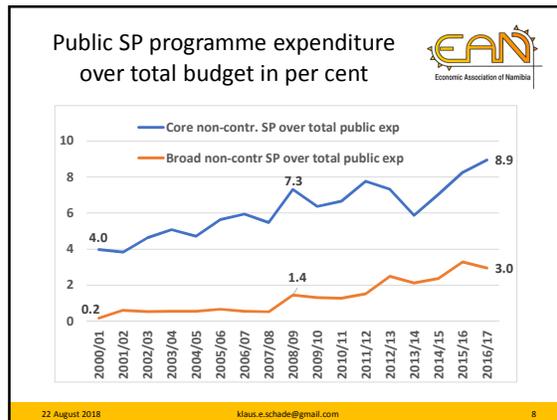


Expenditure on SP programmes



- Contributory SP programmes dominated by private medical aid and pension fund schemes accounting for two-third in 2015/16, while public contributory SP accounted for 31%. Remainder SSC to which both public and private sector employees and employers contribute.
- Private expenditure increased five-fold between 2002/03 and 2015/16, while public exp. rose fourfold.

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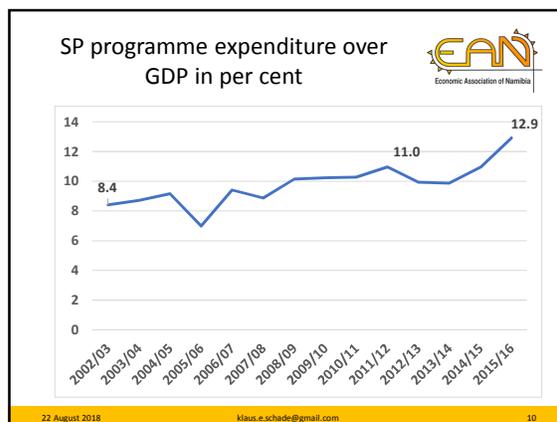


Public SP programmes over total budget expenditure



- Increased budgetary allocations to core and broad non-contributory SP programmes
- Significantly stronger rise in broad SP progr. allocation owed to NSFAP
- About 12% of total budget allocated to non-contributory SP programmes

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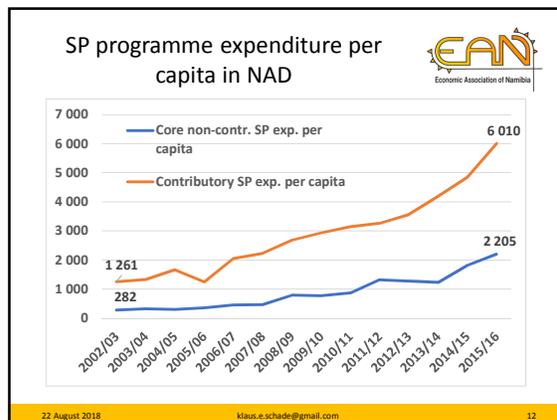


SP programme expenditure over GDP



- As share of GDP, SP programme expenditure rose by 50% from 8.4% (2002/03) to 12.9% in 2015/16 (contributory and core non-contributory).
- Excluding private SP programmes the ratio was 4.8% in 2012/13 compared to 4.4% for Botswana

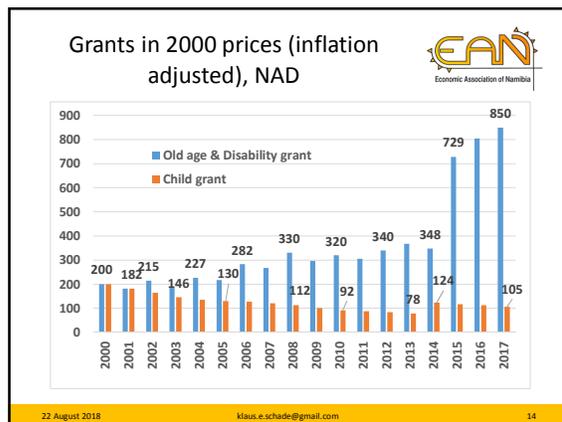
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SP programmes per capita

- SP programme expenditure increased also on a per capita basis between 2002/03 and 2015/16 :
 - Almost fivefold for contributory SP programmes
 - Almost eightfold for core non-contributory SP programmes

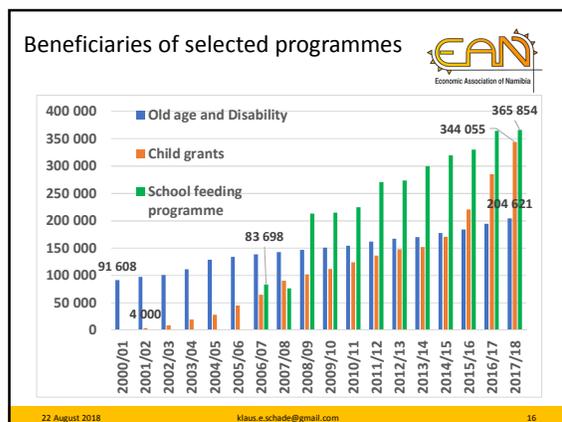
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Grants in 2000 prices

- Disability and Old Age grants increased in real values owing to regular adjustments and in particular a more than 100% increase since 2015.
- Disability and old age grant was based on ethnicity until 1992 when everyone received an equal amount.
- Pensioners do not use grant for themselves only, but support often grand children living with them
- Child grants are worth only about 50% of the value in 2000 because of only one adjustments over the past 18 years
- However, all eligible children receive the same grant amount, while previously the second and any further children received only NAD100 per month instead NAD200 pm.

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Number of beneficiaries

- Beneficiaries of child grants increased rapidly from about 4,000 (2001/02) to more than 344,000 during 2017/18.
- MGECW intends to increase beneficiaries of Vulnerable Child grant from 157,184 (2018) to 226,542 by 2019/2020.
- About 35% of all children would benefit from a child grant
- Disability grant is paid to people with disabilities between the age of 16 years and 59 years.
- Everyone at the age of 60 and older receives the Old Age grant.
- Number of beneficiaries increased from 92,000 (2000/01) to 205,000 (217/18)
- Coverage of about 97%. However, coverage of disability grant only about 35%.

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Medical aid & pension coverage

In 2014:

	Medical Aid	Pension
Members over total employed	24.5	58.8
Members over total employed excl. subs. farmers and unpaid family members	31.2	74.8

Low coverage for medical aid scheme, while almost three quarters of pensioners benefit from contributed pension fund (excl. subsistence farmers)

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Medical aid



- PSEMAS: Flat rate not linked to income
- Contributions cover 14% of total PSEMAS expenditure in 2018/19
 - Contributions NAD360 million
 - PSEMAS expenditure NAD2,534 m

	PSEMAS 2016/17	Private medical aid 2015
Expenditure per member	20 399	32 523
Contribution per member	4 519	38 927

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Recommendations



- Compile comprehensive list of existing social protection programmes
- Various ministries and institutions are responsible for the provision of SP programmes -> Consolidate at least grants under one roof if not other SP programmes as well, since grant recipients are often in need of other assistance as well
 - Administrative costs vary significantly between SP programmes and institutions
- Review current medical aid schemes and institutional setting, such as separation of sick & maternity leave and other medical benefits
- Low coverage of medical aid and pension fund schemes calls for universal national health and pension fund (WB estimates universal pension fund for Rwanda would cost about 1% of GDP)
- Means test for maintenance and vulnerable child grants absorb valuable staff time, threshold not adjusted for inflation -> consider removing means test
- Balance increased coverage of social grants with inflationary adjustment of grant amount

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Recommendations 2



- Adjust thresholds for SSC contributions – inflation is shifting the burden to low-income earners
- PSEMAS places high burden on low-income earners -> move to percentage and cost-recovery contribution, could save at least NAD1.5 billion (5% of salary)
- Introduce and enforce revolving funds for some SP programmes such as NSFAP and labour activation programmes
- Costs of school feeding programme (NAD358 per annum), meals at school hostels, drought relief and food bank (NAD1,222 per annum) differ widely -> This warrants a thorough review.
- Reconsider approach to social housing: multi-storey flats vs. single houses
 - More efficient use of scarce serviced land
 - Reduction in building costs
 - Increased density enhances viability of public transport
- Change urban design / development:
 - Mixed developments (residential, offices, light industry)
 - Increase access to job opportunities

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Thank you for your attention

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22 August 2018 klaus.e.schade@gmail.com 22