

Executive Summary

Recent global economic turmoil such as financial crisis, energy price volatility and food crisis has severely affected people's lives in the developing world. Though some of developing countries are experiencing economic growth, not everyone equally gets the benefit. Urban poor is more vulnerable to these crisis because they are more dependent on cash for food, water, energy and house than rural population. Social protection became an emerging theme to reach those who remained in extreme poverty. It has mainly three elements: social insurance, social assistance, labor market policies. This study has focused only on social assistance and part of labor market policies, since target population of the study is those who lives in urban areas and do not have enough income so that they cannot afford to contribute to social insurance.

This study explores the various approaches to social protection programs for KOICA. It begins with clarifying the concept of social protections, its major components and scope of the programs, and respective characteristics. It is followed by the review of donors' social protection programs and programs of recipient countries. This study especially focused on analyzing the programs and its effects in partner countries in order to get the picture of appropriate KOICA's social protection programs and challenges which KOICA can face during the implementing process.

The experiences and approaches of donors will make a useful contribution to explore the role of social protection in support of impoverished urban households. The World Bank and the ADB are the major players in this area. The World Bank provides targeted assistance for the poor living in urban settings through Japan Social Development Fund implemented at the community

level. The ADB set up a social protection strategy in 2001 designed to reduce poverty and people's vulnerability to it. As a bilateral actor, DFID is active in supporting non-contributory social assistance while offering policy guidance and results framework on social protection. Field studies in Indonesia and Philippine reveal that development agencies finance country-led social protection programs such as PNPM or Pantawid Pamilyang Pilipino Program primarily through a harmonized mechanism. What this implies is that stand-alone projects normally take a form of humanitarian aid, and aid providers are strongly encouraged to align with and compliment current national programs.

As far as a project aid concerns, social protection components can be incorporated into current ways of doing business at KOICA. Project sites for constructing or updating maternal health care centers can be identified with the partner government where CCT beneficiaries are unable to meet their conditionality due inadequate supply of health care services. A key consideration in delivery and maintenance of infrastructure is to create employment opportunities for the poor using cash-for-work scheme combined with skills trainings. Moreover, KOICA can pilot small CCT scheme for their community-based health care/ family planning projects as an incentive for participants or vocational training projects can be targeted to CCT participants to achieve self-subsistence. Such strategies yield multiple benefits given that donor agencies can make use of national household targeting systems, tap into joint performance monitoring and evaluation, and brings direct poverty reduction impact. The paper further discusses a wide range of aid modality and program options from sector budget support to technical assistance to life the disadvantaged urban people out of poverty with tools and instruments of social transfers.

The proposed program has to be planned, implemented and monitored in

accordance with KOICA's program management framework. At the initial stage, the issues of relevance need to be examined against whether it fits into the KOICA's Country Partnership Strategy (CPS), and whether social protection for urban poor is flagged as the government's priority and the government has high level of commitment and implementation capacity. As for the planning and implementation stages, this volume discusses in detail how to set up program objectives and determine operation areas, beneficiaries and program inputs as per different modalities for social protection assistance, i.e. sector budget support, conditional cash transfer and public works. It also proposes how to establish monitoring framework and reporting process as relevant to specific modalities. Finally for the evaluation stage, a four-level evaluation framework examining inputs, outputs, outcomes and impact is suggested, and detailed evaluation items and examples of indicators are proposed accordingly. Additionally, with a view to further mainstreaming gender issue in the proposed program, suggestions were made to include female stakeholders in policy making process, and provide child caretakers, oftentimes women, with complementary assistance when implementing conditional cash transfers for child education and access to health care.

Determining which partner countries would be granted KOICA's social protection assistance for urban poor requires strategic considerations across the scale and severity of urban poverty, related social policy at the national and municipal level, and strategic relevance with KOICA's existing program in the countries. After in-depth statistical analysis and qualitative assessment, the following countries seem to be the most suitable ones for KOICA to pilot test social protection program for urban poor: Bangladesh, Bolivia, Ethiopia, Mongolia, Nigeria, Paraguay, Philippines and Rwanda. However, KOICA should further review each of country context, sector needs and its strategic considerations so as to determine from which countries it would start to provide social protection assistance, and how it would approach.