themselves
- Shifting from Charity to development through innovative interventions

Donors/IFIs

- More funds for social programs with sound targeting
- Institutional Capacity Building

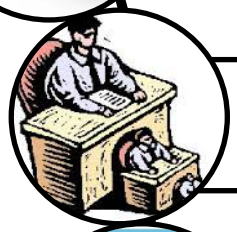
Conclusion: The Main Messages

1. Inclusive Growth is a pre-requisite for Political Stability and productive Investment Climate
2. We have learnt the lesson from the our experience and other case studies around the globe
3. We are strongly committed to ensure a “win-win” growth model for both investors and population through investment in human capital
4. We have already taken serious steps towards inclusive Growth on all levels, and more is yet to come
5. We acknowledge the challenges on the road towards to social inclusion
6. To achieve inclusive growth, we will work with all stakeholders in a sustainable and efficient manner

We acknowledge the challenges

Unpredictable Global Economic Growth

Limited Resources



Low Institutional Capacity, high bureaucracy, and resistance to change

Unsustainable Social Contract leading to higher expectation

High population Growth

Significant levels of Informality

Driving Forces Towards Success

Equitable development and Social Justice….

Towards the change for Egypt we want.

Thanks for Your Attention

Questions and Comments