Strengthening Social Protection in Uzbekistan

Social protection in Uzbekistan

Uzbekistan has a relatively well-formed and comprehensive social protection system, consisting of social insurance, social assistance, labour market programmes and support for people and education. Key programs in the social protection system of Uzbekistan (by stages of the life cycle)

- Children
- Working age
- Old age

- Tax-financed
- Child Benefits: Child Allowance: 0.19% GDP, Family Allowance: 0.31% GDP
- Disability Benefits: 2.8% GDP
- Unemployment and poverty relief: Minimum wage: 0.28% GDP
- Low income allowance: 0.07% GDP
- Unemployment benefit: 0.02% GDP
- Disability benefits for children: 0.22% GDP
- Disability support: 0.01% GDP
- Gender: Maternity benefit: 0.06% GDP
- Survivors: Death benefit: 0.01% GDP
- Old age: Allowance for children: 0.04% GDP
- Unemployment: 0.01% GDP

Strong social protection is an integral part of Uzbekistan's national socio-economic development strategy. As indicated in the Strategy of Actions for 2017-2021, the priority direction of this area is improvement of the social protection system, which implies the provision of mandatory social guarantees, strengthening state support for vulnerable groups of population, improvement of social services, and development of public-private partnerships in the provision of social services to population. The development of a national social protection strategy is one of the priority points of the State Programme for implementation of the Strategy of Actions for 2020.

- Why is the Programme for Strengthening Social Protection relevant in Uzbekistan?

Data from the Listening to Citizens of Uzbekistan household survey (LICIU, 2018) show that the social protection system covers only 55% of the population. Social security remains inaccessible to most of the population: estimated 40-46% of the population whose informal sector based earnings are insufficient to make social insurance contributions can not access other, non-compulsory programmes since they don't meet strict poverty targeted criteria. At least 75% of eligible children do not receive their allowance. Additionally, 20% of children and people of working age with severe disabilities receive a pension or disability allowance.

- What would effective social protection like?

- NATIONAL SOCIAL PROTECTION FLOOR: nationally defined basic social security benefits throughout the lifecycle

Effective social protection policy as defined by the UN Social Protection Floor Initiative ensures access to a set of nationally defined policies and programmes that provide equitable access to all people and protect them through their lives against poverty and risks to their livelihoods and well-being.

- In the life of every individual and a family situations may arise that affect their ability to participate in the socio-economic life on the equal basis with majority of population, their financial situation may be precarious, the birth and upbringing of a child, loss of work, illness, disability, occupational injury, death of the breadwinner or old age. Adequate cash transfers, social care and health services for all who face such situations and need support, will reduce and prevent poverty, enable access to nutrition, prevent school drop out and reduce child labor; promote inclusion and dignity of particularly disadvantaged groups such as persons with disabilities.

The social protection system should meet the rights of every citizen, vulnerable groups of the population, and contribute to building an inclusive and equal society in the conditions of a dynamically developing Uzbekistan.

- What solution is proposed by the Joint Program of the Government of the Republic of Uzbekistan, UNICEF, ILO and UNDP?

UNICEF, ILO and UNDP have come together to leverage the collective experience and potential of the UN system to support the Government of Uzbekistan in creating a comprehensive social protection system that is accessible to all people in Uzbekistan throughout their lives, thus contributing to more inclusive economic growth, poverty reduction and human capital development with accelerated achievement of the Sustainable Development Goals.

- Successful implementation of the Joint Program will contribute to the following:

- Formation of strategic vision for the development of the social protection system with a viable and innovative National Social Protection Strategy developed.
- Identification of fiscal space for effective social protection system;
- Expanded capacity of national partners to implement national social protection strategy in line with international social security standards;
- Improved implementation of the social protection system;
- Expanding the coverage of social allowances for low income families;
- Increasing the effectiveness of social assistance through its appointment in accordance with the needs of a particular person or family;
- Development and implementation of clear criteria for determining the degree of disability based on international standards.

- Why is it necessary to invest in social protection?

It is expected that by 2030 the share of the working age population in Uzbekistan will reach a historical maximum and will provide the country with an unprecedented labor force - a demographic dividend. With the necessary knowledge and skills, these resources can become the basis for a leap in the country’s socio-economic development. However, the likelihood of a demographic dividend tomorrow depends entirely on investment in human capital development today. At the same time, the presence of a strong social protection acquires a special role, since an effective combination of pensions, benefits and social services contributes to the development of human capital.

However, current investment in social protection in Uzbekistan is about 6% of GDP, which is well below the average level of investment in social protection in Europe and the CIS. That is why the Joint Program promotes the introduction of minimum levels of social protection - a nationally established system of basic guarantees that ensure a person throughout his life:

- access to necessary medical care, including the period of pregnancy and childbirth in women;
- basic income security for children, ensuring access to food, education, social assistance and other essential goods and services;
- basic income security for people who are unable to earn sufficient income, including people with disabilities, the elderly, and others who cannot receive a decent income due to illness, unemployment, motherhood, etc.

Key facts about the Joint Program of the Government of the Republic of Uzbekistan, UNICEF, ILO and UNDP

LAUNCH: November 2019, after the signing of the program document by the Government of Uzbekistan and UN.

DURATION: 2 years (2020-2021)

BUDGET: $1,000,000

DONORS: United Nations Joint SDG Fund


Contact us:
Aznam Toshikulov, Program Manager
The UN Joint Program on Strengthening Social Protection in Uzbekistan
E-mail: aznam.toshikulov@un.org
Tel.: +99893 399 08 05
Web: https://jointsgdfund.org/where-we-work/uzbekistan

1. Ministry of Finance and State Statistics Committee of the Republic of Uzbekistan, 2019

2. Uzbekistan's National SDG Indicator Report, 2020