CCO BRIEF

ON

POVERTY

ALLEVIATION

COMCEC COORDINATION OFFICE
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I. Introduction

Poverty alleviation is an important component of economic and social development. Although most of the developing countries have experienced significant progress in poverty alleviation in the last decades, poverty levels are still high in many countries. Especially, the countries in Sub-Saharan Africa and Asia account for nearly half of the total poor living in developing countries. Twenty-one of the forty-six countries on the list of least developed countries are members of the OIC and poverty is a very serious problem in these countries.

As an important component of economic and social development poverty alleviation was identified as a cooperation area in the COMCEC Strategy. The Strategy established the Poverty Alleviation Working Group (PAWG) with the strategic objective of "Eradicating extreme poverty and hunger in the member countries".

In this context, the PAWG attaches great importance to improving the living conditions of the poor and increasing their productive capacities by providing more effective social assistance to the poor. In line with this perspective, the PAWG discussed (i) targeting mechanisms of social safety net systems in its 2nd meeting, (ii) monitoring mechanisms of social safety net systems in its 3rd meeting, (iii) institutional structure of social safety net programs in its 4th meeting, and finally (iv) accessibility of vulnerable groups to social protection programs in its 7th meeting. The research reports prepared on these topics laid the groundwork for discussions and enriched the discussions at the relevant meeting.

The COVID-19 outbreak has disrupted economies and worsened the state of poverty globally. Paralyzing daily life in many aspects the outbreak has devastating impacts on the global economy resulting in recession and downsizing. Most of the companies had difficulties to carry on their activities and a high number of people have lost their jobs. The situation of the poor is much more fragile.

The outbreak of the COVID-19 pandemic erased several years of efforts in poverty alleviation. While the economic contraction due to the COVID-19 has been relatively slower in the OIC region, the impact on poverty has been drastic. The COVID-19 pandemic has led to an increase of more than 13 million poor people in OIC countries from 2019 to 2021. Despite this background, the policy response has been slower among the OIC members than in the rest of the world.

II. Poverty Alleviation Efforts under the COMCEC

Eradicating extreme poverty and hunger in the member countries is the strategic objective of the COMCEC Strategy in the field of poverty alleviation. Considering the devastating influences of COVID-19 leading terrifying increase in the number of poor globally, the COMCEC Poverty Alleviation Working Group devoted its two meetings in 2021 to discuss about the socio-economic impacts of the pandemic.

With the outbreak of the pandemic and the expected catastrophes associated with global warming in the coming decades, governments all over the world have turned to flexible and fast social assistance delivery systems to respond to sudden shocks. The most promising method to increase the effectiveness of social assistance delivery is the integrated monitoring and information systems. Integrated systems offer higher inclusion and coverage, efficiency and accountability, and accuracy in social assistance databases, as they help reduce financial and

time-related costs, alleviate the burden on citizens and government officials, reduce errors, omissions and duplications through digitalization.

Due to the importance of effective social assistance provision in extraordinary times such as the Pandemic, in 2022, the Working Group Meetings was held with the theme of "Effective Social Assistance Provision and Socioeconomic Empowerment in light of COVID-19 Pandemic in OIC Member Countries".

Within this framework, since the 37th COMCEC Session of the COMCEC Poverty Alleviation Working Group held its 18th and 19th Meetings focusing on the effective social assistance provision and socioeconomic empowerment in light of COVID-19 Pandemic.

A. Effective Social Assistance Provision and Socioeconomic Empowerment in light of COVID-19 Pandemic in the OIC Member Countries

(18th and 19th Meetings of the Poverty Alleviation Working Group)

The 18th and 19th Meetings of the COMCEC Poverty Alleviation Working Group were held virtually on May 10 and October 6-7, 2022, respectively, with the same theme of "Effective Social Assistance Provision and Socioeconomic Empowerment in the light of COVID-19 Pandemic".

A research report with the same theme was prepared for two consecutive COMCEC PAWG meetings (18th and 19th). While the first draft version of the report was submitted to the 18th PAWG meeting, the final version of the report was submitted to the 19th PAWG meeting. The report reviewed how the pandemic has affected the OIC Member Countries and how the policy responses have been across the member countries. It then provided a detailed discussion of what integrated monitoring and information are and how they help governments improve the effectiveness of social assistance programs. The report presented a detailed analysis of the degree of integration in social assistance delivery across members and provided a classification of countries based on the degree of integration. It also provided insights on the key barriers that limit member countries' ability to move to a higher degree of integration. Finally, the report highlighted main challenges on the issue and provided a detailed guide for the member countries explaining the requirements and building blocks for integrated social assistance programs.

It was expressed in the report that a monitoring and Information System (MIS) is defined as a simple set of functions that allow the flow and management of information for a critical process. Such systems allow data from multiple sources provided by various institutions/organizations to improve efficient program management. In the context of social protection, MIS tools aim to foster data sharing and information-based coordination between different social protection programs.

The report underlined that digitalization of social registries, i.e., database on potential beneficiaries based on birth registers or address databases are crucial building blocks of integrated social assistance systems. Outreach and registration of potential beneficiaries in an integrated system depend on the accuracy and coverage of social registries. The other important

building block is the interoperability, i.e., the technical and institutional capacity to share information between different programs and institutions. Interoperability helps governments more accurately assess the needs and eligibility while at the same time reduces the scope for duplication and errors. Integrated systems are also dynamic systems, meaning that existing programs' coverage can be expanded rapidly, especially during and after unexpected shocks such as health crises, economic downturns, as the digital information is updated in real time.

The report indicated that the OIC Member Countries vary in terms of the type of social assistance programs delivered to their citizens. Social assistance programs are more commonly used among OIC members than social insurance or labor market programs. Forty-eight countries across all OIC members implement a cash transfer program and utility or financial support for their citizens. In-kind transfers, such as school lunch programs, are also standard social assistance tools among the members. On the other hand, labor market policies, such as wage subsidies or training were the least used tools during the COVID-19 pandemic.

The report highlighted that the social assistance provision relies on a form of MIS in at least 22 OIC Member Countries, and the number of member countries with a social registry is at least 21. However, only a few member countries have dynamic inclusion of beneficiaries and a single data platform.

The report identified major challenges and problems regarding social assistance delivery during the COVID-19 and specifically with respect to adoption of integrated social assistance systems in detail. In line with the findings of the report it came up with some policy recommendations and a detailed guide for the OIC Member Countries explaining the requirements and building blocks for integrated social assistance programs to be considered by the member countries.

The Working Group thoroughly elaborated on the issue and considered the main findings of the research report during its Meetings. During the 19th Meeting the Working Group also discussed the Policy Recommendations to be considered by the 38th Ministerial Session. The research report and the Policy Recommendations document are available on the COMCEC website (www.comcec.org).

B. COMCEC Project Funding

COMCEC Project Funding (CPF) is the other important instrument of the Strategy. Projects financed under the CPF serve cooperation among member counties and are designed in accordance with the objectives and the expected outcomes defined by the Strategy in the poverty alleviation section. Projects also play important roles in realization of the policy recommendations formulated by the member countries during the PAWG meetings.

Under the 9th Call for Project Proposals, 2 projects were selected in the area of poverty alleviation to be implemented in 2022. The projects being implemented under the CPF in 2022 are as follows:

The first project's title is "Impacts of Digitalization in Social Assistance Program for Forced Migration" and the project is being implemented by Türkiye. The project aims at increasing

and strengthening institutional capacity of countries for social assistance programs in the case of forced migration. In this regard, a training and a workshop will be organized within the project.

The second project, titled as "Fostering Information Technology Solutions to Improve the Effectiveness of Public Employment Services in the OIC Member Countries", is being implemented by SESRIC. It is purposed to share best practices and tools for high-level IT involvement in PES systems and to increase the capacities of the staff working in relevant areas of PES through conducting a capacity building training course and a workshop on the topic.