

How to Design Disability-Inclusive Social Protection



ACKNOWLEDGEMENTS

This policy guide was developed by the Social Development Division of ESCAP under the supervision of Patrik Andersson, Chief, Sustainable Socioeconomic Transformation Section. The ESCAP drafting team consisted of Thérèse Björk, Stephanie Choo, Ermina Sokou and Sayuri Cocco Okada, with initial inputs from Daniel Mont. Support in proofreading was provided by Weixun Hu and Pornnipa Srivipapattana.

The graphic design was done by Daniel Feary.

Copyright © United Nations, 2021
All rights reserved

ST/ESCAP/2944

Disclaimer

The views expressed in this policy guide are those of the authors and do not necessarily reflect the views and policies of the United Nations or other international agencies. The policy guide has been issued without formal editing. Reproduction and dissemination of material in this policy guide for educational or other non-commercial purposes are authorized without prior written permission from the copyright holder, provided that the source is fully acknowledged. For further information on this policy guide, please contact:

Economic and Social Commission for Asia and the Pacific
United Nations Building
Rajadamnern Nok Avenue
Bangkok 10200,
Thailand
Email: escap-sdd@un.org
Website: www.unescap.org

How to design disability-inclusive social protection

This is the fifth in a series of policy guides developed to support policymakers and practitioners in Asia and the Pacific in their efforts to strengthen social protection. This policy guide explains why social protection is important for persons with disabilities and introduces key concepts and schemes that are necessary for disability-inclusive social protection.

THE IMPORTANCE OF SOCIAL PROTECTION FOR PERSONS WITH DISABILITIES

Asia and the Pacific is home to more than 690 million people, including women, men and children with some form of disability, many of whom are unseen, unheard and uncounted. Persons with disabilities are defined as “those who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others” (Convention on the Rights of Persons with Disabilities (CRPD), article 1).

Social protection for persons with disabilities is fundamental for achieving their effective inclusion and active participation in society. Through the provision of essential health care and income security along the life course, social protection plays a critical role in reducing and preventing poverty, levelling out inequalities and building resilience for all against shocks and crises over the lifecycle. To promote universal social protection, systems and schemes must be designed to address the specific circumstances of different groups of people and the situations they may face.

THE RIGHT TO SOCIAL PROTECTION FOR PERSONS WITH DISABILITIES

Social protection is a human right, grounded in the right to social security, and enshrined in the Universal Declaration of Human Rights (1948). It means that everyone has the right to a standard of living adequate for the health and well-being of themselves and their family and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond their control. The right to social protection is also affirmed in article 28 of the CRPD.

The Incheon Strategy to “Make the Right Real” for Persons with Disabilities in Asia and the Pacific is the world’s first regionally agreed action plan on disability-inclusive development that includes a comprehensive set of disability-specific goals, targets and indicators. Goal 4 of the Incheon Strategy highlights the centrality of ensuring that persons with disabilities have access to social protection on an equal basis with others, including affordable disability-specific services to enable independent living.

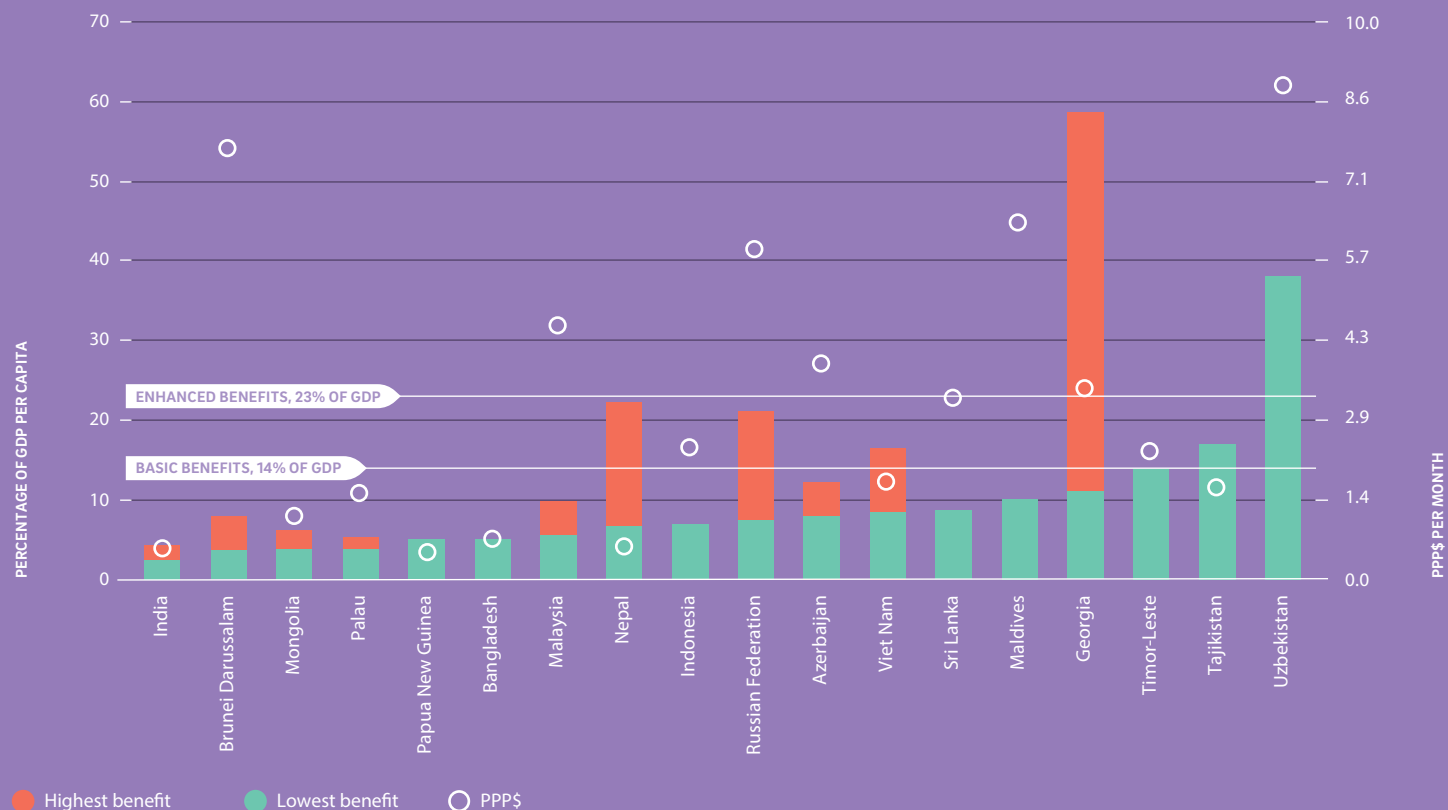
THE NEED FOR SOCIAL PROTECTION FOR PERSONS WITH DISABILITIES

Across Asia and the Pacific, only around one quarter of persons with severe disabilities have access to social protection. In most countries, mainstream social protection schemes are also inadequate, inaccessible or unavailable for persons with disabilities. When disability-benefit schemes do exist, the benefit levels are often insufficient to maintain an adequate standard of living, even falling below the \$1.90 international extreme poverty line (see figure 1). This inadequacy means that persons with disabilities are often not able to cover their additional cost of living, particularly with respect to completing their education and finding and keeping full-time work. Benefit structures are also complex and may mix income replacement (for those assessed to have limited work capacity) and compensation for additional costs associated with a disability, such as assistive devices and care. In a wide number of countries, benefit levels also fall below the global average benchmark of 14 per cent of GDP per capita and of 23 per cent for enhanced schemes (see figure 1).

As a result, disability and poverty are closely related. In the Asia-Pacific region, differences in poverty rates between persons with and without disabilities range from 3.9 to 20.6 per cent. Significant gaps in access to employment and education are important factors for the higher poverty rates among persons with disabilities.



FIGURE 1 NON-CONTRIBUTORY DISABILITY BENEFITS AS A SHARE OF GDP PER CAPITA AND IN PPP\$ PER DAY, SELECTED COUNTRIES, LATEST YEAR AVAILABLE



Source: Development Pathways, Disability Benefits Database (2019) (<http://www.developmentpathways.co.uk/publications/#disability-database>).

Note: PPP\$ figure relates to the lowest benefit only. The scheme in Papua New Guinea only covers New Ireland. Benefit levels for schemes in the region are shown as a share of GDP per capita (a measure of average income), and also in PPP\$ per day (to give an indication of their absolute value comparable across countries). In cases in which a range of benefit levels are provided (often according to severity of a disability) the range is provided in terms of the lowest and highest benefit.

Poverty is also a risk factor for acquiring a disability, as many poor are exposed to health hazards associated with disability such as low birth weight, malnutrition, lack of clean water or adequate sanitation, unsafe work and living conditions, and injuries. Furthermore, poverty also increases the risk that a person with an existing health condition may develop a disability.

Poverty gaps between persons with and without disabilities are often underestimated because calculations do not account for the higher costs of living for persons with disabilities. Disability-related living expenses arise from, for example, higher expenditures on health care and transportation, the need for assistive devices (e.g. wheelchairs and hearing aids), personal assistants, modified housing etc. These disability-related extra costs vary according to the severity of disability, age of the person and household composition, but are often significant.

For example, in Cambodia, the additional cost of living with a disability is estimated to around 19 per cent of average monthly household expenditures. Accounting for this additional cost would double the poverty rates of households with members with a disability to 37 per cent.

As a result of discrimination, inaccessible workplaces or the lack of workplace accommodation, labour force participation rates of persons with disabilities typically range from one fifth to half of the rate of persons without disabilities. When they do work, they are overrepresented in informal jobs, often with lower pay, no access to social protection and limited employment stability. In Indonesia, 63 per cent of persons with mild disabilities work as self-employed and in Timor-Leste, 85 per cent are classified account workers or contributing family members. As contributory social protection schemes typically only cover those in formal employment, persons with disabilities are not only poorer but also largely excluded from adequate social protection.



SOCIAL PROTECTION SCHEMES FOR PERSONS WITH DISABILITIES

Social protection for persons with disabilities should be provided through both mainstream social protection schemes and dedicated disability schemes.

Mainstream social protection schemes should be accessible to all persons with disabilities, through a mixture of contributory and non-contributory schemes, including access to healthcare, basic income security for children, working age people and older persons.

On the other hand, general poverty-targeted social protection schemes are typically not tailored to the situation faced by persons with disabilities. For example, they may not factor in the additional living costs, or may put in place complex conditionalities as well as eligibility requirements and assessments that exclude or disqualify persons with disabilities. It is critical that mainstream social protection schemes, as well as disability benefit schemes, avoid such additional conditions. When conditionalities for receiving a benefit exist, it is important to ensure that all persons with disabilities can comply with the rules and that additional assistance may be required.

Disability benefits improve the livelihoods and consumption levels of persons with disabilities and their households. Estimations from the ESCAP Simulation Tool on Social Protection show that a basic universal disability benefit for persons with severe disabilities at a benefit level of 14 per cent of GDP per capita, would reduce poverty levels in recipient households by up to 17 percentage points. It would also increase their consumption levels by, on average, 6 per cent, while households in the lowest deciles would see an increase of up

to 40 per cent. The estimated cost of a basic universal disability benefit scheme at a benefit level of 14 per cent of GDP per capita would range between 0.17 and 0.8 per cent of GDP, depending on the country. It is, thus, within financial reach for most countries in the region. Disability-benefit schemes should be available to all persons with disabilities who fulfil the eligibility requirement stipulated by the scheme.

Assessing eligibility for a disability benefit is central to establish whether a person should receive a disability benefit or not, given that such a scheme exists. This process varies significantly between countries. In some, it is purely based on a medical examination to establish the severity or nature of the disability. In Viet Nam, for example, eligibility is based on the assessed level of disability and support needed to undertake daily functions. In other countries, such as Australia, it is based on the assessed ability to work at least 15 hours per week or if related training, rehabilitation or other support would be needed to be able to do so within a two-year period.

The capacity to work is complex to define and identify. It exists in the interplay between a person's ability and the requirements of a job. For example, should a person be assessed in relation to his or her current job, or to any job available in the labour market? What additional dimensions other than the person's medical conditions should be factored in? Ultimately, a work capacity assessment comes down to what requirements a society places on individuals to support themselves.



Because the right to a disability benefit often relates to the person's work capacity, it is central to establishing a framework for assessing eligibility for the benefit. To ensure that individuals' functional capacity and ability to work are assessed in a fair, neutral and equal way, uniform tools and methods are needed. In terms of the functional capacity, WHO's International Classification of Functioning, Disability and Health (ICF) is an important instrument for this purpose.

ACCESSIBLE SOCIAL PROTECTION SCHEMES

Accessibility refers both to physical accessibility and information accessibility and financial accessibility. The lack of accessibility is a key barrier to ensuring adequate social protection coverage for persons with disabilities. In the Maldives, although a universal disability allowance exists, a large number of persons with disabilities do not receive it due to the lack of information, complex administrative processes and stigma.

Common barriers faced by persons with disabilities in accessing social protection schemes include limited physical access to administrative offices and service providers, complex compliance conditions attached to the benefits, as well as a lack of knowledge about availability of schemes and how to apply, but also

discrimination by front line providers. Efforts can be made to overcome these barriers. In Nepal, while most beneficiaries collect their benefits in person, persons with severe disabilities can receive their benefits through a proxy or via home visits by government staff. The use of direct deposits to reduce the need to travel has also been piloted.

Specific measures to ensure that social protection schemes are accessible to persons with disabilities include the following:

Information should be available in accessible formats for people with vision, hearing and cognitive difficulties. These formats include sign language, Braille and other easy-to-read formats. Specific efforts should also be made to reach persons with disabilities who are unable to access public information.

Application and registration procedures should not come with an extra cost, and government offices where applications and registrations take place should be physically accessible. Eligibility criteria should be reviewed to avoid the exclusion of persons with disabilities.

Payment of benefits should be distributed in a range of accessible ways with safeguards to ensure benefits are going to the intended recipient.



TYPES OF DISABILITY-BENEFIT SCHEMES

Disability-specific benefits are provided through contributory and non-contributory schemes. If the person is working in the formal sector when the disability occurs, and subsequently a disability benefit is granted, the person usually receives a **contributory benefit**, i.e. an income-related benefit that is based on previous earnings and calculated through a defined formula or the number of years, and amount, of contributions.

If the person has not worked or is working in the informal sector, the person usually receives a **non-contributory benefit**, i.e. a basic flat-rate benefit. Non-contributory benefits are often means-tested, with the intention that the benefit should only be given to the poor. They may also be based on certain requirements, conditionalities, e.g. to continue to apply for work or participate in rehabilitation.

Comprehensive disability-specific social protection schemes should be provided over the life cycle through a blend of contributory and non-contributory benefits (see figure 2).

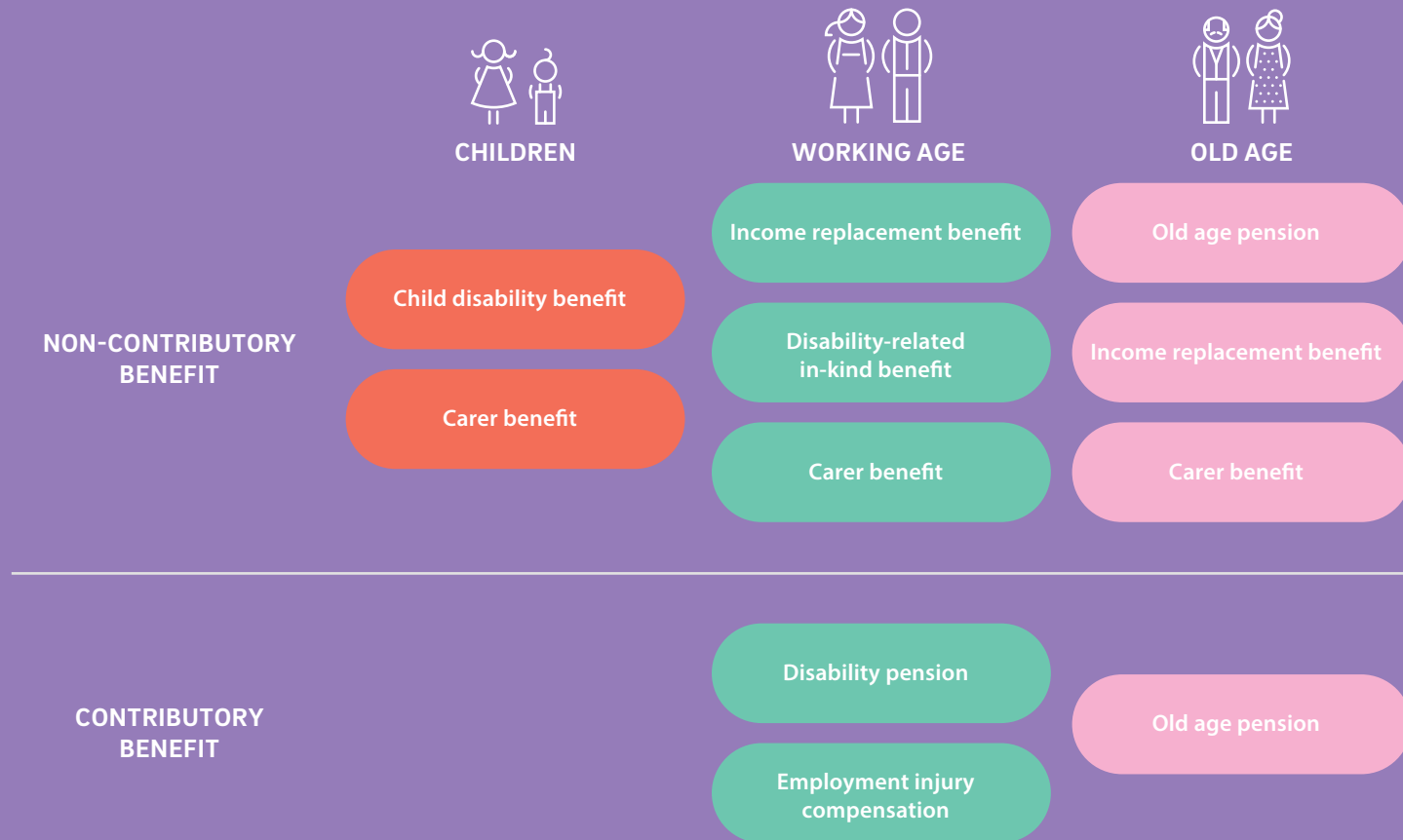
Non-contributory disability benefits schemes can include both cash transfers and in-kind services. The latter is of particular significance for obtaining disability-specific support services, including assistive devices and technologies such as mobility aids, personal assistance, living arrangement services, as well as subsidies for transportation, education and health care services.

Non-contributory benefits are in almost all cases significantly lower than the contributory benefits and, in most countries, not sufficient to cover basic living expenses. Globally, only a few developing countries such as Argentina, Brazil, the Maldives, Nepal, South Africa, Uruguay and Uzbekistan provide non-contributory benefits that exceed 20 per cent of GDP per capita.

For both contributory and non-contributory disability benefits, several developed countries also assess the duration of the disability. In these schemes, a benefit can be granted on either a **temporary or permanent** basis. When a temporary benefit is granted, a re-assessment is usually scheduled after an indicated time period, e.g. every five years. Depending on the assessed work capability or level of disability, benefits can also be paid in **full or partially**.



FIGURE 2 OVERVIEW OF LIFECYCLE DISABILITY BENEFITS SCHEMES



Source: ESCAP, based on United Nations Department of Economic and Social Affairs (2018), Promoting Inclusion through Social Protection, Report on the World Social Situation.

Conclusion

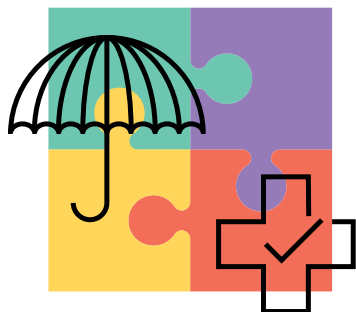
Persons with disabilities are widely excluded from mainstream social protection schemes, despite being at larger risk of poverty and often having increased living costs. In order to ensure that persons with disabilities have full access to these mainstream social protections schemes as well as disability-dedicated schemes, it is important to:

- integrate accessibility criteria into all social protection schemes and address barriers facing persons with disabilities. These range from clear and accessible information about available schemes, to being accurately registered and receiving the payments.
- have a mixture of contributory and non-contributory schemes. In designing and implementing these schemes, the additional barriers facing persons with disabilities should be addressed, such as higher living costs, accuracy of assessments and ability to meet conditionality requirements.
- adjust benefit levels to meet the basic living expenses of persons with disabilities and ensure they are able to participate in, and contribute to, society, including employment, whilst maintaining their dignity and independence.

Investment in disability-inclusive social protection is instrumental to achieve the ambitions of the 2030 Agenda to leave no one behind. This policy guide has given an overview of the key types of schemes and benefits available for persons with disabilities and challenges that need to be addressed to ensure their full and effective inclusion.

Did you get that?

KEY TAKEAWAYS FROM THE POLICY GUIDE "HOW TO DESIGN DISABILITY-INCLUSIVE SOCIAL PROTECTION"



PERSONS WITH DISABILITIES HAVE AN EQUAL RIGHT TO SOCIAL PROTECTION.

Social protection is a human right and plays a critical role in reducing and preventing poverty, levelling out inequalities and building resilience of persons with disabilities. Governments in Asia and the Pacific designated social protection as a key objective in the "Incheon Strategy to "Make the Right Real" for Persons with Disabilities in Asia and the Pacific. Goal 4 of the Incheon Strategy aims to ensure equal access of persons with disabilities to social protection.

PERSONS WITH DISABILITIES...

... are at higher risk of poverty

In the Asia-Pacific region, differences in living costs between persons with and without disabilities range from an additional 4 to 20 per cent because of their need for assistive devices, and higher expenditure on health care and travel. Because of these costs but also other barriers to their participation in society, they are at a higher risk of being poor. Poverty is also a risk factor for acquiring a disability, as many poor are exposed to health hazards associated with disabilities. Poverty gaps for persons with disabilities are underestimated because their higher living costs have not been factored into measurements of household income and expenditures.

... are largely excluded from existing social protection schemes

Because of their lower labour force participation, particularly in the formal sector, many persons with disabilities do not have access to contributory social protection schemes. When they do, they face additional hurdles in accessing information, application and registration procedures, receiving a payment, as well as in meeting eligibility and conditionality requirements.

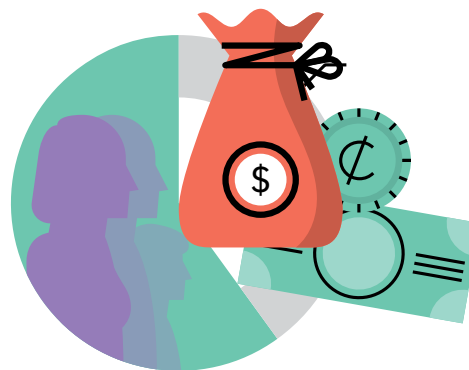
SOCIAL PROTECTION FOR PERSONS WITH DISABILITIES SHOULD BE PROVIDED ...

... in the form of mainstream schemes and disability-specific schemes

Universal access to healthcare, and basic income security for children, working age people and older person should ensure coverage of persons with disabilities. Disability-specific schemes should be introduced where they do not exist and provided to all persons who fulfil the eligibility requirement stipulated by the scheme. The processes of eligibility determination and disability assessment can be complex and varies between countries.

... through a blend of contributory and non-contributory disability benefits

Contributory benefits are income-related benefits provided to persons with disabilities in relation to their previous income from work or their contribution to a disability benefit scheme. Non-contributory benefits are government-financed benefits, usually provided at a flat rate for those without a work history in a formal sector job. Non-contributory benefits are paid in the form of cash transfers or in-kind support. It is important that these schemes accommodate the situation and needs of persons with disabilities when determining eligibility and conditionality requirements as well as benefit levels.



A WORTHWHILE INVESTMENT

The introduction of universal disability benefits to all persons with severe disabilities will improve their livelihoods and consumption levels. These improvements have far-reaching benefits also for other household members. ESCAP's research indicates that a basic universal disability benefit at 14 per cent of GDP per capita reduces poverty in recipient households by up to 17 percentage points and increase consumption levels by, on average, 6 per cent. Investment in universal disability benefits therefore yield a positive impact on persons with disabilities, their families and society as a whole.

REFERENCES

- 1 Adioetomo, S.M., Mont D., & Irwanto, (2014). Persons with Disabilities in Indonesia: Empirical Facts and Implications for Social Protection Policies, TNP2K, Government of Indonesia.
- 2 Banks, L. M., Kuper, H., & Polack, S. (2017). Poverty and disability in low-and middle-income countries: A systematic review. *PLoS one*, 12(12), e0189996.
- 3 Banks, Lena M., Matthew Walsham, Shailes Neupane, Saurav Neupane, Yogendra Pradhananga, Mahesh Maharjan, Karl Blanchet & Hannah Kuper (2018). Disability-inclusive social protection in Nepal: A national overview with a case study from Tanahun district. International Centre for Evidence in Disability Research Report: London, UK.
- 4 Banks, Lena M., Matthew Walsham, Hoang Van Minh, Vu Duy Kien, Vu Quynh Mai, Tran ThuNgan, Bui Bich Phuong, Dang Ha Son, Nguyen Bao Ngoc, Doan Thi Thuy Duong, Karl Blanchet and Hannah Kuper (2018). Disability-inclusive social protection in Vietnam: A national overview with a case study from Cam Le district. International Centre for Evidence in Disability Research Report: London, UK.
- 5 Bickenback, J., A. Posarac, A. Cieza, N. Kostanjsek, (2015) "Assessing Disability in Working Age Population: A Paradigm Shift from Impairment and Functional Limitation to the Disability Approach," Report No: ACS14124, World Bank.
- 6 Backup, S. (2009). *The price of exclusion: the economic consequences of excluding people with disabilities from the world of work*. International Labour Organization.
- 7 Devandas-Aguilar, C. (2015) Report of the Special Rapporteur on the Rights of Persons with Disabilities.
- 8 Gooding, K. & Marriot, A. (2009) Including persons with disabilities in social cash transfer programmes in developing countries, *Journal of International Development*, 21, pp. 685–698.
- 9 ILO, (2012) Social Protection Floors Recommendation, 2012.
- 10 ILO, (2012) The strategy of the International Labour Organization Social Security for All: Building Social Protection Floors and Comprehensive Social Security Systems.
- 11 ILO, World Social Protection Report 2014/15, Building Economic Recovery, Inclusive Development and Social Justice.
- 12 ILO and International Disability Alliance (2015). Technical meeting on inclusive social protection for persons with disabilities: Summary report of meeting, January 22-23.
- 13 Kidd, S. (2017). Social exclusion and access to social protection schemes. *Journal of Development Effectiveness*, 9(2), 212-244.
- 14 Ministry of Labor, Invalids and Social Affairs (2017), Research on the Methodology for Disability Determination in Vietnam, Nha Xuat Ban Lao Dong.
- 15 Mitra, S. (2010) Disability cash transfers in the context of poverty and unemployment: The case of South Africa.
- 16 *World Development*, 38(12), pp. 1692–1709.
- 17 OECD (2003). *Transforming disability into ability: Policies to promote work and income security for disabled people*. OECD publishing.
- 18 OECD (2010). *Sickness, disability and work: Breaking the barriers: A synthesis of findings across OECD countries*. OECD publishing.
- 19 Palmer M, Groce N, Mont D, Nguyen OH, and Mitra S, "The Economic Lives of People with Disabilities in Vietnam", *PLOS ONE*, July 2015.
- 20 Palmer, M., Williams, J., & McPake, B. (2018). Standard of Living and Disability in Cambodia. *The Journal of Development Studies*, 1-21.
- 21 UNDESA, (2018) Promoting Inclusion through Social Protection, Report on the World Social Situation.
- 22 UNESCAP and ILO, (2020) The Protection We Want: Social Outlook for Asia and the Pacific.
- 23 UNESCAP, (2018) How to Design Inclusive Social Protection Programs, Policy Guide.
- 24 UNESCAP, (2018) How to Implement Inclusive Social Protection Programs, Policy Guide.
- 25 UNESCAP (2015). Disability at A Glance 2015: Strengthening Employment Prospects for Persons with Disabilities in Asia and the Pacific.
- 26 WHO/World Bank (2011), *World Disability Report*.

How to Design Disability-Inclusive Social Protection

This is the fifth in a series of policy guides developed to support policymakers and practitioners in Asia and the Pacific in their efforts to strengthen social protection. This policy guide explains why social protection is important for persons with disabilities and introduces key concepts and schemes that are necessary for disability-inclusive social protection.

The first policy guide in this series explores why social protection is needed; the second explains how to design inclusive and robust social protection systems and focuses on tax-financed income security; the third focuses on its effective implementation; and the fourth discusses options for financing.

Please visit us at

www.spot.unescap.org

www.unescap.org/our-work/social-development