

## What is social security?

Social security reduces the effects of poverty, vulnerability, and exclusion. Social security programmes and policies help people to prevent, manage, and overcome situations that adversely affect people's well-being. They reduce poverty and vulnerability by protecting people from economic and social shocks such as financial crisis, unemployment, or health crises such as COVID-19. They also help people to meet basic needs throughout their lives. Examples include food subsidies, unemployment benefits, and cash transfers to support children, widows and old-age citizens. Social security is an integral part of the 2030 Sustainable Development Goals (SDGs) and contributes directly to SDG 1 (no poverty) and SDG 8 (decent work and economic growth). It is instrumental in making progress towards SDGs 2, 3, and 10.



## National Social Security Strategy (NSSS)

The Government of Bangladesh (GoB) maintains many social security programmes that support poor, vulnerable, and marginalised groups. The government's social safety net portfolio has grown over the years and now includes more than 120 schemes under the governance of about 25 different line ministries.

*The government's ten-year National Social Security Strategy (2015-2025) is consolidating these programmes to ensure more consistent and wider coverage. The Strategy follows a lifecycle approach that provides support for citizens according to categories of early childhood, school age children, youth, working age citizens, and old age.*

This updated approach will reduce the chances of multiple coverage of some groups and little to no coverage of others. It will also streamline coverage to reach all beneficiaries when they require support the most.

The NSSS also proposes essential reforms to improve targeting, coverage and delivery and robust systems of information, monitoring and evaluation.

## The National Social Security Strategy was approved in **2015**

### Strategic approaches to social security under the NSSS include:

- 01 Consolidation of a lifecycle system of social security that includes:
  - Social security support for children
  - Programmes for working age (including young people)
  - Establishment of a comprehensive pension system for the elderly
  - Strengthening social security systems for people with disabilities
  - Critical importance of affordable healthcare
- 02 Social security for socially excluded groups
- 03 Strengthened social security systems for the urban poor
- 04 Consolidation of food transfer programmes
- 05 Strengthened resilience in the face of covariate shocks
- 06 Consolidation of special programmes and small schemes

### The European Union's (EU) commitment to social security

The European Consensus for Development enshrines the commitment from both the EU and its Member States to promote "adequate and sustainable social protection". The EU promotes a basic level of social protection as a right for all, and especially for children, vulnerable persons in active working age and the elderly.

Social security systems should respond quickly, reliably, and effectively to changing needs during and after any kind of unexpected shock, and still manage to provide existing services.

The EU supports the Government of Bangladesh to implement its national social security reform agenda. A EUR 156.5 million budget support programme is in place since 2019 to strengthen planning, delivery and monitoring capacities in the sector. This involves:

- 01 Direct financial transfers to the Treasury (EUR 150 million)
- 02 Capacity development (EUR 6.5 million)
- 03 Sector policy dialogue

## How does EU budget support work?

In order for the GoB to successfully reach its social security goals, it needs support to monitor progress, and effectively reorganise its social security programmes. The European Union Delegation (EUD) supports the government in setting up monitoring and evaluation frameworks and tools, and in meeting its targets on an annual basis. This will support in streamlining services to reach out to vulnerable communities, and contribute to Bangladesh's overall development goals.

The EU €150 million budget support goes directly into the Government's National Treasury.

Annual financial transfers are tied to performance. Two types of conditions are assessed:

**General Conditions** linked to:

- 01 Sector policy credibility (NSSS)
- 02 Macroeconomic stability
- 03 Public Financial Management reforms and budgetary oversight

**Specific Conditions** linked to annual targets pre-defined by the EUD and the Government on the basis on existing GoB plans in the NSSS. The amount disbursed is conditional on the GoB meeting these jointly-agreed targets. The evidence for meeting these targets must be compiled during the first quarter of the following financial year.

**Complementary technical assistance** and **policy dialogue** are integral part of the EU budget support programme.

**Coordination** and complementarity with other development partners in the sector is systematically sought to ensure coherence and maximised impact. Key partners include World Bank, Asian Development Bank, DFAT/UNDP, UNICEF, WFP, ILO.

## Technical Assistance to Support Social Security Reforms

The EU-funded **Technical Assistance to Support Social Security Reform**, implemented by a consortium led by development consultancy Ecorys, supports the Government of Bangladesh to achieve budget support targets. TA SSSR provides technical advisory and capacity building support to the Cabinet Division and concerned line ministries. It is based in the Cabinet Division and works directly with the concerned Additional Secretary and Joint Secretary of the Cabinet Division.

TA SSSR supports these ministries to better deliver services and increase the number of citizens reached through social security plans and programmes. This assistance focuses primarily on NSSS roll-out and reforms and places special emphasis on the Child Benefit Programme and workers at risk in the RMG, textile, and leather sectors. The specific objectives of the TA SSSR are:

- 01 — To ensure that the poor and vulnerable are served by a more effective and comprehensive social security system based on an inclusive life cycle approach.
- 02 — To support improved diets of pregnant women and children and children under 5.

The TA SSSR supports the Cabinet Division and other ministries with capacity building to meet the budget support indicators. In 2020, capacity building focused primarily on social security of RMG workers affected by the COVID-19 pandemic. In 2021 and onwards, it will support the Finance Division, Ministry of Women and Children Affairs (MoWCA), Ministry of Social Welfare, and other ministries responsible for delivering key reforms.

The TA SSSR complements the €150 million budget support from the EU to the Government of Bangladesh for a 5-year period from July 2019 onwards. TA SSSR supports line ministries in meeting the budget support indicators.

## Budget support indicators

The mutually agreed on budget support indicators for the GoB from December 2020 include:

- 01 — Improvement of central-level systems
- 02 — Improvement of local-level capacity for the Child Benefit Programme
- 03 — Introduction of a monitoring and evaluation (M&E) system for the Child Benefit Programme within the overall M&E framework
- 04 — Introduction of a nutrition-sensitive Child Benefit Programme, including a programme Management Information System (MIS)
- 05 — Design of improved social security framework for workers, focusing on the RMG/ export sectors

The Project Steering Committee and Project Implementation Committee are responsible for guiding the GoB on meeting these indicators.

