

# COVID-19 and social protection of the poor and most vulnerable

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Meeting of the UNDP, CEQI, CGEP Group  
*Social Protection in Response to the COVID-19 Pandemic*  
**April 24, 2020**



# KEY MESSAGES





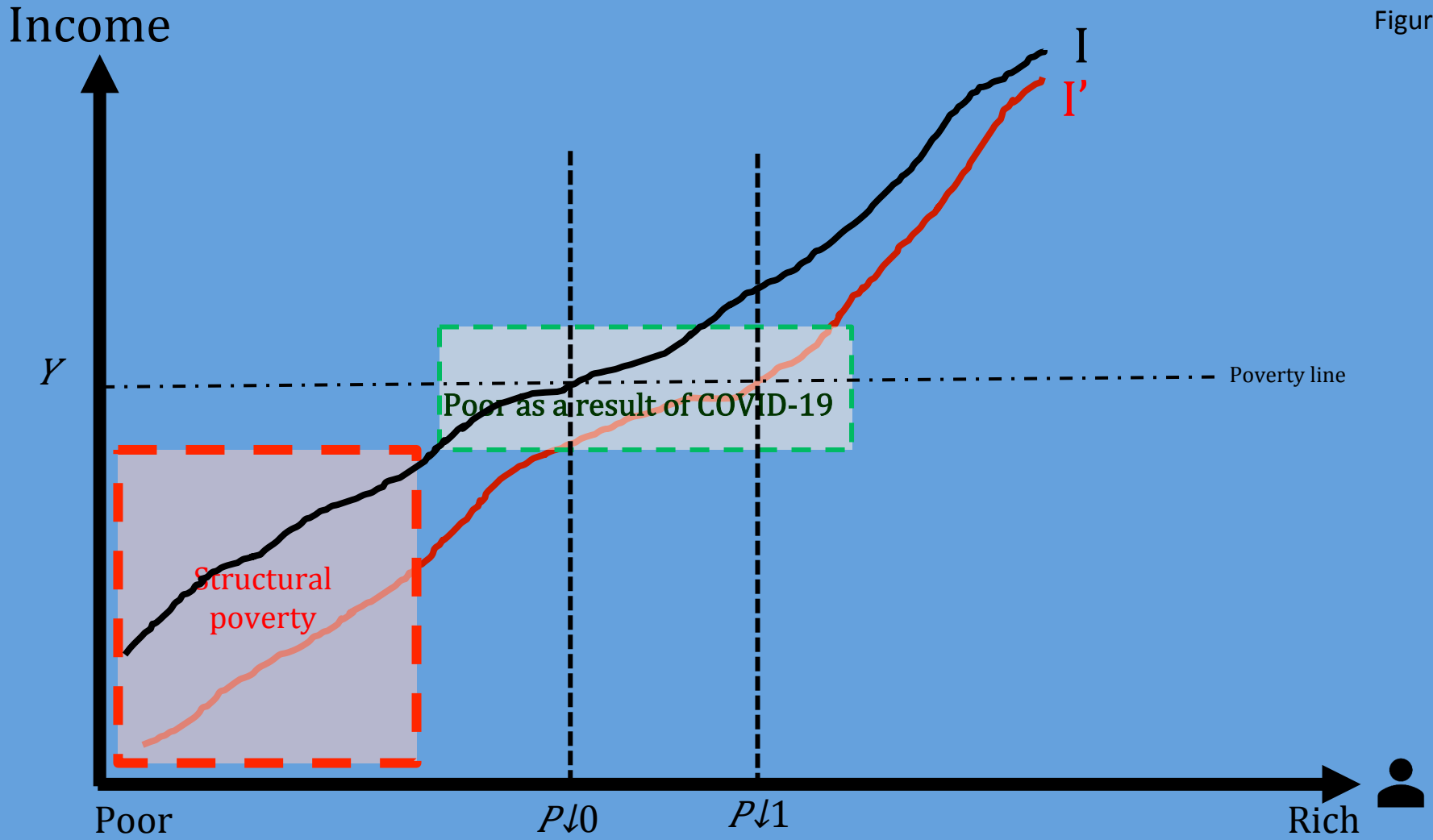
1. The COVID-19 pandemic is hitting poor and vulnerable populations the hardest
  - ❑ Health risks
  - ❑ Living conditions
2. Not only affecting the monetary poor
  - ❑ Also many other deprivations 
3. Actions to mitigate the impact are crucial
  - ✓ Ethical reasons
  - ✓ To avoid irreversible effects on human capital
  - ✓ Externalities 
    - *Raghuram Rajan: "In order for anywhere in the world to be safe, the virus has to be defeated everywhere"*
4. Effective responses will require:
  - Resources (BUDGETARY PRIORITY) 
  - Vigorous, focused and well-implemented actions (POLITICAL AND INSTITUTIONAL PRIORITY) – Not just financial transfers
5. Although governments must play a central role...
  - Collaboration of local grassroots organizations (NGOs, etc.) is also crucial 

Figure 1



# Monetary Poverty

**Table 7 | Latin America: Poverty and extreme poverty within a scenario of a 5.3% drop in GDP and a 3.4% increase in unemployment during 2020**

(In millions of people and as percentages)

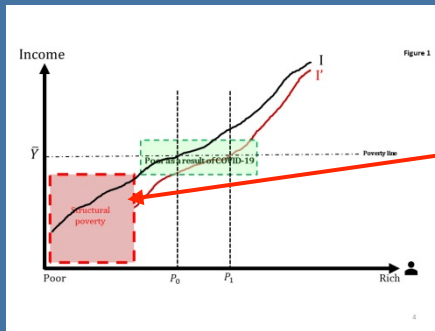
Year	2018	2019	2020*
Population	607.7	613.5	619.2
<b>Poverty</b>			
Latin America (18 countries)	180.6	186.0	214.7
Rate	29.7%	30.3%	<b>34.7%</b>
<b>Extreme poverty</b>			
Latin America (18 countries)	62.5	67.5	83.4
Rate	10.3%	11.0%	<b>13.5%</b>

Close to 30 million people newly living in poverty

Close to 16 million people newly living in extreme poverty

Source: United Nations Commission for Latin America and the Caribbean (ECLAC)

\* These are preliminary estimates and do not take into account the diversified impact between the productive sectors and the rates of employment generated in each sector.



This socioeconomic group

- In addition to lacking income, experience multiple deprivations:
  - overcrowding
  - health problems
  - lack of basic services
  - no bank account
  - violence, abuse, etc
- Live in slums, indigenous communities, or are undocumented migrants
- Others experience additional deprivations: children, the elderly, women, the disabled, LGBT, the imprisoned

**THE COVID-19 SHOCK INTERACTS WITH  
ALL THESE PREEXISTING  
DEPRIVATIONS**

**COVID-19**

Global Economic Shocks

Epidemiological Dynamics

Social Distancing Measures



Informal Labor

82% Q1

No assets

No Social Security

82% Q1

Overcrowding

20% urban slums

No safe drinking water or sanitation

22%, 59%

No access to internet

34% w/o internet

Health problems

142,000,000  
¼ health risk

Unbanked

57% Q1-2

Dysfunctional Family Dynamics

Domestic violence 15%

Child abuse

# The poor and vulnerable

- Face difficulties in complying with quarantine
- Compliance has its own risks
  - Illness
  - Violence
  - Malnutrition
- Suffer dire consequences
  - In the short term
  - **In the long term**
    - **Permanent effects of temporary shocks**
    - **(That is what being poor is all about)**



## COVID-19 *per se*

1. Compliance with social distancing measures:
  - More lax among more vulnerable populations
2. Infection and fatality:
  - Disproportionately high among the poor and vulnerable
    - Minorities and the poor are overrepresented (USA)
    - Epicenters of contagion are correlated with slums (Mumbai)
3. Epidemiological externalities

# Externalities: It's more costly to ignore socially excluded populations

- Inhabitants of slums, migrants, the homeless, LGBT
  - greater risk of contagion due to preexisting health conditions
  - obstacles to implementing preventive measures (hand washing)
  - limitations to complying with social distancing (overcrowding)
  - less access to health care services (including fear of deportation)
  - They become new sources of contagion.
- Example: Singapore
  - Poster-child in containing the spread of the virus
  - Resurgence of virus due to lack of attention to migrant population
    - “A sharp increase in Covid-19 cases among the country’s migrant worker population has now forced the government to take drastic measures. On Thursday, Singapore saw its highest number of new cases thus far: 728, the vast majority of which were among migrant workers.” (WP, Apr 16)

# RECOMMENDATIONS

# RECOMMENDATIONS: I. Organizing principles

## Articulate strategies:

- ✓ Epidemiological strat.
- ✓ Economic strategies
- ✓ Social strategies

## COVID-19

Exposes and exacerbates

- ☐ Disparities/Inequalities
- ☐ Vulnerabilities

- Epidemiological and economic externalities
- Humanitarian risks
- Political risks
  - **PRIORITIZE** protection of most vulnerable groups

## OBJECTIVES:

Preserve

- ☐ Lives
- ☐ Livelihoods
- ☐ Human capital

## HOW: Special focus

- \$ (access \$, implement)
- Direct actions (beyond \$)
- Focus in order to make universal
  - Complem p acceso y utilización

Requires actions that are

- ✓ Urgent & vigorous in the short term (weeks)
  - Sustain essential flows/supply
  - Ante inamovibles, quirúrgicas
- ✓ Strategic investments (months)

Take into account intra-group heterogeneities

ACTIONS BY LOCAL GRASSROOTS ORGANIZATIONS

Non-Governmental Actors

- ✓ Local synergies
- ✓ Iniciativas top

1  
0

Implications

- Budgetary
- Organizational

## RECOMMENDATIONS: II. Institutions, Actors and Actions

ACTOR	ROLE/FUNCTION	RECOMMENDATION
Office of the President	Overarching national policy decisions	Integrate epidemiological, economic and social policies
Members of Cabinet	High-level inter-ministerial coordination	<ul style="list-style-type: none"> <li>✓ Ensure that the sectoral ministries collaborate completely with ONISU and with the Territorial Units in charge of the most vulnerable neighborhoods.</li> <li>✓ Integrate and make optimum use of all sources of information (surveys, administrative reports, big data) in order to apply a targeted approach and identify effective social interventions.</li> </ul>
Ministry of Finance	Allocation of resources	PRIORITIZE resources for policies designed to protect the most vulnerable
Line ministries (Health, Education, Safety, Transportation, Infrastructure, etc.)	Enact and implement policies and programs in their respective areas	<ul style="list-style-type: none"> <li>✓ Adapt the overall policies to the specific needs of local groups.</li> <li>✓ Cooperate with ONISU and Territorial Units.</li> </ul>
National Agency for Social and Urban Integration in charge of vulnerable neighborhoods (ONISU)	<ul style="list-style-type: none"> <li>✓ Coordinate the effective implementation of all State actions in the vulnerable neighborhoods.</li> <li>✓ Adapt the overall policies to the particular needs of these populations.</li> <li>✓ Demand that the line ministries enact the necessary complementary policies.</li> <li>✓ Coordinate the work of the Territorial Units located in each neighborhood.</li> <li>✓ Employ the Territorial Units to collect information regarding the specific and general needs of these groups.</li> </ul>	
Territorial Units	ONISU's representative in every neighborhood	<ul style="list-style-type: none"> <li>✓ Involve local neighborhood associations and other grassroots organizations in identifying urgent needs and priorities.</li> <li>✓ Work with line ministries and local organizations to implement social programs at the local level.</li> <li>✓ Strengthen the networks of local social actors.</li> </ul>
Networks of local social actors and civic organizations	See text.	

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Entity charged with addressing the multi-dimensional needs that these populations simultaneously face



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**SINGAPORE FAILED TO DO THIS**

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Networks of local social actors and civic organizations	See chart.	

✓ Crucial non-monetary interventions  
 ✓ Protecting
 

- human capital
- livelihoods
- lives

 of the most vulnerable,  
 ✓ the last mile → local grassroots actors  
 ✓ those who know what's happening in every case

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**THIS SEQUENCE:**

**is the best way to target interventions, given current level of state capabilities.**

### III. SPECIFIC RECOMMENDATIONS

#### Reduce epidemiological risks of illness and death:

##### *During the state of emergency:*

- Design effective participatory communication strategies
- Guarantee access to clean water, soap and other products needed to prevent infection
- Guarantee access to income, food, and other essential goods
- Ensure internet connectivity in marginalized areas
- Convert spaces such as schools and hotels into temporary hospitals for isolating patients who have contracted Covid-19 or those who show symptoms
- Design strategies for transporting patients requiring specialized care





##### *After the state of emergency:*

- Provide free access to Covid-19 tests to the poorest and most vulnerable
- Keep opening new isolation centers to allow people who may be infected to be secluded
- Guarantee access to safe drinking water
- Ensure universal internet connectivity in marginalized areas
- Provide universal access to bank services and debit cards to the poor and vulnerable

### **III. SPECIFIC RECOMMENDATIONS. Protecting livelihoods, human capital and access to basic services:**

- Access to income, food and basic services
  - Government transfers
  - Temporary employment programs
- Direct food distribution
- Deferral or elimination of certain taxes
- Prevent cutting of basic services like water, electricity and Wi-Fi to vulnerable households
- Mitigation of domestic violence
- Keep educating
- Guarantee access to healthcare and medications beyond Covid-19
- Attention to especially vulnerable groups: at-risk children and youth, migrants, the homeless, sex workers, and imprisoned people

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