

# INTERNATIONAL COUNCIL ON SOCIAL WELFARE A World Organisation Promoting Social Development

# GLOBAL COOPERATION NEWSLETTER August 2013

#### In this issue:

- Morocco's universal social protection model: Components, paradoxes and challenges
- Protecting the rights of older persons
- Towards a path of sustainable development
- Useful resources and links
- Featured article: "Morocco's universal social protection model: Components, paradoxes and challenges by Driss Guerraoui



**Driss Guerraoui is the** President of the Middle East and Northern Africa Region - MENA Region of ICSW and is Secretary General of the Economic, Social and Environmental Council of Morocco.

Located in the north-west corner of Africa, with a population of over 32 million, Morocco regained its independence in 1956 when the French protectorate was ended, and since that time the country has, step-by-step, been building its national welfare system composed of several elements and known today as the Moroccan model of universal social protection.

1. The building blocks of the universal social protection system of Morocco.

The system is characterized by 10 clusters of programmes and social protection schemes involving social sectors in the broad sense. It includes:

- 1. Programmes aimed at promoting quality education so as to ensure the social and professional integration of young people. The programmes envision universal access to education, continuous improvements in its quality, the prevention of school drop-outs and the fight against illiteracy.
- 2. Plans and programmes aimed at improving the public health situation through a three-pronged approach:
- a) The gradual extension of medical coverage for employees in the public and private sectors through the establishment of a compulsory health insurance scheme for employees in those sectors called AMO (about a third of the population), a system of medical coverage for the poor called RAMED (8.5 million people), and a plan for the benefit of artisans, independent professionals and

students (one-third of the population). The first two schemes became effective in 2005, but the last one has not yet emerged.

- b) The development of priority public health programmes focusing on prevention and the fight against disease.
- c) The expansion of the supply of health care for the population.
- 3. The development of a diversified social housing policy, whose objectives are the reduction of the housing shortage (by 150,000 housing units per year), the eradication of slums and the fight against substandard housing. In that context a programme called "Cities Without Slums" was operational from 2004 to 2010, benefiting 270,000 households and involving 82 cities.
- 4 Promoting productive employment

The promotion of employment in the private sector is carried out through a programme called Idmaj; improving the balance between training and employment is done through a programme called Taahil; a programme called Mokawalati supports the creation of new businesses by young people. There are also programmes aimed at better management of the labour market. In addition, economic and social partners and the Government arrived at a consensus in July 2013 on the establishment of compensation for the loss of employment for employees in the private sector who have lost their job.

- 5 A national sewerage and waste water treatment programme, which aims to achieve a 80% rate of network sanitation coverage and the reduction of pollution by 60% by 2015.
- 6 Programmes aimed at increasing rural access to basic social services such as the Global Water Supply Programme for Rural Populations (PAGER), General Rural Electrification (PERG), Construction of Rural Roads (PNCRR), integrated rural development and coastal development.
- 7 Programmes aimed at boosting social outreach instruments through structures and institutions supporting national efforts, including the development of micro-credit, the activities of the Social Development Agency, and the agencies dealing with the North, the East and the South.
- 8 –Supporting commodity prices through a compensation fund. This support covers sugar, domestic flour, butane gas and diesel fuel.
- 9 The development of specific programmes aimed at disadvantaged groups that are either excluded or discriminated against (children in situations of abandonment or abuse, female heads of poor households, divorced women receiving alimony, persons with disabilities, children disadvantaged owing to their backgrounds in need of support to encourage school attendance).

In that context, a Support Fund for Social Cohesion was created. It provides funding for school education through the Injaz programme, which in 2012-2013 benefited about 825,000 students and 475,000 households, a health care programme, programmes supporting low-income populations in mountainous areas, youth employment, social housing and human development.

- 10 Supporting associations working in the social field and solidarity-based programmes.
- 11 The National Initiative for Human Development (NIHD), which was announced by HM the King of Morocco on March 18, 2005

This initiative includes four components: two nation-wide programmes -- one that is cross-cutting and one aimed at combating insecurity, and two regional programmes aimed at fighting social exclusion in urban areas and fighting poverty in rural areas.

For the period 2006-2010 the NIHD allocated a budget of 10 billion dirhams, 6 billion funded

through the State budget, and 2 billion each generated from local sources and from international cooperation. The beneficiaries were 403 rural communes whose poverty rate exceeded 30% and 264 urban districts in 13 cities identified on the basis of the existing shortage of basic social infrastructure, along with high rates of school dropouts, high unemployment, the existence of slums, poverty and low income, high rates of the exclusion of women and youth, and the lack of opportunities for training and integration.

In view of the encouraging results in the fight against poverty, insecurity, exclusion and marginalization, it was decided to extend the initiative, with a second phase covering the period 2011-2015. This extension covers 701 rural districts and 530 urban neighbourhoods with a budget of 17 billion dirhams.

### II-The paradoxes of the social protection policy

Despite the diversity of those programmes and the large public effort to enhance social welfare and solidarity, Morocco faces a chronic shortage in many vital social sectors and the benefits of social protection are far from universal.

Thus, according to data from the latest annual report of the High Commissioner for Planning for the year 2012 on the achievement of the Millennium Development Goals, key social indicators show that the rate of neonatal mortality is 30 per 1000, the maternal mortality rate is 112 per 100,000 births, the illiteracy rate is 39.7%, the enrolment rate of 15-24 year olds is 84.6% and that, even with an increase in the household income by 6.4% between 2000 and 2012, about 6.3 million people must be classified as poor and vulnerable, the gap between the rich and the poor has increased, and one out of three people in urban areas and two out of three in rural areas feel poor.

Moreover, only 10% of the Moroccan population is covered by a pension scheme and 56.5% of the population is not covered by any health insurance plan, although the number of beneficiaries in the private sector covered by AMO and in the public sector covered by the RAMED has shown a continuous and significant growth.

Those realities and paradoxes show that the country has up to now failed to contain the social deficiencies existing in various forms, although many social protection mechanisms were introduced in Morocco already in 1960s. They reveal that the State has been unable to raise the level of effectiveness of social programmes, which nevertheless consume more than 50% of the national budget. Despite the existence of a large body of institutions, mechanisms, local, regional and national programmes and parallel efforts on the part of the State and civil society, a comprehensive national dynamic has not emerged, which would require the mobilization and joint action of trades union and political actors, as well as economic and administrative elites. Social actors face a challenge: how to improve the collective management of all aspects of social protection programmes, while at the same time encouraging the Government to develop a new generation of reforms intended to define possible future features of our national universal floor of social protection

# III- Social challenges for the future and the emerging issues

The extension of social protection in Morocco depends on the country's ability to address a number of challenges that will determine its future.

1 - The challenge of demographic and social changes and their analysis
The nature of those challenges lies in the fact that Moroccan society is in the midst of , on the one
hand, a demographic change that is creating a new balance between the city and countryside and
between such population groups as youth and older persons, and on the other hand, other social
processes that are taking place and have led to the emergence of new types of poverty and new
poor, mainly composed of disadvantaged workers, employees with limited income or working under

a fixed-term contract, retirees, workers in the informal sector, abandoned children, single mothers in difficult circumstances, peasants without arable land, rural migrants from the countryside to the major industrial cities in precarious jobs, migrants who have lost their rights, as well as broad social categories of people from the middle classes, especially those in large cities ruined by high indebtedness and other consequences of the crisis.

What is common to those new social phenomena, however, is the existing lack of knowledge about them and the absence of evidence-based studies..

That challenge is likely to encourage institutions involved in strategic studies, as well as universities and national research centres, to produce a new generation of sociologists trained to carry out the analysis of those phenomena, with a view to understanding them better and better monitoring the initial impulses.

2 - Setting a more realistic poverty threshold

Many scholars and practitioners agree that an indicator based on one dollar per person per day cannot reasonably be used to define the poverty line and thus determine the number of the poor. Why is it necessary to rethink that threshold?

The main reason is that the consumer basket of Moroccan households has changed tremendously. Indeed, now Moroccans consume relatively more fruit and vegetables, meat, milk and dairy products than in the past. More and more of their income is spent on children's education, transportation and housing. However, the prices of all those products and services, which are not subsidized by the State, regularly go up while the level of remuneration in the private and public sectors lags far behind.

Therefore, in the face of the rising cost of living, even a two dollars per day per person threshold cannot ensure meeting all of the basic needs of Moroccan households. In that light and despite real on-going efforts, including the efforts of the High Commission for Planning, the national statistical system should be more proactive in finding innovative solutions to reflect the social reality of today's Morocco.

### 3 – Addressing rigidities in income distribution

If Morocco wishes to reduce the amount of poverty, the inequality between rich and poor must be addressed. The share of consumption of poor households has been stagnant. The State has been trying to reduce such inequalities through actions of three types: 1) reforming the taxation of individuals 2) strengthening various welfare programmes and solidarity-based solutions, and 3) promoting social change through education and training.

However, such policies and programmes remain limited in their impact in the absence of a more equal and proactive distribution of the fruits of economic growth and wealth in general.

### 4 - Rethinking governance

To make the extension of social protection durable and sustainable for the entire national community, three challenges must be addressed:

- The extension should be implemented gradually in a collaborative effort shared by all stakeholders;
- Targeting used in various social security schemes should be pro-poor and aimed at protecting the poor and not the rich, who may gain from subsidized public spending;
- The redesign of the mechanisms of solidarity should be done through a bold tax reform based on a fair and equitable contribution effort, coupled with an uncompromising fight against corruption, fraud and tax evasion.

Finally, because funding is central to meeting the challenge of universal social protection, the tax reform priorities should be based on voluntary incentive mechanisms that promote and encourage the creation of new wealth, which is the real basis for and critical source of sustainable financing for generalizing social protection.

In the context of the Economic, Social and Environmental Council of Morocco, especially the "New Social Charter", which its General Assembly adopted at its meeting in November 2011, the extension of social protection constitutes a part of a new generation of economic and social human rights, around which a convergence should be built and "Grand Social Contracts" should be concluded between all Moroccan actors and forces.

In a certain sense, such Grand Social Contracts constitute the true cement of social cohesion and sustainable human development and the most appropriate institutional framework in which to consolidate the essential components of national universal social protection.

And finally, a fundamental question: Why, despite the existing problems and challenges, does the initiative of introducing national floors of social protection remain a viable option? The key reason lies in the positive external effects of the initiative itself. Indeed, the universal floors of social protection are bound to create for people the conditions needed for genuine citizenship (providing a minimum income, basic medical coverage, decent work, etc.), promoting an environment of political stability and social peace, which is required for entrepreneurship and the resulting creation of the wealth needed to promote the investment that creates jobs and to sustain solidarity financially.

In doing so, the initiative of universal social protection floors helps to raise the overall performance of the economy and society and strengthen social bonds, togetherness and consequently social cohesion. Even if that were the only positive element, it would generate resources and financing, making it a viable policy option.

Opinions expressed in this article are those of the author and do not necessarily reflect views of the ICSW Management Committee.

#### > Protecting the rights of older persons

The 4<sup>th</sup> session of the Open-Ended Working Group (OEWG) on Ageing took place from 12 to 15 August 2013 at UN Headquarters in New York. The OEWG on Ageing was established by the UN General Assembly by resolution 65/182 on 21 December 2010. The purpose of the OEWG has been identified as strengthening the protection of the human rights of older persons; the Working Group was mandated to consider the existing international framework of the human rights for older persons and to identify possible gaps and how best to address them, including by considering the feasibility of further instruments and measures. The first two sessions of the OEWG were convened in 2011, and the 3<sup>rd</sup> session took place in New York a year ago in 2012.

Despite its undeniable importance and wide-ranging socio-economic consequences, population ageing is one of the issues that has not been addressed in the framework of the Millennium Development Goals. In that light the role of the OEWG as a new and important international forum on ageing and development should be recognized, particularly given the fact that ageing presents a challenge not only for the developed countries but also for the developing world. Since the inception of the Working Group the discussions have covered numerous political and socio-economic aspects of population ageing at the national, regional and international levels, highlighting both emerging issues and opportunities presented by ageing, but always dovetailing around its original declared objective—how to protect better the rights and interests of older persons.

The 4<sup>th</sup> session of the OEWG did not achieve any breakthroughs regarding the key issue on the table—what new legal instruments, if any, are needed in a contemporary world to protect older persons. But the discussions were quite illuminating. The call was repeated by delegates of the developed countries to focus efforts on the effective implementation of the existing Madrid International Plan of Action on Ageing adopted by the Second World Assembly on Ageing in 2001-admittedly, not legally binding, but nevertheless an important international document. By and large the developed countries representatives maintained their previous position that the whole range of existing internationally recognized human rights standards and principles also cover and protect older persons without discrimination, and that the implementation and protection gaps even if they do exist-- are not of normative origin, and therefore, there is no need for a new legal instrument. The disagreements became clear when the representatives of most developing countries and civil society organizations, along with many experts invited for the panel discussions organized within the format of the OEWG,, did not share such optimism of their counterparts from the developed countries. However, their arguments in favour of the new legal instrument could not sway the discussions and break the political stalemate. It was obvious that many delegates had strong instructions from their capitals to prevent the emergence of the new Convention on the rights of older persons, at least for now.

The ICSW participated in the deliberations, with an official statement and also providing *ad hoc* comments during the discussion, making specific suggestions on how to move the process forward for the benefit of older persons. Proving that the new legal instrument is economically feasible would be an important step forward to convince the sceptics. The importance of clarifying the scope and content of human rights norms was stressed, given the fact that non-implementation of the existing standards is rampant, even though in many cases and particularly in developing countries, these standards are themselves quite low, remaining inadequate for the effective protection of older persons. There is a need to consider a variety of policy tools and measures that could serve as a bridge and precursor to a new legal instrument. Better understanding of the current situation as it pertains to the human rights of older persons, as well as a clearer vision of potential options and existing trade-offs, helps in an evaluation of further steps required to overcome the existing inadequacies of social protection of older persons, as does strengthening the coherence of policy efforts at all levels.

The text of the official ICSW statement could be accessed at: <a href="http://social.un.org/ageing-working-group/csostatementfourth.shtml">http://social.un.org/ageing-working-group/csostatementfourth.shtml</a>

### > Towards a path of sustainable development

The new report called An Action Agenda for Sustainable Development produced by the Sustainable Development Solutions Network (SDSN) takes its cue from the Rio+20 Summit, placing poverty reduction within the broader context of sustainable development. The SDSN was launched in 2012 in a hope to put forward "an integrated, concise, science-based, and action-oriented agenda for the world". The present report summarizes the main conclusions of the discussions on the key issues of sustainable development as carried out in a broader network of thematic groups. According to the report, the world has changed profoundly since 2000 when the Millennium Declaration and the MDGs were adopted. The coming fifteen-year period, 2015-2030 will be different from the MDG period ending in 2015 owing to five shifts that have occurred: the feasibility of ending extreme poverty in all its forms; the drastically increased human impact on the physical Earth; rapid technological change; increasing inequality; and a growing diffusion and complexity of governance. The challenges we face today will expand dangerously unless there is an urgent and radical change of course. "The world needs an operational sustainable development framework that can mobilize all key actors (national and local governments, civil society, business, science and academia) in every country to move away from the "business-as usual trajectory towards a sustainable development path." Such a framework, coupled with the Sustainable Development

Goals, should identify the main objectives and strategies needed to make this shift, presenting a limited number of priorities and associated goals to make it more clear and effective.

Underscoring four key normative concepts as pillars of sustainable development path, – the right to development for every country; human rights and social inclusion; convergence of living standards across countries, and shared responsibilities and opportunities -- the report identifies the following 10 interconnected priority challenges:

- 1. End Extreme Poverty Including Hunger: End extreme poverty in all its forms, including hunger, child stunting, malnutrition, and food insecurity; and support highly vulnerable countries (MDGs 1-7).
- **2. Achieve Development with Planetary Boundaries**: All countries have a right to development that respects planetary boundaries, ensures sustainable production and consumption patterns, and helps to stabilize the global population by mid-century.
- **3.** Ensure Effective Learning for All Children and Youth for Life and Livelihood (from early childhood development programmes to access to continuous lifelong learning for all youth and adults).
- **4.** Achieve Gender Equality, Social Inclusion and Human Rights for All: Ensure gender equality, human rights, the rule of law, and universal access to public services. Reduce relative poverty and other inequalities that cause social exclusion. Prevent and eliminate violence and exploitation, especially for women and children.
- 5. Achieve Health and Well-being at All Ages: Achieve universal health coverage at every stage of life, with particular emphasis on primary health services, including reproductive health, to ensure that all people receive quality health services without suffering financial hardship. Promote policies aimed at helping individuals make healthy and sustainable decisions regarding the individual or social dimensions of health.
- **6.** Improve Agriculture Systems and Raise Rural Prosperity. Covers improvement of farming practices and rural infrastructure, and access to resources for food production to increase productivity and reduce environmental impact.
- 7. Empower Inclusive, Productive and Resilient Cities: Make all cities socially inclusive, economically productive, environmentally sustainable, secure and resilient to climate change. Promote effective city governance.
- 8. Curb Human—Induced Climate Change and Ensure Sustainable Energy: Curb greenhouse gas emissions from energy, industry, agriculture, the built environment and land-use change to ensure a peak of global CO2 emissions by 2020 and to head off rapidly growing dangers of climate change. Promote sustainable energy for all.
- 9. Secure Ecosystem Services and Biodiversity, and Ensure Good Management of Water and Other Natural Resources. Sustainable management to support inclusive economic and human development.
- 10. **Transform Governance for Sustainable Development**. Includes transparency, accountability, access to information, participation, an end to tax and secrecy havens, and

greater efforts to stamp out corruption. The international rules governing international finance, trade, corporate reporting, technology, and intellectual property are made consistent with achieving the Sustainable Development Goals.

These ten sustainable development challenges must be addressed at the global, regional, national, and local scales, forming "a plausible basis for framing the SDGs to trigger practical solutions" that governments, private sector, and civil society can pursue with high priority.

For further details please go to:

http://www.sustainabledevelopment2015.org/index.php/uncsd-official-docs/sdgs-news/1358-sdsn-releases-post-2015-report-an-action-agenda-for-sustainable-development

#### Useful resources and links.

Parliaments Preparing for the International Day of Democracy - Parliaments from around the world are planning activities to mark the sixth International Day of Democracy (IDD) on 15 September 2013. This year's theme "Strengthening Voices for Democracy" seeks to promote freedom of expression and encourage people from all sectors of society to get involved in politics. Over 90 parliaments have participated in this global event since it was proclaimed through United Nations General Assembly resolution 62/7.

An Inter-Parliamentary Union contest inviting people around the world to share their stories on how they are making their voices heard is also being held to mark IDD. The winning entries will receive an Amazon Kindle loaded with e-books about democracy. For more details on the competition and other information on how to take part in the International Day of Democracy, go to <a href="https://www.ipu.org/idd">www.ipu.org/idd</a>.

# **Assessing Progress on Poverty Eradication**

A report released by the United Nations Department of Economic and Social Affairs (A/68/183) focuses on progress and challenges as well as major policy measures to reduce poverty, and provides an overview of recent activities undertaken by the United Nations agencies to implement the system-wide Plan of Action for the Second United Nations Decade for the Eradication of Poverty (2008-2017). The selection of "Full employment and decent work for all" as the mission of the Second Decade underscored the recognition that poverty is a multidimensional phenomenon that extends beyond income poverty and reflects lack of both opportunity and capability. There are less than 1,000 days remaining before the 2015 target date, so it is particularly critical to accelerate progress in regions that are lagging behind.

For more details: <a href="http://www.un.org/Docs/journal/asp/ws.asp?m=A/68/183">http://www.un.org/Docs/journal/asp/ws.asp?m=A/68/183</a>

The content of this Global Newsletter may be freely reproduced or cited provided the source is acknowledged. Views do not necessarily represent policies of ICSW.

Newsletter Editor: Sergei Zelenev, Executive Director
Address: ICSW, P.O. Box 28957, Plot 4, Berkeley Lane, Off Lugard Avenue,
Entebbe, Uganda

Phone + +1 718 796 7417, +256414321150 E-mail: <u>szelenev@icsw.org</u>, icsw@icsw.org Website www.icsw.org;

If you wish to cease receiving this newsletter, please click 'here' providing your name and email address