



Social policy and social protection measures to build Africa better post-COVID-19

INTRODUCTION

As a region, Africa has seen remarkable progress in socio-economic development in the past two decades. It still experiences, however, high levels of poverty and inequality, food insecurity and malnutrition, high maternal and child mortality, high levels of informal employment, conflicts and the impacts of climate change. The COVID-19 pandemic and these challenges urgently call for effective and efficient measures, including social protection, to achieve the Sustainable Development Goals, including eradicating poverty, and reducing inequality and vulnerability. This policy brief reviews the socio-economic impacts of the COVID-19 pandemic in Africa and the continent's social protection responses before making some policy recommendations.

SOCIO-ECONOMIC IMPACTS OF THE COVID-19 PANDEMIC

Based on official statistics,¹ Africa has seen relatively low numbers of COVID-19 cases and deaths compared with other continents. As of 18 February 2021, African countries had reported 3,796,354 confirmed cases and 100,294 deaths,² about 4 per cent of the world's total numbers despite the fact that Africa has 17 per cent of the world's population. However, cases have increased fairly rapidly recently in many countries, in particular in the Southern Africa region, and the number of African countries with case fatality rates (deaths-per-cases) that are higher than the world average of 2.2 per cent is growing. This new wave of infections happened after the emergence of new variants of the virus that are more transmissible. The African Union has secured millions of vaccines for its

Summary

This policy brief reviews the socio-economic impacts of the COVID-19 crisis in Africa and presents the continent's social protection responses. The crisis has hit the poorest and most vulnerable hardest and laid bare structural shortcomings such as inadequate health, educational and technological infrastructure, limited social protection, gender inequality, large informal economies, lack of access to basic services, constrained fiscal policy space and a high risk of debt distress in many countries, making them particularly vulnerable to the lasting effects of the pandemic. African countries have realized the need to scale-up social protection programmes and measures to meet the challenges brought about by the COVID-19 crisis as well as to ensure preparedness for other unexpected future events. Thus, they have introduced or adapted over 200 social protection and labour market policies in response to the pandemic. Recognizing the ongoing efforts as well as the persistent gaps and challenges, the brief stresses the need for allocating adequate resources for social protection systems and programmes, aiming for universal coverage to adequately address the different risks and vulnerabilities that individuals face throughout the lifecycle. It also urges development partners to provide financing support to the poorest countries to help them create fiscal space for increased public spending for social protection that is sustainable and equitable through multilateral development co-operation as well as national and regional multi-sectoral partnerships.

member States and the continent is getting ready to roll out COVID-19 vaccines.

Although it began as a health emergency, the COVID-19 pandemic has become a devastating socio-economic crisis in Africa, reversing hard-won development gains such as poverty and inequality reduction.

¹ It is worth noting that the lack of reliable health and death statistics remains a challenge in the continent. For most African countries, the United Nations Statistics Division has no death data at all.

² As reported on the website of the Africa Centres for Disease Control and Prevention, "COVID-19 Daily Updates, Last update: 2/18/2021", available at <https://africacdc.org/covid-19/>.

As in other regions, it has hit the poorest and most vulnerable hardest and laid bare structural shortcomings such as inadequate health, educational and technological infrastructure, limited social protection, gender inequality, large informal economies, lack of access to basic services, constrained fiscal policy space and a high risk of debt distress in many countries, making them particularly vulnerable to the lasting effects of the pandemic. Africa is heading towards its first economic recession in 25 years, with a contraction of 1.6 per cent in the gross domestic product (GDP) growth in 2020. In sub-Saharan Africa, growth was projected to contract by 3.3 per cent in 2020 and per capita GDP by more than 6.0 per cent, halting a decade of economic progress. The subregion's growth is projected to recover to 2.1 per cent in 2021, below its 2.4 per cent level in 2019 (United Nations Economic and Social Council, 2020).

Lockdown measures and the economic recession are having a dramatic effect on the jobs and livelihoods of workers and their families, as well as on enterprises. In the second quarter of 2020, 60 million full-time equivalent jobs were lost by Africa, including 45 million in sub-Saharan Africa. The great majority of workers, especially women workers, are in informal employment in Africa, where they generally lack social protection and have lower average income. In the first month of the crisis, the earnings of informal workers are estimated to have declined by 81 per cent (United Nations Economic and Social Council, 2020).

Before COVID-19, income poverty had been falling in Africa as a whole. However, it was estimated that the contraction in per capita GDP growth caused by the pandemic may have pushed an additional 26.2 million to 40 million people into extreme poverty in sub-Saharan Africa by the end of 2020 (World Bank, 2020).

SOCIAL PROTECTION RESPONSES TO THE COVID-19 CRISIS

Africa has the lowest social protection coverage in the world due to fiscal and capacity constraints of governments. Notwithstanding challenges, a significant progress in social protection expansion has occurred. The number of non-contributory schemes, which have played a substantial role in reducing poverty and vulnerabilities, tripled between 2000 and 2015 (United Nations Economic and Social Council, 2020). However, only a small proportion of the poor and vulnerable benefit from social security with, on average, 18 per cent of the population being effectively covered by at least one social protection benefit in 2017-2019 (International Labour Organization,

2017) while the proportion of the population living in extreme poverty rate was 40 per cent in sub-Saharan Africa in 2018.³ Social protection coverage is higher in Northern Africa (39 per cent) than in sub-Saharan Africa (13 per cent).

Usually, social safety nets are concentrated in rural areas where chronic poverty is highest. Among the active population, the existing contributory social security schemes cover mostly workers in the formal economy and their families, providing mainly old-age pensions and health protection. Yet, the informal sector is the major source of employment across Africa, accounting for 89.7 per cent and 82.7 per cent of women and men employment, respectively (International Labour Organization, 2018). As a result, the active population has extremely limited coverage under social protection schemes, a situation that has been shown to ultimately decrease productivity and hinder economic development because workers in the informal economy rely on costly and inefficient strategies, thus increasing their risks of falling into poverty and deprivation at times of hardship. Several countries, such as Cameroon, Cape Verde, Ghana, Kenya, Madagascar, Rwanda, Senegal, South Africa, Tunisia, United Republic of Tanzania and Zambia, have taken steps to extend social security to workers in the informal economy.

African leaders have realized the need to scale-up social security programmes to meet the challenges brought about by the COVID-19 crisis as well as to ensure preparedness for other unexpected future events. In response to the COVID-19 crisis, 51 (out of 55) African Union Members announced a total of 227 social protection measures between 1 February 2020 and 30 November 2020 (International Labour Organization, 2020). In general, each country announced less than five measures but Angola, Nigeria and South Africa responded with ten or more measures each (Table 1). The great majority (82 per cent) of the measures were of a non-contributory nature, with two-thirds of them introducing new programmes or benefits. By contrast, a contributory nature was observed mainly in measures that made spending or administration adjustment in existing programmes.

Almost half of the 227 responses covered the following functions of social protection: special allowances or grants, food and nutrition protection, and health protection (Figure 1). Another significant part (35 per cent) of the measures covered several functions at once, housing or basic services benefits, and income or

³ As reported by the World Bank's PovcalNet, available at <http://iresearch.worldbank.org/PovcalNet/povDuplicateWB.aspx>.

Table 1

Countries that have announced social protection measures as a response to the COVID-19 crisis

Number of measures per country	Number of countries	Countries
1	9	Burundi, Dem. Rep. Congo, Djibouti, Eq. Guinea, Eswatini, Libya, Niger, Reunion, South Sudan
2	5	Benin, Botswana, Lesotho, Malawi, Mauritius
3	9	Côte d'Ivoire, Guinea, Guinea-Bissau, Mauritania, Namibia, Rwanda, Seychelles, Sudan, The Gambia
4	9	Burkina Faso, Chad, Liberia, Sao Tome and Principe, Senegal, Sierra Leone, Somalia, Uganda, Zimbabwe
5	6	Congo, Gabon, Madagascar, Mali, Togo, Zambia
6	2	Egypt, Morocco
7	2	Ethiopia, Kenya
8	5	Algeria, Cameroon, Ghana, Mozambique, Tunisia
9	1	Cabo Verde
10	1	Angola
11	1	Nigeria
19	1	South Africa
227	51	Total

Source: Authors' compilation from ILO's *Social Protection Monitor COVID-19*, <https://www.social-protection.org/gimi/ShowWiki.action?id=3417>.

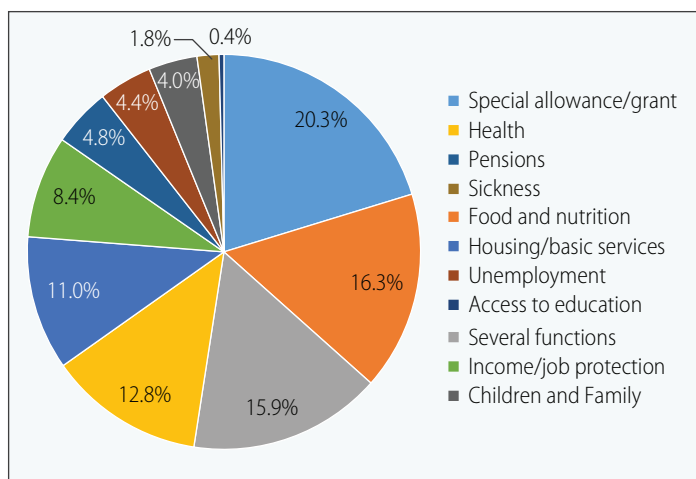
job protection. The functions that were the least covered by responses include access to education, sickness benefits, benefits for children and family, unemployment protection, and pensions benefits. South Africa is worth mentioning with its four measures to address unemployment, including giving cash transfers of R350 per month for six months to individuals who are currently unemployed and do not receive any form of income, social grant or unemployment insurance payment, starting in August 2020 (BusinessTech, 2020). The government has

also allocated funds (R12.6 billion) to provide jobs to unemployed youths. In comparison, the country's Social Department has been allocated R6.8 billion until 2021 to extend its special COVID-19 relief of distress grant (Kgosana, 2020).

The majority of the 227 announced measures introduced new non-contributory programmes or benefits (Figure 2), including mainly: providing benefits for poor or vulnerable population (58 measures), providing benefits for workers and their dependents (28 measures),

Figure 1

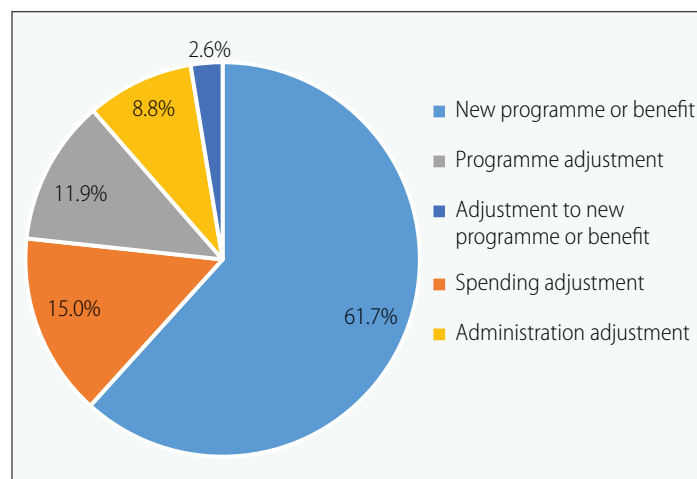
Social protection measures taken in response to COVID-19 by function, Africa



Source: Authors' computation from ILO's *Social Protection Monitor COVID-19*, <https://www.social-protection.org/gimi/ShowWiki.action?id=3417>.

Figure 2

Distribution of social protection measures by type of adjustment, Africa



Source: Authors' computation from ILO's *Social Protection Monitor COVID-19*, <https://www.social-protection.org/gimi/ShowWiki.action?id=3417>.

providing subsidies on, or reducing costs of, necessities and utilities (26 measures), providing tax relief or deferral for workers or individuals (10 measures), and providing subsidies to wages (8 measures). The rest of the measures took advantage of existing programmes and schemes by increasing the resources and budget allocation (26 measures), improving the delivery mechanism or capacity (20 measures), increasing the benefit level (12 measures), extending the coverage (10 measures), or deferring, reducing or waiving the social contribution (7 measures) (International Labour Organization, 2020). Some countries, such as Togo, turned to artificial intelligence and used mobile phone technology to quickly distribute cash to the poorest informal workers.

Despite the disproportionate economic effects of lockdown measures on women, who are over-represented

among workers in the informal sector and unpaid care-givers within families and communities, efforts to scale up the provision of social protection and jobs have overlooked women's needs. In sub-Saharan Africa, of the 189 social protection and labour market measures adopted by 45 countries and territories in response to COVID-19, only 30 measures (16 per cent) are targeted at women, including 25 related to social protection and 5 to labour market. The great majority (26) of these 30 measures strengthen women's economic security and only 4 of them (announced by Angola, Burundi and Cabo Verde) address unpaid care (UNDP and UN Women, 2020).

The main gender-sensitive social protection programmes that African governments have adopted are cash transfers and in-kind support such as food assistance, that prioritize women as the main recipients. For instance,

Table 2a

Social protection responses to COVID-19 in Ethiopia and Morocco

Type of measure	Country	
	Ethiopia	Morocco
Social assistance: cash transfer, food transfer, other in-kind transfer	Food distribution to 15 million individuals in need (\$635 million); Provision of emergency shelter and non-food items (\$282 million); Support to agricultural sector, nutrition, protection of vulnerable groups, additional education outlays, logistics, refugees and site management(\$293 million); Free public transportation service for government employees	Cash transfer (DRH800-DRH1,200 per month) to workers in informal sector in mobile money form
Labour market policies: wage subsidies, leave benefits	Companies are prohibited from laying off workers; Landlords are prohibited from evicting tenants and increase rents	Wage subsidies for workers in tourism
Social insurance: health protection, social security, unemployment insurance	Aid package of \$154 million to support the health care system	Health insurance for workers in informal sector; Deferment of social security payments by businesses that are in difficulty; Unemployment benefit of DRH2,000 a month
Other new programmes	Free public transportation service for government employees; Government employees at risk allowed to stay at home while receiving salaries; Tax relief and tax amnesty to individuals and businesses	
Creation of a special fund for COVID-19 response	\$1.64 billion COVID-19 Multi-Sectoral Preparedness and Response Plan	Special Fund for the Management and Response to COVID-19 (3% of GDP); Additional loan of 118 million euros to increase budget for social protection and upgrade health infrastructure

Source: Authors' compilation from ILO's Social Protection Monitor COVID-19, <https://www.social-protection.org/gimi/ShowWiki.action?id=3417>; and IMF COVID-19 Policy Tracker, <https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19>.

Inua Jamii, the Kenyan National Safety Net Programme, which provides cash transfers to orphans and vulnerable children, older persons, persons with severe disabilities, and vulnerable and poor households of Northern Kenya, residing in the poorest arid counties, is now prioritizing giving cash to women in beneficiary households. More than one million Inua Jamii beneficiaries have started receiving KES 8,000 (\$74) each from the State to cushion them against the effects of COVID-19. Morocco and Togo are providing cash transfers or grants to women entrepreneurs and informal traders.

For illustration purposes, Tables 2a and 2b present the social protection responses of four countries –

Ethiopia, Morocco, Nigeria and South Africa – that have either been hit hard by the COVID-19 pandemic or implemented major measures.

BUILDING BACK BETTER AND STRONGER

African countries have realized the need to introduce, scale-up or adapt social protection programmes and measures to meet the challenges brought about by the COVID-19 crisis. The more than 200 social protection measures they have implemented or announced have certainly helped mitigate the social and economic impacts of the pandemic-driven shocks. Mostly non-

Table 2b

Social protection responses to COVID-19 in Nigeria and South Africa

Type of measure	Country	
	Nigeria	South Africa
Social assistance: cash transfer, food transfer, other in-kind transfer	Cash transfer to 11 million poorest and most vulnerable people; Unconditional cash transfer to poorest and most vulnerable in Kano State (with a grant of N2.95 billion); Financial assistance to road transport workers (with a N10 billion palliative fund)	Special COVID-19 Social Relief of Distress grant (R350 per month); Temporary increase in child support and social grants; Increase in number of food parcels for distribution (to 250,000); Social grant for the older persons and persons with disability
Labour market policies: wage subsidies, leave benefits	Three-month payment of salary to private workers through the Survival Fund of the Federal Government	Activation of the Basic Conditions of Employment Act rights; Job creation for unemployment youth (with a R12.6 billion fund)
Social insurance: health protection, social security, unemployment insurance	Hazard allowance to health care workers	New National Disaster Benefit for affected companies and workers to benefit from the Unemployment Insurance Fund and special programmes from the Industrial Development Corporation; Funds to address youth unemployment; Income support payments for workers whose employers are not able to pay their wages
Other new programmes		Tax deferrals for a greater number of businesses; Introduced an official loan guarantee scheme to provide bank loans, guaranteed by the government, to eligible businesses to assist them with operational expenses; Additional funding made available to municipalities for the provision of emergency water supply, increased sanitization of public transport and facilities, and providing food and shelter for the homeless
Creation of a special fund for COVID-19 response	N500 billion COVID-19 Intervention Fund (0.3% of GDP)	Special COVID-19 Social Relief of Distress grant (R6.8 billion until 2021); Relief fund for athletes and artists; COVID-19 Agricultural Disaster Support Fund for smallholder and communal farmers

Source: Authors' compilation from ILO's Social Protection Monitor COVID-19, <https://www.social-protection.org/gimi/ShowWiki.action?id=3417>; and IMF COVID-19 Policy Tracker, <https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19>.

contributory social transfers, those measures have also covered population groups that did not typically qualify but have been pushed into poverty since the pandemic. However, these measures are in general temporary. Therefore, countries should seize this opportunity to strengthen social protection systems not only to ensure preparedness for other unexpected future events but also to strengthen resilience in everyday life (International Labour Organization, 2021).

African countries and their development partners should use the opportunity of this pandemic to prioritize investments in social protection for today and tomorrow, if they are to build the region back better and stronger post-COVID-19 and achieve the Sustainable Development Goals. Africa's current social protection systems face challenges, including inadequate coverage and funding, weak coordination of initiatives, administrative inefficiencies and inadequate mainstreaming of a gender perspective, which need to be addressed before the next shock hits. The following policy recommendations are believed to help Africa reach the above-mentioned objectives.

- Allocate adequate resources for social protection measures that address crisis-related needs, especially social transfer programmes, as they help support the immediate and often basic needs of the existing and new groups of poor and vulnerable so that they do not remain in poverty post-COVID-19. Schemes and programmes should incorporate a gender perspective and be tailored to the needs of women and workers in the informal economy.
- Going forward, build on the temporary measures taken during the COVID-19 pandemic to continue and increase investments in social protection systems that include not only cash and in-kind transfer programmes but also a much broader range of schemes, including social insurance and universal benefit programmes, such as child benefits or social pensions. It is important to use a mix of financial sources, primarily through domestic resources such as taxes and social security contributions, to ensure financial and fiscal sustainability as well as to reduce pressure on governments' budgets.
- Ultimately aim for universal social protection through nationally-defined policies and programmes that protect all people throughout their lives against poverty and risks to their livelihoods and well-being to ensure that no one is left behind. Such programmes could include non-contributory

schemes that guarantee at least a basic level of income security and access to health care for all. Ensure that fiscal policies raise public expenditure on social protection.

- Encourage institutional coordination and integration when designing social protection policies and programmes. Consider using the power of digital technology (such as mobile money platforms that are very popular in Africa) to deliver services quickly and safely, in a responsible way that respects individuals' privacy.
- Provide financing support to the poorest countries to help them create fiscal space for increased public spending for social protection through multilateral development co-operation as well as national and regional multi-sectoral partnerships.

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