



The Landscape of Social Protection in Jordan

12 January 2022

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Presentation Organization

- Introduction & Context of Social Protection in Jordan
- Mapping & Analysis
- Reflection
- Discussion

Paper Summary

□ Purpose

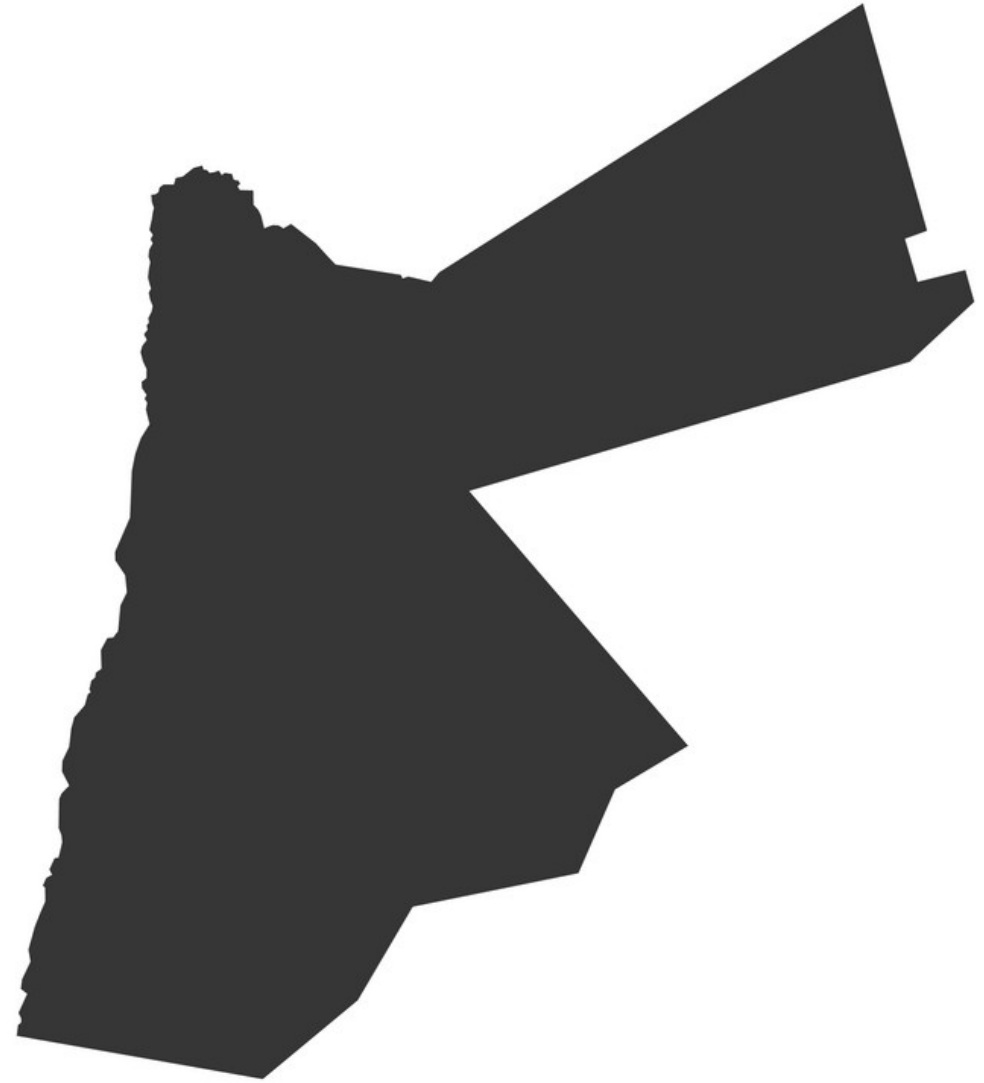
- Providing comprehensive overview and assessment of the contributory and non-contributory programmes provided “formally” by the government of Jordan
- Combining theoretical and practical approaches in reviewing the social protection landscape

□ Methodology

- Review of past documents
- Discussions with policy makers
- Mapping exercise

□ Structure: Context of Jordan, National Strategy, Mapping and Gap Analysis, Ways forward

Contextualizing Social Protection in Jordan



The need for Social Protection is increasing

Per capita incomes has been declining (population growth exceeds economic growth and other regional geopolitical factors)

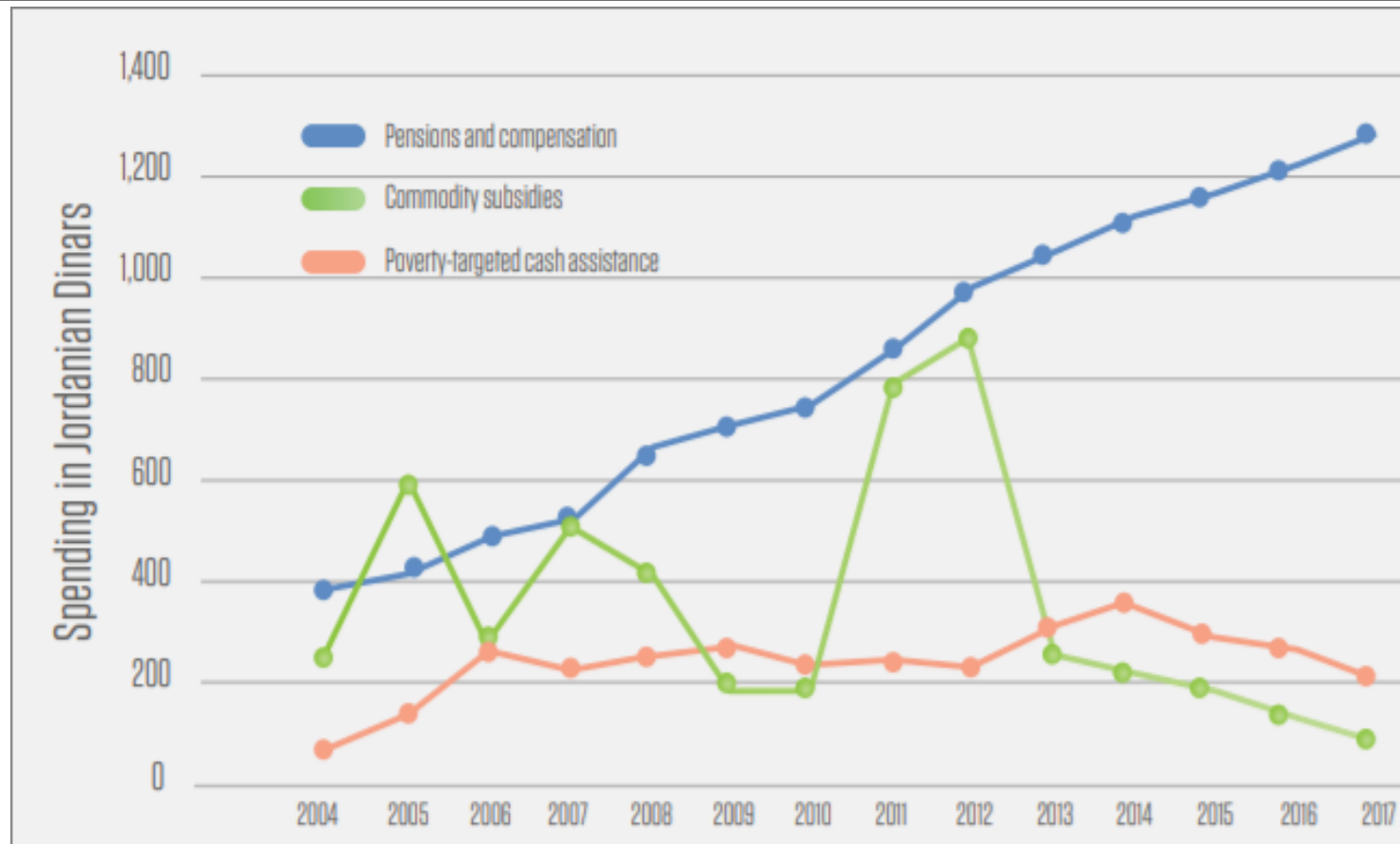
- ❑ Inequality has been widening as the incomes of the top decile was 9 times higher than that of the bottom decile in Expenditure survey
- ❑ Latest data reveal that 15.7% of the Jordanian population are below the poverty line and many more are vulnerable and survive right above this line especially after the COVID19 impact.
- ❑ The poorer the household the more dependence on income from employment (50%) Working poor are 58%. Generally low economic participation among Jordanians (men's participation rates declined from 70% in 2010 to 63% in 2016)
- ❑ Labor market divided into public and private sectors (indirect social protection for the public sector)
- ❑ Unemployment has been increasing overtime (around 24%) due to small private sector, anemic economic growth, and fast population growth
- ❑ For those who work wages are low, working conditions are difficult and informality is high
- ❑ Most Jordanian households have only one working family member, most of the unemployment are those from lower income which means the need for social protection is unlikely to be reduced with the current labour market conditions

Groups in Focus

- ❑ Women: Limited access to employment and income and practical challenges related to working conditions, equal pay, transport and child care.
- ❑ Refugees: Mostly poor and 78% dependent in social assistance from donors.
- ❑ Persons with Disabilities: limited implementation of laws and strategies or effectiveness of the practical measures for job accessibility and retention and other services

The need for Increased social protection is due to development model: Trends in social protection spending (JD ,000)

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Source: HIES 2010/11 and 2016/17

Many Formal Programmes and corresponding [implementing] actors

	<u>Public Entities</u>	<u>Others (include)</u>
<p>Social Assistance</p> <p>(National Aid Fund programmes, Emergency assistance, Health insurance for poor, Housing for the poor, School nutrition programme; Student Support programme, Zakat assistance)</p>	MoSD, NAF, NZF, MoP, MOE	NGOs & Private Sector
<p>Social Insurance</p> <p>(Old Age; Disability; Survivors; Sickness; Maternity Benefits; Work Injury; Unemployment)</p>	SSC, MOF, RMS	NGOs & Private Sector
<p>Fiscal Subsidies</p> <p>(Electricity subsidy, Bread or wheat flour subsidy, Petroleum subsidy, Water subsidy)</p>	MOF	
<p>Health</p> <p>(Public health provisions including preventive, treatment and health control services, public health insurance, vulnerable groups programmes (Poverty, maternity, elderly, poverty areas, kidney failures, etc.))</p>	MoH, MoSD, RMS	NGOs, Private Sector
<p>Labor Market Interventions</p> <p>(Community projects, Enhanced Productivity programme, Micro-credit; National corporation for Employment and Training, Vocational Training Centre)</p>	MOL, RMS, MOPIC	Labor Unions and NGOs
<p>Food Security</p> <p>(Food Security programme)</p>	MOA, MOF	

Source: authors own compilation

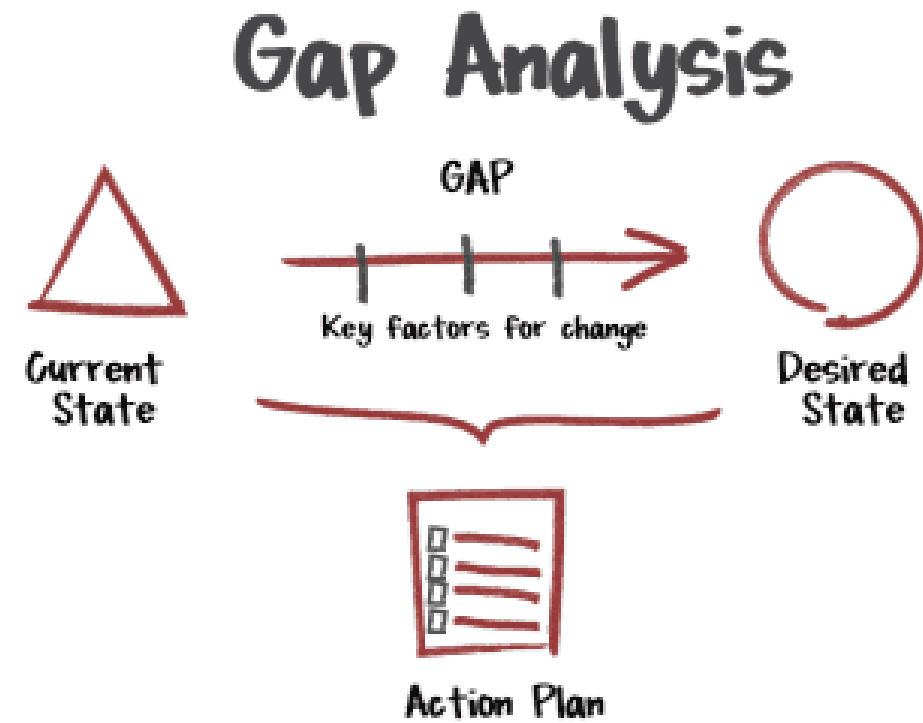
National Social Protection Strategy 2019 – 2025

“The vision of the strategy – that “all Jordanians enjoy a dignified living, decent work opportunities and empowering social services” – is at the core of the Government’s Mandate.”

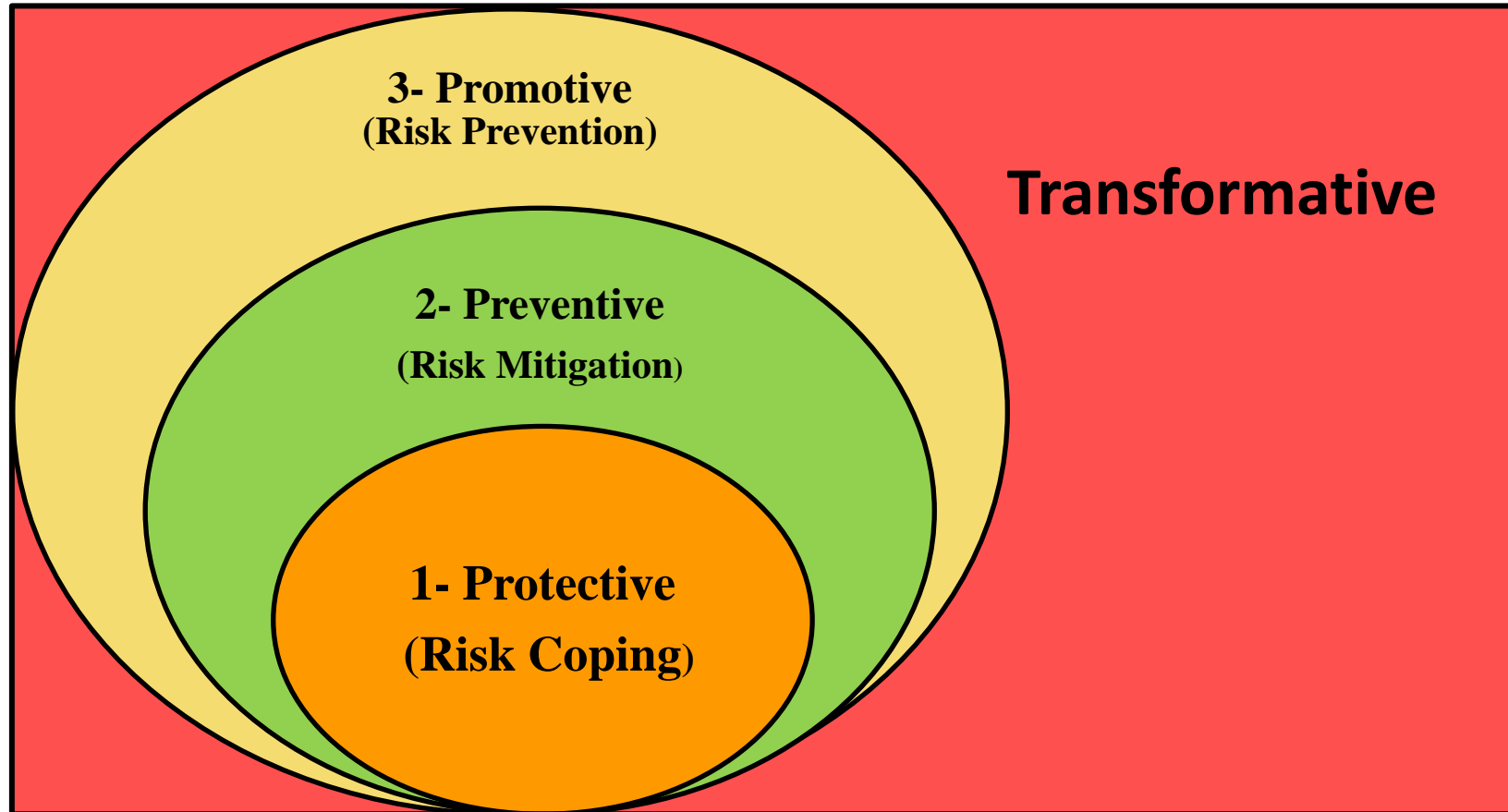
◦ *Dr. Omar Razzaz, Jordan’s Former Prime Minister (NSPS’s Introduction)*

- إن رؤية الاستراتيجية الوطنية للحماية الاجتماعية المتمثلة بضمان أن "يتمتع جميع الاردنيين بحياة كريمة، وبيئة عمل لائقة، وخدمات اجتماعية ممكنة" هي في صميم عمل الحكومة وأولوياتها.

Mapping & Gap Analysis



A Framework of Social Protection



Based on (Devereux & Sabates-Wheeler, 2004; Holzmann & Jørgensen, 2001)

Classification

1. Unconditional transfers in cash or in kind;
2. Conditional transfers in cash or in kind;
3. In-kind food transfers; targeted food transfers and rations, other food based programmes;
4. Income generation programmes; and,
5. Programmes that protect and enhance human capital and access to basic services.

Programme Sub-Divisions

- 1) Regular social protection programmes that are provided by the **National Aid Fund (NAF)**, **Ministry of Social Development** and **Social Security Corporation**;
- 2) Support programmes provided by the NAF;
- 3) programmes targeted at refugees by international organizations; and lastly,
- 4) programmes set up specifically to address the effects of COVID-19.

Non-contributory social protection schemes

- the NAF offers 7 programmes to Jordanian citizens, of which 2 are aimed at *providing income security*, 1 is aimed at *working poor*, and 3 are aimed at *addressing shocks* resulting from natural disasters, loss of family member or in case of immediate financial need. Additionally, one programme provides *physical rehabilitation* coverage.
- programmes are **protective (1)** in nature
- The Complementary Support Programme (Takmeely/Takaful 1) however, may be viewed as **somewhat preventive (mitigating risk)** as it seeks to provide for the working poor in the informal sector that are unable to contribute to the Social Security Corporation.

Contributory social protection schemes

- ❑ Almost 63% of Jordanian workers are covered by SSC programmes of which women are less than 20%.
- ❑ Dependent on the contribution period and the past wage, the benefit is estimated in accordance with the stipulations in Social Security Law No 1 of 2014
- ❑ All schemes are effectively **preventive (2)** in nature as they seek to address risks due to loss of employment.

Other social protection programmes by the MoSD

(1) handicapped affairs programme, (2) community development and combatting poverty, (3) family and childhood protection, and (4) social defense

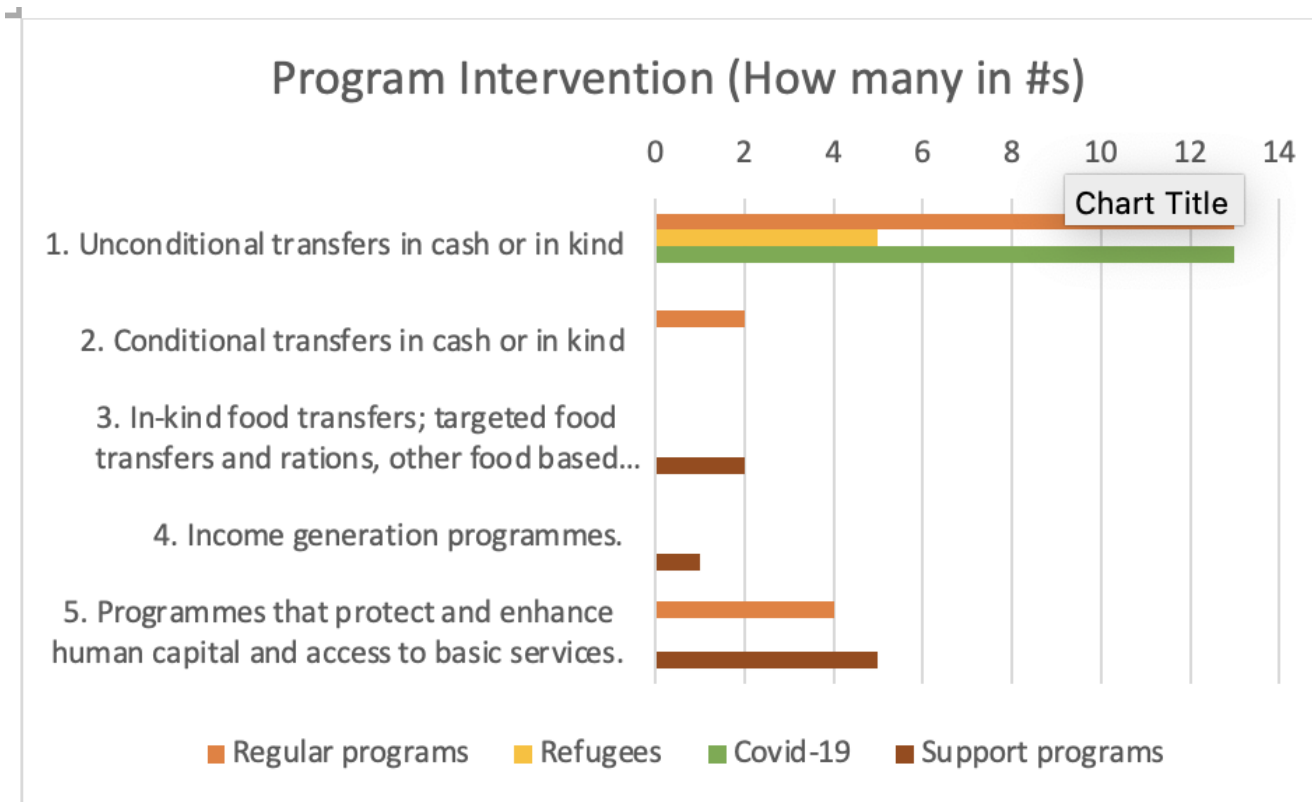
These four schemes are **non-contributory** in nature.

The programme for **community development and combatting poverty** is *promotive (3)* in nature as *it provides amongst others micro-finance loans to support housing and income-generating activities; while the other three programmes are more protective as they provide support to vulnerable individuals, through care services.*

Support programmes

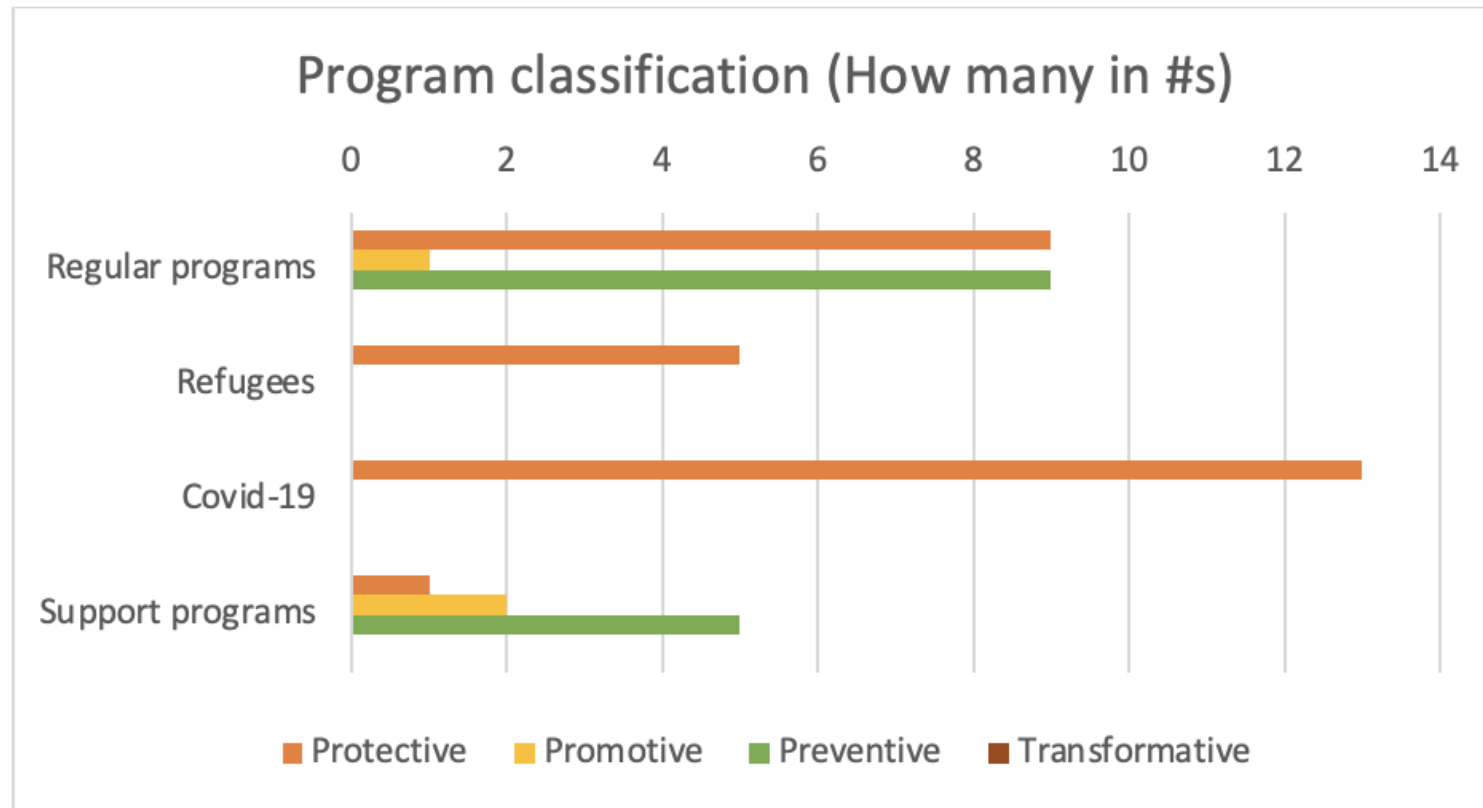
- vocational educational support for children of families of beneficiaries, bread support (not to be confused with bread subsidy), energy and transportation subsidy, as well as health insurance programmes.
- They primarily seek to enhance and protect human capital by fostering access to services. A
- these are more *promotive* and *preventive* in nature.

Overview of programme Intervention Type



(Source: Authors' own compilation)

Overview of programme Classification



(Source: Authors' own compilation)

Groups in Focus – Analysis

- ❑ Women: Limited access to employment and income and practical challenges related to working conditions, equal pay, transport and child care - - Women are only implicitly recognized within most of the categories for the recurrent and/or temporary financial aid
- ❑ Refugees: Mostly poor and 78% dependent in social assistance from donors - - Access is shaped by national status, primary focus on Syrian refugees, mainly protective (coping), with a few exceptions.
- ❑ Persons with Disabilities: limited implementation of laws and strategies or effectiveness of the practical measures for job accessibility and retention and other services - - Access is shaped by national status, if a person with disability is employed (16%) more chances of protection, schemes are protective (coping) as well as preventive (mitigation).

The impact of the Covid-19 pandemic

- The already existing groundwork (e.g., the National Social Protection Strategy 2019-2025, and the resulting expansion of NAF activities), allowed for a better response to the shock resulting from the COVID-19 pandemic.
- Tadamon (1&2), Musaned (1,2,&3), Himaya, and Tamkeen (1&2). While all are contributory in nature, due to the context of the pandemic it was rather protective in nature as it aimed to cover the wage loss due to the lower levels of economic activity.
- Daily Wage Workers -- Takaful – Himat Watan
- Refugees

Reflections and Concluding remarks



- Understanding of the socio-economic and fiscal situation
 - While social protection related interventions are fundamental, they can't succeed in a vacuum, and can only properly have the desired impact when they become part of structural economic transformation.

- Rethink the social protection system...We already have a base to build up from.
 - Consolidating and Implementing Existing Strategies
 - Social Protection Landscape: From coping to transformation



Questions?

Thank You

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