



Arab Reform Initiative



Arab Region Hub
for Social Protection



OXFAM

**SECOND
ANNUAL
REGIONAL
POLICY FORUM**

**FINANCING UNIVERSAL
SOCIAL PROTECTION
SYSTEMS IN THE
ARAB REGION**

NOVEMBER 07, 2024

9:00 AM - 5:30 PM (Beirut Time)

VIRTUAL CONVENING





Financing mechanisms are key for the effective implementation of universal social protection systems. However, Arab States and International Financial Institutions (IFIs) often cite the complexities surrounding these mechanisms as reasons to avoid transitioning to such systems. They also argue that poverty-targeted social safety nets, typically financed by loans or, at best, grants from IFIs and international donors, are the only feasible option. Yet, multilateral development aid entails debt accumulation, austerity measures, and poor credit risk management, which reduce the fiscal space available for social spending. It also imposes multi-faceted conditionality and promotes private sector-driven solutions that further jeopardize the inclusiveness, effectiveness and sustainability of social protection systems.

However, there are many financing alternatives that can prevent or mitigate the repercussions of mainstream development financing. These alternatives include global solidarity or global social protection funds, global taxation, contributory/ self-financed schemes, fiscal decentralization (where applicable), debt restructuring, climate finance instruments, and progressive and redistributive fiscal reforms like wealth and corporate income taxes. Broader public finance reforms, including ones that are administrative, can also alleviate the dependence on foreign aid. By enabling the internal redistribution of wealth and public resources, these alternative mechanisms uphold the principle of solidarity financing both inter- and intra-generationally.

In this context, the Arab Reform Initiative (ARI)'s Social Protection Program (SPP) is organizing its second Annual Regional Policy Forum, in partnership with Oxfam in MENA, around financing mechanisms for universal social protection systems in the Arab region. This Forum brings together researchers, practitioners, activists, and policymakers to share and discuss the latest research findings from ARI, partners of SPP's Arab Region Hub for Social Protection, members of the Global Campaign for the Right to Social Security, and independent civil society at large. The aim of this year's Forum is to offer a space for a multi-stakeholder dialogue looking into advancing evidence-based alternatives to debt and austerity that are feasible and tangible given the context-specificities of the different Arab countries. It also seeks to build on international success stories and lessons learnt, and benefit from good practices of fiscal space strategies for universal social protection.





PROGRAM

Opening Session / 08:45-09:00

Welcoming Remarks by:

Sarah Anne Rennick, Deputy Director – Arab Reform Initiative (ARI)

TBD – Oxfam MENA

Panel Discussion 1 / 09:00-10:15

The Impact of Debt, Austerity, and IFIs' Credit Risk Management on Social Protection Systems

This panel will examine how debt burdens, austerity measures, surcharges, and the International Monetary Fund (IMF)'s policies affect the ability of countries in the Global South, particularly the Arab region, to invest in their social protection systems. Experts will explore the impact of the various austerity measures and conditionality that the current global financial architecture entails on preventing the development of universal and sustainable social protection systems. Experts will also discuss how effective (or not) are the steps taken by the IMF to mitigate the consequences of austerity, such as imposing social spending floors and offering programs aimed at addressing income insecurity.

Break / 10:15-10:45





Panel Discussion 2 / 10:45-12:00

The Downsides of Poverty-Targeted Social Safety Nets and the Role of the International Community

This panel will explore how policies promoted by the World Bank and international donors, strictly supporting poverty-targeted social safety nets, are preventing the progressive realization of universal social protection systems. Experts will discuss the different drawbacks of narrowly targeted programs, as well as the politico-economic priorities underlying these programs. The session will likewise highlight how, following the establishment of rights-based universal systems, targeted assistance could be resorted to as complementary, covering those inevitably left-behind and offering supplementary protection in times of conflicts, shocks, and crises – thus supporting the development of shock-resilient and -responsive systems.

Panel Discussion 3 / 12:00-13:15

Alternative Financing Mechanisms: Contributory Schemes and Progressive Tax Reforms

This panel will discuss how contributory, self-financed schemes constitute a vital solution for financing the expansion of social protection systems towards universal coverage. It will also discuss how fiscal reforms, in general, and progressive and redistributive tax reforms, in particular, can generate substantial public revenues for the introduction of universal social protection programs, ensuring that the burden is shared equitably across society. In their insights, experts will account for the different context-specificities in the Arab region, laying out the main challenges and the opportunities for reform, and thus ensuring that their policy recommendations are feasible and aware of the ongoing economic, political, and social circumstances.





Break / 13:15-14:15

Panel Discussion 4 / 14:15-15:45

Alternative Financing Mechanisms: Debt Restructuring and Climate Finance

This panel will examine how debt restructuring and relief, combined with the strategic and correct use of climate finance instruments, can open up much-needed fiscal space for countries in the Global South and the Arab region, to invest in social protection and move towards universal systems. Panelists will propose solutions to counter the crippling effect of debt burdens on governments' ability to fund essential social protection programs. They will discuss the need to rethink the current approach to climate finance, and the necessary reforms to make related instruments able to secure adequate public revenues to finance social welfare systems and social services in the face of climate change and economic challenges.

Break / 5:45-16:15

Panel Discussion 5 / 16:15-17:30pm

Alternative Financing Mechanisms: Innovative and Overlooked Options

The panel will explore innovative and overlooked alternative financing mechanisms that can greatly support the establishment of universal social protection systems in the Global South and the Arab region. These include global funding mechanisms, options such as fiscal decentralization, the institutionalization of successful solidarity systems and, possibly, the “commoning” of welfare systems, among others. Indeed, potential alternatives are numerous and many of them uphold the fundamentals of the Social and Solidarity Economy (SSE) and the principle of solidarity financing, and could be earmarked for the purpose of mobilizing and diversifying resources to finance universal social protection schemes.

