The state of social protection in Uganda in response to Covid-19

A Technical brief

June 2020
Introduction

Social protection is a major development intervention because it directly reduces poverty, supports excluded citizens to access services, provides a foundation on which to build productive livelihoods, and enables citizens to live a life of security and dignity. It aims at empowering all citizens to participate in and benefit from the social and economic transformation in the country (NSPP, pg. i).

The 2015 National Social Protection Policy (NSPP) defines social protection as public and private interventions to address risks and vulnerabilities that expose individuals to income insecurity and social deprivation, leading to undignified lives. The policy further categorises social protection into two pillars, namely:

- Social security – protective and preventive interventions to mitigate factors that lead to income shocks and affect consumption. It is comprised of:
  - Direct income support (variously referred to as social assistance) - non-contributory regular, predictable cash and in-kind transfers that provide relief from deprivation to the most vulnerable individuals and households
  - Social insurance - contributory arrangements to mitigate livelihood risks and shocks such as retirement, loss of employment, work-related disability and ill-health.
- Social care and support services – a range of services that provide care, support, protection and empowerment to vulnerable individuals who are unable to fully care for themselves.

It is clear from the above definitions that the spirit of social protection in Uganda is to contribute to the resilience of Ugandans to withstand shocks. It is aimed at providing relief from deprivation to the most vulnerable individuals and households in society, and mitigating livelihood risks and shocks such as retirement, loss of employment, work-related disability and ill-health among others. Indeed, one of the guiding principles of the NSPP is universalism and inclusiveness — it promotes appropriate measures to protect every Ugandan from risks and shocks.

The arguments in this technical brief are based on the acknowledgment, made in the NSPP, that every Ugandan whether employed or not, needs guarantee for some form of social protection across their lifecycle and that irrespective of socio-economic status, all people can be faced with various risks and vulnerabilities which could render them unable to meet their basic needs such as food, clothing, housing, health care, and education. This acknowledgement has clearly played out during the Covid-19 crisis where response measures taken by government, particularly the near-total lockdown of social and economic activity, affected the entire population in some way or other.

1 The National Social Protection Policy defines a shock as “a situation that disrupts a normal way of life or livelihood of individuals, households or communities.”
Vulnerabilities experienced during the Covid-19 lockdown period

In January 2020, the World Health Organisation confirmed the existence of the Corona Virus Disease (Covid-19), and in March 2020 the first case of Covid-19 in Uganda was registered. During the same month, the government of Uganda started a series of lockdown measures, beginning with suspension of public gatherings for 32 days and mandatory quarantining of travellers from overseas for 14 days. This was followed by a suspension of public transport, a mandatory curfew from 19.00 hours to 06.30 hours and eventually a suspension of private transport, as well as employment and business activity. The lockdown measures, while they were important in curbing the spread of the deadly Covid-19 which is a public health crisis, were not without consequences for the many people whose livelihoods were suspended. Many individuals, households, and businesses experienced several socioeconomic vulnerabilities.

2.1 Loss of employment and income

The immediate outcome of the Covid-19 lockdown was the temporary closure of businesses, which caused a surge in unemployment. The closure of businesses affected millions of Uganda’s who depend on them for employment. The UNDP predicted that overall, the pandemic would directly affect the livelihoods of more than 60% employed in both industry and services, close to 90% of whom depend on these two sectors in urban areas. According to the Economic Policy Research Centre (EPRC), Covid-19 containment measures meant that nine out of ten small and medium businesses experienced increasing operating costs and were unable to cope. Agriculture enterprises were particularly affected as trade networks and supply chains were disrupted due to transport restrictions, increase in prices of inputs, and a decline in prices of agricultural outputs. Moreover, many businesses were operating on loans and experienced credit constraints during and in the aftermath of the lockdown. According to EPRC, 69% of businesses had a decline in credit, which caused many micro and small business owners to fail to meet their loan obligations. Where businesses remained open, there was a decline in the quantity of work, leading to decline in wages or income.

The EPRC projected that 3.8 million people were likely to lose their jobs temporarily, while 625,957 were predicated to lose their jobs permanently. Due to the stoppage of national and international travels and declaration of quarantines and curfews on local movements, the entire tourism sector, which contributes to more than 6% of total employment came to a standstill. Consequently, many large hotels laid off more than 1,000 workers.

The MFPED predicted that people employed in the informal sector in urban
areas are likely to bear the most severe economic and social repercussions and are at high risk of slipping into poverty; and that that women and girls were more likely to be negatively affected, compared to their male counterparts. The ministry also estimated that about 23% of the urban poor were at risk of losing 100% of their daily income.

2.2 Food insecurity

The most vivid problem that the population suffered, especially as a result of close of businesses and therefore loss of employment and income, was food insecurity. The Covid-19 situation had dire effects on the right to food, especially since the lockdown measures were declared in March 2020. The Committee on Economic, Social, and Cultural Rights in paragraph 6 of its General Comment 12 of 1999 noted that “the right to food is realised when every man, woman and child, alone or in community with others, have physical and economic access at all times to adequate food or means for its procurement”. It entails having “…regular, permanent and unrestricted access, either directly or by means of financial purchases, to quantitatively and qualitatively adequate and sufficient food…”

The three main elements of the right to food are availability, adequacy, and accessibility of food. The covid-19 lockdown did not grossly affect the availability and adequacy of food because farmers continued to produce and transport food to markets; and the seasons continued to be bountiful throughout the lockdown period. However, accessibility to food (i.e. the costs incurred for the acquisition of food) was severely affected. Food supply chains, particularly urban food systems were disrupted during the lockdown period. Although continuous supply of food from countryside to markets possible, ease to travel to markets by citizens was negatively affected. Moreover, mobile markets that would take food closer to the communities were suspended ultimately reducing food accessibility to many who do not live near food markets.

A survey by Uganda Bureau of Statistics (UBOS) on consumer price index (CPI) for the month of April, indicates an increase in food prices up to 4.8% especially for the staple foods. Particularly, the price of maize increased from 32.2% for the year ended March to 37.0% in April 2020. Similarly, the price of rice rose from 0.3% in March to 7.4% in April 2020.

In May and June 2020 however, the prices of food crops and related items eased a bit, reducing by 4.5% in June 2020 compared to a reduction of 4.4% recorded in May 2020. This reduction in prices was driven by increasingly low prices of fruits which dropped by 17.1% in June 2020 compared to 16.3% in May 2020. In May and June 2020 however, the prices of food crops and related items eased a bit, reducing by 4.5% in June 2020 compared to a reduction of 4.4% recorded in May 2020. This reduction in prices was driven by increasingly low prices of fruits which dropped by 17.1% in June 2020 compared to 16.3% in May 2020.

Unfortunately, the drops in overall food prices were not only modest, they were also undermined by the sharp increases in the cost of transport services from 0.3% in May to 34.2% in June 2020 meaning that accessibility to food continues to be a problem for many.

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2 Availability of food refers to enough food being produced while adequacy of food refers to the dietary needs of an individual which must be fulfilled in both quantity and nutritious quality of the accessible food. Accessibility of food implies that the financial costs incurred for the acquisition of food for an adequate diet does not threaten or endanger the realization of other basic needs.
2.3 Gender inequalities

The COVID-19 crisis has widened gender inequalities in various ways. Specific vulnerabilities included the following:

**Increased risk of underage sexual activity and unwanted pregnancies:** Because many households are pushed into extreme poverty and hunger during the Covid-19 crisis, women and children are increasingly forced into hazardous and exploitative work to support their families. In many parts of the country, there has been an increase in girls drawn into commercial sexual exploitation, trading sex for money, food and even materials such as sanitary towels. Child marriage is also an increasing concern as a way of coping with financial hardship. Adolescent girls are being married in exchange for dowry or bride price. There have also been reports of increased acts of sexual violence against children by peers, caregivers, and community members. In some districts, early marriages have reached 17% and underage pregnancies risen to as high as 25-30%, with Luuka district alone reporting more than 600 cases. This is attributed to children not being in school and loitering about, increasing their risk to rape and defilement.

**Disrupted access to healthcare services:** Lockdown measures created challenges for access to healthcare. While healthcare providers were considered as “essential workers” and therefore allowed to continue working during the lockdown, access to health facilities by both patients and medical staff became problematic. Maternal and child health services became inaccessible to women and children as travel was suspended and transport to health facilities both by patients and health workers became hampered. This led to many roadside deliveries, deaths in childbirth, and inability to keep immunisation schedules among others. Consequently, health conditions such as HIV&AIDS, maternal and child health, and mental health were most affected as a result of disruptions in access to treatment regimens for people living with these conditions. Drug resistance among the HIV infected population is bound to increase as they were not able to get their medication during the lockdown. Health reports have also indicated an increase in the number of mental cases during this lockdown.

**Heightened gender-based violence:** Women and girls who already suffer from gender-based inequalities and deprivations, and are at heightened risk of experiencing GBV and increased care burdens. Additionally, gender-based violence has increased exponentially as many women were ‘locked down’ at home with their abusers during the same time that services to support survivors were disrupted or made inaccessible. Moreover, the lockdown measures led to a reduced capacity to respond to gender-based violence due to mobility restriction. Different media reports indicate a surge in gender-based violence including several fatalities since the lockdown was declared. The Minister of Gender, Labour and Social Development noted that between March 30 and April 28, a total of 3,280 cases of GBV were reported to police. This was in addition to 283 cases of Violence Against Children.

**Escalated domestic burden on women:** While the pandemic has exerted pressure on many sectors in Uganda, it has also increased the burden of women. There has been an increase in unpaid care work with children out-of-school, as well as heightened care needs of older persons and persons with disabilities. Women in both the formal and informal sectors have had to put up
with increased and often unusual chores such as helping the children with school related tasks work while at the same time taking full care for their spouses in a confined environment.\(^\text{17}\)

**Women and children living in poor, high density urban areas and informal settlements:** Informal settlements, typically slums, can be described as lacking one or more of the following conditions: access to safe water and improved sanitation, sufficient-living area, durability of housing, and security of tenure. They are also characterised by overpopulation with many people living in one small room, and limited access to decent housing and social services, and suffer from poor drainage, sewage, and solid waste management.\(^\text{18}\)

All of these limitations mean that habitats of informal settlements cannot effectively adhere to the precautions instituted to prevent the spread of Covid-19. Restricted movement means that people cannot engage in economic activity. Most women in slums work, but it tends to be low-paid, temporary, strenuous and exploitative, making them more likely to be ‘working poor’. Many are domestic workers or do such jobs as mobile saloons, food and clothes vending, which cannot be done remotely. This means that they are losing even the little income that enabled them to feed their families and basic sanitary materials (sanitisers, soap, and face masks) for their dependants.\(^\text{19}\)

Overcrowding undermines social distancing, both between and among neighbours, and at shared social service points such as water points, latrines, and bathrooms. Women and children are most affected by these limitations as they bear the primary responsibility of caring for their families and using the crowded facilities.\(^\text{20}\)

**Disruption of work and incomes:** The Covid-19 restrictions constrained many women from plying their trade.\(^\text{21}\)

Women, who make up 71% of informal sector workers in Uganda, earn less, save less, hold less secure jobs, and their survival mainly depends on daily cash flows. Their capacity to absorb economic shocks is therefore less than that of men, and their jobs disproportionately affected by cuts and lay-offs. They also have few, if any, opportunities for protections against dismissal or paid sick leave, and limited access to social protection. Thus, the impacts of Covid-19 on their economic security and livelihoods are expected to last much longer than for men.\(^\text{22}\)

In Kampala and surrounding towns, following Covid-19 restrictions, women vendors resorted to sleeping in markets exposing themselves to risks of malaria and violence.\(^\text{23}\)

But even then, business remained low as most customers were also unable to travel to markets.\(^\text{24}\)

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**Social responses to/ during the Covid-19 crisis in Uganda**

Social protection responses during the Covid-19 crisis are expected to have addressed the wide range of shocks and vulnerabilities resultant from the lockdown measures. A social
protection system that is resilient and sufficient to respond to shocks is referred to as shock-responsive social protection. This paper discusses the social protection responses to Covid-19 in Uganda, categorised per policy definition (see section 1.0) as social assistance (direct income support), social insurance, and social care and support services; and interrogates the extent of their shock responsiveness in the face of Covid-19.

At the outset, the government (MGLSD, development partners, and other Ministries, Departments, and Agencies) were upbeat to provide social protection to various categories of affected populations. Consultations with various officers\(^3\) from the MGLSD revealed that several social protection interventions for various categories were proposed and some even designed, including:

- Strategies for delivering the existing Senior Citizens Grant (SCG) in a shock-responsive manner.
- A direct income support to vulnerable persons with disabilities (i.e. with multiple and severe disabilities, and totally dependent on others for daily living) who are unable to work or engage in any kind of economic activity.
- A universal cash transfer to all children aged 2 years and below whether rich or poor.
- A cash transfer of a specific monthly amount to all informal sector workers for at least three months

While these were great proposals, they were not implemented for various reasons as shall be discussed later in the paper. Still some social protection activities were carried out.

### 3.1 Social assistance (Direct Income Support) Cash transfers.

The **Senior Citizens Grant** is Uganda’s flagship social protection program. It is a non-conditional cash transfer that targets all older persons aged 80 years and above. The program also targets those aged 65 years (60 in Karamoja) and above in the initial 15 districts where it was first implemented as a pilot almost 10 years ago. At the time the Covid-19 pandemic became a national concern, the President of the Republic of Uganda had, on 8\(^{th}\) March 2020 just launched a national roll out of the SCG to all districts in the country. The Expanding Social Protection Program (ESP) was scheduled to commence payments at district level immediately thereafter.

The program is designed in such a way that beneficiaries access their money through two payment service providers (PSPs) namely, Post Bank and Centenary Bank where accounts are created for them at the point of registration and enrolment into the program. At the time of payments, the PSPs create mobile banking facilities at selected pay points in the communities where beneficiaries go and pick their money. This design became a structural challenge during the Covid-19 lockdown. Particularly, older persons being more susceptible to the disease, congregating them at pay points became a no option. Additionally, movement was restricted hence accessing pay points was going to become difficult.

Cognisant of these and more design challenges that emerged because of Covid-19, and bearing in mind the series of lockdown measures from partial in mid-March to a near total lockdown by the end of April 2020, it became necessary to review the delivery mechanisms. According to the ESP\(^{25}\), the outbreak of COVID 19 and subsequent control measures put in place by government meant that the program had to re-work its delivery mechanisms to ensure that payments and new registration procedures were compliant with the National Health SOPs and guidelines provided by the Government and the National COVID 19 Task Force to minimise risk for those delivering and receiving the grant.

The review and development of Standard Operating Procedures for SCG payments took close to two months to finalise and be approved. A key result of this process, which was intended to reduce congestion on pay days, the pay points have been moved from sub counties to parishes. And where the parishes are found to be large, two to three pay points were sent up. This not only reduced

\(^3\) To maintain confidentiality the officers requested to remain anonymous.
the numbers at pay points, it also helped to shorten the distances that beneficiaries travel to receive their payment.

Nevertheless, because of the precaution that needed to be taken when dealing with older persons, it is only until June 2020, after the lockdown was eased, that the SCG payments resumed for those who were already enrolled on the SAGE Program, and registration and enrolment commenced for older persons who were not yet reached under the national roll out.

The ESP further indicated that at rate of UGX. 25,000 per month, beneficiaries will receive payments for between 3 to 6 months. Older persons receiving 3 months will get UGX. 75,000 and 6 months will access UGX. 150,000. The payments are intended to enable older persons to mitigate the negative impacts triggered by the pandemic. While the 3 to 6-month payments are arrears accrued in the months before and during Covid-19 lockdown, they also act to reduce the number of times beneficiaries have to travel to collect their money.

The GirlsEmpoweringGirls Program is a new Cash-Plus social protection program implemented by Kampala City Council Authority (KCCA) with support from UNICEF Uganda. It has targets both in-school and out-of-school girls by working with two partners namely, Trailblazers Mentoring Foundation and the Uganda Youth Development Link, respectively. The program has three components: empowering girls through a network of peer mentors, engaging them through education, training, and referrals to support services, and enabling them to pursue better opportunities for their future through a small cash transfer. The small cash transfers are distributed to the girls’ primary caregivers by GiveDirectly.26 During the Covid-19 lockdown the program transitioned to remote coordination and adopted a virtual mentoring model to ensure delivery continuity. It also implemented remote enrolment for preregistered beneficiaries.27

Food distribution.

As a way of responding to sudden food insecurity that emerged when Covid-19 lockdown measures were instituted, the government of Uganda on Saturday 4th April 2020 started food distribution to vulnerable people affected by the Covid-19 pandemic. Initially, the intention was to cover informal sector workers in Kampala district who were not able to earn a living during the lockdown. However, due to public demand, and the realisation that there were workers with similar challenges on the outskirts of Kampala, especially Wakiso and Mukono districts, the government agreed to expand coverage of this intervention to those districts as well. To ensure safety of both recipients and distributors, the relief food was distributed from house to house, door to door by State agents.

According to the Uganda Bureau of Statistics (UBOS)28 the interventions targeted 1.5 million people with each member of the household apportioned six (06) kilograms of posho and three (03) kilograms of beans. Special consideration was given to the elderly, sick, and pregnant women who were each given additional nutritious foods including 2kgs of powdered milk, 2kgs of sugar, and salt.29 It was estimated that food distribution in the three Districts of Kampala, Wakiso and Mukono would consume approximately 12,000 tons of maize flour and 5,000 tons of beans. Other food items like Matooke, Milk and Sugar as well as several non-food items were distributed to groups with special needs in orphanage homes such as Sanyu Babies.
Home and older persons residences like the Nalukolongo Bakateyamba Home, as well as referral hospitals to support healthy workers and patients. UBOS indicated that within the first 37 days of this intervention government had distributed food to 1,385,000 people covering 372,397 households. Information about the total number of individuals and households reached by the time the distribution stopped is not available.

**Special Grant for Persons with Disability.**

The government of Uganda through the Ministry of Gender Labour and Social Development disbursed the National Special Grant for Persons with Disabilities worth 2 billion shillings to over 200 groups of PWDs in several districts. The grant is intended to boost economic activities of the beneficiary groups, and each group of 5 to fifteen people gets up to UGX. 5,000,000 (five million shillings only). The money was posted to beneficiary bank accounts from the MGLSD. It is important to note that this grant was designed long before the Covid-19 pandemic. However, it was decided to make disbursements during the Covid-19 crisis was so that PWDs, especially those in the rural areas where economic activities were not drastically affected by the lockdown, remain active and generate income as much as possible. Moreover, many of the economic activities that were supported were in the agriculture sector which did not shut down. Actual amounts that were disbursed were not readily available at the time of writing this brief.

**Utility and debt relief measures**

Bank of Uganda (BOU) in its Monetary Policy Statement of April 2020, granted “exceptional permission to SFIs to restructure loans of corporate and individual customers including a moratorium on loan repayment for borrowers that have been affected by the pandemic, on a case by case basis at the discretion of the SFIs for up to 12 months, effective April 1st, 2020.”

The allowable credit relief measures and terms thereof include:

1. Repayment holidays for a maximum of 12 months, loan tenor extensions, and any other forms of debt restructuring covered in existing Regulations.
2. These credit reliefs shall only be granted within the 12-month period with effect from April 01, 2020.
3. Consumer protection remains paramount, and any credit relief(s) offered must be in the best interest of customers, and with full disclosure.
4. The decision to offer a credit relief to a customer or decline a request for a credit relief from a customer is the responsibility of the Supervised Financial Institution (SFI).
5. Borrowers are encouraged to request, and SFIs may offer, credit relief. In either case, the borrower must consent to any credit relief granted.
6. The credit status at the time of granting a repayment holiday shall remain unchanged for the duration of the said repayment holiday.
7. The prepayment of arrears as a condition for restructuring a credit facility is suspended for 12 months with effect from April 01, 2020.

In addition, the BOU reduced the Central Bank Rate (CBR) by one percentage point to 8% in April and further to 7% in June 2020. This was intended to, among other things, ensure the normal functioning of financial markets and adequate access to credit by households and businesses. Following this reduction, commercial bank lending interest rates on shilling dominated loans declined from 19.12% in February to 17.8% in April, but went up again to 18.8% in May 2020. BOU noted that the measures taken including easing financing conditions in the banking sector and the credit relief measures extended to borrowers have not yet to take full effect. This prompted the Governor of the BOU to write to commercial banks threatening to invoke section 39 (f) (d) of the Bank of Uganda Act (2000), which mandates the central bank to prescribe the minimum or maximum interest rates.
Beyond the directives of the central bank, several financial service providers in reduced their charges to enable their clients to cope with the COVID-19 pandemic.

**Stanbic Bank** reviewed its pricing on selected services for the next 30 days effective from March 23, 2020 in order to ease access to digital banking for customers. During this period, payments for utilities, television, and taxes through the bank’s application, online banking, and mobile money incurred no fees. Cash withdrawals of up to 50,000 shillings (about 14 U.S. dollars) per day either through agents or automated teller machines were also free.\(^{36}\)

**MTN Uganda** waived fees on its mobile money transfer service for every transaction below UGX30,000 for 30 days starting 18\(^{th}\) March. This was not only to make cashless modes of payment more accessible even to those who would ordinarily find them expensive but also to increase uptake of these options during business closures when individuals were unable to access financial services physically. Under this arrangement, Bank of Uganda approved that there would be no charge for the wallet to bank (W2B) or bank to wallet (B2W) transactions, and for all MoMo pay transactions for customers and merchants.\(^{37}\)

Within a week of the first waivers on mobile money, the company further enhanced its Mobile Money offer to allow Ugandans to send any amount of Mobile Money, at no cost for 30 days. It also launched the ‘work from home’ data bundle intended to enable customers to work from home in a move to promote the concept of ‘social distancing’. And, zero rated Ministry of Health and World Health Organization (WHO) websites, thus making it free to access Covid-19 information updates at www.who.int, www.health.go.ug and www.covid19.gov.ug.\(^{38}\) Similar waivers were given by Airtel Uganda regarding airtel money transactions during the lockdown period.\(^{39}\)

Following the gradual reopening of economic activity, both MTN and Airtel announced that effective May 26, 2020 they would gradually re-introduce all MTN mobile money and Airtel money Person to Person (P2P) transactions on the same network and Mobile Wallet to bank transactions at a 50% discount to standard tariffs for a period of 30 days.

### 3.2 Social insurance

**Social security contributions (waiver/subsidy)**

The National Social Security Fund (NSSF) put in place measures to ease the cash flow burden of affected employers/ businesses in the private sector. Starting March 31, 2020, the NSSF allowed Ugandan businesses facing economic distress to reschedule their NSSF contributions for three (3) months without accumulating penalty. This was however dependent on making an application to the Fund to work out the modalities of enjoying this amnesty.\(^{40}\)

Considering social security as a form of social protection that would come in handy in alleviating the income shocks faced by workers during the Covid-19 lockdown, subscribers to the National Social Security Fund (NSSF) demanded part payments of their benefits. Other views suggested that instead of a pay out to all members, NSSF needs to consider bailing out, on a selective basis, members who are out of job or unable to meet their loan obligations due to Covid-19. This would protect them from losing their assets to banks.\(^{41}\)
However, the NSSF said that there is no legal basis for the Fund to release partial payments to savers to enable them cope with the burden of COVID-19 pandemic. The fund managers argued that the scheme was created to provide a safety net for members in case of old age or permanent incapacitation, and for dependents in the event of death of a member, but the Covid-19 pandemic did not meet any of the above criteria. The fund managers also argued that it would be discriminatory to make a pay-out to its 1.5 million members as this would mean the rest of the workers in the country, who do not subscribe to the fund would be left without support.

Financial experts weighed in on the discourse arguing that it would be unrealistic to pay out NSSF savings as a covid-19 response package. Moreover, majority of NSSF members are below 30 years of age and have not accumulated significant savings. As such a 20% pay out at this time would be insufficient to address the needs that have emerged as a result of Covid-19. The financial experts proposed that instead of looking at NSSF savings, the government should create a Covid-19 response fund to cushion those affected by the lockdown. Similarly, legal experts suggested that instead of demanding for a pay-out as a Covid-19 rescue package, demands should be to have the NSSF Act amended to include a wider scope for members to access savings mid-term such as during unemployment and maternity.

In response to the NSSF’s refusal to make a partial payment to workers as a Covid-19 response, several members initiated a petition to compel the NSSF to release 30% of members savings. There were also efforts to compel NSSF to pay out at least 20% of members savings through courts of law. The petitioners, among other things, demanded that court directs the NSSF to pay out at least 20 per cent to each of its members whose lives have been affected by the current Covid-19 pandemic. While the demand for payments was not successful, the debate is still ongoing with the NSSF Amendment Bill 2019 due for discussion in Parliament.

### 3.3 Labour market measures

There were no specific labour market measures established by the government of Uganda to protect workers from losing income or employment. However, in March 2020, the state minister for Labour and Industrial Relations announced that the government had released new guidelines to protect workers from insecurities resulting from the Covid-19 crisis. The guidelines intended to restrain employers from laying off workers without taking lawful procedures and giving them due benefits. In case of any justifiable lay off, these would be temporary and not expected to break the continuous service of the affected employees. In addition, workers would have to be given notice in accordance with the law and should be clearly informed when to resume. The guidelines emphasised the need to pay terminal benefits that accrue should the employee decide to terminate the employment relationship. The president of the Republic of Uganda also consistently discouraged employers from laying off their workers as a result of the COVID-19 pandemic. In a televised address on the International Labour Day, the president suggested that instead of laying off workers, employers would rather send them on leave and recall them when the situation normalises.

Whether the above interventions were shock-responsive in the face of the Covid-19 crisis is about interrogating if they met the following criteria:

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<table>
<thead>
<tr>
<th><strong>Meeting needs:</strong> Were the interventions implemented based on a clear understanding of the need and did they provide coverage for that specific need?</th>
<th>Overall, all the interventions discussed were based on a quite good understanding of the need and attempted to address the need.</th>
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<tbody>
<tr>
<td><strong>Coverage:</strong> What proportion of people affected by the Covid-19 lockdown did the social protection interventions cover?</td>
<td>The entire population was affected, but more so the urban informal sector workers, private sector, and non-state actors. Fair estimates of affected workers were documented by UBOS, EPRC, and the UNDP. However, while interventions such as food distribution were targeted, they did not reach a significant proportion of those in need.</td>
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<td><strong>Timeliness:</strong> Is the social protection provision happening when it is needed? In unique situations, to what extent and how easily and quickly can modifications be made so that the affected populations are served at the time when need is most urgent?</td>
<td>The challenge of timeliness was quite amplified in the case of the senior citizens. There was a near inability to agree on modifications that would ensure older persons received their payments as urgently as possible. And even with the few modifications that were agreed, approvals took quite a while. As such, the payments were made only after the easing of the lockdown measures.</td>
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<td><strong>Predictability:</strong> On the one hand, this connotes regularity of the social protection provisions (particularly in the case of direct income support). On the other hand, it refers to what is embedded in a social protection legal, policy, and institutional framework that can quickly be invoked to ensure that those in need under unpredictable circumstances are served?</td>
<td>Other than the senior citizen grant, the other interventions cannot be said to be predictable. Particularly, many households never received the food relief they were expecting, and the government has become silent on any ways forward. For the debt relief measures announced by Bank of Uganda and the social security amnesty by NSSF were dependent on making an application to the respective institutions, never mind that during lockdown, many people could not effectively communicate with these service providers.</td>
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<td><strong>Elimination of duplicated delivery systems:</strong> What synergies exist between sectors that allow a unified social protection delivery system?</td>
<td>There were no noticeable synergies between delivery systems. The food relief for example was distributed from a purely disaster risk response approach with little collaboration with the social protection program management unit. The role of mobile money services in delivering cash transfers has also not been developed yet it would have formed a cost-effective and efficient way of reaching as many beneficiaries as possible.</td>
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<tr>
<td><strong>Sustainability:</strong> Whether it is embedded in government-led systems and therefore able to withstand funding fluctuations by development partners</td>
<td>Many of the interventions were one-off and their sustainability cannot be guaranteed. The senior citizens grant, which is long-term is currently heavily subsidised by development partners, and its sustainability will depend on availability of government resources</td>
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Gaps in the social protection responses during COVID-19 with a special focus on how this has impacted women

Overall, there were very well written and much publicised Standard Operating Procedures (SOPs) intended to encourage social distancing and prevent spread of Covid-19 to vulnerable people especially older persons, persons with disabilities, the terminally ill and children. There has been no deliberate effort to provide social protection to the informal sector, women, people with disabilities, and other marginalised groups. The interventions discussed above while they tend to provide some form protection, they were not typical social protection actions and those who provided them would not describe them as such. Coverage of senior citizens is ongoing but as already mentioned, has not necessarily met the criteria of meeting the need when it arose and timeliness.

Rigidities in (or inadequacies of) the policy. Social protection provision in Uganda is anchored in the National Social Protection Policy (NSPP). Interventions are supposed to be designed based on its provisions. Responses to Covid-19 therefore were largely dependent on the coverage and systems that have been designed based on this policy. Because the main (and apparently only) social protection program anchored in the NSPP policy is the senior citizens grant whose target is older persons aged 80 years and above, it became difficult to use the same system to design and deliver a covid-19 response cash transfer to persons with disabilities.

Gender and equity issues. A field report on monitoring of the senior citizens payments observed several challenges in some of the pay points. These included long waiting hours of older persons due to delayed start which disregarded their frailty, especially for older women. The report also noted that there was limited appreciation of how to handle frail older persons or those with severe disabilities at the pay points. For example, older persons with disabilities were not given preferential attention as required by the law. They were kept waiting for a long time instead of being assisted to access the services first before the rest of the beneficiaries who are relatively stronger. Both their caretakes and the staff delivering the payments did not seem to know that PWDs are exempted from keeping the queue when there are many people to be served.50

Lack of social care and support services. Recognising that women, children, and persons with disabilities are disproportionately affected by Covid-19, there should have been important aspects of social protection specifically targeting them. However, as discussed under policy inadequacies, the Social Care and Support pillar of the National Social Protection Policy has not been developed, creating a gender and equity gap in social protection provisioning.

Inadequate financial resources. The number one challenge for the government is the financial ability to not only expand coverage of existing programs, but also to provide adequate social protection over the medium
to long term. There are three key macroeconomic factors influencing fiscal space for social protection in Uganda: (1) economic growth and inflation, (2) government deficits and the public debt, and (3) reliance on foreign aid. Uganda’s economic growth has been remarkable and can enable the long-run sustainability of the social protection system by expanding the available pool of fiscal resources. Unfortunately, the county’s significant public debt can reduce its capacity to spend on key programs such as social protection. Moreover, current social protection programs are still heavily subsidised by foreign aid.

**The role of politics.** Related to availability of financial resources is the fact that political and technical wings were not always in agreement about social protection provisioning to address the Covid-19 effects – often the high-level political wing overruled, and plans went to naught.

**Increasing demand for social protection.** The Covid-19 crisis was unfortunately exacerbated by natural disasters including floods in most parts of the country and locust invasion in Eastern Uganda. Thus, there was an exponential increase in the demand for social protection which the existing systems could not address. This was not made easier by the high levels of informality.

**Lack of reliable identification systems.** The food distribution efforts discussed in this paper brought out glaring weaknesses in government’s ability to identify who needs assistance and how to get it to them. This stems not only from limited and not very useful data about vulnerable groups and informal workers, but also from a lack of a social registration system that covers the entire population, and would have been useful in supporting identification of the most-in-need of assistance. In terms of delivering social protection, a high-risk crisis like the Covid-19 pandemic that necessitated minimal human contact would have called for the use of digital banking, particularly mobile money services. Unfortunately, there is both low coverage of mobile telephone services especially among the poor and vulnerable and limited interoperability between mobile telephone and other registration systems such as the national identification. This means that manual processes of social protection delivery continue to dominate, thus increasing exclusion errors and cost and lengthening the time of delivery.

**Insufficiency of interventions.** While social protection is only intended to help people resilient in the face of shocks, it should be enough to provide the necessary buffers for people to quickly recover after the crisis. However, none of the interventions were sufficient to compensate for the losses that people suffered during the lockdown.

**Timeliness and safety.** As already highlighted, the social protection interventions were not always timely enough to address existing needs. But this was in many instances due to the need to balance timeliness with safety of both recipients and those delivering the services.
Social protection parameters that the
government can implement in response
to Covid-19 and other shocks and
vulnerabilities in the future

A robust and comprehensive social protection system that is responsive to shocks and vulnerabilities such as Covid-19, natural disasters, or refugee influxes, would need to have the following characteristics:

<table>
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<tr>
<th>Parameter</th>
<th>Description</th>
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<tr>
<td>Relevance of the programs or schemes</td>
<td>Extent to which the intervention is in line with needs and priorities of the target population (say informal sector workers, older persons, PWDs, etc) and is tailored to those needs, increasing ownership, accountability, and cost-effectiveness.</td>
</tr>
<tr>
<td>Connectedness to the wider development context</td>
<td>Ensuring that social protection activities of designed to respond to emergency shocks are carried out in a context that takes long-term and interconnected problems into account.</td>
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<tr>
<td>Coherence with other interventions</td>
<td>Extent to which policies of different actors are complementary or contradictory to social protection policy and interventions – including humanitarian, development, security, trade, etc policies</td>
</tr>
<tr>
<td>Coverage of those in need</td>
<td>The need to reach major population groups facing life-threatening risk wherever they are.</td>
</tr>
<tr>
<td>Efficiency</td>
<td>How inputs are economically converted to outputs</td>
</tr>
<tr>
<td>Effectiveness</td>
<td>Extent to which social protection interventions achieve their purpose, including timeliness and coordination</td>
</tr>
<tr>
<td>Impact</td>
<td>Longer-term consequences of achieving or not achieving the social protection objectives</td>
</tr>
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</table>

Furthermore, government would need to adapt the following options singularly or better still in combination in order to strengthen existing social protection systems and make them more shock responsive.

**Design tweaks** – this means introducing flexibility and making small adjustments to the design of the core program, so that they can improve coverage, timeliness or predictability without requiring a flex during the shock. For instance, the senior citizens grant can be redesigned to be able to make advance payments when the need arises, knowing that program implementers may not be able to regularly interact with beneficiaries during covid-19 restrictions or during seasons of heavy rains, floods, landslides, and other shocks.

**Piggybacking** – this occurs when an emergency response uses an established system or program while delivering something new. For example, the Disability and Elderly department of the MGLSD had proposed that a direct income support be introduced for three to six months to cover persons with severe disability, and this would piggyback on the registration and Management Information Systems of the senior citizens grant.
Vertical expansion – this refers to the temporary increase of the benefit value or duration of an existing program or set of programs to meet beneficiaries’ additional needs. This may include adjustment of transfer amounts and/or the introduction of extraordinary payments or transfers. A vertical expansion could also be linked to other complementary services, offered by the social protection sector or by externals. A typical example would be to increase the amount of the Senior Citizens Grant for a specified period of time, say 6 months to cover gaps that were created by the lockdown, where relatives could not travel to see and deliver domestic supplies such as toiletries, medication, etc. to their ageing relatives. An example of linking social protection to complementary services would be government to emulate the efforts of the HIV+ volunteer who carried ARVs to colleagues on his bicycle. In this case, government would have partnered with and supported HIV&AIDS service providers to do home-based distribution of ARVs to all clients who received food rations in Kampala and Wakiso districts, and this could have been replicated in all the other districts where food rations were being distributed.

Horizontal expansion – is the temporary inclusion of a new caseload into a social protection program, by either extending geographical coverage, enrolling more eligible households in existing areas, or altering the enrolment criteria. A typical example would be enrolling older persons aged 60 to 79 years on to the senior citizens grant which currently covers only those aged 80 years and above.

Alignment of social protection and/or humanitarian interventions with one another with the intention of tapping into opportunity to mimic social protection provision in an environment where the core intervention cannot operate, which might facilitate eventual integration. For instance, in order to effectively target persons with disabilities with the food relief program, it would have been helpful to align it with the National Special Grant for PWDs so that each recipient of the grant also got a food ration.

To widen the range of social protection interventions to various categories of vulnerable people affected by Covid-19 or other shocks, the government needs to also seriously think beyond the current flagship program, the senior citizens grant. Social protection for workers, especially those in the informal sector needs to be developed. The following could be considered.

Review labour and social protection polices to speak to each other. There is need for government to create coherence between employment and social protection frameworks. Given the precarious nature of informal work, it is important that workers therein are covered by the Employment Act, the Workman Compensation Act, the Occupational Safety and Health Act, and the National Social Security Fund Act among others. Care needs to be taken to strengthen provisions on contracting for all kinds of workers, whether formal or informal, and stipulate clearly the benefits on termination of the employer-employee relationship. And then, work towards boosting informal sector workers’ confidence in contributory social protection.
Unemployment protection. Related to the need for policy review, this is social protection intended to prevent job losses or support those who lost their jobs. Examples would include providing one-off emergency payments to laid-off workers who are not eligible for severance compensation; measures to facilitate access to employment services, such as skills development; and active labour market policies to support jobseekers in finding a new job.

Providing income support to a wider range of beneficiaries. Government needs to seriously consider designing universal direct income support program for children and for persons with severe disability. This discussion has been ongoing and these programs are long overdue.

Develop social registry. It is very important for the government to develop social registries that are also linked to telephone and mobile banking services. These are crucial in identifying target groups for social protection especially during emergencies such as the Covid-19 lockdown; and be able to provide them with social assistance (cash transfers) without needing to congregate them in one place or go to their homes.

Finalise and implement the social care and support pillar. As earlier noted, one of the pillars of the social protection policy is the social care and support pillar, which would provide a ‘range of services for care, support, protection, and empowerment to vulnerable individuals who are unable to fully care for themselves’. Specific services that the pillar is intended to augment and provide as part of social protection are child protection, care for older persons and the chronically sick, community-based rehabilitation for persons with disabilities, and mitigation of gender-based violence. The fact that his pillar is not developed means that social protection programs will continue to be gender and equity blind, and these categories of people will continue to be left out.

Financing for social protection. It goes without saying that one of the limitations to providing social protection is financial. With so many priorities to address, the government finds itself unable to pay for social protection interventions for all categories of the population that need it. As a way of providing guidance on how financing social protection should be approached, the National Social Protection Policy proposes that in the short and medium term, some aspects of social protection would be financed by government in partnership with Development Partners; and in the long-term, a proportion of domestic revenues would be determined through studies and appropriated to finance social protection services. The policy also emphasises the key role for private sector employers contributing to social insurance and the need to for government to subsidise social insurance for the informal sector. A study on issues in financing social protection expenditure in Uganda suggested potential sources of funding for social protection to include taxation, oil revenues, regular external partner support, increasing social insurance base, and increasing subscription to health insurance. Government needs to explore and grow these options if it is to have resources to sustainably finance social protection.
Conclusion

Social protection remains a relatively new area for government in Uganda, but much work has been put into developing the sub-sector. The National Social Protection Policy provides the framework within which social protection can be delivered and it is on the basis of it that the senior citizens grant, Uganda’s flagship social protection program was designed. For successful implementation of the policy and ensure gender and equity in social protection provisioning in Uganda, the social care and support pillar of the policy needs to be developed, as is specifically intended to address the unique vulnerabilities of children, women, persons with disabilities, and older persons.

To enhance the ability of our social protection sector to respond to situations such as Covid-19, or any other shocks, the definitions of ‘social protection’ and ‘DRM’ will need to be understood outside their respective sectors. That is, all actors will need to understand the breadth of the concept of shocks and the meaning of social protection. It is only then that the synergies will become obvious and multisector collaborations boosted. This is especially important because many times, health issues such as Ebola, nodding disease, cholera, and now Covid-19 are not viewed as shocks and therefore do not receive the necessary attention from the social protection sector. Yet, social protection can help to strengthen household resilience to shocks resultant to these public health crises.

Endnotes

http://www.china.org.cn/world/Off_the_Wire/2020-03/24/content_75854488.htm


52 Ibid.


Akina Mama wa Afrika (AMwA)
Plot 222 Mama Africa Close, Off Kiwatule Road, Ntinda
P.O.Box 24130 Kampala Uganda
Tel: +256 414 543 681
Mob: +256 789550803
website: www.akinamamawaafrika.org

Ssanyu Rebecca
for Akina Mama wa Afrika (AMwA)