

# Intent to Implementation: Summary of Lessons from Tracking India's Social Protection Response to COVID-19





# Intent to Implementation:

## Summary of Lessons from Tracking India's Social Protection Response to COVID-19



This living paper has been written by Shrayana Bhattacharya (Senior Economist) and Sutirtha Sinha Roy (Economist) at the World Bank with feedback from Junaid Ahmad, Yamini Aiyar, John Blomquist, Sekhar Bonu, Camilla Holmemo, Qaiser Khan, Varad Pande, Stefano Paternostro and Ambrish Shahi. Authors are grateful to the DBT Mission, Department of Economic Affairs (GoI) and NITI Aayog for valuable feedback. All views expressed in this paper, and any errors, are our own. Data collection has been supported by the World Bank Group. However, the views expressed do not necessarily reflect WBG official policies. The team thanks Mahesh Vyas and Kaushik Krishnan for CMIE's data collection. This paper is a short summary of survey findings. An expanded version shall be published by the World Bank Social Protection Discussion Paper Series for June 2021. Subsequent versions of the paper shall discuss social protection responses to the second wave of the pandemic and poverty impacts. *For further information, contact: [sbhattacharya3@worldbank.org](mailto:sbhattacharya3@worldbank.org)*

### INTRODUCTION

**This paper is part of the World Bank's efforts to measure and monitor results for its Development Policy Operation to strengthen India's social protection architecture.** It presents a stock-taking of India's social safety net response to COVID-19. The analysis aims to identify how government efforts to provide relief to poor and vulnerable households have fared between April and August 2020.

**The paper provides stylized facts on coverage and targeting of welfare measures under the Pradhan Mantri Garib Kalyan Yojana (PMGKY) for individual states and at the national level.** This analysis relies on a nationally representative household survey on social protection, conducted in partnership with the Centre for Monitoring Indian Economy (CMIE). The current analysis focus on two important parameters: (i) coverage (what percentage of the population received benefits from the scheme) and (ii) targeting (whether the scheme benefitted the poorest and vulnerable households). Additional analysis on the modes of the social protection

delivery mechanisms and benefit delivery standards is likely to be available by next quarter in 2021.

Following the WHO declaration of a global pandemic on March 11, 2020 the national government declared a COVID emergency on March 14, 2020 and decided to implement what was initially a 21-day national lockdown (later extended to 42 days) on March 21, 2020. Recognizing that the national lockdown would severely impact the poor and the vulnerable, the national government launched an important and ambitious social protection initiative called the Pradhan Mantri Garib Kalyan Yojana (PMGKY) on March 26, 2020.

**The PMGKY program is not a new scheme, rather an integrated package scaling up cash and food assistance through pre-existing programs which have large outreach and strong delivery mechanisms:** The PMGKY package costs the Government approximately USD 23 billion. It uses India's well-developed Direct Benefit Transfer (DBT) system to transfer benefits directly to the bank accounts of beneficiaries from the treasury,

thereby ensuring timely payments to those in need. The identification of beneficiaries relies on India's near-universal programs, supplemented by digitized Socio-Economic Census data, state level databases maintained for the National Food Security Act 2013 and the Aadhaar digital ID network.

**The PMGKY package provided near-universal and robust support till November 2020; measures may be expanded in specific states or clusters depending on how the COVID-19 crisis evolves:**

As per administrative data released by the national government, for its initial phase of three-months, PMGKY delivered cash transfers to 320 million beneficiary bank accounts. Cash was scaled up through the following pre-existing schemes: (i) social pensions through the National Social Assistance Program (NSAP); (ii) transfers to women bank holders under the Pradhan Mantri Jan Dhan Yojana (PMJDY); (iii) front-loading cash support to farmers through the Pradhan Mantri Kisan Samman Nidhi (PM-KSN) and (iv) support to construction workers through the Building and Construction Workers Welfare Fund. Employment through cash-for-work support has been triggered by the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS). To ensure supply of food and fuel through the national lockdown, the program provided additional food rations to 236 million households enrolled in the Public Distribution System (PDS) database, covering nearly 61% of India's population<sup>1</sup> and nearly 90% of all households; and LPG gas cylinders to 80 million households. The program also topped-up government contributions to social insurance funds (EPFO) for low-wage workers in small and medium enterprises and provides portable in-kind and cash support to migrants in hot-spots through a sub-national umbrella disaster fund. Targeted health insurance for COVID-19 essential workers have also been implemented and extended initially to March 2021.

**To streamline the presentation of results, this paper exclusively focuses on delivery of food and cash benefits through the PMGKY package.** This is due to significantly lower levels of enrollment in EPFO as compared to India's cash transfer network and its public works and food subsidy programs. The paper reports the share of households that received food, cash transfers and *both* forms of assistance under the PMGKY program. While other surveys have reported coverage and benefit receipt information related to PMGKY, the current analysis benefits from a robust, nationally representative and panel survey of households to better quantify the coverage and targeting parameters of the program. The analysis begins with a short description of the study methodology, sampling information and limitations of the data (Section 2). Section 3 provides an analysis of the performance of the core schemes comprising PMGKY along coverage and targeting. In lieu of the survey results and global experience, the final section concludes by taking stock of India's social protection architecture and identifying key building blocks for a future reform path.

## DATA AND SAMPLING

Household level data on awareness, enrollment and receipt of transfers under individual program components of the PMGKY package were captured as part of the Center for Monitoring Indian Economy's (CMIE) consumer pyramid household survey (CPHS). CPHS is a stratified multi-stage survey with towns and villages from the 2011 population census as its primary sampling units (PSU) and the physical household structure as its ultimate sample unit (USU). The first stage stratum of CPHS is a spatial unit called the Homogeneous Region (HR), representing a set of contiguous districts within a

1 The PDS allocates benefits per household member through a ration card. The ration card is issued to a household. In April 2020, government administrative data reported that 803 million individuals were enrolled into the PDS within 236 million ration cards.

state that share similar agro-climatic conditions, urbanization levels, female literacy rates and number of households per the 2011 Census. CPHS contains 102 HRs from 28 states and 514 districts. The rural and urban samples of CPHS respectively comprise of 63,430 households from 3,965 villages and 110,975 urban households from 7,920 census enumeration block units (CEBs). CPHS contains a larger fraction of urban households because of the greater diversity in Indian cities compared to rural India. Urban sample households also have a lower weight to compensate for their larger shares in the sample, resulting in nationally representative estimates.

**As part of the 21st round of CPHS, CMIE in collaboration with the World Bank, supplemented its baseline survey with additional questions on knowledge, enrollment and access to PMGKY's constituent schemes:** PDS rations, Jan Dhan Yojana, PM-KISAN, Ujjwala, Social pensions and Employee Provident Fund Schemes. The data was collected over the 21st wave of the CPHS survey between 17th May and 31st August in 2020. The supplementary data was not collected in the first sixteen days of the wave due to a longer-than-expected survey startup time. This delay is not expected to materially bias the analysis of the data<sup>2</sup>.

The 21st round of CPHS (May to August 2020) coincided with the national-wide lockdown until July 2020 and followed by localized lockdowns across India. As a result, CMIE adopted a combination of face-to-face and telephonic surveys, depending on localized lockdown rules. With the exception of the first couple of weeks following the nation-wide lockdown, CMIE's analysis suggests that the use of these multi-modal methods did not materially skew the sample's rural-urban proportion, state-wide distribution and household-income distribution

compared to pre-lockdown levels<sup>3</sup>. This is likely because CMIE had in its possession phone numbers for approximately 92 percent of CPHS sample households.

The supplementary survey captured the extent and types of benefits received under each of PMGKY's constituent programs over the past one-month recall period. The questionnaire first asked members to report their knowledge of each program and conditional on program awareness, it fielded questions on household enrollment. Further, conditional on prior enrollment, households were asked to report the amount received under each program in the past month. For Jan Dhan, PM-KISAN, Ujjwala and Social pensions, enrollment was established by asking households if any member had ever received these benefits through these programs in the past. For PDS transfers and EPF withdrawals, enrollment was defined as availability of a ration card and access to any employer-contributions from the provident fund respectively.

For analytical tractability, households are classified as those that received food only, cash only and both food and cash benefits. Food benefits comprise of access to PDS rations while cash comprises of transfers received under all PMGKY schemes except PDS and provident fund withdrawals. NREGA related cash receipts were not included in the survey module and are excluded in this analysis. Additionally, EPF withdrawals are excluded in the analysis (even though the survey captures this information) because of the smaller proportion of households that are enrolled in the program.

**Households in the bottom two quintiles of the population weighted consumption distribution of the May-August 2020 survey round are referred to as "poor" in our analysis.** CPHS collects monthly

2 CMIE surveyed 76,386 households during its May to August round. Due to the delayed start of the supplementary data collection process, we lost 8,356 records and have 68,030 households in our sample.

3 Additional details pertaining to the pre-and-post lockdown balance checks conducted by CMIE are available at: <https://consumerpyramidsx.cmie.com/kommon/bin/sr.php?kall=wdlkb&img=686689>

consumption expenditures for the past four months in a wave. The expenditures from only the month prior to the survey is selected as the relevant welfare aggregate (to minimize recall biases). Household expenditures for payments to monthly installments, pocket-monies and payments for insurance premiums are excluded from our consumption aggregate. These operations prepare the data set to be similar to traditional cross-sectional NSS consumption expenditure surveys<sup>4</sup>.

**One limitation of the CPHS sample is however that it excludes shelter-less households from its frame, thereby compromising the ability of the survey to reflect conditions of the homeless and migrants.**

This is because the ultimate sampling unit for the survey is the physical housing structure. The impact of PMGKY on these group of households is therefore not reflected in the current analysis. Additionally, while CPHS collects information pertaining to emigrant members within households, this data requires additional validation and comparisons with established sources of migrant information such as Census and NSS. For this reason, the analysis of PMGKY package on households that have an

emigrant member will be undertaken in later updates of this paper

**Prior to COVID-19, despite absolute poverty reduction in the past two decades, half of India's population was vulnerable with consumption levels precariously close to the poverty line.** Ninety percent of the Indian workforce is informal, without access to significant savings or work-place based social protection benefits such as paid sick leave or social insurance. The Periodic Labour Force Survey (2017-18) has found that only 47% of urban workers have regular, salaried jobs. Even among workers in formal employment, over 70% do not have contracts, 54% are not entitled to paid sick leave and 49% do not have any form of social security benefits. These workers, who may not be identified as 'poor' as per the consumption data but are at grave risk of falling into poverty due to wage and livelihood losses triggered by shrinking economic activity. *In this context of high vulnerability, it is important to highlight that non-poor populations, particularly the vulnerable segments of the lower middle-class, maybe heavily impacted by the pandemic due to job losses. Therefore, broad access to a package of assistance is also vital to future economic recovery.*

## EARLY RESULTS: COVERAGE AND TARGETING OF PMGKY PACKAGE

**TABLE 1: Share of Households Receiving Benefits under the PMGKY Package Across Select Groups**

Share of All Households Who have Received	All-India	Rural	Urban	Poor	Not Poor	Male Headed Household	Female Headed Households
Food only	39.5%	37.9%	43.0%	41.5%	38.7%	33.1%	40.4%
Cash only	6.1%	7.0%	4.3%	6.1%	6.1%	6.3%	6.1%
Food and cash only	34.1%	40.0%	21.9%	39.8%	31.6%	45.4%	32.7%
At least one social protection benefit (food or cash)	79.7%	84.9%	69.1%	87.4%	76.4%	84.7%	79.2%

<sup>4</sup> All consumption expenditure values are deflated using CPI urban and rural data. We do not use the traditional CPI-AL and CPI-IW deflators because of the recent changes to base year introduced to the CPI-IW series by the Labour Ministry.

**Coverage and outreach of the first round of India's social protection response has been impressive at scale, reaching a majority of households.**

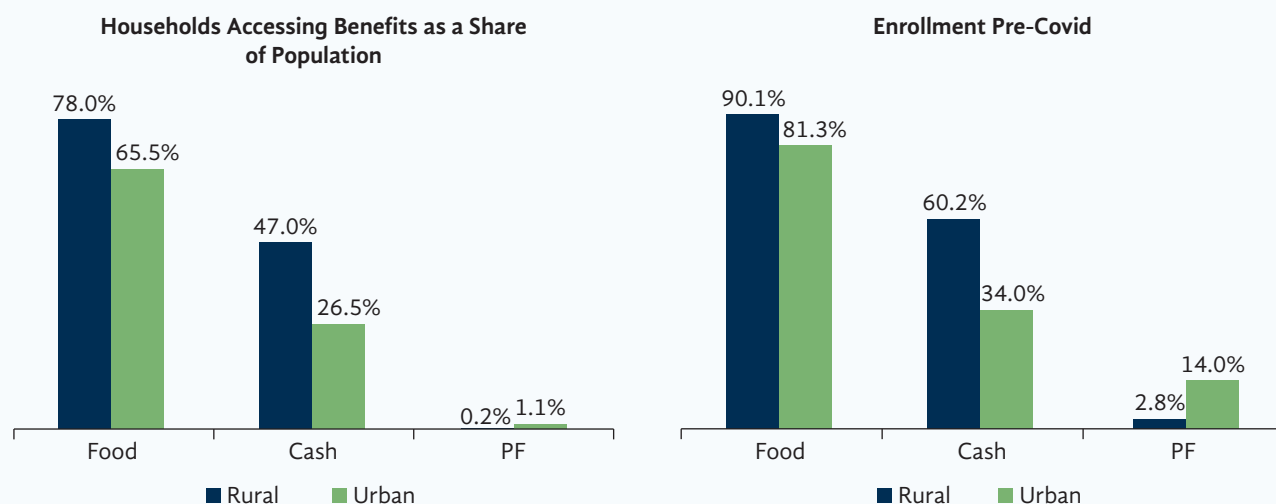
Between May and August 2020, more than 87 percent of India's poorest households reported receiving at least one benefit – food or cash – under the PMGKY. Across the country, nearly 74% of all households received food through PDS allocations, 40% of households received cash-transfers. Table 1 shows the fraction of households that received benefits under the different combinations of the program. Overall, 39.5% of households received food transfers only, 34% received food and cash transfers together, and 6.1% received only cash transfers. Consistent with the near-universal nature of the Public Distribution System, both poor and non-poor households have benefitted from food transfers during the crisis. However, nearly 46% of poor households received cash compared to only 37.7% of non-poor households who received cash benefits. Fewer female headed households appear to receive benefits relative to male-headed households. Since the PMJDY transfers were not restricted by BPL cards or government certified poverty status, the survey also finds that at least a third of non-poor households have received cash transfers in the May-August period as well. This is vital support as job losses from the pandemic have

impacted salaried and lower-middle class workers as well as the poor. As mentioned earlier, the CMIE survey does not allow us to comment clearly on the share of migrant workers who accessed the PMGKY due to survey design.

**Delivery of benefits has been stronger in rural areas than urban locations.**

While nearly 85% of all rural households' report accessing food or cash benefits following the pandemic, only 69.2% of urban households report the same. Cash transfers coverage in urban areas was 26.2 percent, compared to nearly half in rural areas. Within urban areas, a third of the urban poor report accessing cash transfers. This rural-urban gap is critical given the first wave of the pandemic struck urban centers in the country and signaled the need to rebalance India's social protection system towards better coverage of urban areas. Social protection in urban India may need more focus on cash and contributory insurance mechanisms – as these areas have better banking infrastructure and higher incomes. Two critical challenges lie ahead for India's social protection path in responding to COVID-19 and future shocks. First, while India has an elaborate set of program databases which enable immediate release of cash-transfers in rural areas

**Graph 1: Share of Households Accessing Benefits and Enrolled in Social Protection Programs under PMGKY**





due to extensive reach of rural safety nets, parallel platforms in urban areas are at a very nascent stage of development. For example, more than half of the population in high income and urbanized states such as Delhi are not enrolled in government social protection schemes. Delhi's population is not chronically poor and does not have government programs tailored to its distinct needs and risk profiles. Urban platforms which link beneficiary information with bank details are critical to ensure rapid delivery of income-support in the case of any future crisis. Finally, employment programs such as MGNREGS do not have any large-scale urban parallel in cities impacted by job losses.

**Food delivery has been strong across states, benefitting from the near-universal PDS database.**

Across all states, households report accessing food transfers during the lockdown period. As Graph 1 shows, more than 80% of all Indian households were enrolled in the PDS database, whereby they were already identified for benefits. As a result, majority households were able to use their ration cards to receive additional grains due to them through PMGKY. Food transfers are vital as a significant share of the consumption basket of poor households is spent on grains.

**Majority of eligible households have received benefits due to them.** By 'eligible,' we imply households that were enrolled into the programs used by PMGKY to provide emergency welfare support. For example, the government allocated additional pensions to the elderly who were already

enrolled and registered with the government's NSAP social pension scheme. We acknowledge that this is a limited definition of eligibility at a time of crisis, given many households may have recently fallen into poverty due to the pandemic, particularly in urban areas and may never have been enrolled into any government program. The subsequent phase of this paper shall drill-down on these new-poor households who have faced income and employment shocks due to the pandemic and track their access to social protection benefits after PMGKY was discontinued in November 2020.

**Furthermore, there are state level variations in delivery standards.**

For example, data from states such as Madhya Pradesh and Odisha – where majority of households are enrolled in both food and cash programs – shows less than a third of households accessed both benefits due to them. These states have invested in strong delivery mechanisms for the PDS and cash transfers. The low rate of benefit disbursement maybe due to the timing of the survey. It is also possible that many eligible households did not travel to the local bank or Fair Price Shop to collect grains during the lockdown. The next iteration shall return to the same panel households to update estimates and dive deeper into bottlenecks.

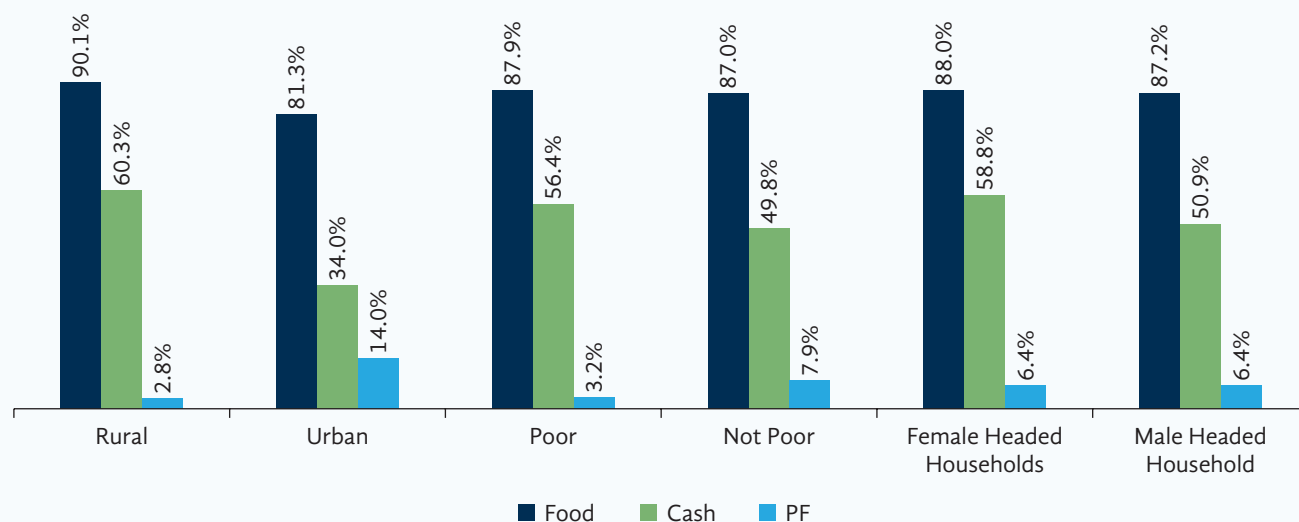
**While majority of those enrolled in cash programs received benefits due to them through the DBT channel, cash delivery remains challenging due to gaps in the ability of government agencies to target and dynamically identify new beneficiaries**

**TABLE 2: Eligible Households Receiving Benefits under PMGKY**

Share of All Eligible Households Who have Received Benefits	All-India	Rural	Urban	Poor	Not Poor	Male Headed Household	Female Headed Households
Food only	84.6%	89.1%	77.3%	93.1%	81.0%	84.4%	86.6%
Cash only	80.2%	81.5%	76.7%	83%	78.2%	78.8%	91.3%
Food and cash only	70.5%	70.2%	71.8%	76.3%	67.6%	68.8%	81.6%



**Graph 2: Share of Households Enrolled in Social Protection Programs under PMGKY for Selected Groups**



**for payments.** As Table 2 shows, 80% of households who had members with PMJDY accounts or enrolled in PMGKY-linked cash transfer programs did receive the benefits due to them. This suggests that the DBT digital payments platform is robust at triggering cash into bank accounts. However, those without JDY accounts or those not enrolled in the programs used by the PMGKY package to provide support (such as PM-KSN or NSAP) were ineligible for benefits as they were not identified in any existing government database. Therefore, easing the ability of citizens through a universal targeting platform will be key moving forward. Graph 2 shows enrollment rates by key household's characteristics. Enrollment in the PDS program is higher for rural areas, poor households and about the same for male and female head households. Provident fund accounts are predominantly found in richer households living in urban areas. It is also important to note that nearly 50% of non-poor households, were enrolled for cash transfer programs. This is largely due to the PMJDY transfers into bank accounts, as opening a JDY account is not exclusively targeted to the poor. These bank accounts along with the PDS database can serve as a core building block for creating a universal safety net –which serves and protects not only

the chronically poor but vulnerable workers across the wealth distribution. However, the rural bias continues, as only a third of urban households were enrolled in any of the programs used to provide emergency relief through PMGKY, while 60% of rural households reported being pre-enrolled in cash transfer programs.

**Operationally, it is important to note that there is significant overlap between households that are enrolled in the PDS system and hold PMJDY bank accounts.** For example, based on the CPHS data from the states of Tamil Nadu and Andhra Pradesh, no household is only enrolled in the cash transfer programs (see Annexure). Majority of those receiving cash are also enrolled in the PDS. This is unsurprising as many cash transfer programs may rely on the PDS ration card to verify eligibility of applicants. Overall, 46% percent of all Indian households are enrolled in both. A large fraction of this overlap is between JDY and PDS: 35% of households were enrolled in both schemes. This suggests that linking the JDY accounts with the ration card database, adhering to strong data protection frameworks, can serve as an important foundational layer for any efforts to scale-up cash transfers or social registries for dynamic targeting.

## SOCIAL PROTECTION IN INDIA: RESPONDING TO THE PANDEMIC AND FUTURE SHOCKS

Climate change and now COVID-19 have sounded an alarm for all nations, including India. Anticipating and addressing uncertainty and unexpected shocks is now the new normal in the management of nations and their economies. Whether macro- economic like the financial crisis of 2008, or sectoral as in the case of the current health crisis, or natural disasters like floods and cyclones, such shocks are increasingly determining the trajectory of economic growth and the ability of nations to address poverty and ensure shared prosperity. In this context, building a modern, **21st century social protection system** has become essential for **protecting citizens**, particularly **the poor and the vulnerable**, and for **ensuring a resilient and productive workforce**. Even as India has managed historic gains in lowering poverty rates, nearly half the households in India are vulnerable – between the poverty line and twice the poverty line. The challenges faced by **women headed households, adolescents** – girls and boys, **pensioners**, and **migrants**, further highlights the urgency of addressing vulnerability. **Social protection is therefore more than just protecting the welfare of the poor; it is equally about securing all of India's work force.**

The COVID-19 pandemic is highlighting strengths and structural challenges in India's social protection system. Benefits delivered through PMGKY have reached majority of Indian households during the first phase. However, portability and urban areas need sustained reform attention. Broadly, our survey results highlight the need for three major transformations in the way the current social protection system is designed to ensure economic resilience of the workforce.

**First**, while India's social protection architecture responds to the needs of chronic poverty and rural shocks, *portable urban systems for scaling up cash, employment support and insurance* for informal workers, the 'new-poor' (those who have recently slipped into poverty due to unemployment losses from the pandemic) or the lower middle classes need bolstering.

**Second**, while the pipeline of cash delivery is strong through the DBT channel, identification and targeting of new needs and beneficiaries remains a challenge. Other than MGNREGS, the window for application and enrollment into major social protection programs is open for a very limited time of the year across states. However, as the pandemic highlights, *people's lives are far more fluid than the rigid application cycle of programs*. India can learn from other middle-income countries which have

**TABLE 4: Direct Benefit Transfers Reached 705 Million Individual Bank Accounts in 2019-2020**

Program (Figures in Millions)	INR Funds Transferred	Number of Beneficiaries
PAHAL	248219.1	262.8
MGNREGS	460460.8	119.1
NSAP	81144.8	34.6
PMAY-G	438834.5	13.8
Scholarships	70108.5	9.3
Others (356 cash programs)	1098523.2	265.9
<b>All-India</b>	<b>2397291</b>	<b>705.5</b>

(Source: DBT Mission 2020 database link: <https://dbtbharat.gov.in/> accessed on 26 Oct 2020)

**TABLE 5: Direct Benefit Transfers Reached 802 Million Individual Bank Accounts in 2020-2021**

Program (Figures in Millions)	INR Funds Transferred	Number of Beneficiaries
PAHAL	226295.1	270.7
MGNREGS	672182.9	139.3
NSAP	72305.6	34.2
PMAY-G	482511.5	18.4
Scholarships	57462.4	7.8
Others (266 cash programs)	1181616.4	332.1
<b>All-India</b>	<b>2692373.9</b>	<b>802.5</b>

(Source: DBT Mission 2021 database link: <https://dbtbharat.gov.in/> accessed on 3rd June 2021)

invested in *social registries and delivery platforms*. These technology-enabled solutions can remedy targeting challenges, only if they are underpinned with robust institutional frameworks and ‘rules of the game’ to protect citizen data and coordinate across line agencies. India is well poised to build such a platform with data assets (such as the SEC, NFSA database and JDY accounts) to rapidly ease access to programs for citizens and prioritize those in most need. The governance framework to guide such reforms will be crucial.

**Finally**, India provides social protection through a large and complex set of centrally sponsored schemes. At present, there are nearly 320<sup>5</sup> national Direct Benefit Transfer schemes which channel benefits to citizens, with administrative duplication

and siloed delivery systems. Furthermore, as Table 3.1 and Table 3.2 highlight, the beneficiary and expenditure base of cash transfer schemes is imbalanced. In 2020-2021, nearly 60% of all cash transfers beneficiaries belonged to 5 major schemes. In 2019-2020, 62.4% of all DBT-cash transfer beneficiaries belonged to the same 5 schemes as well. Moreover, in 2020-2021, nearly 60% of funds transferred as cash benefits directly to individual bank accounts were for these five schemes as well.

Social protection schemes are financed by the center and implemented by state governments. In addition, state governments operate their own schemes or top-up national programs to cater to local contexts. Given the huge diversity in the economic and risk profiles of India’s states, a *decentralized*

5 Over the years, the number of schemes classified as DBT have reduced to 320. On the published DBT portal, the data shows that 440 DBT schemes in 2018-2019 (71 in-kind transfer schemes and 365 delivering cash benefits) and 316 in 2020-2021 (45 in-kind transfer schemes and 271 delivering cash benefits) have reported all benefit delivery information. As a result, the number of “other” schemes in Table 3.1 and Table 3.2 varies across the years. To be classified as a DBT program, the government has notified a framework whereby the concerned Ministry implementing the scheme adheres to requirements related to generation of a DBT Scheme Code ([https://dbtbharat.gov.in/data/circulars/OM\\_dated\\_23-09-2016\\_on\\_Codification\\_of\\_Schemes.pdf](https://dbtbharat.gov.in/data/circulars/OM_dated_23-09-2016_on_Codification_of_Schemes.pdf)), use of PFMS, notifying the use of Aadhaar ([https://dbtbharat.gov.in/data/circulars/Guidelines\\_for\\_notifying\\_use\\_of\\_Aadhaar\\_2\\_Nov\\_2016.pdf](https://dbtbharat.gov.in/data/circulars/Guidelines_for_notifying_use_of_Aadhaar_2_Nov_2016.pdf) and [https://dbtbharat.gov.in/data/om/Aadhaar\\_Exception\\_Handling\\_OM\\_19122017.pdf](https://dbtbharat.gov.in/data/om/Aadhaar_Exception_Handling_OM_19122017.pdf)), ensuring electronic modes of transferring benefits into bank accounts through a digitized list of beneficiaries, and reporting data on transactions to the DBT portal. Therefore, it is important to note that the scheme universe is much larger than represented by DBTs alone. However, the largest Indian safety nets are classified as DBT at present. Finally, the number of DBTs may also reduce due to discontinuation or consolidation of older schemes. For more information, please consult <https://dbtbharat.gov.in/data/circulars/circular10.pdf> and <https://dbtbharat.gov.in/data/circulars/circular11.pdf>

*social protection approach* will be called for. For instance, the needs of the rising middle-class with access to private insurance markets in Delhi and Maharashtra will differ markedly from the needs of poorer states such as Uttar Pradesh and Bihar. Further, coastal and ecologically precarious districts will need additional safety nets support to cope with natural disasters and climate change. In states where many poor and vulnerable households are still not able to save enough to insure themselves against crises or times of high prices, social assistance will remain a core intervention. The current 'one-size-fits-all' model of national programs which offer the same benefit levels and interventions across a variety of states needs reform. India can draw from experience of other middle-income countries and allow greater funds and flexibility to sub-national governments to design localized approaches, while retaining a core set of national programs such as MGNREGS, PDS and social insurance schemes to operate pan-nationally.

Such future reforms require the creation of a social protection authority with central and state government participation. **Global experience highlights that universal and adequate insurance cannot be achieved by hundreds of state and central schemes operating in silos.** Emerging economies have focussed on comprehensive coverage through program consolidation and convergence. Countries have streamlined schemes and established integrated platforms which combine delivery of cash transfers to poor households with delivery of health, nutrition and education. Unlike health or education, there is no overarching institutional or accountability framework for social protection to help coordinate and evaluate these multiple

scheme-based mechanisms. For example, there is no nodal agency for social protection in India. Faced with the COVID-19 crisis, the Government of India's PMGKY has helped build an implementation platform whereby multiple schemes work together through leadership anchored by the Government of India. The *need for an authorized government body to coordinate* budgets, data and staff across myriad central and state social protection programs is paramount as India navigates the future.

**Most importantly, global experience suggests that no strategy can create an effective social protection architecture without a capable state.** Ensuring technology is leveraged effectively without triggering exclusion and privacy violations requires robust regulation. As more flexibility is given to states, their capacity to plan, learn and implement programs must also be strengthened, particularly at the sub-district level. Globally, countries have invested heavily in local administration and social workers to manage dynamic social registries and public dealing. Such community infrastructure is a powerful source of job creation as well. Designing solutions to local problems will require a frontline administration which has the time, talent, tools and authority to innovate and respond to citizen concerns. Lessons from the last-mile infrastructure created in other countries can help India design its own technology and rights enabled local state. As India designs its social protection response to the pandemic, the country stands poised for a fundamental transformation from a set of fragmented schemes to an integrated and decentralized system. A broader social protection framework for a more urban, middle-income, mobile, natural disaster-prone, diverse and decentralized India is urgently required.

## ANNEXURE: DETAILED COVERAGE ESTIMATES BY STATE 2020

**TABLE 1: Share of Households Enrolled in Programs within PMGKY Package by State**

State	Food Only	Cash Only	Both	None
Andhra Pradesh	47%	0%	45%	7%
Assam	22%	5%	47%	26%
Bihar	31%	12%	36%	21%
Chhattisgarh	33%	2%	58%	7%
Delhi	18%	8%	20%	55%
Goa	85%	0%	4%	11%
Gujarat	53%	0%	40%	7%
Haryana	16%	11%	36%	36%
Himachal Pradesh	72%	0%	14%	13%
Jharkhand	32%	2%	51%	16%
Karnataka	28%	1%	52%	19%
Kerala	53%	0%	39%	8%
Madhya Pradesh	17%	4%	72%	6%
Maharashtra	40%	1%	35%	24%
Meghalaya	52%	2%	11%	35%
Odisha	16%	3%	67%	13%
Punjab	29%	2%	49%	20%
Rajasthan	22%	0%	71%	6%
Sikkim	45%	3%	18%	34%
Tamil Nadu	53%	0%	37%	10%
Telangana	34%	0%	50%	16%
Tripura	41%	0%	46%	13%
Uttar Pradesh	35%	4%	45%	15%
Uttarakhand	12%	9%	44%	34%
West Bengal	37%	1%	53%	9%
<b>All-India</b>	<b>35%</b>	<b>3%</b>	<b>47%</b>	<b>15%</b>

**TABLE 2: Share of all Households Reporting Receiving Benefits under the PMGKY Package by State**

State	Food Only	Cash Only	Both	At Least One Benefit (Food/Cash)
Andhra Pradesh	53%	0%	42%	96%
Assam	34%	5%	37%	76%
Bihar	32%	12%	35%	78%
Chhattisgarh	39%	2%	54%	95%
Delhi	23%	6%	13%	42%
Goa	75%	0%	4%	79%
Gujarat	53%	3%	25%	81%
Haryana	11%	18%	29%	58%
Himachal Pradesh	72%	0%	14%	86%
Jharkhand	32%	2%	50%	84%
Karnataka	36%	2%	43%	80%
Kerala	53%	2%	27%	81%
Madhya Pradesh	17%	17%	21%	55%
Maharashtra	59%	2%	18%	79%
Meghalaya	63%	3%	12%	77%
Odisha	19%	23%	18%	59%
Punjab	8%	20%	16%	44%
Rajasthan	16%	15%	48%	80%
Sikkim	52%	2%	15%	69%
Tamil Nadu	62%	0%	32%	95%
Telangana	40%	1%	48%	88%
Tripura	58%	0%	41%	100%
Uttar Pradesh	37%	4%	42%	83%
Uttarakhand	6%	12%	22%	40%
West Bengal	53%	1%	41%	95%
<b>All-India</b>	<b>39.5%</b>	<b>6.1%</b>	<b>34.1%</b>	<b>79.7%</b>

**TABLE 3: Share of Eligible Households Receiving Benefits under PMGKY Package by State**

State	Food Only	Cash Only	Both
Andhra Pradesh	99.9%	52.9%	91.3%
Assam	95.4%	89.2%	74.9%
Bihar	96.0%	96.5%	96.8%
Chhattisgarh	98.6%	64.2%	92.7%
Delhi	92.4%	81.6%	67.3%
Gujarat	79.8%	67.1%	60.1%
Haryana	46.3%	96.9%	75.3%
Himachal Pradesh	89.6%	8.3%	96.0%
Jharkhand	96.9%	97.1%	98.9%
Karnataka	86.9%	81.6%	81.6%
Kerala	69.5%	6.3%	64.7%
Madhya Pradesh	26.3%	33.7%	29.4%
Maharashtra	82.7%	70.0%	49.7%
Meghalaya	99.7%	100.0%	92.5%
Odisha	29.8%	75.9%	26.6%
Punjab	16.7%	78.1%	30.3%
Rajasthan	38.4%	19.3%	67.4%
Sikkim	89.3%	36.4%	74.8%
Tamil Nadu	96.3%	0.0%	84.9%
Telangana	89.8%	62.3%	91.5%
Tripura	99.9%	0.0%	84.4%
Uttar Pradesh	91.8%	84.6%	91.8%
Uttarakhand	42.0%	35.8%	48.8%
West Bengal	90.2%	56.7%	75.6%
<b>All-India</b>	<b>84.6%</b>	<b>80.2%</b>	<b>70.5%</b>





WORLD BANK GROUP