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PARTICIPATION AND SOCIAL PROTECTION
IN THE ARAB REGION

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The views expressed in this paper are those of the authors and do not necessarily reflect the views of the United Nations or its officials or Member States.
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Introduction

Although there have been improvements over the past decade in social indicators such as life expectancy, primary school enrolment and literacy, the Arab region continues to face serious development challenges, including high rates of poverty, food insecurity and hunger, and child and maternal mortality. Extreme poverty increased from 4.1 per cent of the population living with less than 1.25 United States dollars ($) a day in 2010 to 7.4 per cent in 2012. Twenty-eight per cent of urban dwellers in the Arab region live in slums and around 50 million people are estimated to be suffering from malnutrition.¹

Social protection policies are key tools for combating poverty and promoting decent living for all peoples, without any distinction based on race, colour, sex, language, religion, political affiliation, nationality or social origin, property ownership, birth or other status, and should form an inclusive and comprehensive set of policies. People’s concerns should be considered when policy is formulated to ensure equity, equality and participation - the key pillars of social justice.

The first section of this paper introduces social protection as a basic human right enshrined in international declarations and conventions, such as the Universal Declaration of Human Rights and the International Covenant on Economic, Social and Cultural Rights. It also provides a brief overview of social protection provision in the Arab region, highlighting achievements and challenges. The second section examines various participatory approaches to promoting social protection, including: participatory budgeting for allocating funds; more efficient governance through decentralization; and tools (observatories) and processes (national dialogues and partnerships) for use throughout the cycle of social protection policy formulation and implementation. It concludes by highlighting a case study on successful and participatory community–based contributory health insurance.

The paper concludes with social protection policy recommendations adapted to the context, national development needs and priorities of the Arab region.

¹ Economic and Social Commission for Western Asia (ESCWA) and the League of Arab States, 2013.
I. SOCIAL PROTECTION AS A KEY TO SUSTAINABLE HUMAN DEVELOPMENT

A. SOCIAL PROTECTION AS A HUMAN RIGHT

Social protection is recognized by the United Nations and under international labour standards as a human right. Under the Universal Declaration of Human Rights (box 1) and various international instruments, States have an obligation to ensure that people’s rights to social protection are realized. Under the International Covenant on Economic, Social and Cultural Rights, States should ensure that the basic needs of their people, such as access to water and sanitation, food, housing, clothing, education, medical care and adequate standards of living, are met. This then contributes to the fulfilment of other human rights. The United Nations sees social protection as a key tool for tackling extreme poverty and social exclusion, and for promoting human dignity.

Social protection can be broadly defined as the set of programmes and interventions designed to alleviate poverty by supporting and protecting individuals and their families in the event of adverse income shocks, and by providing access to basic social services. Social protection instruments are a key element of social welfare policy. The range of social protection instruments has expanded in recent years but they can be broadly classified in the following three categories:

- **Social insurance and pension schemes** funded by workers’ voluntary or compulsory contributions. Their main aim is to cushion the impact of shocks such as unemployment, health issues limiting the capacity to work, and more permanent adjustments in income due to ageing and retirement. Throughout their working lives, individuals contribute regularly to a fund and may claim benefits in case of illness, disability or occupational injury, unemployment, maternity, and upon retirement.

- **Social assistance schemes** funded by public resources (non-contributory), including capacity-building programmes and in-kind or cash transfers. Their aim is to alleviate poverty and provide basic services to people in situations of poverty and vulnerability, such as the elderly, persons with disabilities and low-income earners. Under such schemes, in-kind transfers can include food transfers, minimum income entitlements, scholarships, housing allowances or subsidies on essential goods such as food or oil and gas. They also include free or low-cost access to basic services such as health care, education and water. These kinds of aid are largely directed at certain categories of the population on the basis of income and economic means, location or family characteristics.

- **Labour market programmes and regulations** designed to help the unemployed to access the job market and guarantee minimum standards in the workplace. They include subsidized employment and public works schemes, return-to-work support programmes, support for small-scale entrepreneurs, microfinance, micro-insurance and community development activities. Labour market standards regarding safety and hygiene, minimum wage policies, the prohibition of child labour and the right to form trade unions are important dimensions of social protection, as they promote decent work.

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Box 1. The Universal Declaration of Human Rights adopted in 1948 by the United Nations General Assembly

**Article 22**

*Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.*

**Article 23**

(1) *Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.*

(2) *Everyone, without any discrimination, has the right to equal pay for equal work.*

(3) *Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.*

(4) *Everyone has the right to form and to join trade unions for the protection of his interests.*

**Article 25**

(1) *Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.*

(2) *Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection.*

The human rights-based approach to social policy offers a legal framework for social protection, highlighting the State’s duty, as guarantor of the rights of individuals, to protect them from extreme vulnerability and provide social protection services, and making it accountable to its citizens.

Such an approach places social protection at the heart of social development objectives, encompassing four interrelated dimensions:

(a) *Protection*: measures to preserve life, reduce exposure to risks and tackle poverty;

(b) *Prevention*: measures to reduce people’s vulnerability to risks through social insurance programmes;

(c) *Promotion*: measures to improve the ability of the most vulnerable to protect themselves against risks and loss of income;

(d) *Social justice*: measures to reduce inequalities and improve social integration.⁵

It also underscores that human rights should be borne in mind when social protection policies are formulated. Equality, non-discrimination and universality should be guiding principles in the design, implementation, monitoring and evaluation of social protection systems. States should, for instance, ensure that safety nets and services are accessible to all without discrimination based on race, religion, gender, language or political opinion. Sepúlveda and Nyst (2012) assert that the human rights dimensions of participation, transparency and accountability can be applied to social protection policies. Every individual should have the opportunity to participate in the formulation of social policy measures and have a say in their outcomes.

⁵ United Nations Economic Commission for Africa (ECA), 2012.
The Social Protection Floor Initiative

In line with the rights-based approach, the International Labour Organization (ILO) is promoting the Social Protection Floor Initiative with the support of several United Nations agencies. The initiative was endorsed by the United Nations Chief Executives Board for Coordination (CEB) in 2009, in response to the global financial and economic crisis. It encourages all countries to put in place a minimum set of “social security guarantees” with a view to tackling poverty, vulnerability and social exclusion. The initiative can, depending on available resources, be adopted progressively: a first level of guarantees or “basic social protection floor” includes non-contributory access to basic services (such as health care) and a minimum level of income for all. A second level of mandatory social insurance benefits, relying on individual and employer contributions, can then be adopted, along with public subsidies; these can be supplemented by a third level of voluntary insurance (figure I).

The social protection floor is based on the principle of solidarity, whereby social security is seen as a human right, in line with the Universal Declaration of Human Rights (articles 22 and 25). By promoting universal access, the initiative focuses on reducing inequalities and providing support to the most vulnerable. It encourages the adoption of policies linking social protection to other areas of human development and attributes to the State a key role as regulator and ultimate guarantor of social protection systems (given that basic social security guarantees should be established by law). The State oversees social protection schemes and engages with stakeholders. Under this approach, contributors and providers of funding can participate in the running of existing schemes.8

![Figure I. The ‘Social Security House’](image)

*Source: ILO, 2009.*

**B. OVERVIEW OF SOCIAL PROTECTION IN SELECTED ARAB COUNTRIES**

This section provides a brief overview of social protection in the region, highlighting the need for continued efforts to reform and improve existing systems.

Despite reasonable levels of economic growth and improvements in social indicators, considerable obstacles to human development and social justice remain in most Arab countries. Levels of extreme

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7 [www.socialprotectionfloor-gateway.org](http://www.socialprotectionfloor-gateway.org).
poverty and income inequality are moderate by the standards of other developing regions but they are on the rise. Per capita household consumption has grown at a slower pace than gross domestic product (GDP), indicating that economic growth is not translating into higher living standards for most people. The region is lagging behind on several of the Millennium Development Goals: poverty and hunger (it is estimated that more than 50 million people suffer from malnutrition), access to water and sanitation, especially in rural areas, and child and maternal mortality in the least developed countries. Low labour force participation rates and high unemployment, especially among youth aged between 15 and 29 years, also hinder development and welfare: more than one in four economically active young people in the region is unemployed.

These imbalances suggest that countries in the region would profit greatly from social policies and wealth redistribution measures. Access to social protection services is central to ensuring that the benefits of economic progress are shared more equitably. All Arab countries have some form of social protection scheme. However, these schemes are highly fragmented and characterized by a logic of social assistance that seriously limits their impact on social welfare and raises sustainability issues. Reform is needed in order to achieve an integrated social protection strategy.

1. **Structural challenges: Assistance-based programmes with unequal access**

Countries in the Arab region continue to rely heavily on social assistance programmes. Social protection has been focused on economic stability and risk management, aimed largely at cushioning the impact of structural adjustment policies implemented in the 1980s and 1990s, and reflecting the assumption that economic growth would automatically shore up social development. Services and schemes have to date mostly relied on income-smoothing and labour-market oriented measures, even though income shocks constitute only one aspect of the many social, economic and civic constraints facing fragile households. Furthermore, social protection policies have long been perceived as a means of reinforcing the political legitimacy of Governments rather than serving welfare and equity goals and empowering beneficiaries. In many Arab countries, public sector employment has long been considered a major form of social welfare. The rationale is in itself dubious, and demographic growth increasingly limits capacity to absorb large numbers of jobseekers and places an unsustainable burden on public finances. Moving from assistance-based social protection to rights-based policies is essential for promoting empowerment and social progress. Social policy shaped by a rights-based and social justice perspective, whereby beneficiaries are considered not as passive recipients of assistance but as autonomous and active agents who can participate in programme design, would contribute to the reform of existing systems.

**Unequal access** to social protection constitutes an obstacle to social justice in the Arab region. Schemes consist of several programmes that are narrow in scope and run in piecemeal fashion by the private and public sectors and non-governmental organizations (NGOs) (table 1). A high proportion of the population thus remains excluded from such programmes. Data on coverage is limited, but World Bank estimates indicate that only one third of people in the Middle East and North Africa (MENA) region are...
covered by formal social security schemes. Except in Palestine, two out of three people in the poorest quintile of the region’s population lack any form of social protection, subsidies aside.\textsuperscript{16} Coverage is particularly low in the least developed countries, reaching only 8 per cent of people in Yemen. In countries such as Egypt, Lebanon, Morocco and Tunisia, coverage rises to 30–40 per cent.\textsuperscript{17} Gulf countries have the broadest and most generous systems. Increasingly, Arab countries are expanding coverage and deepening the impact of social safety nets. Yemen and Palestine have included social protection in their development plans for reducing poverty, but more should be done. Social protection mechanisms should be included in broader social policy designed to promote inclusive social development and universal coverage.

\begin{tabular}{|l|cccccccccccccc|}
\hline
 & Bahrain & Iraq & Jordan & Kuwait & Lebanon & Oman & Palestine & Qatar & Saudi Arabia & Syrian Arab Republic & United Arab Emirates & Yemen \\
\hline
Old age & SI & SI & SI & SI & OI & SI & .. & SI & SI & SI & SI & SI \\
Survivors & SI & SI & SI & SI & .. & SI & .. & SI & SI & SI & SI & SI \\
Invalidity/disability & SI & SI & SI & SI & SI & SI & .. & SI & SI & SI & SI & SI \\
Employment injury & SI & .. & SI & SI & .. & SI & .. & SI & SI & SI & SI & SI \\
Sickness & .. & .. & .. & .. & SI & .. & .. & .. & .. & .. & .. & .. \\
Medical care & .. & .. & .. & .. & SI & .. & .. & .. & .. & .. & .. & .. \\
Maternity & .. & .. & SI & .. & .. & .. & .. & .. & .. & .. & .. & .. \\
Unemployment & SI & .. & (SI) & .. & .. & .. & .. & .. & .. & .. & .. & .. \\
Family & .. & .. & .. & .. & SI & .. & .. & .. & .. & .. & .. & .. \\
Social assistance & SN & SN & SN & SN & SN & SN & SN & SN & SN & SN & SN & SN \\
\hline
\end{tabular}

\textit{Abbreviations:} SI, social insurance; OI, other institutional arrangement; SN, safety net programme (not rights-based).


\textit{Notes:} Empty cells indicate that data are not available; two dots (..) indicate that there is no or very restricted coverage.

2. A scattered set of actors and programmes

Several actors provide social protection services in the region. Public action largely consists of \textbf{contributory insurance schemes} available to employees on payrolls in the formal sector offering pension plans and health insurance.\textsuperscript{18} Although limited in scope, they are relatively generous, in particular to members of the armed forces and civil servants. With a few exceptions, such as in Jordan, the Syrian Arab Republic, Tunisia and Yemen,\textsuperscript{19} rural workers, the self-employed, migrants and workers in low-wage and precarious employment do not have access to contributory insurance schemes, which calls into question their equity and fairness.\textsuperscript{20} Recent data show that most older people are not covered by any pension scheme.\textsuperscript{21} The number of older people receiving a pension varies greatly. More than 85 per cent of persons above the

\textsuperscript{16} Silva and others, 2012, p. 21. The World Bank MENA zone is comprised of Algeria, Bahrain, Djibouti, Egypt, the Islamic Republic of Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Malta, Morocco, Oman, Qatar, Saudi Arabia, the Syrian Arab Republic, Tunisia, the United Arab Emirates, the West Bank and Gaza, and Yemen.

\textsuperscript{17} Ibid, p. 28.

\textsuperscript{18} Health insurance is part of social insurance schemes in Egypt, Jordan, Lebanon, Libya, Morocco, Palestine and Tunisia (ESCWA, 2013a, p. 19).


\textsuperscript{20} Voluntary insurance is available for the self-employed in Bahrain, Egypt, Jordan, Saudi Arabia and the Sudan (ESCWA, 2013a, pp. 18-19).

\textsuperscript{21} Pallares-Miralles and others, 2012.
age of 65 in Morocco (2011), about 28 per cent in Tunisia (2011), less than 9 per cent in Palestine and only 0.4 per cent in Qatar (2012) receive pensions. Low participation rates in formal activities prevent most women from benefiting from any type of contributory scheme, and only a few countries provide short-term benefits in case of unemployment, maternity or illness. The growth of the informal economy, which is estimated to account for around 10 to 20 per cent of all employment in the Arab region, is a major obstacle to a social protection policy. Informal workers are self-employed or wage-earners who are not declared to any social security system; they are typically employed in low-wage and low-productivity jobs, with little or no access to health insurance, unemployment and pension benefits, and no protection from occupational hazards through safety and health measures or protective labour regulations. Informal activities are by their nature not taxed, which constitutes a significant loss of public revenue and reduces the State’s ability to expand social protection services. Governments in the region have begun to address the issue as part of a broader job creation agenda, but integrating informal firms and workers into the formal economy and providing them with access to safety nets remains difficult.

In addition to social insurance schemes, all countries offer social assistance programmes through indirect subsidies on goods (notably on commodities such as oil and food), direct income transfers (family allowances) and other safety nets. Their effectiveness in reducing poverty is, however, lessened by the fact that they are scattered across different schemes and providers, and have different target groups. Due to their limited scope, they do not include strategies to help beneficiaries become financially independent, build sustainable livelihoods and escape the poverty trap. These should in fact be primary goals in order to reduce dependency on limited public financial and human resources.

Subsidies on commodities represent the largest share of social assistance spending. According to International Monetary Fund estimates, pre-tax energy subsidies in the MENA region in 2011 represented about $237 billion, equivalent to 8.6 per cent of GDP or 22 per cent of total government revenue in the region. Food subsidies were estimated at 0.7 per cent of GDP for the same year. Subsidies are supposed to support household consumption, allowing people to purchase essential goods at a price below market value, the difference being borne by the Government. Several studies have demonstrated that subsidies place a heavy burden on public finances without effecting a redistribution of wealth in favour of the poorest segments of society. This is particularly the case for energy subsidies, which mostly benefit wealthier households and are regressive. However, since subsidies allow for lower production costs in key sectors like transportation and agriculture, their removal is likely to generate general price increases, which could seriously curtail household purchasing power. Reforms aimed at lowering subsidies should thus be preceded by a careful analysis of their potential social and economic impact, and compensatory measures should be put in place to support the most vulnerable individuals and groups.

Other social assistance programmes take the form of targeted benefits such as cash transfers, fee waivers, education grants, workfare programmes and microcredit. They mostly target specific groups such as orphans or female-headed households. Although often highly valued by their recipients, their broader impact on social welfare is questionable. Such services tend to be fragmented and of narrow scope, causing heavy

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22 World Bank Pensions database.
23 Bahrain, Egypt, Jordan and Tunisia operate unemployment insurance systems (ESCWA, 2013a, p. 20). Egypt, Jordan, Lebanon, Libya, Morocco and Tunisia operate medical and/or maternity insurance systems (United States Social Security Administration, 2013a and 2013b).
26 These include subsidies on petroleum, electricity, natural gas and coal (International Monetary Fund, 2014).
administration costs and overlaps. Scattered resources allow for only small transfers to beneficiaries and some households in need are excluded because they do not meet specific eligibility requirements.

Quality and access to health-care services vary greatly between and within countries. Most services require expensive co-payment fees from users due to limited pre-paid mechanisms and the predominance of private providers in the medical sector. High medical fees have been identified as contributing to pushing households into precarious situations when a family falls ill.

Zakat funds, charities and faith-based organisations also play an important role in the delivery of social protection in the region. Although little information is available, it is estimated that religious organizations spend tens of millions of United States dollars, benefiting thousands of people. NGOs also provide means-tested benefits to certain categories of recipients in particular locations, mainly through schools and hospital networks, as well as cash and in-kind transfers to poor households.

Civil society and religious actors make an essential contribution to social protection, especially in countries wrecked by conflict, but studies have drawn attention to a number of risks related to their intervention. They can be summarized as follows:

- The concentration of services on certain groups and in certain sectors has led to imbalances in service delivery, which conflicts with the universal and equity principles of social justice;
- A lack of coordination between service providers leads to scattered and duplicated services, limits resources available and increases the administrative burden on beneficiaries (who often need to go through long processes to obtain help);
- Such organizations tend to have a paternalistic rather than a rights-based approach, which does not help to empower beneficiaries. When not consulted on their needs, recipients are kept in a position of dependence that can be stigmatizing (in particular for women), hence the importance of the participatory element to social protection, which will be explored in the following section;
- Some organizations provide support along patriarchal, political or religious lines, which can deepen sectarian divides and increase political patronage, all the more in an environment where social cohesion is already fragile;
- The absence of accountability mechanisms raises questions regarding transparency and compliance, given that most charities and faith-based organizations do not have complaint mechanisms, and it is unclear to whom they should report or by whom they should be monitored.

According to estimates recently produced by ESCWA on the potential cost of providing a package of services in line with the Social Protection Floor Initiative in Arab countries, the overall cost of a programme including universal primary education, disability and pension benefits, and unemployment benefits would range from 3.1 per cent of GDP in Saudi Arabia to 4 per cent in Tunisia (based on 2011 demographic and fiscal data). In line with demographic trends, this amount would increase gradually thereafter, reaching, for example, 7 per cent of GDP in Tunisia by 2030. Although these figures appear to be relatively moderate, the affordability of such a social protection package should also be assessed on the basis of each country’s fiscal capacity. Algeria, Bahrain, Djibouti, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, Tunisia and the United Arab

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29 ESCWA, 2013a, p. 20.
30 ILO, 2009; and Silva and others, 2012, p. 87.
31 Zakat is a religious duty for Muslims whose wealth exceeds a certain threshold, and involves donating 2.5 per cent of one’s wealth.
33 ESCWA, 2013a.
Emirates have ample to moderate fiscal space, but the capacity for public expenditure in countries like Egypt, Jordan, Lebanon, Morocco, the Sudan, or Yemen is more limited.\textsuperscript{34}

In sum, despite the amounts already dedicated to social assistance, much progress is still needed to make social protection policies more efficient and effective in the Arab region. All countries operate social protection systems combining social insurance, social assistance and labour market components, but very few have developed a coherent social security policy. Furthermore, the participatory element seems to be missing in the formulation and implementation of social protection policies and programmes. Existing schemes have therefore had a limited impact on human development, leaving out much of the population. Implementing social protection to promote redistribution of wealth and social equity is complex and requires reforms in the social contract of Arab societies. In order to address these challenges, Governments should take better account of the wider social, economic and political context in which social protection programmes operate, and foster social cohesion through participation mechanisms.\textsuperscript{35} Over the past few years, Arab States have seen growing demands from their people for an active role in the design and implementation of policy, in particular on social issues. An inclusive dialogue with citizens will be essential to the reform process.\textsuperscript{36}

C. THE MISSING LINK IN THE ARAB REGION: WHY IS PARTICIPATION IMPORTANT IN SOCIAL PROTECTION POLICY?

According to the United States African Development Foundation, "participation, in the development context, is a process through which all members of a community or organization are involved in and have influence on decisions related to development activities that will affect them. That implies that development projects will address those community or group needs on which members have chosen to focus, and that all phases of the development process will be characterized by active involvement of community or organization members... Projects are most likely to succeed when there is active involvement and commitment of those people who will be affected by and have a vested interest in the activity to be pursued".\textsuperscript{37}

Participation is a key element in the design, implementation and evaluation of social protection policies. It is instrumental in garnering public support and promoting a sense of ownership in order to ensure any given policy’s sustainability. In Nicaragua, attempts to integrate an innovative conditional cash transfer (CCT) programme, which was set up and funded externally, into the country’s broader social protection system failed, in spite of its contribution to poverty eradication, due to a weak sense of ownership on the part of the public vis-à-vis the programme.\textsuperscript{38}

Participation is also a key factor for ensuring representation and combating marginalization. The coverage provided by social protection policies largely depends on the degree to which groups are represented in decision-making forums and can influence policymaking. Groups with limited representation are more likely to be excluded. In Brazil, for example, the comparatively generous package for older people is due to their strong representation. All stakeholders, including members of vulnerable and marginalized groups such as youth, women and persons with disabilities, should be involved in the formulation of social protection policy.

\textsuperscript{34} ESCWA, 2012a.

\textsuperscript{35} Yahya, 2012.

\textsuperscript{36} ILO and United Nations Development Programme (UNDP), 2012, p. 96.

\textsuperscript{37} United States African Development Foundation, \url{http://www.usadf.gov/Training/documents/Participatory%20Development/Participatory%20Development%20Handout_Definitions.pdf}.\textsuperscript{38}

\textsuperscript{38} Bastagli, 2009.
Finally, participation can be a means of precluding “elite capture” by public officials or affluent members of the community wishing to divert resources away from targeted groups. In India, for example, people who are ineligible access social protection services by claiming to be poor and resorting to various illegal methods, including the falsification or hiding of records; collusion between local elites and officials; the interception of information and keeping poor people ignorant of programmes and their rights; intimidation and threats of sanctions; and demands by officials for a portion of the benefits due to eligible recipients.39

According to Chambers, the more patriarchal, hierarchical, caste- or class-ridden, factional, ethnically divided, fundamentalist and/or undemocratic a society is, the more “elite capture”, exclusion and false reporting can be expected to occur. Chambers identifies five participatory methods for overcoming the problem, but notes that participatory processes should be tailored to the local context. Under the first method, persons entitled to social protection services would be identified through participatory social mapping and card-sorting, whereby up-to-date data about households could be generated, with card-sorting for characteristics such as disabilities, relative wealth, well-being, and/or food security. The second and third methods relate to transparency and the dissemination of information in order to involve beneficiaries in decision-making and raise their awareness about their rights via the media or direct contact in meetings. The fourth method focuses on “bypassing the gatekeepers” by encouraging beneficiaries to open up their own bank accounts, and by training them in the use of information and communication technologies (ICTs) to manage their own funds. The fifth method deals with monitoring policy implementation by investigating who benefited from social protection measures and how, and receiving feedback from the beneficiaries (figure II).

Figure II. Participatory methods and programme cycle

![Participatory methods and programme cycle diagram]

Source: authors. Based on Chambers, 2014.

Various ad-hoc attempts have been made in the Arab region to adopt a participatory approach in social protection policy design and implementation. However, this should be systematic. The next section explores several social protection policy experiences in which citizen participation was made possible and identifies key features relevant to Arab countries.

39 Chambers, 2014.
II. SOCIAL PROTECTION POLICIES BASED ON A PARTICIPATORY APPROACH

A. FINANCING SOCIAL PROTECTION: PARTICIPATORY BUDGETING PROCESSES

People’s preferences should be taken into account when scarce resources are allocated in order to guarantee the continuity and sustainability of public policies. An interesting example of how to involve the public in financial decision-making on social policy is the participatory budgeting experience put into place in Brazilian municipalities since the late 1980s. This innovative approach enabled the public to discuss the collection and allocation of municipal revenues with officials and to take part in drafting the annual budget.

Participatory budgeting gained traction in Brazil following the adoption of a new Constitution in 1988 after the country’s return to democracy. The new Constitution provided a framework for a major decentralization process. In an effort to make public policies more responsive to the population’s social and economic demands, several prerogatives were transferred from the Federal State to lower levels of government. Local governments were given a more prominent role as providers of basic services such as housing, education, health and sanitation, and culture. In order to carry out these new responsibilities, municipalities (the smallest administrative entity) were granted greater financial autonomy and allowed to develop “municipal organic laws”. The types of municipal tax were broadened and the amounts that could be raised augmented. The share of tax revenues transferred from the Federal State and states to municipalities was increased.

Against this backdrop, civil society leaders and representatives of the Partido dos Trabalhadores (Labour Party) at the municipal level promoted the introduction of participatory mechanisms to strengthen the process of decentralization. More specifically, by involving civil society in the drafting of budgets, they hoped to reinforce government accountability and make policies more responsive to the needs of the population. The city of Porto Alegre was one of the leading municipalities to put participatory budgeting in place in 1989 and has since become a benchmark for this model.

Although different forms of participatory budgeting exist in Brazil, the core principle remains that people vote on how to spend a part of municipal public funds in selected priority areas such as health, education, sanitation and transport. The decision to allow participatory budgeting is made by the mayor and the executive team, and can be reversed. The participatory budget is supposed to cover new investments and is generally limited to a certain portion of the full municipal budget.40

The process consists of the following stages (figure III):

(a) People meet in assemblies, on a voluntary basis, discuss their needs and demands and make a draft budget proposal (municipal budgets are annual); they elect councillors and delegates to the municipal participatory council. Usually, a representative from the municipality provides budget figures and other information to the assembly;

(b) Members of the public, councillors and elected municipal officials gather at the participatory council to establish priorities on the basis of people’s demands and criteria concerning project feasibility and equitable distribution of resources. The resulting budget proposal is then submitted to the mayor and executive team;

(c) The executive team then submits an investment plan to the participatory council, which discusses it and makes recommendations;

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40 The funding amounts can represent up to 100 per cent of all new capital spending and generally fall between 5 and 15 per cent of the total municipal budget (Wampler and Touchton, 2014).
(d) The executive team submits the budget to the municipal chamber, or legislature, for discussion and adoption. Delegates can debate with the chamber before the final vote;

(e) The council monitors implementation of the plan and reports faults and delays to the mayor. Members of the public also assess progress. Information can be accessed and the budget monitored online.

About 350 municipalities out of 5,571 are estimated to have implemented participatory budgeting. Methods of implementation vary, reflecting local conditions. Local specificities, in turn, influence how the deliberative process is carried out.

**Figure III. Participatory budgeting process**

1. **Impact of participatory budgeting mechanisms**

Participatory budgeting is conducive to more transparent policymaking, accountability in the public service and the promotion of equity. Members of the public can monitor the implementation of decisions and assess the impact of actions taken, reporting delays and problems in the delivery of public services to the mayor and executive team. This in turn is likely to improve efficiency in the allocation of public resources. This approach to budgeting also improves the flow of information between government representatives and their constituencies. Regular meetings and discussions on available resources and priority investments provide members of the public with greater insight than hitherto into government activities and constraints thereon, thereby constituting a source of empowerment. Dialogue with community representatives and the need to submit specific investment plan proposals make government officials more aware of the general public’s needs and concerns. Analyzing the interaction between government and civil society in the context of participatory budgeting in Porto Alegre, Baiocchi concludes that the system makes for a high degree of openness to society’s demands.

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41 Thuswohl, 2012.
42 Mansuri and Rao, 2013.
43 Baiocchi and others, 2011.
44 Baiocchi, 2005.
Decisions resulting from the participatory budgeting process can have a positive influence on the general public good and distribution of resources. One of the most impressive achievements, according to Baiocchi, is the number of projects adopted that have benefited the city’s poorer areas. By 2000, hundreds of projects covering street paving, urban improvements, sewage, housing, health services and municipal schools had been approved in Porto Alegre, with a completion rate of close to 100 per cent. Participation in the process in that period was broad-based. Attendance at popular assemblies rose significantly over the years, reaching several thousand in 2000, including people from marginalized groups. Investigating the key reasons for the success of the system in Porto Alegre, Mansouri and Rao highlight the role of public institutions and note that the consultative process was encouraged by the local administration. Without such encouragement, the outcome might have been different. This type of participation could be defined as “induced”: municipal authorities made a sustained effort to render the process accessible and to involve a large part of the public.

In a thorough analysis of the influence of participatory budgeting on public spending and health services in Brazil, Gonçalves (2014) observes clear changes in expenditure patterns in municipalities that adopted the system between 1990 and 2004. Compared with other municipalities, they increased spending on health and sanitation by 3 per cent, at the expense of administration, housing, urban planning, education and culture. Such a shift reflected demands from popular assemblies and results indicate a significant improvement in health care, illustrated by a large decrease in infant and child mortality: between 1990 and 2004, the number of infants dying before the age of one decreased by 2 for every 1,000 infants, compared with indicators for other municipalities.45

In Brazil, participatory budgeting seems to have shifted the focus of policies towards basic services that benefit vulnerable population groups. Boulding and Wampler (2010), however, note that a key to success lies in the overall resources available to invest in public works and social services. The more resources are available, the more likely it is that the process will address people’s demands effectively. Participation may reinforce transparency, but the level of government spending is critical. Heavy municipal debt can severely hamper decision-making, thereby limiting the potential for significant changes in resource allocation and wealth redistribution. They conclude that, where smaller municipalities may be unable to undertake participatory budgeting, joint initiatives using municipal federations might be an option.

2. Participatory budgeting and the Arab region

Participatory budgeting has been implemented in many countries outside of Latin America using a variety of mechanisms. In Europe, several municipalities in France, Italy, Germany, Poland and Spain have adopted participatory approaches. The Spanish city of Seville was the largest city in the region to do so, launching an innovative selection system in 2004 to identify projects and investments to be funded. Assessment criteria for allocating funds included the target location and its socioeconomic characteristics, the ecological sustainability of the project, and its potential contribution to democratic and humanistic values such as tolerance, peace and solidarity.46 Many countries in sub-Saharan Africa have also hosted participatory budgeting initiatives. Local governments in Kenya, Mozambique, South Africa, Tanzania, Uganda, Zambia and Zimbabwe allow for civic participation in the budget preparation process as a tool for improving service delivery to communities, with varying degrees of impact.47 Some rural municipalities in India have introduced participatory budgeting schemes to ensure that the poor benefit more from central social transfers (covering, for instance, food subsidies, free hospitalization schemes and housing support). A number of studies show that villages which implemented mandatory village assemblies (gram sabhas) were more successful in targeting the most vulnerable households, thereby limiting the capture of resources by local elites.48

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45 Estimates based on a panel data set covering Brazil’s 220 largest cities for the period 1990-2004.
46 Sintomer and others, 2010. See also: Talpin (n.d.).
48 Mansouri and Rao, 2013, p. 166.
Participatory budgeting initiatives are less common in Arab countries. They could help make social protection mechanisms more responsive to people’s needs, but require institutions that allow members of the public to take part in decision-making processes, at both the procedural and informal levels. The political and governance arrangements in most Arab countries, however, do not appear to be conducive to such involvement.

Firstly, central authorities have delegated only a narrow set of administrative prerogatives to local entities, including for social and basic services. It is unclear whether the kind of reforms needed to reconfigure the distribution of power across the different levels of government, thereby facilitating public participation in decision-making, will occur. Decentralization emerged as a key demand in popular demonstrations in Libya and Yemen during the Arab uprisings. That was not the case in countries like Egypt and Tunisia, where national identities have traditionally been strong and deconcentration has prevailed. Although decentralization was discussed in Egypt when the new Constitution was drafted, the model subsequently adopted appears to give more power to appointed authorities than to locally elected bodies. Participatory budgeting would have to be designed carefully to adapt it to that centralized system.

Secondly, the lack of transparency in resource allocation remains a critical issue. The commitment of public and private actors to use public resources in the general interest is open to question. Corruption and clientelism affect most countries in the region, significantly reducing the effectiveness of public spending. According to Fölsher, a number of areas would require improvement in Arab countries in order to facilitate citizen participation, including: the degree of openness of political and governance systems; the existence of enabling legal frameworks that ensure that basic freedoms, such as freedom of speech and a free media, are upheld; the capacity for participation inside and outside government; and most importantly, the willingness and capacity of the State to make budget information available to the public.

Thirdly, shortcomings in local capacities could hamper participatory decision-making processes. Illiteracy, for instance, is widespread in several Arab countries, making it more difficult to engage members of the public in technical discussions. Fölsher also points to a lack of contestability in the political culture. If members of the public cannot question decisions, make inquiries or express opinions without pressure or threats of retaliation from the authorities, participatory processes are compromised. Furthermore, if beneficiaries of social protection programmes perceive themselves as passive recipients of subsidies and services, rather than as active citizens, they are less likely to demand a fairer distribution of resources. Educating people about their rights has proved helpful in India and Eastern Europe when involving citizens in public resource management. Access to information and communication technologies can also help foster a sense of transparency and accountability.

### B. PARTICIPATORY STRUCTURES FOR SOCIAL PROTECTION: FROM POLICY DESIGN TO EVALUATION

1. **Decentralization: A governance structure that promotes participation**

Participatory budgeting can be instrumental in involving the public in financial decisions regarding social protection policies. However, structures should also put in place at the national level to involve all stakeholders in the design and implementation of those policies. Decentralization can enhance good governance by increasing opportunities for the public to participate in economic, social and political decision-making, and help to create open, responsive and effective local government and representational

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49 Ivanyna and Shah, 2012; see also UNDP, 2013.
50 ESCWA, 2013b.
systems of community-level decision-making. Closer contact between central and local authorities makes it possible for people’s voices to be heard, thereby ensuring that government actions meet social needs.\textsuperscript{53}

Decentralization is defined as “the restructuring or reorganization of authority so that there is a system of co-responsibility between institutions of governance at the central, regional and local levels, according to principles of subsidiarity, thus increasing the overall quality and effectiveness of the system of governance, while increasing the authority and capacities of sub-national levels”.\textsuperscript{54} There are four forms of decentralization (table 2), depending on the type of responsibilities being transferred (political, financial, or administrative) and the nature of the unit to which they are transferred (autonomous, subordinate or external). These are devolution, delegation, deconcentration and divestment.\textsuperscript{55}

<table>
<thead>
<tr>
<th>TABLE 2. DECENTRALIZATION</th>
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<tbody>
<tr>
<td><strong>Type of unit to which authority is transferred</strong></td>
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<tr>
<td></td>
</tr>
<tr>
<td>Autonomous lower-level units</td>
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<tr>
<td>Semi-autonomous lower-level units</td>
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<tr>
<td>Subordinate lower-level units or subunits</td>
</tr>
<tr>
<td>External (non-governmental units at any level)</td>
</tr>
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Devolution occurs when authorities are transferred from central government to autonomous, lower-level units, such as provincial, district and local authorities that are outside the central government’s control and legally constituted as separate governance bodies. Federal States, for example, follow a devolved type of decentralization. Delegation takes place when the Government transfers decision-making and administrative authority to semi-autonomous, lower-level units that are either indirectly under central government control or are semi-independent. This includes state-owned enterprises and urban or regional development corporations. Deconcentration occurs when authority for specific decision-making, financial and management functions is transferred to lower-level units like districts or local offices of the central administration. Divestment takes place when planning and administrative responsibility, or other public functions, are transferred from government to voluntary, private or non-government institutions.\textsuperscript{56}

Decentralization leads to broader responsibilities being transferred to local actors, which requires “improved planning, budgeting and management techniques and practices, the adoption of new tools and the development of improved human resources to operate the decentralized programmes”.\textsuperscript{57} Decentralization in Bosnia and Herzegovina, and Romania, for instance, failed to improve the provision of social protection services and led to unequal access because adequately skilled and properly funded human resources were lacking. Critics highlight other risks associated with decentralization, which, if not a part of broader political and institutional reform, can reinforce corruption, inequality and exclusion.\textsuperscript{58} Devolving powers can augment the influence of local elites and lead to exclusion and *clientelism*, whereby in elections the poor may give their vote to influential candidates in exchange for social services.

\textsuperscript{53} UNDP, 1999.

\textsuperscript{54} Ibid.

\textsuperscript{55} There is also the ‘hybrid’ system of governance that includes devolution and deconcentration.

\textsuperscript{56} UNDP, 1999.

\textsuperscript{57} Ibid.

\textsuperscript{58} ESCWA, 2013b, p. 17.
Box 2. Success stories from Rwanda and Ghana

Several countries in Africa, such as Rwanda and Ghana, have been successful in involving more groups in decision-making and reaching poor people previously excluded from social protection services.

The decline in Rwanda’s national under-five mortality rate by 56 per cent between 2004 and 2011 has been attributed largely to the success of the 426 community-based health insurance schemes, for the management of which the Ministry of Health relies on existing community-based structures. The schemes employ a participatory approach, reflecting people’s choices and needs. Every scheme has a general assembly, through which beneficiaries are able to convey their concerns and comments for improvement to the administrative council.

According to the United Nations Economic Commission for Africa (ECA), out-of-pocket health expenditure in Ghana decreased considerably between 2004 and 2009, mainly due to the establishment of the decentralized National Health Insurance Scheme (NHIS). The scheme includes a private health insurance component, a district mutual health insurance scheme and a non-profit community-based scheme, all of which use a participatory approach. In 2009, NHIS insured 67.5 per cent of all residents of Ghana and provided coverage for approximately 95 per cent of the most common causes of illness in the country.


All four types of decentralization exist in the Arab region and there is near unanimous recognition of its importance in its three aspects: administrative, financial and political. However, most administrative, financial and political decisions still take place at the top, reducing decentralization to “a mix of deconcentration and delegation processes without real transfer of power to the local level”.59 The only exception is Iraq, which in 2005 adopted a federal system that grants administrative and financial autonomy to local authorities, including regional and municipal councils.

Divestment appears to be widespread, especially in countries that have experienced conflict or transition. In Lebanon, for example, the Government contracts NGOs to deliver social protection and services on its behalf in many sectors. Specialized schools run by NGOs operate with government funding under the auspices of the Ministry of Social Affairs and provide services for the disabled.60 The Government also contracts four shelters run by NGOs to provide protection, counselling and rehabilitation services to women victims of violence throughout the country.61 Such NGOs should adopt a participatory approach and adhere to minimum international and national standards to provide quality services. The role of the State in carrying out quality control of provided services is crucial.

Mechanisms for the successful decentralization (all four types) of social protection services, linked to good governance in general and participation in particular, must include the following elements:

- An accountability framework to ensure that central and local governments are responsive to people’s needs. This requires a strong, independent judiciary and a monetary and administrative control apparatus to prevent abuse of authority and mismanagement of public funds;
- A national strategy to facilitate dialogue between local communities, central government and other stakeholders on mechanisms for the distribution of resources and functions in a framework of social cohesion and national economic integration;

59 Belghazi, 2003, p.4.
60 ESCWA, 2013a, p. 69.
61 ESCWA and Hariri Foundation for Sustainable Human Development (forthcoming).
• Policies and legislation to promote development, the even distribution of social services, local initiatives, and interaction between all stakeholders, including civil society, the private sector and central and local government;

• Capacity-building of local government to facilitate the transition from centralized to decentralized government, including a merit-based system of recruitment and the introduction of the concepts of participation and local governance in education curricula.  

In sum, decentralization cannot be successful without the appropriate infrastructure and qualified human resources. Good governance is needed to provide social protection services based on the principles of equality, rights and participation, thereby promoting social justice. With the appropriate legal framework and skilled local human resources, decentralization can lead to participation at the grass-roots level. Moreover, tools that have been used to involve people in social protection decision-making can be adapted even to the most centralized environments. They include: national policy feedback dialogues; strategic partnerships involving different stakeholders to formulate and implement more responsive social protection policies; and observatories for participatory and informed policymaking to ensure that programmes and initiatives are better targeted.

2. Observatories for participatory and informed policymaking on social protection

Social observatories to assist policymakers in evidence-based policy formulation are not a new concept. Governments, civil society and academics use them to collect socioeconomic indicators. They can be an effective tool for highlighting socioeconomic challenges for decision-makers in social policy, including social protection. Resources can be better targeted and initiatives successfully geared towards inclusive and equitable social policies.

One success story in the Arab region has emerged in Saudi Arabia, where the Al-Madinah Urban Observatory Network, in the municipality of Al-Madinah Al-Munawarah, was established in 2003. The United Nations Development Programme (UNDP) helped to set up the observatory and develop the basic expertise needed to run it. Other partners include UN-Habitat and the Arab Urban Development Institute. The observatory’s steering committee is comprised of the Governor of Al-Madinah, 25 members from government departments and representatives from NGOs and the private sector.

The observatory is the first facility of its kind in the Arab region and generates data on more than 23 key urban planning indicators (such as housing, roads, water and sewage) and nine qualitative data subsets, required for reporting on shelter and urban development. Other areas covered by the total of 107 indicators include aspects of economic, social and human development (such as education, health, poverty and labour). The set also includes 25 indicators specific to the city (as a major destination for Muslim pilgrimage) and others for monitoring progress on achievement of the Millennium Development Goals. The indicators are disaggregated by gender and monitored to the lowest level of planning units. The observatory is part of Saudi Arabia’s national development plan and promotes the notion of “spatial equity” to ensure “equitable distribution of essential public goods and services as well as opportunities for economic investment and development. It also makes provisions for affirmative action in development planning, favouring less developed regions.”

Data gathered by the observatory is analysed for use in design of urban and development policy covering all sectors of service delivery. The observatory has been a key to development plans throughout the Al-Madinah region. It has also been important for monitoring municipal performance in urban management and service delivery, and, by extension, of public accountability. It is the leading consultative facility for urban and development policy at the local, national and regional levels.

62 ESCWA, 2012b.

The participatory approach adopted by the observatory contributed to its success. Technical consultancy and knowledge-transfer missions involving experts from Australia, Egypt, Jordan and the Sudan were undertaken to “guide the institutional set-up of the observatory; establishment of the technical database of indicators; the socioeconomic and development targeting of indicators; and the strategic use of the indicators in urban and development policymaking”.  

64 The observatory emphasizes the need to involve all sectors of society and, in particular, address the concerns of women. It has succeeded in feeding into provincial decision-making processes in areas such as strategic planning, health care, the labour market, poverty reduction and education and is a model worthy of replication.

3. National dialogue on social protection as a consultative tool for the design, monitoring and evaluation of social policy

National dialogues have been effective in integrating people’s voices and concerns at the design and evaluation stages of social protection policy.

In South Africa, for example, the National Health Insurance (NHI) was introduced in 2011 to provide all citizens and residents, including refugees and asylum-seekers, with essential health care regardless of employment status or ability to contribute to the scheme. NHI was introduced after a consultative process that included civil society, health-care administrators, professionals and academics, and a national and international dialogue that built on good practices and lessons learned in the area of health insurance schemes. Consultations with stakeholders and ongoing monitoring of pilot units contributed to identifying the main obstacles to its effective implementation. The need to boost human resources at the local level and to engage local communities more closely (by strengthening clinic committees and hospital boards) was stressed. The scheme is being rolled out in 12 pilot districts and already covers more than 11 million people, or 22 per cent of the population.  

65 Good examples of national dialogues on social issues in the Arab region have been recorded in several countries, including Jordan, Morocco and Saudi Arabia. 

The Moroccan Commission on National Dialogue was formed in March 2013. Members include representatives of civil society and Moroccans living abroad. It has met regularly to discuss ways of empowering civil society and engaging members of the public in debate and decision-making on public policy, providing an unprecedented opportunity for their voices to be heard on social issues and legislative reform. Feedback and recommendations on these matters were obtained face-to-face and via the Internet, and later incorporated into a final report that formed the basis for a draft code on the formation of associations and the participation of civil society in policy decision-making. 

66 In 2006, the Jordanian Social Security Corporation, in a spirit of transparency and participation, initiated a national dialogue on social security reform with a wide range of national and local bodies and experts, as well as activists, trade unionists, members of civil society organizations and insured persons. Stakeholders had the opportunity to evaluate the current system, highlight opportunities and challenges, and provide feedback and suggestions for reform.

64 Ibid.
66 Since its establishment in 2003, the King Abdul Aziz Center for National Dialogue has promoted a culture of dialogue and encouraged broad debate of contentious sociopolitical issues. The Center has covered pivotal issues including women's empowerment, public health and employment.
The initiative won the International Social Security Association Good Practice Award. The suggestions of many participants were incorporated into the new social security bill. A national dialogue yield was used to tabulate all suggestions, indicate whether they had been incorporated into the bill and, if not, why. The bill represented the first substantial reform of the social insurance scheme in Jordan since social security legislation was passed in 1978. The bill was passed by Parliament in 2014.  

4. Multi-stakeholder partnerships for social protection

Forging partnerships and involving different stakeholders in the design and implementation of social protection policies and programmes has proven to be beneficial, especially when partners have contributed their expertise to assist Governments in evidence-based policy formulation. In Egypt, for example, the Ministry of Social Solidarity (now Social Affairs) partnered with the Social Research Center of the American University in Cairo to pilot a CCT programme in Ain el-Sira, Cairo, one of the first of its kind in the Arab region. Under the scheme, cash payments were transferred monthly to mothers and female heads of households, provided that they complied with certain child development goals in health and education.

The Center was closely involved in the design, development, implementation, monitoring and evaluation of the State-funded programme, thereby providing the Egyptian Government with technical expertise. In order to design the scheme in line with the needs of local communities, the project included a survey of 400 slum-dwelling families, focus groups and home visits with 30 women and 10 men. The survey was conducted in order to gauge the impact on families of transfers or services provided by public, charitable and private institutions. It also looked at families’ health, decision-making in the household, access to resources, and work, income and debt. A one-week workshop that included local civil society organizations and social workers was held to assess the needs of local communities.

Success stories and experience with CCTs in other countries were shared during the design stage at a conference organized in 2008 by the Center and the Pathways organization, attended by specialists from Brazil, Ecuador and Mexico, as well as international social protection experts. Participants examined the proposed scheme and discussed best practices, potential obstacles and, in particular, how existing programmes empowered women.

Many social workers were trained during implementation of the project in Egypt. Certain conditions were laid down for families wishing to receive cash transfers: They had to make sure that their children attended school and received preventive health care. They also had to commit to follow-up free health care in case chronic, curable conditions were diagnosed. Families also had to comply with programme procedures, including a monthly visit by a social worker. The pilot scheme, which was monitored and evaluated from its launch in March 2009, provided transfers to more than 200 families over more than two years. In August 2010, it was extended to 65 villages in Upper Egypt in the governorates of Sohag and Assiut. However, in March 2012, the Ministry of Social Affairs terminated the new programme.

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70 Under CCT programmes, families living below the poverty line receive cash payments. In return, they are required to comply with certain conditions, for instance regarding child health and education. The premise is that the cash transferred increases the family’s purchasing power in the short term and the conditions break the cycle of poverty in the long term, allowing families to partner with the State in their own development. The transfer is a resource that facilitates families’ access to health and education services. Although controversial because of the conditions imposed and questions about their effectiveness in dealing with some aspects of poverty, they have largely proven successful in alleviating health and education burdens and, since the 1990s, have been applied in dozens of countries.

71 Institute of Development Studies, 2011.

72 American University in Cairo, 2012.

73 Ibid.

74 Revolution began in Egypt two days after completion of the programme’s base-line survey of 7,000 families. Thereafter, successive Governments were disorganized and the programme was terminated. The present Government, however, is re-introducing it in the same villages of Upper Egypt.
The impact of the pilot project is yet to be fully evaluated, but it was a success in terms of adopting a participatory approach and building on organizational experience and expertise, especially from academics, to deliver public social protection services. Other participatory kinds of partnership that can benefit society and enhance the role of Governments in the provision of social protection services include private sector institutions and civil society organizations. The latter can play various roles in social protection, including as service providers, agents for development and agents for policy change.  

Throughout the Arab region, civil society organizations complement the role of the State in the area of social protection provision, especially in Egypt, Jordan, Lebanon, Palestine, Morocco and Tunisia. This situation, in spite of occasional successes, has led largely to imbalanced, ad hoc and poorly regulated service delivery. The provision of expertise by such organizations is positive but the State has a duty to regulate service provision in line with a comprehensive approach to social policy. Moreover, not all civil society organizations adopt a participatory or rights-based approach, especially where the provision of services is shaped by patriarchal, political and religious divisions.

Nevertheless, the role of civil society organizations as agents for development and policy change is essential for building the capacity of targeted communities and enabling them to engage in strategic planning. As agents of change, they seek to include social protection in the policy agenda of Governments and other stakeholders. In Jordan, for example, the non-profit Young Entrepreneur Association, which advocates for legislative change to facilitate the development of businesses, convinced the authorities to supply marginalized and poor areas in the capital, Amman, with previously unavailable public services. It also persuaded the Ministry of Education to authorize public funding for extracurricular initiatives in many poor parts of the city. This partnership between the Government, the private sector and civil society resulted in the provision of much-needed social services in disadvantaged areas. The participatory process worked as follows: once the targeted group indicated interest, the association identified its needs and conveyed them to the ministries concerned. It then used advocacy tools to pressure the authorities into adopting its proposed plan. The association concludes that, in order to engage successfully with the authorities, civil society organizations must have specialized and technical capabilities, and the financial and human resources to conduct research, collect information, negotiate, represent and control. A democratic and favourable political environment is also a prerequisite for the participatory formulation of social protection policies and plans.

In some countries, such as Saudi Arabia, civil society organizations are affiliated to the Government and also provide social protection services such as health care, loans, job training, educational assistance and community development. Such entities can adopt a participatory process on social protection and social issues. The King Khalid Foundation, for example, organized 10 national workshops in 2009-2010 in partnership with ESCWA for more than 240 participants in the framework of a capacity-building project on participatory social development. The outcome was presented to the Government for action. The foundation, again in conjunction with ESCWA, carried out a survey on non-profit organizations in Saudi Arabia, the main aims of which were to ascertain the priorities of civil society organizations, define their capacity-building needs and make recommendations for a needs-oriented strategy.

5. **Case study of a participatory mechanism: Community–based schemes and involvement of local stakeholders in policy design and implementation**

Social protection policy design and implementation, especially in the area of contributory insurance schemes, can be undertaken at the community level. This section will examine the successful model of community-based health insurance schemes.

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75 Samad, 2009.
76 ESCWA, 2013a.
77 ESCWA, 2010.
78 Fatani, 2012.
The idea of involving the community in health financing was first mooted in 1978 during the International Conference on Primary Health Care (Declaration of Alma Ata), sponsored by the World Health Organization and the United Nations Children’s Fund.

Community-based health insurance schemes are “rooted in local, non-profit organizations with voluntary membership, initiated by health facilities, membership-based organizations, local communities or cooperatives and owned and run by any of these”.

They typically operate with prepaid member contributions. Contributions may also come from sources such as central or local government and international donors. In some schemes, the very poor receive free health care, although they may be encouraged to make a contribution when they can. Members of the community usually play an active role in the design and running of the schemes, which allows them to influence spending choices. Such schemes also facilitate strategic purchasing (as opposed to straightforward funding or reimbursement of services from external providers), enabling scheme members to decide which health services to purchase, who are the best providers, and what are the best payment methods and contracts. They also promote dialogue among community members about services provided. The participatory approach enhances the community’s understanding of the scheme’s functioning and encourages their compliance with membership payment.

Sometimes these schemes fail to reach the “poorest of the poor”. Studies conducted in several countries, including India and Senegal, have shown that, although such schemes reached many poor people hitherto without health insurance, the poorest segments of society could be overlooked.

Exclusion may be overcome by public sector intervention in the form of premium subsidies or by regulating the cost of participation. Minimum health standards, regulations, monitoring and evaluation processes are needed to guarantee the quality of services provided by the health insurance schemes. Governments play a key role in facilitating access to them through the provision of adequate infrastructure and public transportation.

In the Arab region, information on the existence and impact of community-based health insurance schemes is limited. In Morocco, for example, some NGOs have a community health insurance function and receive funding from the State. Most civil society organizations in Morocco are at least partly funded through the Initiative Nationale pour le Développement Humain (National Initiative for Human Development), a State-financed project designed to improve the well-being of Moroccans.

The Association Marocaine de Lutte Contre le Sida (Moroccan Association Against AIDS) offers its services to all, regardless of their legal status, and specifically targets sub-Saharan immigrants. In 2012, it offered preventive treatment to 4,012 patients and anti-HIV treatment to 230 patients.

The Association Solidarité Féminine (Women’s Solidarity Association) works exclusively with single mothers. However, it admits only 20 to 25 women into its programme each year. The remainder of the up to 2,000 women who approach it each year in different localities are offered partial services or referred to other organizations. Women in the Association’s programme receive a low monthly stipend and free weekly medical care for themselves and their children, but are expected to contribute to the cost of medication. Few civil society organizations in Morocco, however, adopt a participatory approach in the design, implementation or monitoring of community-based health insurance schemes. Patients still face many barriers to quality care. There is, therefore, a pressing need for government oversight to guarantee the quality of services.

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80 See Jütting, 2003; and Sinha and others, 2006.
81 Lambert, 2014.
82 See www.sida-info-service.org/?-Assises-ALCS-MAROC-.
83 Lambert, 2014.
C. CONCLUSION AND RECOMMENDATIONS

Despite reasonable levels of economic growth and some improvement in social indicators, most Arab countries still face considerable obstacles to the achievement of sustainable human development and social justice. The number of people living in extreme poverty in the region has risen and around 50 million people suffer from undernourishment. To combat poverty and promote equity, equality and human rights, social protection should be woven into an inclusive and comprehensive participatory social policy. People’s concerns should be taken into account at all stages of policy design and implementation. The following governance structures, tools and processes can be adapted to the local context, in order to foster participation and promote inclusive social development.

1. Participatory budgeting

Participatory budgeting is one way of ensuring public support for any given policy and can succeed if members of the public are allowed to take part in decision-making. The transfer of administrative, political and financial power to local authorities (some form of decentralization) can facilitate the process. Transparency, access to information and public awareness of rights are also crucial, as are the commitment of public institutions and government support.

2. Decentralization

Decentralization enhances good governance and increases opportunities for public participation in economic, social and political decision-making. Decentralization in its four types (devolution, delegation, deconcentration and divestment) leads to the transfer of broader responsibilities to local government. Improved planning, budgeting and management, new tools and better qualified human resources are needed to operate decentralized programmes. Divestment is widespread in countries that have undergone conflict and, in such cases, government oversight is needed for quality control of services provided by NGOs. Successful decentralization requires:

- Accountability, including an independent judiciary and monetary and administrative oversight to preclude abuses of authority and mismanagement of public funds;
- A national strategy for dialogue between local communities, the central Government and other stakeholders on decentralization, and the distribution of resources and functions (who does what);
- Policies and legislation to promote development and the fair and equal distribution of social services, to encourage local initiatives and to facilitate the interaction between all stakeholders;
- Capacity-building of local government (institutional, financial and human capacities) to facilitate the transition from centralized to decentralized governance, as well as a system that promotes merit as a pre-requisite for recruitment in public administration and relevant training on the concepts of participation and local governance.  

3. The establishment of observatories for participatory and informed decision-making

Social observatories have been established by Governments, civil society organizations and academics to assist in the formulation of public policy by contributing valuable socioeconomic and development data. By consulting local and regional actors such as NGOs, academics and the private sector, these institutions can accurately chart the needs and concerns of target population groups. For added efficiency, their activities should be linked to national development plans.

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84 Adapted from ESCWA, 2012a.
4. The organization of national dialogues for consultations and evaluation of social protection policies

National dialogues have proven useful in ensuring that people’s concerns are taken into account in the design and evaluation of policy. When addressing social protection, they should include grass-roots civil society activists and programme beneficiaries. The outcome of such dialogues should be taken into account in subsequent government initiatives, including legislation and enforcement mechanisms.

5. Forging multi-stakeholder partnerships for social protection policy design and implementation

Civil society and the private sector have different roles to play with regard to social protection. They often fill a gap in service provision in areas such as health and education, especially in post-conflict countries. Without State regulation, however, the provision of such services can be unbalanced, unaffordable or poor quality, and thereby even exacerbate marginalization and exclusion. When operating in a well regulated and transparent legal system, civil society and the private sector can contribute positively, in the short term, to service provision and, ultimately, to sustainable social development. Experience has shown that partnerships with government authorities and line ministries can be successful provided that:

- States regulate service provision in line with comprehensive social policy, while benefitting from the expertise of partner organizations;
- Service providers adopt a rights-based, participatory and transparent approach;
- Civil society and private sector organizations with the appropriate technical expertise and resources for conducting research lobby Governments to include social protection in their agendas;
- The political environment is democratic and favourable.

6. A participatory model: Community-based health insurance schemes

Community-based health insurance schemes help to ensure that people’s needs and concerns are taken into account, and facilitate the exchange of information among community members about services. In some cases, such schemes fail to reach the “poorest of the poor”, but exclusion can be overcome through State regulation of membership costs or premiums. The quality of the services provided by these schemes should also be regulated by means of State minimum health standards, regulations, monitoring and evaluation processes. The State plays a key role in facilitating access to these schemes by providing adequate infrastructure and public transportation.

Arab Governments are invited to consider the above participatory frameworks as they re-examine social protection policy and develop national policies to promote social justice. Some countries have successfully launched dialogue mechanisms but Governments, civil society, the private sector and development actors should do more to promote social justice and social protection, and transform the culture of social service provision from one of reception to one of participation.


