Highlights

Side Event of the 1ˢᵗ G20 Development Working Group Meeting
"**Adaptive Social Protection for Mitigating Risks and Responding to Crisis**"

The Side Event of the 1st G20 Development Working Group Meeting on "Adaptive Social Protection for Mitigating Risks and Responding to Crisis" was held on February 23rd in Jakarta in a hybrid manner.

Moderated by Mr. Yanuar Nugroho, Coordinator of the Expert Team, National Secretariat of SDGs Indonesia; the seminar provided country experiences from Indonesia (Maliki, Director for Poverty Alleviation and Community Empowerment, Ministry of National Development Planning) and Fiji (Shiri K. Gounder, Permanent Secretary with the Ministry of Economy, the Republic of Fiji); experts and representatives from International Organizations/Partnerships such as The World Bank represented by Asha Williams, (Senior Social Protection Specialist); the OECD represented by Ms. Ragnheiður Elín Árnadóttir, (Director of Development Centre); as well as prominent academician (Dr. Simone Sandholz, Head of Urban Futures and Sustainability Transformation Programme, UNU-EHS)

This document aims to highlight the Presidency key takeaways from the seminar, in which policymakers, practitioners, international organizations, and academicians provided views, lessons learned and key success factors on Adaptive Social protection. The seminar also enriched views and discussion for the main meeting of the G20 Development Working Group especially for Priority 1 'Strengthening Recovery from the COVID-19 Pandemic and Ensuring Resilience in Developing Countries, LDCs and SIDS' on the key focus area of 'Adaptive Social Protections.'

KEY TAKEAWAYS

KEY CONCEPTS

1. COVID-19 pandemic, climate change and natural hazards have led to the increase in the number of extreme poor which underlined the need for adaptive social protection.
2. Adaptive Social Protections (ASP) integrate three sectors with the aim to reduce the impacts of shocks and crises: **Social protection** (give cover for people against poverty and vulnerability across lifecycle), **climate change adaptation** (build up resilience and reduce vulnerability to the impact of climate change) and **disaster risk management** (prevent and reduce existing disaster risks).
3. Adaptive Social Protection has several building blocks (program and delivery systems; data and information; finance and; institutions and partnerships) that are essential to transform social protections to become adaptive and well equipped in facing shocks:

a. **Program and delivery systems** focus on expanding coverage to ensure the inclusion of uncovered communities. It also addresses the importance of strengthening social protection delivery systems for more effective delivery and rapid, responsive, as well as effective response in the context of varied shocks.
b. **Data and information** integrate poverty and vulnerability data with disaster risk assessments for improved understanding of household vulnerability to shocks and expand social registry coverage, particularly in high poverty and high-risk areas.
c. **Finance** focuses on developing adequate, timely, and sustainable financing mechanisms to fund adaptive social protection.
d. **Institutions and Partnerships** ensure policy coherence and cross-sector collaborations among multiple stakeholders.
4. Risk assessments and risk analysis are essential for successful implementation of ASP. The result of risk assessment and risk analysis would inform the type of interventions and the allocation of resources in a more meaningful and resource efficient way.

CHALLENGES FOR A MORE ADAPTIVE SOCIAL PROTECTION

1. Globally, there is an increase in the unemployment rate in most countries during the pandemic of COVID-19. Informal workers are also among the most disproportionately affected by the COVID-19 pandemic due to many informal workers who are not covered by insurance and social assistance.
2. Prior to the COVID-19 pandemic, large portions of populations still haven't been covered by any social protection schemes. Lower income countries still struggle with social protection coverage and persisting issues of large gaps in Social Insurance and low labour market coverage among the poorest.
3. The problem of information and data created gaps in social registry that resulted in limited coverage and prevented a rapid scale up of benefit delivery to non-beneficiary affected households during shocks.
4. Often existing social protection tends to be rigid and couldn't adapt to different shocks context.
5. Economic contraction and decreased tax revenue in times of shocks and crisis leads to limited financial capacity for social protection programs.
6. Each sector and stakeholder tend to be working in silos and don't have good coordination and synergy.

LESSONS LEARNED AND KEY SUCCESS FACTORS FOR ADAPTIVE SOCIAL PROTECTION

1. Designing Adaptive Social Protection into long term national planning is achievable for countries, especially when forging strong collaboration with development partners.
2. It is important to strengthen Adaptive Social Protection policymaking bodies and technical organizations on data management, risk vulnerability assessment, poverty targeting, and financing scheme development.

3. Identifying hazard and analysing regional risk level are important steps in designing Adaptive social protection.
4. Developing tools to understand and analyse the vulnerability of informal workers and their households would be beneficial to expand Adaptive Social Protection to reach the informal workers.
5. Using accessible technology such as mobile phones and mobile payment to deliver social assistance are effective ways for delivering adaptive social protection benefits.
6. Integrating climate vulnerability and geo tagging in targeting instruments for poor households provide additional information and data to better deliver social protection in times of shocks.

IDEAS ON G20 ACTIONS

1. The G20 could assist countries capacities to adopt ASP and to prioritize ASP in development planning and policies – aligned with national priorities. Such assistance should be directed towards how countries could transform their social protection to be adaptive.
2. The G20 could build a platform for the exchange of experiences/knowledge sharing including through North-South and South-South cooperation and involving Non-State Actors for improved learning and stronger capacity on ASP. This platform will help to identify and inform what works and what does not work in developing Adaptive Social Protection and also to address current risk.
3. The G20 shall support efforts to close social protection coverage gaps, particularly in low and middle-income countries.
4. The G20 can increase financing and support for Adaptive Social Protections implementation, particularly in low-income countries, where financing and implementation capacity remain low.
5. The G20 shall work to ensure that cross-country efforts to improve disaster risk management, risk-pooling, and risk financing have direct links to Social Protection responses to ensure more reliable and faster support to those most affected in times of crisis.
6. The G20 should promote a longer-term approach to expand adaptive social protection to reach the informal workers.