**\* ISPA \***

*Inter-Agency Social Protection Assessment Tools*

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| **Social Protection Policy Options Tool -**  **An Assessment-based Tool for National Dialogue on SP Policy Options**  **Revised draft for interagency consultation, June 2016** |

*BACKGROUND*

*In the context of the joint work of the Social Protection Interagency Board (SPIAC-B) on the development of an assessment tool for the performance of national social protection systems (Core Diagnostic Instrument, CODI), the ILO proposed to develop an assessment of different policy reform options based on a national dialogue and international principles and standards as a tool to complement CODI.*

*An outline of this tool was first presented and discussed at a workshop in 2014 in Geneva. The content was considered important and there was agreement that this should be elaborated in greater detail, a related working group was constituted 2015 and a first draft of the tool developed and discussed in two rounds of commentary. The present document is the third draft, based on the feedback received.*

*The ILO welcomes all interested parties to join the working group and invites inputs and suggestions regarding the proposed outline, technical content as well as the best approach to jointly develop the proposed content.*

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Introduction

**Why is an assessment of policy options through national dialogue processes important?** Most countries around the world are in a constant struggle to build, develop, reform, re-orient or otherwise improve their social protection systems. For this endeavor to be successful, it is important to choose among the many possible policy options for those reforms that are on the one hand politically, financially and technically feasible and on the other hand will have the greatest impact in terms of improving the effectiveness and efficiency of the social protection system. The Social Protection Policy Options Tool – An Assessment-based Tool for National Dialogue on Policy Options (SPPOT-ABND) provides guidance for countries how to make the best choices in this regard.

**What is the value-added for governments and international agencies to apply this tool?** The combination of an assessment tool from a systemic perspective and a guidance for designing, costing, assessing and agreeing upon country specific policy options based on national dialogue processes mark the added value of this tool. Political decisions taken on the basis of national dialogue processes and informed by the best available evidence will be perceived as legitimate and their implementation can be expected to run more smoothly. This will contribute to the sustainability of the policies.

Where the assessment is carried out with the support of international development partners, an additional value added of the tool is the strengthening of national capacities in SP analysis. In the process of conducting the assessment, national counterparts receive explanation and training on the tool and the country-tailored tool is handed over to the national parties at the end of the process.

For international agencies, the findings and the dialogue process also provide an opportunity not only to draw lessons and provide sound technical support in other countries but to do so with one voice instead of multiple, often contradictory, messages.

**What are the objectives and the conceptual framework of this tool?** This tool aims to support governments to engage in evidence-based social protection policy formulation on the basis of identifying and assessing various alternative policy options. It starts with a rigorous assessment[[1]](#footnote-2) of shortcoming of the current SP system regarding i) coverage gaps regarding persons covered and adequacy of benefits ii) gaps in the legal and financing framework as well as implementation gaps regarding shortcomings in administration and delivery arrangements. On the basis of this analysis, various policy options to address the gaps identified can be formulated and their efficiency and effectiveness assessed looking at the i) costs ii) impact and iii) political economy[[2]](#footnote-3) of the different policy options identified. The assessment will also look into the extent to which social protection policy decision making processes are generally participatory and based on national dialogue. On this basis, the tool will build consensus among participating agencies on priority policy options through a national dialogue process. These will then feed into the national social protection strategy or policy or a roadmap for implementing an existing national social protection strategy.

The tool follows the agreed definition of social protection for all ISPA tools, as the set of policies and programs aimed at preventing or protecting all people against poverty, vulnerability, and social exclusion throughout their lifecycles, placing a particular emphasis on vulnerable groups. Social protection can be provided in cash or in-kind, through non-contributory schemes, providing universal, categorical, or poverty-targeted benefits such as social assistance, contributory schemes, commonly social insurance, and by building human capital, productive assets, and access to jobs.

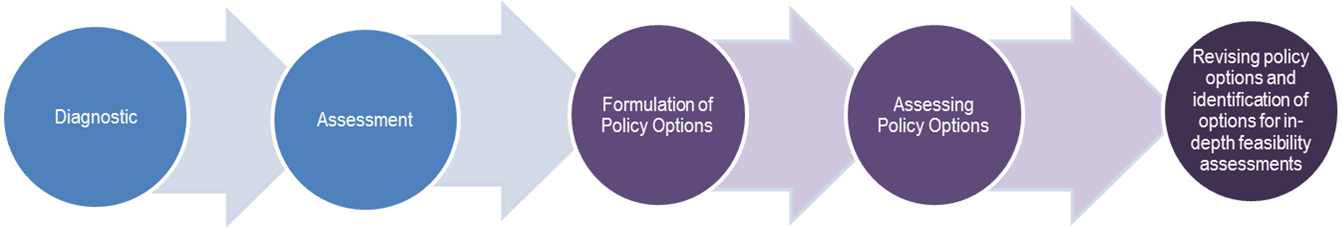
**What are SPPOT-ABND tool outcomes?** First and foremost the application of the SPPOT-ABND tool will identify policy options to address coverage and implementation gaps of the current SP system and assess their potential costs and impact. These assessments should be understood as indicative estimates of cost and impact that allow identifying the most promising reform options that should be analysed in-depth by carrying out detailed feasibility studies. Findings should thus be considered as an input into ongoing SP reform debates and national dialogue processes for more informed policy decisions.

**How will the SPPOT-ABND tool be applied and how does it relate to other ISPA tools?** The process is envisioned as a collaborative effort amongst country stakeholders and external partners (please see the accompanying “implementation guidelines”). It will be conducted on request by and under the leadership of one or more cooperating ministries or agencies of a country government and/or per recommendation of a development partner. The assessment should be performed jointly by national stakeholders and development partners. The final results will be arrived at after national dialogue with all relevant stakeholders.

Ideally, the tool should build on / follow the assessment of the social protection system using the Core Diagnostic Instrument (CODI) of the ISPA suite of tools. Only if strengths, weaknesses and gaps of the current system are identified can meaningful policy reform options be formulated. In the absence of a full CODI assessment, sufficient data should be collected to allow at least a completion of the social protection needs/gaps summary tables in section one of the SPPOT-ABND tool. It is the government’s decision and responsibility to follow-up on the findings of the assessment and take action to improve the performance of its SP system. Ideally, finding should then inform social protection policy documents such as social protection strategies, policies or roadmaps for implementation. Depending on assessment findings and policy options identified, it might be useful to subsequently apply other tools of the ISPA suite that focus on improving particular programme design or delivery aspects such as the identification of beneficiaries, the choice of the payment mechanism or the improvement of an existing pension or cash transfer programme.

**Step 2: Evidence based and participatory formulation of policy options**

**Step 1: Participatory assessment of the Social Protection System**



* Inventory of existing schemes
* Legal, financing, governance and policy making frameworks
* Reaching consensus on priority policy options and planning for next steps (e.g. inclusion of agreed priorities into national social protection strategies, policies, roadmaps, action plans etc.

Developing policy options e.g.

* Defining objectives and target groups
* Defining qualifying conditions
* Setting benefit parameters
* Improvement of delivery mechanisms
* Assessing against international principles and standards and national objectives
* Identification of social protection gaps and implementation problems/issues
* Estimating the costs of implementing the proposed policy options
* Analysing impact on government budget
* Simulating impact on poverty and inequality

Overall, what is aimed for in this tool is “due process” in both phases: the diagnostic and the policy formulation / decision making process, i.e. having the right people discussing the right issues in the optimal format. The process of consultation and collaboration between involved and interested partners and parties requires careful consideration of both the stakeholders involved, the agenda setting and settings for the collaboration and the sequence of steps. The sampling and order of interactions play a crucial role: priorities of stakeholders regarding which SP policy issue must be highlighted necessarily vary. Likewise, the judgement of what proved more successful among competing approaches – and what should be redesigned – heavily depends on who is having a look at the outcomes. So participation and its inner workings with respect to social protection requires a careful analysis of these dynamics right from the beginning.

Participation of stakeholders should be designed into the process and taken into account during

* The planning and design stage
* The implementation phase
* Data collection and Assessment
* Dissemination and discussion of results
* M&E and recommendations

The following chapters are therefore organized in three parts: first, establishment of an appropriate participatory mechanism to carry out the whole process; the second part of the tool is concerned with the diagnostic and assessment of the SP system. In this respect it heavily relies on collecting and analysing data and indicators and relates back to the Core Diagnostic Instrument. The final and key part of the tool discusses how to elaborate and assess the feasibility of policy options, in particular regarding their potential costs and poverty impact on the basis of the participatory processes and evidence discussed in parts 1 and 2.

Both the CODI What matters Note and the implementation guidelines for the ISPA tools provide information on establishing the right process, involving the right stakeholders and the complementary roles of in-country officials and development partners. This tool seeks to embed the diagnostics and policy recommendation parts into a precise participatory and process orientation and will therefore spell out in more detail the sequence of steps and formats that can be helpful for establishing interactive and cooperative processes.

*Structuring the Assessment Process and the National Dialogue of Reform Options*

The SPPOT-ABND is – like other ISPA tools – a participatory process. National authorities in charge of SP and the international development partners engaged in SP work together to create synergies and have optimal results. At the same time, there are joint efforts between government and non-government stakeholders in SP. Since these reform processes are ongoing and long-term, sectoral coordination mechanisms exist in many countries that support the government in reform issues. It is important for the SPPOT application to draw on these existing processes and structures (see section on entry-points below).

SPPOT follows joint implementation guidelines with other ISPA tools that shall ensure due process irrespective of country and/or application. Here some key elements are repeated from these guidelines in light of their importance for national dialogue processes that place particular emphasis on the set up and consultation process. Please see the ISPA Implementation Guide for further detail and clarification.

* National Lead Agency, Assessment Team, Focal Points and Steering Committee

As has been said above, the process needs a real mandate from a **national lead agency** in charge for SP reforms. Once the ministry in charge requests the lead ISPA agency to support an SP assessment, the government and DPs are informed about the assessment, the **assessment team (AT)** needs to be established. The AT should consist of SP experts and technical experts relevant for the programme or delivery aspect being assessed who are also familiar with the country context. The AT conducts the assessment at the technical level and reports to the steering level on results and progress. Also, **focal point(s)** from all partaking national agencies[[3]](#footnote-4) concerned or impacted by SP reforms need to be nominated by the government to serve as the general counterpart(s) for the application of the ISPA tool.

Where structures such as SP sector mechanisms or committees exist, these should be used or built upon as the starting point for establishing an in-country **Steering Committee**. The chair of the SC should be a minister or vice minister responsible for SP reforms. When several ministries are responsible for social protection, the chair of the SC should be at the higher level, e.g. the National Planning Commission, vice Prime Minister, Prime Minister or vice President. The participation of the Steering Committee will be required in different steps during the assessment.

* Steering Committee vis-a-vis Assessment Team

The main responsibilities of the SC include: i) representation of the government and advise the assessment process, ii) participation in key discussions and exchanges throughout the implementation, iii) guidance and feedback to the assessment team, iv) reviewing drafts of final report and produce recommendations to improve it v) presentation and discussion of policy options vis-à-vis government and high-level stakeholders and others as agreed at the onset of the assessment. All ISPA applications follow these procedures. Ideally, the members of the SC will remain the same throughout the implementation to ensure continuity and a fluid process. The AT i) collects and prepares data for in-country validation and interviews/focus groups ii) prepares the assessment, and iii) supports the assessment workshops and report production.

* Assessment Workshops, Options/Recommendations, and Country Report

Once the information required for the country report is collected, once the questionnaires are completed, and the information has been validated with the Steering Committee, the next step consists in the completion of the assessment matrix[[4]](#footnote-5). This matrix is organized (from weak to strong on a scale of 1 to 4) by the performance criteria. The assessment matrix can be filled either by the AT and/or through a series of multi-stakeholder workshops which will enable to build ownership on a more consensual assessment matrix and may make it easier to reach clarification in case of contradictions between different sources. After the assessment table has been completed, the preliminary results will be shared with the management and senior government officials from the government leading agency/agencies and the members of the Steering Committee in a dedicated face-to-face meeting. The objective of this meeting is to confirm the validity of the results and the accurate and objective interpretation of the available information.

Based on the initial diagnostic, different policy options should be developed through national dialogue involving relevant stakeholders. While participation in the assessment team should be limited to a number of experts that compile the data and carry out the initial analysis, the overall process should be broad and participatory, especially the consultations for the collection of information and data, the validation of findings and the elaboration of reform options. The main elements that are planned to be included in the country report also will be open for discussion. The process would culminate in a multi-stakeholder consultation, including government representatives, social partners, CSOs and others for review of preliminary results prior to the finalization and dissemination of the report. The process aims to build consensus on the social protection situation and policy reform options, and present a unified set of options to the Steering Committee. Revision and further consultation will be done as needed (e.g. if there is disagreement controversy on any of the findings).

* Timing

The discussion of social protection policy options between national and DP stakeholders can only be meaningful on the basis of a joint - or at least jointly owned – SP assessment (for example, but not exclusively CODI) that in turn requires a sound process that builds on existing structures and ongoing reform debates/efforts (for each step of data collection, consultations for technical inputs, consensus building around policy reforms etc.). Where strong structures exist and are well institutionalized and where data is readily available, the process will be completed much faster compared to a situation where the process needs to be newly established. The elements in ISPA tools processes (Assessment Team, Steering Committee, Focal Points) have been described above; the duration and composition of this multi-stakeholder process for each country vary depending on the situation in the country, the mandate for the process, among other factors. Experience of national dialogue processes previously facilitated and supported by ILO and development agencies has shown that developing joint national consensus around social protection policy options based on evidence can take up to two years of consultations, training and a series of multi stakeholder workshops. In a CODI self-assessment in Vietnam, the national team was accompanied over six months by an international expert group, and the scoring of the pre-filled assessment matrix was done with ministry officials in a two day workshop. However, this process did not include the formulation of policy reform options, their comparative analysis and discussion of cost and other implications.

1. Participatory policy making processes

To advance the objective of the extension of social protection for all necessitates effective national dialogue between policy makers, the public administration at both central and local levels, representatives of workers, employers, professional associations and other CSOs (e.g. representatives of women’s groups, informal workers, persons with disabilities, ethnic minorities, children, elderly etc.), academia, representatives of recipients, development agencies and other relevant stakeholders.[[5]](#footnote-6) This is important not just because it is widely recognized that members of society should be able to participate in the processes that produce binding decisions on their lives. Furthermore, political decisions taken as a result of participatory national dialogue processes are based on a better understanding of the situation and they benefit from a broader buy in from national stakeholders thus resulting in more successful policies and implementation.[[6]](#footnote-7) National dialogue can enable national consensus on long term commitments regarding social protection objectives, outcomes and outputs.

Participatory policy making involves broad participation in decision making regarding the design, implementation and monitoring of social protection policies and reforms. By seeking feedback from representatives of persons covered and local government agencies, policy makers better understand and predict the impact of the benefits provided, and develop social protection schemes in line with the needs and rights of those intended to receive the benefits and services.

In sum, the assessment will observe whether structures to facilitate transparent and participatory national dialogue processes exist throughout the stages of the policy cycle[[7]](#footnote-8) including:

1. Agenda setting and strategic decisions on the overall SP system
2. Policy and benefit design (including establishing and reviewing of benefit levels and service criteria)
3. Translating policies into law,
4. Governance (financial, administrative)
5. Monitoring and Evaluation.

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**Box: The formulation of the 2015 National Social Security Strategy in Bangladesh**

The example of the formulation of the National Social Security Strategy in Bangladesh illustrates the importance of participatory processes: The Cabinet formed an Inter-Ministerial Committee chaired by the Cabinet Secretary to oversee drafting of the Strategy, with the General Economics Division of the Planning Commission acting as the secretariat. A framework paper outlining critical knowledge gaps and key issues to address in the Strategy was prepared and served as the foundation for its formulation. International experience sharing, seminars and training courses have brought about enhanced social protection knowledge in ministries. Ten background research papers were produced to help inform the Strategy. A series of consultations took place to ensure engagement of all stakeholders. Three thematic consultations were organized to finalize the background research papers. Four regional consultations were arranged with local stakeholders invited to share views and experiences from the field. Two national consultations were held with the support of the Government: one with think tanks, CSOs, the private sector, media and other stakeholders; and another one with Ministers and Government officials from the various ministries and divisions currently engaged in social safety net programmes. These consultations were conducive to ensure participation of different stakeholders and to reach consensus about the principles and framework of the Strategy.

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* 1. Stakeholder analysis

For a credible dialogue process, it is important to seek broad participation of all stakeholders who are affected by the social protection strategies/policies under discussion. This requires identifying actors that represent those who are affected by the specific measure/policy. This stakeholder mapping in itself is formative since it will clarify the roles and responsibilities of all actors, how they relate to each other and enhance understanding each other better.

In the stakeholder analysis, special efforts should be made to ensure the participation of vulnerable and marginalised groups concerned, directly or through their representatives, since they are often the first group addressed in the social protection strategies and policies. Criteria that can be applied for identifying stakeholder representatives include

* their legitimacy/credibility; competence and local knowledge of social protection needs and issues;
* institutional capacity;
* representation of otherwise marginalized communities or groups;
* membership-based organizations that are most representative of constituencies with regard to economic and social issues;
* accountability to the community or group being represented;
* gender, ethnic, disability, religious and generational balance; and location in urban, rural or remote areas.

In many countries, social protection sector groups, economic and social councils or other institutionalized coordination mechanisms, that bring together most or all relevant stakeholders, already exist. A careful analysis of existing structures and how to utilize and/or build on them is important to avoid a duplication of efforts and to ensure legitimacy and ultimately to have ownership of the process.

In this stakeholder analysis, it is important not only to identify the agencies or actors but also to carefully consider, which hierarchical level staff or representatives will be invited. Experience shows that sometimes, e.g. central level personal lack information from different programs in their own ministries. Front line officers are exposed to the diversity of programs and are often a richer source of information since they have a better understanding of the practical deficits /gaps in implementation. At the same time, they may have information only of particular circumstances but lack the overall bigger picture.

Attention has to be paid to the balance of power between stakeholders invited to the process. For example, in-depth knowledge and wealth of information of academic experts can enrich the process but at the same time, there is a risk that knowledgeable, vocal and eloquent experts take over the discussion at the cost of marginalizing other stakeholders.

* 1. Stakeholder capacities, information and effective participation

Participation has to be meaningful. Stakeholders should not only be invited and included in the consultations, but should have the opportunity to actively voice their opinion. It is therefore important to invest in the analytical and technical capacities of stakeholder representatives. The approach to participation also matters. There is a wide range of participation methodologies including bilateral meetings, participatory workshops at the national and local levels including world cafes, focus group discussions with beneficiaries and social workers, consensus conferences, online discussion fora etc.. There needs to be a careful reflection and agreement on the most suitable participation methods and ways to engage with stakeholders in line with local culture and social context but in a way that allows for transparency and authenticity of conversations. For example, it may often be better to organize one to one talks or small focus groups rather than engagement with large groups/communities where aspects of intra community exclusion and discrimination do not appear/emerge. Local engagements with whole communities – groups of over 100 people – risk to hide dissenting voices or voices of disadvantaged groups. Other barriers to effective participation that need to be addressed include but are not limited to geographic, social status, language barriers as well as accessibility of built enviroment and of information and communication needs so as to enable the meaningful participation of persons with disabilities. Genuine participation promotes a sense of ownership and trust as well as helping to ensure that schemes answer the needs of people.

In addition to involving persons who receive benefits and services, it is important that local government and civil society representatives participate in the identification of social protection gaps or implementation issues. - After all they are mostly going to implement these policies. - Experience has shown that support for programmes is strongest where the buy-in from the middle class could be ensured. A stakeholder analysis of the national dialogue processes can help identify possible lines of conflict, powerful interest groups, veto players, groups with potential for policy capture, as well as population groups not well represented in the policy process.

In addition, to ensure effective and broad participation, it is also necessary to have accessible and comprehensive information made available to all stakeholders throughout the process in a timely manner. At the very beginning, all the participating agencies should be made aware of the conduct of such a process, preferably through a formal communication from the lead agencies.

Participation not only enables sound policy design based on evidence and creates transparency regarding the process of designing of the SP strategy/policy but also helps to build trust and social consensus as well as mobilizing durable commitments across all relevant actors and stakeholders. In this regard, it is important to assess the level and accessibility (e.g. to minority language groups and person with disabilities) to all the up-to-date information on the dialogue process and in particular, background information on a) the social protection system, b) the SP strategy/policy design process, and on the consultation process including c) how to participate and d) how to provide feedback and raise concerns.

**Box: Information-sharing for the Assessment-based national dialogue process through a dedicated online workspace in the Kyrgyz Republic**

One way to ensure regular and constant sharing of information is to set up an online workspace. This was done for the national dialogue process on social protection in the Kyrgyz Republic.[[8]](#footnote-9) The workspace contains the following information

* the objective and description of the process;
* list of consultations, meetings and workshops held so far and planned;
* the technical content produced;
* list of stakeholders involved.

Further, notifications of new technical content and invitations to upcoming dialogue workshops is sent by the designated lead agency to an email group.

The workspace is a fast and low-cost means of communication with all stakeholders that allows providing comprehensive information in a very user-friendly and accessible format.

* 1. Institutionalization of participatory processes

National dialogue processes are most effective, if they use and reinforce existing dialogue structures to the extent possible. Ideally, these processes are institutionalized through legal provisions such as a government order or decree to mandate the process and bodies. However, strong participatory institutions can also arise out of routines, custom and practice without legal anchoring. Participation on the basis of institutionalized structures ensure participants have a voice and that there is possibility of an open discussion and genuine expression of opinion. Routine structures for organizing stakeholder inputs also increases the efficiency of participatory processes compared to ad hoc arrangements. Institutional arrangements can take many forms such as economic and social councils, citizen’s panels and advisory committees of interest group representatives, tripartite commissions, joint working groups, citizen juries etc.. The assessment team will analyse existing structures to identify suitable entry points to implement the assessment and to involve all relevant dialogue groups.

The assessment will therefore look into:

1. whether there are specific government agencies or bodies responsible for developing and coordinating SP policy making;
2. the extent to which processes are institutionalized (in law or practice) to consult with:
   * 1. relevant ministries,
     2. the different administrative bodies at all levels (local, regional, national)
     3. other relevant public bodies
     4. other relevant stakeholders (including social partners, NGO’s, academia, private sector, international partners etc.);
3. the transparency and credibility of the institutionalized process and the extent to which there is commitment from government side to take the results of consultations into account
4. the level of resources available for the national dialogue processes.
   1. Entry points for advisory services from development partners and strengthening country technical and institutional capacities

Any SP reform requires country system capacities for its implementation, both regarding technical expertise (or content) and institutional structures/processes - adequate cooperation models among all actors involved. Interventions combining both content (technical solutions) and process (planning, implementation and accountability structures) on the basis of good analysis lead to sound SP policy reform recommendations. It is therefore important to strengthen capacities regarding both content and process through a collaborative effort between development partners, country officials and sector specialists. ISPA tools are based on the experience of various agencies and bring together the comparative advantages of all involved and aim to strengthen national capacities in their application process. Where the assessments are carried out with the support of international development partners, national counterparts receive explanation and training on the tool and the country-tailored tool is handed over to the national parties at the end of the process. Upon request, international partners can also help with institutionalizing the tool by aligning/integrating is into existing research and monitoring frameworks on social protection performance.

Capacity building efforts should bear in mind findings from comparable multiagency co-operations emphasizing three conditions to be met for a successful intervention (C. Argyris):

*- creating added informational value,*   
*- increasing policy options for the recipient system,   
- enhancing internal commitment.*

In addition, Country implementation systems are often overstretched at the implementation of new reforms. Thus, there needs to be consideration of administrative costs and structures for adequately overseeing and implementing social protection interventions. If requested, development partners will give joint and coordinated advise through the framework of ISPA tools to enable the recipient government to better decide on and implement the necessary SP reforms. The box below summarizes some important principles to keep in mind for such policy reform advisory process and related capacity building to be successful.

* *SP relevance and recipient government commitment:* only those SP reforms that are prioritized by the country should be supported by joint development partner efforts. Some reforms identified are more pertinent and likely to muster the necessary internal commitment than others. If reforms are assessed because development partners favor them, the reform is unlikely to be implemented. This of course requires an open mind regarding the choice and design of interventions that would be considered.
* *Matching of reform agendas and resources*: realistic SP reform proposals would have to be backed up by real commitment. If the government is overstretching the reform agenda beyond the resources that can realistically be committed, the reform will necessarily be under-resourced or even conflicting with other priorities or strategies. That is why the SPPOT-ABND analysis includes a section on cost estimates.
* *Good SP intervention design, planning/resourcing and process facilitation by reliable development partners*: donors are an important stakeholder group since they often support the financing of reforms or provide technical assistance to conduct reforms and have committed to ongoing capacity building support on the side of their client governments. This requires well-designed and executed interventions and assumes joint responsibility and process facilitation over time (including planning for the long-term sustainability of the social protection provisions once the donor financing is phased out).
* *Successful combination of technical expertise and process support*: for SP policy decisions and their implementation to be more effective, inclusiveness and participation can increase knowledge and commitment. Only if all relevant perspectives are considered can the best decisions be taken. Experience in policy advice has shown over and again that both content and process need to be taken into due account, they cross-fertilize each other
* *Strengthening country systems capacity:* Effective and reliable country SP systems -budgetary, planning, management, delivery – are a prerequisite for success and must be upgraded where capacities are insufficient. This strongly points to the need of continuous development of the personal, organizational and systemic capacities of a country to manage SP reforms. It is here that capacity strengthening becomes a high priority and precondition – and therefore an important quality to assess for SP reform. Accompanying the decision-making through advise and support on the process is only the starting point. It is equally important to ensure building capacities for sound administration and delivery to implement the decision.

**Entry Points for supporting ongoing or planned SP reforms: System, program or delivery level**

ISPA tools are best used by governments for a self-assessment or where the recipient government and its partnering stakeholders request development partner expertise and active involvement for the assessment of reform options in a given situation. Each ISPA application will take place in a specific country context (see some examples below) and experience shows that a careful analysis of ongoing reform efforts, suitable entry points and clear definition of expected outputs at the outset is a necessary conditional for achieving meaningful results. This analysis should at least cover the following points:

* Are there ongoing SP reforms/assessments planned/underway?
* Is there an inter-ministerial/cross-sectoral coordination body for social protection policies or related policy areas that could be built on for the ISPA application (e.g. social protection sector groups, poverty working groups etc.)?
* Are there standardized / institutionalized national processes for consultations / participatory policy making?
* Is the central government agency intending to implement the ISPA tool / requesting support (e.g. social ministry) for the application willing and able to coordinate with other relevant stakeholders (government and the wider community)?
* What is the leverage of the agency implementing the ISPA tool in the national policy making process? Can expectations about outcomes be harmonized, a strong government mandate secured and the subsequent handling of the recommendations agreed upon?
* Are analytical capacities sufficient and country systems capable to participate/lead the assessment, supported by international agency SP experts?
* Is there a lead agency among the DPs that is in a position to support the process over time and help organize coordination efforts on the side of the DPs?
* Can funding of the assessment over the necessary period be guaranteed (both on supporting agency side and the budget)?

Must one or several of the above questions be answered with “No” the assessment might result in partly suboptimal outcomes or need a longer preparatory phase (e.g. to set up a coordination body if there is none or to agree on consultation processes if there are no such processes in place).

Examples of entry-point in ISPA tool applications:

The government of *Vietnam* sought interagency support while reviewing the entire SP sector with special focus on the social assistance pillar after introducing a wholly new SP pillar structure and setting up the legal prerequisites for the social insurance reform: on a political level (in the respective parliamentary committees and party organs across different government levels) it was increasingly called into question if the multitude of longstanding poverty alleviation programs were being conducted to the best of results in an effective manner. While still applying system-level tools (CODI), the effort focussed on a comparative program level analysis of two alternative strings of programs constituting a major part of the social assistance strategy. CODI was applied as a self-assessment carried out by a research institution linked to the social ministry that was supported over six months by a development partner group led by GIZ and ILO. The procedure combined the design of qualitative studies with more quantitative data processing for filling the questionnaire in an adapted manner. In this process, valuable experience was generated and documented, regarding the applicability and preconditions for such a process-oriented application of ISPA tools.

In *Tanzania*, the government and its partners in the private sector are considering a new mix of social payment delivery methods, better integrating E-money and mobile transfers together with the existing direct payment through Tanzania Social Action Fund (TASAF) staff. In this case, the social protection payment tool, focussing on a program delivery aspect of a SP program, was applied. The assessment team used a specifically adapted questionnaire and assessment matrix, tailor-made and pre-agreed with the partners for the occasion. The interagency support team, led by the World Bank and ILO, accompanied TASAF staff directly sharing experiences with the recipients by way of focus group discussions and direct observation.

The example of Tanzania shows how one ISPA tool can be an entry point for detecting other areas where further analysis of strengths and weaknesses is needed. The Productive Social Safety Net (PSSN) Programme under TASAF, which aims to increase income security and opportunities while improving consumption of poor households, has incorporated a public works component in eight districts to allow households to earn additional income to meet their basic needs during the lean agricultural season. Subsequent to the payment tool application, a request has been made by TASAF to carry out the ISPA PWP assessment with the aim to be able to provide inputs to the scaling up of these programmes in 44 districts in the coming year. The interagency support team, led by the ILO, is currently in the process of organizing this assessment with TASAF.

**BOX: National Dialogue – The ABND Example of the Philippines**

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| * In 2014, the Department of Labor and Employment of the Philippines requested assistance from the ILO to conduct an Assessment-based National Dialogue (ABND) process, with the objective of assessing the social protection system in the country and providing joint recommendations to implement its Social Protection Operational Framework and Strategy. The ABND analyses the social protection programmes and their challenges and develops consensual recommendations, through a process of national dialogue. * The government demonstrated its commitment to drive the national dialogue by setting up a Core (Working) Group to conduct the ABND process, through a Department Order. The Core Group was chaired by two ministries and comprised of line ministries, national social security agencies, employer and worker organizations, and development partners. It conducted the technical assessment and debated and agreed upon joint recommendations to the government. Further, the Core Group made regular presentations on the progress of the ABND to the high-level Human Development and Poverty Reduction Cabinet meetings and ministers. * The process started with desk-based research and bilateral technical consultations to assess the national social protection system. This assessment, including recommendations, was discussed and endorsed at Core Group workshops, regional workshops and national high-level meetings, in chronological order.[[9]](#footnote-10) Following this, the Core Group was provided training on costing and the cost of implementing the recommendations over the next 12 years was estimated. The results of the assessment and costing processes was compiled into a report and presented to the government. * Including the perspectives of all relevant stakeholders in the process helped to develop precise recommendations on policy design and implementation issues. Consultations with and feedback from civil society groups (CSOs) and non-governmental organisations (NGOs) produced valuable information and insights and ensured a structure of the process that was well organized and transparent. * Once the ABND process has been completed,[[10]](#footnote-11) it is expected that further work is required to advocate for the recommendations, with the objective of implementing the national Social Protection Operational Framework and Strategy and/or reforming the system.   Source ILO Philippines |

* 1. Enabling environment

Finally, a series of conditions in the overall country context need to be met for successful national dialogue and meaningful participation in social protection policy reforms. Where these do not exist, efforts should be undertaken to foster these in parallel to undertaking the reform process. These include:

1. An enabling environment for national dialogue processes such as the freedom of association and public expression;
2. The willingness of all parties to engage in constructive national dialogue which presupposes a certain level of respect and trust in each other despite potentially divergent or conflicting views and goals as well as a certain level of patience for the processes;
3. The effective participation of marginalized or vulnerable groups (e.g. through quotas, adapting participatory channels to special needs, ensuring physical and informational accessibility to disabled persons and other vulnerable groups etc.).
4. A champion institution committed to drive and facilitate the process during 18 months at least.
5. An enabling macroeconomic environment accommodating reforms for an extension of social protection (for a bona fide discussion on fiscal space between state and non-state stakeholders)

It is left to the assessment team to decide on the extent to which these factors should be included or not in the analysis. If there is no full commitment from all parties, more limited forms of dialogue such as by merely exchanging information and informal contact may be a stepping stone for building confidence.

While there are advantages in national dialogue processes regarding the quality and legitimacy of the resulting policy proposal, enhanced commitment to the results and sustainability of the policies developed etc., there are also certain risks which can be avoided through careful design of the national dialogue processes.

Risks include:

1. the cooptation of the participation process by more powerful and articulate stakeholders to the disadvantage of less vocal or structured groups,
2. absence of or lack of clarity in the goals of the process may lead to unsatisfactory results
3. the creation of unrealistic expectations,
4. the aggravation of conflicts,
5. the absence of ownership if the participatory process is not a response to a local demand but imposed from outside
6. delays and participation fatigue.

The SPPOT-ABND assessment will analyze the extent to which measures have been undertaken to prevent the materialization of such risks. In this context different situations require adapted assessment approaches according to country preparedness: fragile states or very recent national entities (e.g. after prolonged violent conflict) do not have any institutionalized consultation processes, nor possess the system to collect the necessary data. Because these situations often require immediate and effective support, it is here that development partner coordination and support are most valuable. ISPA tools are therefore built and meant to accommodate a wide array of applications and preconditions: both the underlying questionnaire and assessment tables (and process) can and must be adapted to the precise conditions in the respective situation.

1. Social Protection needs/gaps assessment

The international human right instruments, international labour standards, and regional and national normative frameworks reflect a wide consensus that social protection mechanisms are necessary to ensure that everyone can lead a life in dignity. This means ensuring that a certain level of social protection against all life cycle risks and needs is accessible to all. All countries have put some measures in place to provide such protection for their population. This section assesses the extent to which the national social protection system is enabling people to realize their right to social protection by analysing:

1. the share of the population protected against certain risks and coverage gaps;
2. the adequacy of the level of protection
3. whether implementation gaps exist regarding the financing, administration and delivery of benefits and
4. the extent to which the social protection system and related schemes are anchored in law.

This analysis is carried out against the background of a country context overview that discusses the general development context, labor market and poverty profile, social, economic, cultural and political factors (table below). The results regarding coverage and adequacy of SP providions are captured in assessment overview tables presented at the end of each section.[[11]](#footnote-12) Apart from the quantitative information in the tables, filling in these tables requires a judgment call regarding whether the arrangements in place are suitable, appropriate and adequate to fulfill the criteria or principle under consideration. While the methodology aims to facilitate an objective assessment, this kind of qualitative assessment is inherently somewhat subjective. Subjectivity is however minimized on the one hand, by completing the table on the basis of evidence, information and data collected through the questionnaire, and on the other hand, ensuring that the tables are filled in:

* through a series of stakeholder workshops that include social protection experts, persons involved in the administration of SP schemes and the system as a whole and representatives of persons benefiting from different schemes. The right mix of participants in these assessment workshops and discussion between them will ensure checks and balances to and avoid a subjective completion of the tables – if all participants can participate with an equal say and express their opinion freely. Further, open debate and reaching consensus on the gaps can go a long way in accurately representing the national situation in the assessment overview tables
* alternatively, the same mix of stakeholders could fill in the tables individually and submit them in writing. Discrepancies in the assessment of different aspects will indicate areas, where further research and analysis is needed
* the tables could also be filled in by independent experts with in-depth knowledge of the SP system and its operation, e.g. academics or researchers, experts from international agencies present in the country based on interviews with national experts etc.

In any case, the column for comments/justification should be used to justify the answer given and provide additional, more nuanced information as needed.

Table xxx: Country at a Glance: Economic, Demographic, Labor Market, and Social Indicators

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Indicators** | **Most recent year (Y)** | **Y-1** | **Y-2** | **Y-3** | **Y-4** | |
| **Economic indicators** |  |  |  |  |  | |
| GDP per capita in current $ |  |  |  |  |  | |
| GDP per capita in PPP$ |  |  |  |  |  | |
| CPI index |  |  |  |  |  | |
| National average wage |  |  |  |  |  | |
| Average wage in the private sector in general or key economic sectors (estimate) |  |  |  |  |  | |
| Average wage in the public sector (estimate) |  |  |  |  |  | |
| Minimum wage (differentiate by sector if necessary) |  |  |  |  |  | |
| **Demographic indicators** |  |  |  |  |  | |
| Total male Population |  |  |  |  |  | |
| Total female Population |  |  |  |  |  | |
| Demographic distribution of the population (by age groups and sex, for example 0-14, 15-24, 25-64, 65+) |  |  |  |  |  | |
| Dependency rate (old age, youth, combined) |  |  |  |  |  | |
| Fertility rates |  |  |  |  |  | |
| Life expectancy (at birth, remaining life expectancy at age 40, 60, and 65, by sex) |  |  |  |  |  | |
| Infant Mortality rate |  |  |  |  |  | |
| Maternal Mortality rate |  |  |  |  |  | |
| Net migration rate (Net migration/Total population) |  |  |  |  |  | |
| **Labor market indicators** |  |  |  |  |  | |
| Share of 15-64, 65+, 15+ population by primary activity (by sex, urban/rural, age group) |  |  |  |  |  | |
| Employed |  |  |  |  |  | |
| Unemployed |  |  |  |  |  | |
| Underemployed (if available) |  |  |  |  |  | |
| Inactive |  |  |  |  |  | |
| Share of employment by status (by sex, urban, groups of age (15-24, 25-64 and 65+)) |  |  |  |  |  | |
| Wage workers in formal employment |  |  |  |  |  | |
| Wage employees in informal employment |  |  |  |  |  | |
| Self-employed registered (formal) |  |  |  |  |  | |
| Self-employed non registered (informal) |  |  |  |  |  | |
| Self-employed without employees (own account workers) |  |  |  |  |  | |
| Unpaid family worker |  |  |  |  |  | |
| Domestic workers |  |  |  |  |  | |
| Workers in agriculture |  |  |  |  |  | |
| Workers in other specific sector |  |  |  |  |  | |
| Share of employment by sector (by sex, urban/rural, age group) |  |  |  |  |  | |
| Manufacturing/Industry |  |  |  |  |  | |
| Service |  |  |  |  |  | |
|  |  |  |  |  |  | |
| Labor productivity (annual variation, in %) if available |  |  |  |  |  | |
| **Social indicators** |  |  |  |  |  | |
| Poverty headcount according to national poverty line(s) and international definitions (by rural/urban, age group, sex, and household type) |  |  |  |  |  | |
| National poverty line(s) (by rural/urban if applicable) |  |  |  |  |  | |
| Poverty gap (by rural/urban, age group, sex, and household type) |  |  |  |  |  | |
| Income inequality (Gini coefficient, P80/P20) |  |  |  |  |  | |
| Primary Enrollment rate (by sex) |  |  |  |  |  | |
| Primary school completion rates (by sex) |  |  |  |  |  | |
| Secondary school enrollment rate (by sex) |  |  |  |  |  | |
| Secondary school completion rates (by sex) |  |  |  |  |  | |
| Food security/malnourishing (FAO TBC) |  |  |  |  |  | |
| Human development index |  |  |  |  |  | |
| Total public expenditure (% of GDP) |  |  |  |  | |  |
| Education |  |  |  |  | |  |
| Health |  |  |  |  | |  |
| Social protection |  |  |  |  |  | |
| Total government revenue |  |  |  |  |  | |
| Government revenue from domestic sources |  |  |  |  |  | |
| Government revenue from external sources |  |  |  |  |  | |
| Total health expenditure |  |  |  |  |  | |
| Number of health staff (physicians and nurses) per 10.000 population |  |  |  |  |  | |
| Number of health staff (disaggregated by region/province and rural/urban) |  |  |  |  |  | |
| General Government expenditure on health |  |  |  |  | |  |
| Private expenditure on health |  |  |  |  | |  |
| Private health expenditure paid out of pocket (OOP) |  |  |  |  | |  |

* 1. Social protection needs/gaps assessment – population coverage

Extent and scope of coverage

Since data regarding who is covered against which risks is program/scheme specific, a program/scheme inventory capturing the functions, objectives, target groups, and coverage is carried out as part of the analysis.

The data collected will then allow an assessment of:

1. scope of coverage i.e. the number of social security areas (branches)[[12]](#footnote-13) to which different population groups have access and
2. extent of coverage i.e. the share of persons legally or effectively covered within the whole population or the target group of different social protection measures.

Where related information is available these should be disaggregated by age, sex, disability, income level and other characteristics that are relevant in a given national context (e.g. ethnic or religious groups, geographical areas etc.).

Legal and effective coverage

Assessing coverage and determining whether national policy objectives seek to provide coverage to the entire population over time requires an analysis of what is laid down in the national legislation about social protection in the case of different life risks and needs. In addition, the assessment also has to look at effective coverage, or the extent to which persons are actually covered. In other words, are legal provisions implemented in practice and do schemes provide protection in practice albeit not prescribed by law.

The assessment will therefore distinguish between:

1. **legal (statutory) coverage**, i.e. groups covered by statutory schemes for a given social protection function/branch in national legislation
2. **effective coverage**, i.e. the proportion of persons covered within the whole population or target group by social security measures in each specific function both in terms of
   1. **protected persons/households**, i.e. the number of persons who have benefits guaranteed but are not necessarily currently receiving them (e.g. in contributory schemes those actually contributing/affiliated); and
   2. **actual beneficiaries**, i.e. the proportion of the population affected by a certain contingency who actually receive the respective benefit

Progressive realization of the right to social protection through national social protection strategies

While social protection is widely recognized as a human right, it is a reality only for a minority of people. The UN human rights framework requires that States should take the necessary steps to ensure the progressive realisation of the right to social protection in line with the level of economic and social development of the State and available financial resources[[13]](#footnote-14). Progressive realisation should therefore guide the attainment of universality of protection, both as regards the population entitled to social protection and coverage (extent of coverage) as regards the branches of social protection to which the population has access during the course of their lives (scope of coverage)[[14]](#footnote-15).

Therefore, where universal coverage is not a reality, national strategies and policies should establish realistic, well-defined and clear milestones and timeframes for the progressive achievement of protection of the entire population.[[15]](#footnote-16) The Government should further assess, secure and provide the necessary financing for this extension of social protection. The assessment will therefore observe 1) the state of coverage with regards to the principle of universality and against the related national objectives 2) past changes in coverage over time (both in terms of persons and functions covered).

A particular challenge regarding coverage lies in the coverage of people whose livelihoods depend on informal economy activities, which constitute the vast majority in many countries. Women and children are often particularly disadvantaged as social protection systems in many countries do not grant them individual rights to social protection but they are treated as 'dependants' of the male 'heads of households'. Women also make up a disproportional share of both informal economy workers and workers on very low salaries. The assessment and framing of policy options should give particular consideration to these aspects.

* 1. Social protection needs/gaps assessment – adequacy of entitlements

International instruments formulate a “decent standard of living” as the general reference for assessing the adequacy of the level of the entitlements but recognize that the definition of benefit levels is a national prerogative. What is “adequate” will vary across countries on the basis of economic and social factors such as the cost of living, access to complementary social transfers, labor market dynamics and different special needs and may further differ within a country in accordance with regional specificities and cultural values of different societies. At a minimum, benefit levels should take into account the cost of ensuring effective access to essential goods and services, defined as necessary at the national level. The setting of levels of cash benefits should take into consideration the access to adequate goods and services provided in kind. Taken together, cash and in kind benefits should secure protection against poverty, vulnerability and social exclusion and enable a decent standard of living. For financial sustainability of the social protection system, it is important that people with contributory capacities are participating in contributory schemes (regardless of their employment status). At the same time, it is important to emphasize the importance of non-contributory schemes for those without contributory capacities (children, elderly, persons with severe disabilities etc.).

The following section discusses the adequacy of cash or near cash benefits. Public employment programmes and the adequacy of public works as a cash transfer mechanism will also be discussed as a policy option for the active age group. The adequacy of goods and services, including assessing access to health care will be discussed after presenting the overview tables for coverage and benefit level assessments. When assessing the adequacy of entitlements, it is not only the level of the benefit matters. It is also important that the delivery cycle meets the needs of the recipients and that the delivery is reliable to ensure predictability of benefits. Irregular and lumpy delivery makes it difficult for households to plan, smooth their consumption or make investments.

* + 1. Adequacy of entitlements – cash or near cash benefits

International legal frameworks offer reference values to measure the level of the benefits granted regarding in particular access to essential health care and income security. At the same time, adequacy also depends on cultural perceptions of what is adequate in a given national context. The assessment will therefore

* Evaluate the level of the benefits of different schemes and programmes against international standards, depending on the social protection function they address (and compared to international poverty thresholds)
* Evaluate the levels of benefits in the national context and on the basis of national objectives (in relation to national poverty lines/extreme poverty lines or national minimum/average wages).

Determining adequacy with regards to basic income security

To quantify adequate minimum benefit levels, R202[[16]](#footnote-17) suggests a non-exhaustive list of possible measures of adequacy including the *monetary value of a set of necessary goods and services*, national poverty lines and income thresholds for social assistance[[17]](#footnote-18). When provided for children, benefits should be fixed at a level that is sufficient to ensure access to nutrition, education, care and other necessary goods and services[[18]](#footnote-19).

With regards to entitlements that are provided on a long-term basis, levels should be adequate when they are set but should also be protected against the erosion of their purchasing power. As such, provisions should be in place, in law and in practice, which secures the periodic adjustment of benefits with changes in living costs.

*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

*BOX: Adjusting the benefit levels of the Livelihood Empowerment Against Poverty (LEAP) Programme in Ghana*

The LEAP programme is a national conditional cash transfer programme paid to poor households with vulnerable or orphaned children, severely disabled or elderly household members. Conditionalities are related to registration with the health insurance system, taking up child-related health services, school attendance and abstaining from child labour and child trafficking. The programme was launched in 2008 and has since attracted considerable interest, being supported by the World Bank, DFID, UNICEF and USAID. The main objectives of the programme include the reduction of extreme poverty, improvement of access to goods and services (in particular food, health and education services) and a related improvement of health and nutrition outcomes as well as improvement of income generating activities. The government, in collaboration with donors carried out baseline and impact evaluation studies in 2011 and 2014. The initial analysis showed that the value of the transfer (8-15 GHC per month per household), amounting to only 7% of mean per capita expenditure was too low to achieve the objectives and have an impact on behavioural change or poverty reduction. The evaluation reports further showed that despite some challenges in ensuring payments were made more regularly and the targeting method simplified and more accurate, LEAP has a great potential to have a strong impact if benefit amounts were more meaningful. As a result of these findings, the benefit amount was tripled and it was decided to adjust them annually to inflation.

In addition to absolute levels of adequacy (in the sense of allowing a minimum necessary level of consumption), the distributional impact of social protection entitlements and their ability to reduce inequality is a key concern in the discussion regarding the adequacy of benefit levels. The assessment should therefore take into consideration distributional and inequality implications of different programmes, for example by comparing inequality before and after transfers or by analysing benefit incidence (the share of the population receiving benefits from a programme in each income quintile or decile).[[19]](#footnote-20) Another important aspect to keep in mind for the analysis of distributional impact is the question of taxation as the level of taxation can either contribute to reducing inequality or have a regressive impact.[[20]](#footnote-21)

Duration of the benefit

Adequacy of a benefit or services refers not only to the level or quality but to the duration during which it is granted. Benefits should be granted for as long as is reasonably necessary according to national circumstances and the specific needs and purposes the benefits serve. This differs for each benefit and service provided depending on the purpose (i.e. addressing the lack of work-related income, the lack of access to health care, general poverty and social exclusion). Sometimes, programmes articulate undue expectations regarding the capacity of recipient households to “graduate” out of poverty within a short time period, often coinciding with the project cycle. Instead, benefits should be granted over the time period of a contingency: The duration of granting the benefit should not be so short that its purpose is not fulfilled nor so long that the objective of the programme is surpassed. Benefits could be designed so as to allow those that are physically-abled and of active age to periodically engage in public works programmes which could be beneficially to building community assets or access to needed basic services. International principles and standards provide detailed benchmarks to assess the adequacy of the duration of schemes by different social protection functions (see Annex XX).

Overview table of population coverage and adequacy of benefit levels along the life cycle

Over a period of at least the past five years and for each contingency, the assessment will draw on the inventory table to aggregate for a given social protection function (branch) or guarantee[[21]](#footnote-22) across all relevant schemes and programmes:

**A. Extent of coverage**

1. Legal coverage, i.e. the population covered according to the national legislation,
2. Effective coverage regarding persons protected – effective coverage of the population[[22]](#footnote-23), i.e. those who would be entitled to receive benefits in case of a specific contingency, but are not necessarily currently receiving benefits, e.g. workers who are guaranteed a pension upon reaching retirement.
3. Effective coverage regarding: Actual beneficiaries – i.e. persons who receive social protection benefits

**B. Adequacy of coverage**

1. Level and adequacy of benefits i.e. benefit formulas or benefit amounts specified in the legislation per programme or scheme and aggregate benefits per function.
2. Effective level of benefits – the level of protection actually provided i.e. the level of the benefit actually received by beneficiaries according to administrative records and/or survey data per programme or scheme and aggregate benefits per function

In a second step, socio-economic and socio-demographic data extracted from the “Key national indicators table” (included in the questionnaire) will be used to calculate, for the past five years for each contingency the following:

1. In the case of children: [[23]](#footnote-24)
2. The legal extent of coverage ratio- i.e. the proportion of children covered according to the legislation compared to the total population in that age group - Question: what percentage of children is entitled to benefits or services?
3. The beneficiary extent of coverage ratio – i.e. the share of children receiving benefits -
4. Adequacy of the level of child benefit – i.e the legal and effective level (according to administrative records) of the benefit compared to a relevant benchmark (national poverty line, minimum level set by international social security standards etc.). In case of variable (i.e. not flat) benefit levels: inadequacy incidence ratio (share of beneficiaries receiving benefits at a level below the benchmark); inadequacy gap (average of the gap between the benefit received and the benchmark).
5. In case of active age groups
6. Legal extent of coverage ratio - i.e. for each of the following social protection functions (employment injury, sickness, disability, maternity, unemployment and survivors), the proportion of the population covered according to the legislation as a proportion of the population affected by the contingency[[24]](#footnote-25)
7. Protected persons extent of coverage ratio - i.e. for each of the following social security areas (employment injury, sickness, disability, maternity, unemployment and survivors, as well as old age pensions), the effective coverage rate of the population entitled to benefits when affected by the contingency[[25]](#footnote-26)
8. Actual beneficiaries extent of coverage ratio by function including employment injury, sickness, disability, maternity, unemployment and survivors, the number of persons or households receiving a benefit as a proportion of the population/households affected by the contingency and, if possible, the share of poor people/households receiving benefits[[26]](#footnote-27) - Including coverage in public employment programmes, (including short-term public work programmes and universal employment guarantee schemes)
9. Question: what percentage of the affected population de facto receives benefits or services?
10. Adequacy of the legal and effective level of the benefits – i.e for each of the following social security areas (employment injury, sickness, disability, maternity, unemployment and survivors), the level of the benefit compared to a relevant benchmark (national poverty line, minimum level set by international social security standards etc.). - In case of variable (i.e. not flat) benefit levels: inadequacy incidence ratio (share of beneficiaries receiving benefits at a level below the benchmark) inadequacy gap (average of the gap between the benefit received and the benchmark).
11. In the case of older persons:
12. The legal extent of coverage ratio- i.e. the coverage of older persons who are entitled to a (contributory or non-contributory ) old age pension according to the legislation
13. The protected person extent of coverage ratio - i.e. the share of the working age population effectively covered by a pension scheme: affiliated to and/or contributing to an pension insurance scheme, or otherwise entitled to a non-contributory pension upon reaching retirement age as a share of to the total population in that age group
14. The beneficiaries extent of coverage ratio- i.e. the proportion of older persons receiving pensions (or other benefits) as a percentage of the total population in that age group and, if possible, the share of poor people receiving benefits - Question: what percentage of older persons actually receives benefits or services?
15. Adequacy of the legal and effective level of benefits – i.e the level of the benefit compared to the level of the benefit compared to a relevant benchmark (national poverty line, minimum level set by international social security standards etc.). - In case of variable (i.e. not flat) benefit levels: inadequacy incidence ratio (share of beneficiaries receiving benefits at a level below the benchmark) inadequacy gap (average of the gap between the benefit received and the benchmark).

For ease of reference, the values calculated should be captured in an overview table. The table should be adjusted to the country context and the specific social protection landscape. That means that in addition to assessing the four fundamental guarantees laid down in the Social Protection Floors Recommendation (No. 202), other criteria could be included in the overview table if considered important, e.g. share of rural population covered / benefiting from a benefit, share of poor people benefiting.

Adequacy of Coverage Overview Table

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Life cycle /risk | Legal/intended coverage (share of persons that should receive a benefit as defined by law/ as specified in the SP strategy) | | Actual coverage (share of persons actually covered / registered /affiliated according to administrative records) | | Actual beneficiaries (share of persons receiving a benefit according to administrative records) | | (Average) benefit level actually provided (absolute value, benefit formula or in kind provision) and as a share of the national poverty line | | Benefit level as prescribed by law (absolute value, benefit formula or in kind provision) and as a share of the national poverty line | |
|  | 5 years earlier | Latest available year | 5 years earlier | Latest available year | 5 years earlier | Latest available year | 5 years earlier | Current year |  |  |
| **Children/Family**  Benefit 1  Benefit 2  Benefit 3  …  TOTAL |  |  |  |  |  |  |  |  |  |  |
| **Active age (Unemployment)**  Benefit 1  Benefit 2  Benefit 3  …  TOTAL |  |  |  |  |  |  |  |  |  |  |
| **Work injury**  Benefit 1  Benefit 2  Benefit 3  …  TOTAL |  |  |  |  |  |  |  |  |  |  |
| **Maternity**  Benefit 1  Benefit 2  …  TOTAL |  |  |  |  |  |  |  |  |  |  |
| **Disability**  Benefit 1  Benefit 2  Benefit 3  …  TOTAL |  |  |  |  |  |  |  |  |  |  |
| **Sickness**  Benefit 1  Benefit 2  Benefit 3  …  TOTAL |  |  |  |  |  |  |  |  |  |  |
| **Survivors**  Benefit 1  Benefit 2  …  TOTAL |  |  |  |  |  |  |  |  |  |  |
| **Older persons**  Benefit 1  Benefit 2  Benefit 3  …  TOTAL |  |  |  |  |  |  |  |  |  |  |
| **Other 1**  Benefit 1  Benefit 2  Benefit 3  …  TOTAL |  |  |  |  |  |  |  |  |  |  |
| **Other 2**  Benefit 1  Benefit 2  Benefit 3  …  TOTAL |  |  |  |  |  |  |  |  |  |  |

On the basis of the total legal and effective coverage calculated in the table provided above, and using socio-demographic data extracted from the key national indicators table

|  |  |  |  |
| --- | --- | --- | --- |
| **Coverage and adequacy assessment overview table – by SP function (branch) or guarantee** | | | |
|  | Total population by contingency | Benefit Coverage Ratio  **For flat benefits:** Effective benefit level/national benchmark (poverty line, minimum wage etc.)  **For variable benefits:**  Inadequacy incidence and Inadequacy gap | Persons Covered Ratio  Total actual effective coverage/Total target group |
| Children | Total population 0-14  Total population 0-5 |  |  |
| Working Age |  |  |  |
| Work Injury | Total population 15-64 |  |  |
| Maternity | Total female population 15-49 |  |  |
| Disability | Total population 15-64 |  |  |
| Survivors | Total population 15-64 |  |  |
| Unemployment | Total population 15-64 |  |  |
| Sickness | Total population 15-64 |  |  |
| Older persons | Total population 65+ |  |  |

Based on the data from the Key national indicators table, the benefit levels should be compared to national and international benchmarks for the past five years:[[27]](#footnote-28)

1. Benefit levels as a share of the national poverty line and extreme poverty line
2. Benefit levels as a share of national minimum / average wage
3. Benefit levels compared to international poverty thresholds

For in-kind benefits, suitable measures would have to be developed on a case-by-case basis such as nutritional values, quality and availability of services etc.

While the assessment focuses on the performance of the social protection system as it currently operates, this section of the assessment should also briefly mention whether there are any government plans to introduce new schemes and benefits or any changes/reforms to existing programmes, and the related intended population coverage and benefit levels.

* + 1. Adequacy regarding access to quality necessary assets, goods and services

International law grants individuals rights to certain necessary goods and services such as food, water, health, education, etc. Social protection and public employment programmes have the potential to contribute to the realisation of such rights, and the realisation of these rights is also fundamental for the proper realisation of the right to social protection. The provision of social protection cannot be fully achieved without taking into account its relation with other rights and in particular:

* the right to the highest attainable standard of physical and mental health,
* the right to food,
* the right to education,
* the right to protection of family and maternity,
* the right to an adequate standard of living including adequate housing, water and sanitation,
* the right to work in just and favourable conditions

Any assessment of the adequacy of social protection entitlements must therefore also look at whether in-cash levels of social protection benefits are sufficient to realize other inter-related economic and social rights and whether in kind benefits provide adequate access to these. The criteria of availability, affordability, acceptability, accessability and quality are suggested here to measure the degree to which people enjoy adequate access to goods and services such as food, education, housing, water and sanitation etc., but also the appropriate public infrastructure to access to these basic services. Particular attention should also be given to ensuring these rights for specific groups such as children, older persons, women, persons with disabilities, indigenous persons, agricultural workers and rural populations etc.

Determining adequacy with regards to access to health care

The Social Protection Floors Recommendation (No. 202) of 2012 establishes four basic social security guarantees, including effective access to essential health care services for all in need as defined at the national level. These include maternity care and should meet the criteria of affordability, availability, accessibility, acceptability and quality (AAAQ). Like the General Assembly Resolution adopted the same year, the emphasis is on ensuring universal access to affordable and quality health care services (A/67/L.36).

Based on these criteria, the ILO has developed a set of indicators aiming to estimate the population excluded from access to health care (World Social Protection Report 2014/15, Chapter 5). The indicator of legal health coverage, (LC) measures the percentage of the population affiliated to a health scheme or system. It is a prerequisite for affordability and equity in access to health.

Affordability means that persons in need of health care should not face financial hardship or an increased risk of poverty due to the financial consequences of accessing health care. Out-of pocket payments (OOP) and catastrophic health expenditure as percentages of total health expenditure are useful indicators to measure the affordability of health care services as well as the level of financial protection.

The availability of health care services is measured by ILO’s staff access deficit indicator (SAD). The SAD uses as a proxy the relative difference between the density of health professionals in a given country and its median value in countries that have the potential to provide universal coverage (countries of low vulnerability as defined by ILO). Currently, the threshold amounts to 41.1 health workers per 10,000 people. It exceeds the minimum threshold identified by WHO in 2006 to provide primary health care rather than universal health coverage (UHC) of 23 health workers per 10,000 population (World Health Report 2006). The SAD shows the percentage of the population that is excluded from health care due to insufficient numbers of health workers in any given country.

Following the same principle as the SAD, ILO’s financial deficit (FD) indicator measures the share of the population in any given country that is excluded from access to health care services due to insufficient financial resources. Currently, the threshold required to provide needed quality care to all in need is estimated at 239 USD per person and year.[[28]](#footnote-29)

Finally, ILO uses the maternal mortality ratio (MMR) per 10,000 live births as a health outcome indicator

The five indicators (LC, OOP, SAD, FD, MMR) have been disaggregated to measure rural/urban inequities in health coverage and access.***[[29]](#footnote-30)*** However, further disaggregation would be needed, e.g. in terms of gender, age and income groups.

When measuring progress towards UHC the five indicators should be used for a first assessment of the status quo. At country level, related results should be refined by qualitative assessments. The resolutions and declarations of the World Health Assembly and the International Council of Economic, Social and Cultural Rights are other sources of guidance for defining the basic guarantee of access to essential health care highlighting in particular:

* + Reproductive, maternal (prenatal and post-natal) and child health care;
  + Immunization against the major infectious disease;
  + Prevention, treatment and control of epidemics and endemic diseases.

Overview table social health protection

|  |  |
| --- | --- |
| Indicator |  |
| Legal coverage rate as a percentage of the population affiliated to a health scheme or system |  |
| Out-of pocket payments as a percentage of total health expenditure |  |
| Staff access deficit indicating the share of the population excluded from access to health care due to insufficient numbers of health workers |  |
| Financial deficit indicator indicating the share of the population excluded from access to health care due a lack in financial resources |  |
| Maternal mortality ratio per 10,000 live births |  |

Determining adequacy with regards to food security

The FAO defines food security as a situation where “all people, at all times, have physical, social and economic access to sufficient safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life” (FAO 2009). For the purposes of this SPPOT/ABND assessment, it is relevant to look at the extent to which the population suffers from food insecurity and social protection arrangements are inadequate to even satisfy such a basic need as sufficient food. The FAO developed a methodology to estimate the prevalence rate of food insecurity based on nationally representative surveys of the adult population in more than 140 countries (FAO 2016) and a global reference scale.[[30]](#footnote-31) The methodology defines the following three levels of food insecurity experiences:

* mild food insecurity: worrying about ability to obtain food
* moderate food insecurity: compromising quality and variety of food, reducing quantities, skipping meals
* severe food insecurity: experiencing hunger

An overview table containing prevalence rates of food insecurity in 146 countries, areas or territories in 2014 is included in Annex xxx.

A second important indicator to assess food security in a country is the prevalence of undernourishment (PoU). An individual is defined as undernourished if consuming less than his/her calorie requirement for an active and healthy life. The FAO methodology[[31]](#footnote-32) to assess PoU is based on the following parameters:

* the mean level of dietary energy consumption (DEC);
* a cut-off point defined as the Minimum Dietary Energy Requirement (MDER);
* the coefficient of variation (CV) as a parameter accounting for inequality in food consumption; and
* a skewness (SK) parameter accounting for asymmetry in the distribution.

Useful information and most recent data on undernourishment and other aspects regarding food security can be found in the annual “*The State of Food Insecurity in the World”* report*.[[32]](#footnote-33)*

A separate ISPA tool is available to assess the extent to which SP benefits contribute to improving food security along the dimensions of food security: availability, access, sustainability and utilization. Key aspects listed in the tool for assessing in particular the adequacy of SP benefits regarding food security highlighted include

* *The type of benefit/transfer* should be adequate to address consumption and nutrition needs in the country along the four dimensions of food security and nutrition – food access, food availability, food stability and utilization/nutritional adequacy of food intake.
* *The size of the benefit/transfer* should: (1) be sufficient to help households meet their needs for a nutritious diet (Save the Children’s Cost of the Diet assessment); (2) be proportional to overall consumption (20-30% of consumption estimates from SSA); and (3) adapt to the household size and composition (no. dependants, gender, age, behaviour etc.)
* *Regularity and predictability* of benefits/transfer over an extended duration (the latter depending on whether acute FSN needs or chronic food insecurity and malnutrition are to be addressed) are important to smooth consumption and minimize the likelihood of negative coping strategies, such as reducing food quality or overall food consumption.
* *The timing of benefits/transfers* needs to be adapted to FSN needs (particularly when responding to food crises and/or natural disasters, volatility of food prices, inflation or seasonality): e.g. benefits/transfers that aim to close consumption gaps during lean seasons need to be in line with the agricultural calendar/seasonal patterns. The impact of certain interventions is also likely to increase when the timing is synchronised with other programmes.
* *Quality of food, water, sanitation and nutrition services* should be adequate. (Compliance with food quality requirements for in-kind transfers, existence of infrastructure to access healthy food (food banks, community gardens, public cafeterias etc.) and nutrition-related services if benefits are provided in cash/vouchers.

The FAO has also elaborated a list of key indicators to assess the four dimensions of food security: availability, access, sustainability and utilization – the related database is available online and the indicators listed in Annex XXX to this document.[[33]](#footnote-34)

Overview table Food insecurity

|  |  |
| --- | --- |
| Indicator |  |
| Food Insecurity prevalence rate (experienced by adults) |  |
| Undernourishment prevalence rate |  |

Determining adequacy with regards to education

Access to quality education for all is important for several dimensions of social protection. Improving education means better employability and potentially improves the contributory capacity of workers. Education also improves access and reduces the risk of being excluded from social protection systems. In order to monitor the extent to which countries are on the way to realizing the right to education for their population, UNESCO maintains global databases covering various aspects regarding education at all levels. Of the wealth of data collected, the most recent proposal elaborated in the context of the Sustainable Development Goals discussion on the post 2015 development framework proposes a mix of indicators reflecting access, learning outcomes, equity and quality concerns to measure progress towards education for all which are listed in Annex XXX of this document.

Determining adequacy with regards to the right to an adequate standard of living including adequate housing, water and sanitation

In the context of the realizing the right to water and sanitation, the above-mentioned criteria of availability, acceptability, quality and affordability are operationalized as follows:

* The water supply for each person must be sufficient and continuous to cover personal and domestic uses, which comprise water for drinking, washing clothes, food preparation and personal and household hygiene.
* Water for personal and domestic uses must be safe and acceptable. It must be free from elements that constitute a threat to a person’s health. Water must also be of an acceptable colour, odour and taste to ensure that individuals will not resort to polluted alternatives that may look more attractive.
* Water and sanitation facilities must be physically accessible and within safe reach for all sections of the population, taking into account the needs of particular groups, including persons with disabilities, women, children and the elderly.
* Water services must be affordable to all. No individual or group should be denied access to safe drinking water because they cannot afford to pay.

In 2014, the Handbook on Realising the Human Right to Water and Sanitation developed by the UN Special Rapporteur in collaboration with various agencies was published. It provides a rich source of information and checklists regarding the principles, policy, legal, regulatory, financing, monitoring, administrative and planning frameworks required to achieve progress in ensuring water and sanitation for all.

Determining adequacy with regards to the riht to work and securing a stable and predictable income

Ensuring the availability of sufficient acceptable quality jobs is a big challenge for economies around the world. Employment creation depends on a combination of factors many of which are beyond the control of the state. One important means for governments to help realize the human right to work for the most vulnerable households consist in Public Employment programmes (PEPs). Public employment programmes cover a wide range and scope of policy choices and opportunities, from emergency employment programmes used in post disaster or conflict situations, to universal employment guarantee schemes addressing existing market failures, but also covering everything in between. It usually refers to any direct employment creation by government through public financing – excluding the expansion of civil service – with the aim to use public works in such a way to reach the poorest strata of the population.

Overview table Right to Work in just and favorable conditions

|  |  |
| --- | --- |
| Indicator |  |
| Unemployment rate, underemployment rate, long-term unemployment, labor force participation rate, labour productivity |  |
| Wages and compensation costs |  |
| Emplyoment in the informal economy, employment by sector |  |
| National laws or acts, regulations, codes of conduct in relation to  \*Occupational Health and Safety  \*Wages  \*Discrimination and equality of rights  \*Minimum working age  \*Freedom of Association, protection of the right to organize, collective bargaining  \*Workers compensation |  |

* 1. Financing, Implementation and Legal gaps

Social protection assessments in many countries have shown that systems often fall short of realizing the national objectives laid down in social protection policies, strategies and related laws and regulations. The identification of implementation gaps, in particular weaknesses regarding the administration and the capacity of delivery of benefits is therefore a key aspect to formulate policy options to improve the performance of the social protection system. The assessment identifies implementation gaps regarding 1) Financing framework 2) Administration and capacity of delivery

It should be reiterated at this point that the collection and discussion of information regarding social protection gaps in its various dimensions is meant as a collaborative endeavour involving all relevant national stakeholders. Experience has shown that external experts even with the most dedicated efforts will not be able to generate a real understanding of how the system works without full buy-in and participation of country officials and specialists. Without this “insider knowledge”, assessing implementation capacities or identifying measures to close implementation gaps remains elusive, regardless of the level of detail of factual data that has been collected. The information collection will invariably be greatly enhanced by involving the right people and institutions from the beginning and setting the focus of the assessment. CODI can in this respect be considered fully complementary – or even better – the SPPOT-ABND tool the right way to embed the assessment in stakeholder and country ownership.

* + - Financing framework

A key objective and international principle[[34]](#footnote-35) is that social protection systems should guarantee a minimum level of protection in case of certain life cycle risks for all members of society irrespective of their capacity to contribute to finance these social protection mechanisms. This requires

* sound planning and accurate projection of costs and revenues,
* capacity to execute the budget and expenditures as foreseen and planned and
* financial capacity and political will of governments to allocate the necessary share of available resources to ensure adequate social protection to the population.

Social protection expenditure for different risks and population groups, current and estimated for the future (short to long run) is a first rough indicator for the adequacy of the financing framework. At the same time, for tax-financed provisions, the tax base has to be sufficiently progressive otherwise the objectives of the SP systems are undermined by the tax burden placed on the poor and vulnerable population groups. Similarly, contributory schemes need to take the contributory capacity of persons covered into account. Overall, there should be solidarity in financing so that risks are pooled and the costs of benefits and expenses for their administration are born collectively[[35]](#footnote-36) and contribute to a redistribution of resources from the healthy to the sick, from the active age groups to the elderly and children, from those with well-paying jobs or high incomes to those without employment or with very low incomes.

To identify strengths and weaknesses in the financing framework, the assessment will further analyse whether 1) the budget allocations and expenditures reflect the social protection needs, political objectives and priorities 2) the government is able to enforce existing tax and contribution obligations[[36]](#footnote-37) 3) measures are in place to enforce compliance and 4) sanctions exist to help fight evasion of contribution payments, undeclared work and fraud 5) the scheme has been designed keeping the capacity of the informal economy to contribute in mind.

The sustainability of the financing system also requires having transparent, accountable and sound financial management. The assessment will therefore consider whether 6) periodical long-term actuarial valuations of the national schemes are carried out that allow to forecast and correct the potential financial disequilibria in line with international accounting and actuarial standards through nationally adopted reforms, 7) contingency reserves or stabilisation funds are set up to ensure a reliable provision of benefits during cyclical economic fluctuations or the like, 8) there are sound investment rules and a sound overall regulatory and monitoring framework to minimize inefficiencies, mismanagement, fraud and misuse, 9) information such as financial records, audits, related reports and analysis regarding budgets, expenditures, models, projections and assumptions are published and mechanisms are in place to hold accountable actors and bodies responsible for the administration of the system. This means assessing the reporting / auditing / information sharing obligations of different schemes and programmes and the system as a whole and whether provisions are in place to minimize the possibility that funds are misused, stolen or lost.

The following overview table captures the above information.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Financial framework assessment overview table** | | | |
|  |  | Answer | Justification/ Score 1-4 | Source |
| 1 | What is the total public current SP benefit and administrative expenditure?  \* in LCU  \*as a percentage of GDP and  \* as a percentage of total government expenditure |  |  | Benefit and administrative expenditure overview table |
| 2 | What level of benefit and administrative expenditure in nominal and real terms for the last five years by SP function?  1) Health care  2) Poverty and social exclusion  3) Disability  4) Survivors  5) Maternity  6) Sickness  7) Child/Family benefit  8) Employment injury  9) Unemployment  10) Housing  11) ALMP  12) Old Age |  |  | Benefit and administrative expenditure and financing overview tables |
| 3 | What sources of financing in nominal and real terms for the last five years by SP function? (State the source and the amount)  1) Health care  2) Poverty and social exclusion  3) Disability  4) Survivors  5) Maternity  6) Sickness  7) Child/Family benefit  8) Employment injury  9) Unemployment  10) Housing  11) ALMP  12) Old Age |  |  |  |
| 4 | To what extent does the financing framework take the contributory capacity of the population covered into account? (Identify any solidarity mechanisms in place to support population groups with weak contributory capacities) |  |  |  |
| 5 | What share of the total SP expenditure is financed by external sources? |  |  | Expenditure overview table |
| 6 | What level of public spending on SP is guaranteed by law? |  |  | Law |
| 7 | What risk management measures are in place to avert political, economic, regulatory, geographic, operational and demographic risks? |  |  | Questionnaire |
| 8 | Is there a sound overall regulatory framework that minimizes inefficiencies, mismanagement, fraud and misuse and holds persons responsible for financial management responsible for their acts and decisions? |  |  | Questionnaire |
| 9 | What enforcement mechanisms and sanctions are in place to enforce tax obligations and help fight evasion of contribution payments, undeclared work and fraud? |  |  |  |
| 10 | To what extent are there clear procedures and timelines for budget execution, monitoring and reporting? |  |  | Questionnaire |
| 11 | To what extent are these procedures put into practice reliably for the execution of allocations dedicated to SP? |  |  | Questionnaire |
| 12 | Is the average effective tax paid as a percentage of income at any given point in time higher for higher incomes than for lower incomes, i.e. are tax rates progressive? |  |  | Questionnaire |
| 13 | Which proportion of overall tax revenue is generated by  - indirect taxes (total indirect and VAT)  - direct taxes from earned income  - direct taxes on corporations  - other sources (customs, etc.) |  |  | Government operations overview table |
| 14 | Are schemes and programmes required to periodically carry out independent financial audits? Are these requirements followed in practice? |  |  | Questionnaire |
| 15 | Do social insurance schemes periodically conduct and publish long-term actuarial valuations? |  |  | Questionnaire |
| 16 | To what extent are there sound investment rules? |  |  | Questionnaire |
| 17 | Are the level and use of contingency reserves or stabilization funds prescribed by law? |  |  | Questionnaire |
| 18 | What mechanisms are in place to hold accountable actors and bodies responsible for the administration of the system |  |  |  |

* + - Administration / delivery gaps

While the detailed governance and administrative structures for the social protection system are set up differently in each country they should all follow a series of international agreed principles to ensure the sound implementation, management and administration, governance and monitoring of social protection programmes and the system as a whole, meeting the requirements of transparency, predictability and accountability and being participative. This is important not only to ensure the rights and dignity of beneficiaries are fully respected but also because sound governance and administration will ensure an efficient use of resources and thus reinforces sustainable financing of the SP system. Different tasks across the SP system are typically delegated to various actors, ranging from public administration through ministries or specialized agencies, (semi-) autonomous institutions (parastatal institutions) public-private hybrids, partly or fully privatized systems under public supervision. However, the overall responsibility of the state for the proper administration of social protection rests with the state, irrespective of the administrative system chosen[[37]](#footnote-38). This entails ensuring the viability, solvency and sustainability of the system and accepting the general responsibility for the due provision of benefits[[38]](#footnote-39).

A sound Social Protection governance framework requires

* clear rules, regulations and assignment of responsibilities that ensure coherence and coordination across different social protection schemes and programmes as well as across related policy areas,
* transparent and accountable financial and administrative management including higher and lower level accountability, performance frameworks and enforcement mechanisms,
* sound, up-to-date and relevant information, data and statistics for a well-functioning M&E framework[[39]](#footnote-40) and
* adequate institutional capacities and change management to operationalize these elements including in remote places where most beneficiaries are.

The overview table below aims to facilitate the assessment of each of these elements.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Governance framework assessment overview table** | | | |
|  |  | Answer | Comment/ Score 1-4 | Source |
| 1 | Does the legal/regulatory framework clearly specify the roles and responsibilities of different actors involved in the design, administration, implementation and oversight of social protection entitlements and are these followed in practice? |  |  | Questionnaire |
| 2 | Does the governance framework ensure coordination and coherence to maximize synergies and avoid duplications and overlaps across different SP schemes and programmes? |  |  | Questionnaire |
| 3 | Does the SP governance framework facilitate policy coherence of the SP system with related social and economic policies, with national development plans and key policy planning documents? |  |  | Questionnaire |
| 4 | Are there bodies / agencies or other institutionalized structures responsible to facilitate and ensure internal and external policy coherence of the social protection system? |  |  |  |
| 5 | Are there legal provisions which require schemes and programs and the national SP oversight bodies to periodically carry out and publish (list for each scheme and national body) :  \* internal audits  \* independent audits  \* budget reports  \* annual reports  \* social audits |  |  | Questionnaire |
| 6 | Is the public administration governed by a principle of maximum disclosure regarding access to information and are restrictions placed on access to information justified? |  |  |  |
| 7 | Are the required reports published and disseminated  \*in a timely manner,  \*easily accessible and  \*of satisfactory quality? |  |  | Questionnaire |
| 8 | Is there a national regular monitoring and evaluation system in place that specifies a single, harmonized standard for the administrative records of all SP schemes and programmes and a related responsible agency or institution? |  |  | Questionnaire |
| 9 | Do these standards require an appropriate level of detail regarding data disaggregation by age, sex and other relevant socio-economic or socio-demographic characteristics ? |  |  |  |
| 10 | What are the implementation targets and performance indicators laid down in the M&E framework? |  |  | Questionnaire |
| 11 | Are the M&E indicators suitable to assess the extent to which the SP system guarantees minimum income security and access to essential health services across the life cycle? |  |  | Questionnaire |
| 12 | List the schemes that operate a suitable M&E framework and regularly publish related reports |  |  | Questionnaire |
| 13 | List the schemes that do not operate a suitable M&E framework |  |  | Questionnaire |
| 14 | What institutionalized mechanisms are in place to ensure that findings from monitoring and evaluation activities feed into developing measures to improve the Social Protection System ? |  |  |  |
| 15 | What measures are in place to minimize mismanagement and to prevent officials at all government levels and from all bodies of the social protection system from abusing their position for private interests? Are they effective  \*National level  \*Subnational level  \*Scheme level |  |  | Questionnaire |
| 16 | For each scheme, please indicate whether there are any concerns regarding  \*discretionary application of entitlement conditions  \*non compliance of registering workers and paying their contributions from the side of employers  \*non compliance from the side of workers and self-employed  \*fraud by persons involved in the administration and implementation of the scheme  \*fraudulent entitlement claims by persons covered  \*stigmatization of persons receiving benefits from a scheme or programme |  |  | Questionnaire |
| 17 | What mechanisms are in place to hold those responsible for administrating the SP scheme responsible for their acts and decisions including regarding the financial management (e.g. fraudulent investments, etc)? (Indicate separately for each scheme and national level) |  |  | Questionnaire |
| 18 | What mechanisms are in place to ensure the confidentiality of private information and security of data collected? Is data collection limited to the information strictly necessary for the implementation of the SP scheme or programme (by law and in practice)? (Indicate separately for each scheme and national level) |  |  | Questionnaire |
| 19 | What rules and regulations govern the MIS? (Indicate separately for each scheme and national level) |  |  |  |
|  | To what extent is personal data protected by reasonable security safeguards against risks (loss, unauthorized access, destruction, use, modification or disclosure of data)? (Indicate separately for each scheme and national level) |  |  |  |
| 20 | Does the staff have adequate skills and technical capacity for the overall administration and management of the SP system and schemes and programmes? (Indicate separately for each scheme and national level) |  |  | Questionnaire/ Scheme inventory |
| 21 | Is the equipment and infrastructure (office space, computer, telephone, vehicle, etc.) available overall appropriate for an effective and efficient implementation of the SP system?  \*At national level  \*At sub-national level  \*At the local/programme or scheme level (list separately for each scheme if necessary) |  |  | Questionnaire/ Scheme inventory |
| 22 | Are adequate resources allocated both for the benefit expenditures and the administration of the scheme ? (Indicate separately for each scheme and national level) |  |  |  |
| 23 | Does the relevant law prescribe that the Government has the ultimate responsibility to ensure the due provision of benefits regardless of the financing sources and mechanisms? Please provide provision |  |  | Questionnaire |
| 24 | Are adequate measures in place to ensure the accessibility of SP benefits and services and in particular for vulnerable groups (women, disabled, IP, older persons, rural population etc.)? (Indicate separately for each scheme and national level) |  |  |  |
| 25 | To what extent does implementation of SP reach rural areas and cover rural populations or vulnerable groups? (Indicate separately for each scheme and national level) |  |  |  |
| 26 | What mechanisms are in place to enable participation of stakeholders? (Indicate separately for each scheme and national level)  \*in the administration of SP schemes  \*in the monitoring and evaluation of schemes |  |  |  |
| 27 | What mechanisms are in place to ensure meaningful participation regarding: (Indicate separately for each scheme and national level)  \*ensuring timely access to relevant, up-to-date information  \*stakeholder capacities to engage in the process |  |  |  |

* Gaps in legal provisions

In the absence of a sound legal framework and institutions based on the Rule of law, individuals will not be able to realize their right to social protection. The Rule of Law requires the implementation and observance of certain principles and standards that recognize and foster people’s right to social protection, through methods and procedures which ensure the effectiveness and sustainability of the system while minimizing exposure to risks such as fraud, mismanagement, neglect and malfunctioning [[40]](#footnote-41). To ensure that comprehensive social protection is granted to everyone, the legislative framework should provide for equality of treatment before the law (i.e. apply to everyone equally and offer the same rights to those in similar conditions) and equality within the law (i.e. prohibition of discrimination on the grounds of race, colour, sex, language, religion, disability, political or other opinion, national or social origin, etc). Certain vulnerable, disadvantaged and marginalised groups may however face greater difficulties in accessingsocial protection and the legal framework should include specific provisions both in law and in practice, that promote the access of persons or groups with special needs.

A strong legal framework requires that rights are anchored in laws and institutions and that obligations carry legal weight. This is the case if people can make claims to obtain redress in case of violation of their rights which contributes to protecting people from arbitrary or discretionary selection into social protection programmes and arbitrary decision making. The possibility for people to launch a complaint also facilitates access to social protection and helps guarantee equality of treatment. The assessment will analyse whether complaint and appeal mechanisms exists and the extent to which they fulfil the above criteria in law and in practice as well as whether other measures to enforce compliance are put in place.

This overview table should further capture key information regarding the overall legal framework and practice.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Legal and policy framework assessment overview table** | | | |
|  |  | Answer | Comment/ Score 1-4 | Source |
| 1 | Is the right to social protection recognized in the constitution? | Yes-partially-No |  | Constitution |
| 2 | Is there a legal obligation to ensure the adequate financing of Social Protection schemes/programs? | Yes-partially-No |  | Law |
| 3 | List SP schemes and programmes that have a statutory basis that clearly define  \*the persons covered,  \*entitlement conditions,  \*benefit level  \*duration of benefits provided  \*implementation arrangements |  |  | Inventory table |
| 4 | Is the general public adequately informed regarding SP entitlements, entitlement conditions, administrative procedures, complaint and appeal mechanisms? |  |  |  |
| 5 | List SP schemes and programmes that are not anchored in law or where legal provisions do not provide sufficient detail on the persons covered, entitlement conditions, level of benefits provided and implementation arrangements |  |  | Inventory table |
| 6 | Are there any provisions in the law that restrict/limit the right to social protection? |  |  | Questionnaire |
| 7 | Are adequate measures foreseen in SP policies/legislation/operational manuals/strategy to ensure  \*non-discrimination \*gender-equality \*responsiveness to special needs?  To what extent are these put into practice? |  |  |  |
| 8 | Is the right to complaint and appeal decisions prescribed by law? | Yes-No |  | Questionnaire |
| 9 | How many complaints and appeals where filed in the past five years? |  |  | Questionnaire |
| 10 | How many complaints and appeals were investigated and adjudicated? What was the share of adjudicated complaints decided in favour of the plaintiff, how many against? |  |  | Questionnaire |
| 11 | Does a national social protection strategy exist? |  |  |  |
| 12 | Does the national Social Protection strategy aim for a progressive extension social protection coverage (effective protection of the whole population across all life cycle stages and adequate minimum levels of benefits)? |  |  |  |
| 13 | Does the strategy specify \*objectives for the extension of social protection \*timeframes and milestones for the achievement of the objectives \*financial requirements and related resources  \*short, medium and long term vision for the above items |  |  |  |
| 14 | Does the SP strategy consider and specify the financial requirements and resources needed to fulfil the short, medium and long-term vision? |  |  |  |
| 15 | Does the SP strategy consider all relevant population groups? |  |  |  |
| 16 | Does the state recognize its obligations for the provision of social protection stemming from international law? |  |  |  |
| 17 | To what extent are the duties and responsibilities of the different institutions in charge of the administration of social protection laid down in law? |  |  |  |
| 18 | Are there strategies and/or policies for specific social groups that refer to the right to social protection, e.g. gender equality or disability inclusion strategies/policies? |  |  |  |
| 19 | Are benefits for the working age designed in a way to encourage labour market participation and avoid “benefit traps”? |  |  |  |

1. Policy formulation

Based on the strengths and weaknesses, synergies, duplications and gaps of the social protection system identified through the assessment in chapter 2, the third chapter of this tool focusses on how to translate the findings of the assessment into feasible policy options. First, the findings regarding broad policy areas that need attention must be translated into specific policies that are technically, financially and politically feasible. This requires iterations and modifications to proposed options as the politically preferred solutions may often not be technically feasible or affordable or the other way around. Also, technical, financial and political feasibility are not set in stone but will change over time and can be influenced by the participatory policy making process proposed here. In addition, mediation between different interests will be necessary - while some options may be more efficient than others in absolute terms, costs and benefits are different for different stakeholders with no single option preferable for all. As elaborated in part 1, participation in the decision making process enhances the stakeholders’ understanding of different interests as well as of the constraints, limits and difficulties in the policy design process and will increase the acceptance for certain policy options thus facilitating consensus building around certain options.

Policy options already under discussion in a country should be included in the analysis to assess the extent to which they address identified gaps and are in line with international principles and to estimate current and future cost and potential impacts. This also helps towards having a consolidated and unified effort to improve the social protection system.

The policy formulation process should be informed by the data collected in part 2. An example of how this can be carried out is illustrated in Box XXX below on the Ugandan Participatory Poverty Assessment Process.

*BOX: The Uganda Participatory Poverty Assessment Process (UPPAP)*

The Uganda Participatory Poverty Assessment Process was a partnership by the Government of Uganda (represented by the Ministry of Finance, Planning and Economic Development), Local Governments, NGOs, academic institutions and donors. The process was implemented by Oxfam GB up to September 2002 and was funded by Government of Uganda, DFID, World Bank, UNDP and SIDA.

Its overall aim was to bring the voices and perspectives of poor people into policy formulation, planning and implementation by central and local governments. A first participatory poverty assessment (PPA1) had been carried out in 1998/99 in 36 research sites in nine districts. Its findings had been used to inform policy-making. A second PPA (PPA2) was implemented in 2002 in 60 research sites in 12 districts with the objectives of following up on policy decisions taken after the first PPA and to deepen the understanding of poverty dynamics in Uganda.

Using participatory techniques to consult people on their understanding of the nature and causes of poverty and their priority actions for poverty reduction by government or in communities themselves produced a much more complex and richer picture of causes and remedies than conventional poverty analysis. Results highlighted issues of social exclusion, gender inequality, lack governance, community status or affluence and ignorance and lack of knowledge and awareness. The top three causes of poverty identified by the PPA1 and 2 had been ill-health, limited access to land and lack of markets (or lack of fair access to markets). The exercise also had revealed that when services were available, provision was often biased towards the better off and tended to exclude women. Overall, local taxes, levies and bureaucratic controls – legal and illegal – were found to constitute a serious constraint on the expansion of economic activities that are necessary to reduce poverty. The report showed that some priority actions were shared widely across different groups but there were also marked differences in the priority needs of different groups. For example, employment was a priority *need for youths while men emphasized the need for power and markets to improve their income generation capacities.*

*As a result of the PPAs, the government gave greater focus to governance and accountability issues such as the publication of a Citizens’ Guide to the Government Budget, monitoring services delivery and information flows, adopting a more multi-sectoral approach to poverty reduction, improving water and health services supply and abolishing charges for health services.*

*Source: Government of Uganda, 2002, Uganda Participatory Poverty Assessment Process – Deepening the Understanding of Poverty*

* 1. Identifying policy options to close the gaps

The overview tables in part 2 will reveal a number of legal, financial or implementation gaps that the country may not be able to all address at the same time and will have to prioritize between. The decision on the priorities should be guided by the urgency of the social protection needs, evidence regarding the feasibility of various policy options. Depending on the results of the assessments, recommendations will typically fall in the following areas:

1. Addressing population coverage gaps or adequacy of benefit gaps by introducing new benefits or by changing qualifying conditions to extend coverage or increasing benefit levels of existing benefits
2. Addressing implementation gaps by improving the effectiveness of operations of existing schemes and programmes by e.g. changing the benefit delivery system or registration process etc. These type of policy interventions focus on improving access to social protection benefits of persons who should already be covered by existing schemes in theory but cannot realise their entitlements in practice due to barriers created by the implementation arrangements.
3. Addressing implementation gaps by improving the efficiency of operations of existing schemes and programmes by e.g. changing the management information system or reporting structures. This type of reforms will lead to improved accountability or cost savings in the administration and while they may not directly translate into improved social protection of the population, they free resources that may then be used to further extend social protection.

This tool presents methodologies for costing and impact assessment of the first type of policy options since these are the most commonly discussed and they tend to have the most important implications for the government budgets. The following sections outline a cost estimation procedure based on simple assumptions on administrative costs and a static framework for assessing the poverty impact. The aim is to outline a quick estimation of costs and a first approximation of financing options in relation to the government budget.

Policy options to address implementation gaps of the second and third type are highly context-specific in nature as they depend on the particular design of existing schemes and composition of different interventions and institutional structures that make up the social protection system. The assessment of the feasibility and impact of possible reform options cannot be discussed in detail as part of a general assessment tool but they can be assessed in terms of implementation capacities (section 2.4). In general terms, the assessment of their feasibility should include analysing institutional capacities to implement the intended reforms regarding existing equipment, number and skills of staff, training needs etc. On this basis, the implementation cost should include costs for new equipment and infrastructure, additional staff time needed, necessary training and potential transition costs. Where reform plans include the use or change of technology, careful consideration should be made regarding the compatibility of new solutions with existing systems, the medium and long term implications of different options such as whether equipment is purchased or a service outsourced to contractors, the durability of hardware and software etc.. The ISPA implementation tools such as the payment system tool and the identification tool provide further information in this regard.

The formulation of policy options to address population coverage gaps or adequacy of benefit gaps must include as much detail as possible on the following two items:

* Target population and qualifying conditions to determine the population targeted under the benefit including
  + Categorical targeting (geographical location, age range, gender, disability etc.)?
  + Means tested[[41]](#footnote-42) or universal?
  + Targeted to households or individuals?
  + Is there a limit to the number of eligible individuals per household?
  + Other eligibility/exclusion criteria (e.g. households already benefiting from other programmes)?
* Benefit modality / levels
  + Flat benefit or different levels depending on household criteria?
  + Indexation method to adjust levels over time?
  + In the case of in-kind benefits: Quality of goods or services
  + Duration of the benefit

Overall, benefit options should be designed in a way that they avoid “benefit traps” and, to they extent that they target working age population, encourage labour market participation. It is good practice to develop at least two scenarios for each intended policy reform: a low and a high scenario to indicate minimum and maximum costs. Also, scenarios should possibly include reform packages, e.g. consideration of two or more different interventions to address a certain coverage gap identified.

In order to arrive at realistic scenarios and also to maximize political buy-in and ownership of reform options, the formulation of scenarios should therefore proceed through a participatory process that includes all stakeholders (see section XXX).

* 1. Estimating costs (and returns) of policy/reform options and analysis of the required fiscal space

Once policy options have been identified and defined through a consultative process, the next step is to estimate the cost (and potential returns) of the different measures based on economic and demographic projections. The results will provide a basis for discussions on the revision of the identified options and/or the formulation of SP policy priorities and budget.[[42]](#footnote-43) While this section primarily focusses on the cost assessment, it is important to recognize that there is also a socio-economic return of investing in social protection. Social protection programmes impact on employment creation, employability/productivity of workers as well as creating direct, indirect and induced multipliers (therefore increasing tax collection). Public works programmes also create, physical assets, infrastructure or provide services.

It is important to acknowledge the limitations[[43]](#footnote-44) of the results since, as all models, they only provide a simplified view of reality. However, such costing exercises have proved to be useful in providing an evidence basis for discussing and prioritizing the different policy options by:

* establishing present and likely future estimations of the financial development of the social protection system regarding non-contributory benefits;
* assessing the long term financial sustainability of the existing social protection system (including contributory and non-contributory schemes);
* pointing towards possible causes of present or possible future deficits, possible measures to maintain or restore financial equilibrium or possible reforms to the financial system;
* assessing adequacy of benefit levels, or cost and feasibility of new social protection programmes;
* providing a reality check and managing expectations regarding the financial feasibility of intended reform scenarios;
* assessing the employment impact of public employment programmes and their contribution to social protection schemes.

Costs and fiscal space should be estimated over the medium or long term, e.g. a 7-10 year period. To do so, the formula is adjusted each year to account for changes to the target population (e.g. evolution of fertility, mortality rates, migration rates and labour market dynamics) and for changes to the cost of benefits in relation to a chosen parameter such as inflation, economic growth, wage increases, changes in minimum wages, progressive extension of social protection, tax collection, among others.

The process comes down to answer the following questions for each scenario:

* + How many people are eligible for the benefit being costed?
  + What is the present and future cost of the benefit (benefit level plus estimate of administration cost)?
  + How to sustain the benefit in the future financially?

The figure and table below provide an overview of the elements of the costing and financing framework, indicating the data needed as inputs for the model in blue (data on government operations, labour market, economy and demographic developments). The level of detail needed depends on the parameters included in the scenarios developed. E.g. means-tested benefits or benefits targeting certain age groups require the availability of related data by level of income and related age groups.

**LABOUR MARKET INDICATORS**

**DEMOGRAPHIC FRAMEWORK**

**MACROECONOMIC INDICATORS**

**GENERAL GOVERNMENT OPERATIONS INDICATORS**

**BENEFITS COSTING EXERCISE**

**RESULTS**

**Step 1: Data collection and inputting into the costing and financing framework**

The table below provides an overview of the data needed for each of the above models. This data should be collected for at least 5 years up to the present year and if available, projections for the next 7-10 years. If projections are not available, then they must be made using the historical data and assumptions.

More detailed information regarding the data collection and inputting for the population model, the labour market model, the macroeconomic model and the government operations to build the costing and financing framework is provided in Annex XXX.

|  |  |
| --- | --- |
| **Statistical Data Groups** | **Parameters** |
| Demographic | * Population data per single age and sex |
| Labour force and labour income | * Labour force by age and sex in the base year * Labour force by kind of economic activity |
| * All persons of both sexes above the legal working age who are willing and able to work (including self-employed and structurally unemployed)  1. National average wage (base year) |
| Macroeconomic indicators | * consumer price inflation rate (base year), * real GDP by economic sector (base year), * GDP deflator by economic sector (base year) |
| General government | * Government revenues * Government expenditures * Total social expenditure |
| Other (depending on scenarios) | * national poverty line, * Poverty headcount rates * Age-specific fertility rates * Per capita cost of in-kind benefits * Proportions of population living in rural and urban areas by age groups * … |

**Step 2: Benefit parameters**

Once all the necessary data has been collected, the next step is to calculate the cost of implementing each scenario according to the identified parameters. This is done by multiplying the target group by the per head costs associated with implementing the chosen benefit (including costs of benefit and administrative cost).

The target group is calculated by multiplying the target population (obtained from the demographic data on the population (disaggregated by single age groups and sex) and, as applicable, the economically active population and economic indicators) by the assumed take-up or coverage rate (other similar schemes or may give an indication of reasonable assumptions for this)).

The per head cost associated with implementing the chosen benefit of the base year is then projected over the chosen projection period by adjusting with the chosen parameter, e.g. inflation or wage increase. Administrative cost of implementing the scenario is estimated on the basis of a per capita cost for the delivery of a benefit and then projected in the same way as per head cost of benefits.

Once the cost have been calculated for each of the scenarios on the basis of the above formula, the final step is to summarise all of the results to determine the cost of different reform scenario packages in absolute values and as a percentage of the GDP and of the government budget. Graphs can easily be generated regarding the costs and financial implications for quick and easy reference.

**Step 3: Assessing the financial implications and fiscal space required to implement the reform scenarios**

Several options should be analysed at the country level in order to find the fiscal space required to implement the reform scenarios. The generic options that have to be analysed at the national level are:

1. reallocating public expenditures,
2. increasing tax revenues,
3. extending social security contributions,
4. borrowing or restructuring existing debt,
5. curtailing illicit financial flows,
6. drawing on increased aid and transfers,
7. tapping into fiscal and foreign exchange reserves and/or
8. adopting a more accommodating macroeconomic framework (Hujo and McClanahan, 2009; Durán-Valverde and Pacheco, 2012; Ortiz et al., 2015).

Normally a government would carve out its own fiscal space from a few of these options. The uniqueness of each country requires that the range of options be carefully examined at the national level and the selection based on effective social dialogue and a sound approach to political economy[[44]](#footnote-45).

The fiscal space resulting from the analysis of all the possible options is compared to the total cost of the different reform scenario packages. Instruments used to increase the fiscal space will also be evaluated according to their income distribution effect. The balance of the available fiscal space and the total cost the different reform scenario packages is the deficit or surplus on social protection reform policy options.

Furthermore, a social budget exercise sould be combined with the analysis of the fiscal space. The social budget including the social protection reform policy options consists on the disaggregation of the current and new social protection revenue and also on the current and new social protection expenditure. The social protection revenue side includes the fiscal space resulting from the quantitative and qualitative analysis of all the possible options and the current government social protection revenue, namely social protection contributions. The social protection expenditure side includes the cost of the different reform scenario packages and the current social protection government expenditures. The balance between the current and new revenue coming from the creation of fiscal space and the addition to the current government social protection expenditures of the total cost the different reform scenario packages is the deficit or surplus on social protection.

Step 3 will serve as a basis for discussions between relevant stakeholders to determine policy priorities and sequencing for the extension of social protection.

* 1. Analysis of potential poverty impact of policy options (with respect to programme reforms / design decisions)

The cost of different policy scenarios should also be evaluated against the potential impact they would have. While it may not be feasible or financially justifiable to carry out a fully-fledged ex-ante assessment of the anticipated impact of reform measure across all dimensions (social, economic, labour market etc.) and including second order effects, it may be possible to estimate the impact of proposed policy scenarios (the transfer of cash and near-cash resources to households) on poverty rates and poverty gaps, based on a static micro-simulation. Impact assessments are an important additional source of information to inform the political decision making process.

This analysis of the potential impact on poverty reduction of policy options under consideration requires micro-data from recent household expenditure or income surveys as well as labour force surveys when needed. This estimation must use the same micro data as the one that is used for the calculation of poverty statistics (mainly the poverty line and the poverty gap). Furthermore, the poverty impact assessment methodology has to be in line with the methodology used for the calculation of the poverty line. That means that the poverty impact assessment has to take into account the same variable for which the calculation of the poverty line is based (either the consumption or the income variable). The poverty impact assessment must also apply the same adult equivalent scale as the poverty line does.

The concrete procedure for the micro-simulations will depend on the micro-data available and the design of the envisaged transfers that should be assessed. In general, this analysis would simulate the prospective impact of the transfer based on the qualifying conditions determined in the benefit design. This includes for example modelling the poverty targeting mechanisms and applying categorical targeting rules such as ages, geographical locations etc.. The approach allows to test different parameters (policy scenarios), assess their impact on monetary poverty overall and for different subgroups of the population (e.g. child poverty, poverty of older persons, poverty for different household types, geographic areas etc), and to link these to the respective cost estimates. The concrete impact analysis design would need to be determined depending on the country context. An example of how such microsimulation maybe carried out, readers may want to look at the work of ECLAC on social protection transfers to families with children and older adults for countries in Latin America.[[45]](#footnote-46) UNU WIDER also has a tool for simulating tax and benefit policies[[46]](#footnote-47).

Mainly quantitative approaches to impact assessment had proven short sighted in the past, partly because the process and participation of stakeholders could not be properly taken into account. A recent and agencies-wide accepted methodology for innovative, inclusive and partner-oriented impact analysis is *PSIA, poverty and social impact assessment.* PSIA combines a mixture of quantitative and qualitative inquiries to produce an ex ante analysis (see box below for further information on PSIA).

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Box: PSIA - Participatory impact analysis

In this way data-series based macro-economic simulations can be combined with qualitative surveys with bottom-up recipient feedback. The policy makers receive valuable information about how the intended reform affects different sectors or parts of the population. If need be, mitigating measures can be planned from the beginning.

Through the inclusion of multiple perspectives to get a differentiated understanding of the social impacts, the winners and losers of major economic or sector reforms can be better identified and their representatives or organizations brought on board. This logic holds also for impact analysis of social protection reforms, especially considering the wider implications of opening up to broader participation for better information and decision preparation.

The steps in such a process resemble the ISPA tool implementation process

* Selection of a reform context to be assessed
* Delineating the stakeholder group to be consulted with
* Creating steering and working groups and getting a mandate
* Designing the assessment and conducting it (by a heterodox set of analytic tools)
* Producing, disseminating and discussion the evidence
* Formulation of recommendations on how to make the reform more effective

The emphasis on stakeholder participation in the impact analysis resulted from the recognition that isolated discussions with selected ministries as recipients of reform support did not suffice in creating evidence orientation ex ante for poverty outcomes.

This approach helps shed light on social outcomes of reforms ex ante, i.e. in time both for design an eventual redesign of social policies! While it is beyond the scope of this tool to go into further detail of the PSIA approach, a more in-depth and participatory impact analysis would be highly recommended to complement the analysis carried out by using this tools. For further information in this regard, see *Tools for Institutional, Political and Social Analysis – A Technical Sourcebook for PSIA*, Worldbank 2005 (2007).

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* 1. Analysis of implementation capacities

The performance of the social protection system crucially depends on the capacity to implement policies, laws and regulations as planned. SP policy decisions and planning of implementation therefore need to be informed by an assessment of the related capacities. Limited capacities may indicate either that certain policy reforms are not realistic options or that policy implementation will require more time as capacities have to be built. For the sound implementation, the following aspects are important

* A sound legal and regulatory framework that clearly attributes roles and responsibilities to the actors involved (discussed under the section on legal and governance framework XXX)
* Sufficient financial resources for the benefit and administration expenses (discussed in the section on financing XXX)
* Adequate number and skills of staff
* Adequate infrastructure and equipment

Since the financing and legal framework are discussed in separate sections of this tool, this section will focus on human resources and infrastructure across all the steps of programme delivery (see cycle below).

Figure XXX: Programme delivery cycle

Procurement and oversight of providers

Communication and awareness raising

Member/ beneficiary identification, registration and enrolment

(Contribution collection) and financial management

Authentication and Benefit delivery

Complaint and appeals

Monitoring and Evaluation

Source: Own figure

The implementation of each step requires a specific set of skills, expertise and number of staff. In addition to these programme level functions, capacities for administration, oversight, M&E, legal drafting and policy making are needed at the systems level. The table below gives an overview of different skill sets that are important both for system and programme level staff and at which point of the implementation cycle these skills are needed.

|  |  |
| --- | --- |
| **Policy and legal experts**   * Identification of legal and policy gaps / reform needs on the basis of M&E results * Complaints and appeals management, including administrative Law Judges for hearings and cases * Legal drafting and peer reviewing * Informing social dialogue process board | **Statistical / poverty / M&E experts**   * Data collection (qualitative and quantitative): Organising, undertaking, supervising, assessing reliability and robustness of methods and analysing impact, progress * Developing and reinforcing data collection methods (including household surveys) * Assessing coverage gaps and identifying needs for coverage * Developing and implementing M&E framework, measuring efficiency and effectiveness (performance indicators) * Simulating/assessing impact on poverty reduction and income distribution |
| **Actuarial and pensions experts**   * Organisation of modelling and projections * Data collection, analysis at each SP programme level (with Stats experts) * Framework for projection assumptions (with macro-economics analyst) * Demographic, financial projections of general population, each programme expenditure and revenues for social insurance programmes only * Presentation and interpretation of results indicators * Inputs to social budgeting model * Actuarial valuations | **Macro-economic and employment experts**   * Organisation of social budget model and social accounting matrix * Data collection for national accounts * Employment and labour market data and policy analysis * Public employment, employment guarantee and livelihood programmes for active-age persons * Impact assessment of SP system (economy, employment, fiscal, poverty – with Statistics poverty analyst) |
| **Health systems analyst**   * Inventory/mapping/review of existing health system and its performance: health service providers, etc. * Health coverage gap analysis * Definition of health outcome indicators * Policy formulation for (reforming) SP health package options for contributory and non-contributory components | **Administration officers – various areas**   * Membership management (Targeting / eligibility verification, registration, database maintenance and update etc.) * Claims / case treatment * Contribution collection and benefit distribution services * Review of roles and responsibilities across all levels of public institutions * MIS and IT development, review and maintenance * Procurement and contracting * Administration organisation planning |
| **Communication and Training officers**   * Organisation of public information and awareness-raising programme for SP system and each SP component / branch * Communication and coordination between sectors and different administration levels: central, local, community, as well as between the public, private (for-profit) and civil society sectors * Mapping of existing skills and capacities and plan for skills development in line with training needs and administration organisation | **Social dialogue experts**   * Analysis of public administration aspects relevant to SP policy and implementation * Roles and responsibilities, reporting and monitoring between legislature (Parliament) and executive (Government) * Planning of channels for strengthening social dialogue * Action plan for social partners – training, capacity-building |
| **Social Workers – various areas**   * Identification and registration of beneficiaries, delivery of benefits, case management * Child, youth and family experts * Disability experts * Gerontological social workers * Poverty experts * Medical, health and nutritionist social workers | **Management experts**   * Overall management and oversight * Financial management (accounting, investment) * Prevention and control of corruption  1. HR management and development |

It is very difficult to make general statements about financial resources needed, adequate number of staff and right combination of skills for the good governance of the social protection system. This greatly depends on the number and complexity of programs in place, social protection needs in the country, number of persons covered, geography of the country, logistical challenges, degree of computerization of processes in the public administration etc. In many cases, it is to be expected that there will not be adequately skilled workers on the labour market and staff needs additional training to carry out the required tasks satisfactorily. As a result, start-up costs over the firdst 5-7 years of introducing a programme can be expected to be higher. Grosh et al observe that “the administrative costs of well-executed cash or near cash programs cluster in the range of 8 to 15 percent of total costs.”[[47]](#footnote-48)

Only very limited data is available about program staffing of social protection programs or caseloads. There is a large body of literature criticizing the use of caseload figures as a key indicator because of the different nature of each case with significantly different workload implications and it has been common standard to use weighted categories of cases for a more adequate allocation of staff. The following examples are simply intended to give a rough idea of the caseload of social workers or number of staff in social security administrations in different countries.

According to the Australian Child, Youth and Family’s organizational caseload report of 31 August 2013, the average care and protection caseload was 14 families or 30 children and young people per social worker.

In the US, contracts for for-profit agencies providing welfare recipient with job-training and – placement services included ceilings for caseload at a maximum of 35 cases per social worker and fixing a performance rate of placing at least 10 per cent of clients into jobs.[[48]](#footnote-49) In practice, these limits are often ignored and case managers of some companies were responsible for as many as 70-100 welfare recipients.

Cash transfer programs deliver much less complex benefits than job training, counseling or support for older persons and thus have a much higher ratio of beneficiaries to staff, for example, well-targeted programs in Armenia and Romania had 180 and 93 beneficiaries per staff member, respectively.[[49]](#footnote-50)

Large-scale, integrated, nationwide, fully automated and computerized systems operating in an environment of an overall efficient public administration need much fewer staff to administer benefits of a much larger group of persons covered. For example, in 2010 the US Social Security Administration was administrating retirement, disability and survivors’ benefit claims of 278.34 million affiliated members with a total SSA staff of 70,758, amounting to almost 4,000 covered persons per staff treating a total of 11.2 million claims (158.23 per staff).[[50]](#footnote-51)

The second key aspect for adequate implementation capacities is the availability of the needed infrastructure and equipment: a certain number of offices equipped with computers, printers, telephones, stationary, means of transportation for field workers etc. is needed to adequately serve the population. Access to health social protection would need to have the appropriate infrastructures in terms of hospitals, medical machines, medical staff, medicines…

For an assessment of the institutional capacities, it can be useful in many countries to analyse existing schemes and programmes, take stock of their staff and equipment and use the numbers of similar programs that are well implemented as a reference to estimate the cost of scaling up, improving the implementation or introducing new schemes.

ANNEX Data collection and inputting for the costing and financing framework of non-contributory social protection benefit reforms

The initial steps of data collection involve planning, establishing to-do lists, making contacts, explaining the reasons for data request for each of the modules of the costing and financing framework: the population model, the labour market model, the macroeconomic model and the government operations. Planning should be made in advance. A list of needed data should be established with institutions that are likely to have them. The objective of the communication is to explain the context and reasons of the data request in order to obtain the institutional collaboration in sharing data and information on a free of charge basis. The minimum required data should be mentioned in the communication with a preference expressed for direct access to the databases when possible. It should be kept in mind that data is rarely perfect. Data inconsistencies should be communicated to the institution in order to obtain meaningful inputs to fix the data irregularities and to obtain an improved database as a result. The improved database is useful for social protection agencies as well as the institution itself. A key challenge may consist in consolidating data collected from different sources into a single framework as there maybe incompatibilities. Contradictions in data should be resolved to the extent possible between different agencies involved.

#### Population projections

Population projections are a relevant base for other projections such as labour force projections and employment projections. Population projections can be obtained from official national or international institutions. Official national projections are preferred, nevertheless, in the absence of official population projection from a national authority, demographic estimates and projections are made available on line by the Population Division of the United Nations Department of Economic and Social Affairs of the United Nations Secretariat. Population projection can also be obtained by using a model of population projection and the required input data from the base year.[[51]](#footnote-52)[[52]](#footnote-53) The population projection models require data or assumptions regarding mortality, fertility rates and migration rates. The main formulas are

*Number of deaths = Population x mortality rate*

*Population next year = Population this year + Births next year - Deaths next year + net migration*

*Number of newborns = Number of females x Fertility rate*

There can be many organizations or institutions in charge of producing specific statistics and projections in a country. For example, in Thailand the following institutions regularly produce demographic statistics and projections.

|  |  |
| --- | --- |
| **Institutions** | **Statistics and projections** |
| National Statistic Office | 1. Population census and other surveys |
| Ministry of Interior | 1. Registration database of Citizen   (Citizen Identification number) |
| National Economic and Social Development Board (NESDB) | 1. Official population projection   Poverty line |
| Ministry of Commerce | 1. Official Price Index |
| Research Institutions and Universities such as College of Population Studies (Chulalongkorn University), Institute for Population and Social Research (Mahidol University) | 1. Population projection, Related researches |

#### Labour market projections

Labour market projections depend on the working age population (from the population module) and activity rates. Figure 4.5 presents in some detail the modules of a labour market model (also called the labour market balance). The labour supply projection is shown on the left side of Figure 4.5. The economically active population (labour supply) is generated by applying the activity rates (or labour-force participation rates) to the projected population. The labour demand projection shown on the right side of Figure 4.5 presumes that the employed population (labour demand) is projected on the base of national output or GDP and the labour productivity. The unemployed population is obtained from the difference between labour supply and labour demand. Another approach consists in setting the unemployment rate and generating the national output or GDP by assuming a certain productivity rate or output per worker. Finally, another very common approach consists in setting the unemployment and the national GDP at constant prices[[53]](#footnote-54)and generating the labour productivity by dividing the GDP at constant prices by the total employed population. Labour market projections should be organised by 5-year age groups and sex (male, female and total)

Figure 4.5 Labour market modules

**RAP labour market model.tiff**

The economically active population comprises all persons of either sex, and above a certain age, who furnish the supply of labour for the productive activities (falling in the production boundary of the system), during a specified time-reference period. It includes all persons who fulfil the requirements for inclusion among the employed (employees or self employed) or the unemployed.

*Population 15 years old and over = Labour force + Non Labour force*

*Labour Force Participation Rate = Labour Force / Total Population Age 15 and Over*

*Labour Force = Number of Employed + Number of Unemployed*

*Unemployment Rate = Number of Unemployed / Labour Force*

Historical data and distribution by age and sex are needed for labour force (economically active population), participation rates, employed persons, unemployed persons and unemployment rate. Based on historical data and perspectives, assumptions regarding the labour force participation rate and unemployment rate need to be established in order to perform the following calculations:

*Economically Active Population = Population in working age group x Activity Rate*

*Employed population = Economically Active Population –Unemployed population*

*Unemployed population = Economically Active Population x Unemployment rate*

*Female informal labour force = Number of females in the labour force x*

*Proportion of females in the informal sector*

#### Macroeconomic framework

The macroeconomic framework is set based on historical data collected and forecasts made by the user. The macroeconomic framework contains the following parameters:

|  |  |
| --- | --- |
| **Parameters** | **Remarks** |
| Inflation | 1. It is the increase in prices of goods and services. Assumption of inflation growth is needed for the projection period. |
| Average monthly wage | 1. Projections for are assumed to increase in proportion to annual inflation and annual increase in labour productivity. |
| Average wage increase | 1. It is the annual increase in average monthly wage. |
| Minimum monthly wage: | 1. It is the daily minimum wage rate multiplied by the number of working days in a month. Minimum monthly wages are assumed to increase in proportion to annual inflation and annual increase in labour productivity. |
| Labour productivity change | 1. Labour productivity is defined as the GDP produced by an hour of labour; increase in labour productivity indicates the rising living standards in the country. |
| Unemployment rate | 1. It is the proportion of the economically active population that is unemployed. |
| National poverty line | 1. People earning below the poverty line are deemed to be living on inadequate resources. The values of poverty line are assumed to increase in proportion to annual inflation. |
| Rural poverty line | 1. It is the poverty line for rural areas in the country. Its values for are assumed to increase in proportion to annual inflation. |
| Urban poverty line | 1. It is the poverty line for urban areas in the country. Its values for are assumed to increase in proportion to annual inflation. |
| National poverty rate | 1. It is the proportion of people in the country living below the poverty line in a particular year. |
| National poverty gap | 1. The Poverty Gap Index expresses the total amount of money which would be needed to raise the poor from their present incomes to the poverty line, as a proportion of the poverty line, and averaged over the total population, which measures the depth of poverty |
| GDP growth rate | 1. It is the increase in the country’s GDP at constant prices. |
| GDP at constant prices | 1. It reflects the value of all goods and services produced in a given year, expressed in base-year prices i.e. taking into account the correction for inflation; constant price GDP is projected on the basis of the GDP growth rate. |
| GDP at current prices | 1. It is the GDP not adjusted with inflation. |
| GDP deflator (index): | 1. It is calculated as the ratio of current price GDP to constant price GDP. |
| GDP deflator change | 1. It is the annual increase in GDP deflator (index). |
| Per capita health expenditure | 1. It is a measure of how much an average individual in the country spends on health care; assumed to increase in proportion to increase in wage. |
| Government’s per capita health expenditure | 1. It is a measure of how much the Government spends on health care for an average individual in the country; assumed to increase in proportion to increase in wage |

Figure 4.6 presents the modules of the macroeconomic framework. The green boxes indicate the historical data needed, i.e. GDP at constant prices (real GDP) and GDP deflator at least for the base year. The blue boxes indicate the assumptions needed, i.e. the assumed evolution of the real GDP and GDP deflator. The red boxes indicate the projection results, i.e. the GDP at constant and current prices, and GDP deflator.

The annual increase in GDP results from the increase in the number of workers, together with the increase in productivity per worker. A choice must be made as to how each of these two factors will affect the global GDP growth rate. For the short term, the annual GDP growth rate may be based on the estimates published by organizations specialized in economic projections. For the long term, an ultimate growth rate is generally established as an exogenous assumption. The short-term and ultimate rates are then linked together, based on an interpolation technique. Nominal GDP is calculated by multiplying real GDP for each and every year by the GDP deflator. The GDP deflator is ex post, calculated by dividing nominal GDP by real GDP. Its future evolution is usually based on exogenous assumptions on future GDP inflation rates.

Figure 4.6 Economic module

**RAP economic model 2.tiff**

Again, there can be many sources of macroeconomic statistics and projections for a country. For example, in Thailand, the following institutions regularly produce macroeconomic statistics and projections:

|  |  |
| --- | --- |
| **Institutions** | **Statistics and projections** |
| National Economic and Social Development Board (NESDB) | 1. System National Account (National Income) |
| Bank of Thailand | 1. Economic and financial indicators |
| Ministry of Commerce | 1. Official Price Index |
| Ministry of Finance | 1. Revenue, budget and spending of the Government   Short term economic projection |
| Research Institutions/Universities such as Thailand Development Research Institute (TDRI) | 1. Short term and long term economic projections   Related researches |

#### General Government Operations (Status quo)

The General Government's Operations (status quo) summarizes the main components of the general government's revenue and expenditure before introducing any policy reforms. The main feature of this section of the costing and financing framework is the projection of the financial performance of the general government operations, which is crucial for analysing the fiscal space required to fund the proposed benefit scenarios.

The national accounts***[[54]](#footnote-55)*** of the country should provide data and information relative to the government's revenue and expenditure. A search can start with the web-sites of Ministry of Finance, Central Bank, Statistical Office or similar institutions. In the absence of available data from these web-sites, the financial statements can also be provided by the IMF World Economic Outlook Database***[[55]](#footnote-56)***. Data should be organized under the following main categories of account:

|  |  |
| --- | --- |
| Revenue | Government revenues can be broadly segregated into tax and non-tax revenues. Data for the most recent 5 years is collected. The revenues for the next 7-10 years are projected as a percentage of total revenue in the same proportion as it was historically. |
| Expenditure | State expenditure is broadly segregated into Central Government expenditure, transfer to local governments and transaction differences. The figures for the most recent 5 years are collected. The expenditure for the next 7-10 years is projected as a percentage of total expenditure in the same proportion as it was historically. |
| Budget surplus (deficit) | If Government revenues are greater than its expenditure, the difference is known as Budget surplus, while if revenues are less than expenditure, the difference is known as Budget deficit. |
| Financing | This gives the sources of funding the Budget deficit. The sources can be broadly classified as domestic and foreign financing. |
| Surplus (deficit) budget financing | The excess of total financing over budget deficit is known as surplus budget financing, while the shortage is known as deficit budget financing. |

Annex

Key indicators on food security

AVAILABILITY

Average dietary energy supply adequacy

Average value of food production

Share of dietary energy supply derived from cereals, roots and tubers

Average protein supply

Average supply of protein of animal origin

ACCESS

Percent of paved roads over total roads

Road density

Rail lines density

Gross domestic product per capita (in purchasing power equivalent)

Domestic food price index

Prevalence of undernourishment

Share of food expenditure of the poor

Depth of the food deficit

Prevalence of food inadequacy

STABILITY

Cereal import dependency ratio

Percent of arable land equipped for irrigation

Value of food imports over total merchandise exports

Political stability and absence of violence/terrorism

Domestic food price volatility

Per capita food production variability

Per capita food supply variability

UTILIZATION

Access to improved water sources

Access to improved sanitation facilities

Percentage of children under 5 years of age affected by wasting

Percentage of children under 5 years of age who are stunted

Percentage of children under 5 years of age who are underweight

Percentage of adults who are underweight

Prevalence of anaemia among pregnant women

Prevalence of anaemia among children under 5 years of age

Prevalence of vitamin A deficiency in the population

Prevalence of iodine deficiency

**Annex**

**Key indicators regarding education for all (Eventually, these might be better replaced by the agreed SDG indicators)**

**Source :** ***Towards indicators for a post‐2015 education framework - Post-2015 Education Indicators Technical Advisory Group of the EFA Steering Committee*,** UNESCO Institute for Statistics, 2014[[56]](#footnote-57)

**Wherever feasible, data should be disaggregated by sex and indicate data for persons with / without disability separately.**

**Early childhood**

**Readiness for primary school**

Early Childhood Development Index

Under-five mortality rate (%)

Under-five stunting rate (%)

Percentage of children under 5 years experiencing responsive, stimulating parenting in safe environments

**Participation in early childhood development, care and pre-primary education**

Participation rate in organized learning (3- to 4-year-olds)

Gross pre-primary enrolment ratio (%)

**Quality of early childhood development, care and pre-primary education**

Child-educator ratio/Pupil-teacher ratio

Percentage of children receiving at least one year of a quality pre-primary education programme

**One year of free and compulsory pre-primary**

Countries with one year of free and compulsory pre-primary education in legal/institutional frameworks

**Primary and secondary education**

**Achievement of relevant and effective learning outcomes for primary, lower and upper secondary education;**

Percentage of children who achieve minimum proficiency standards relevant to their age group/grade in reading and mathematics at the end of primary, lower and upper secondary education

**Access to and participation in primary, lower and upper secondary education;**

Children who were never in school (% of cohort aged 3-6 years above official primary school age)

Number of out-of-school children and adolescents

Primary adjusted net enrolment rate

Lower secondary total net enrolment rate

Gross enrolment ratio in secondary education

**Completion of primary, lower and upper secondary education of at least nine years’ duration;**

Gross intake ratio to the last grade of primary education (primary completion rate)

Gross intake ratio to the last grade of primary education for children with/without disabilities (primary completion rate disabilities)\*

Primary education attainment rate (% of cohort aged 3-7 years above official primary school age)

Lower secondary education attainment rate (% of cohort aged 3-7 years above official lower secondary school age)

Gross intake ratio to the last grade of upper secondary education (secondary completion rate)

Gross intake ratio to the last grade of upper secondary education for children with/without disabilities (secondary completion rate disabilities)\*

Upper secondary education attainment rate (% of cohort aged 3-7 years above official upper secondary school age)

**Quality of primary and secondary education; and**

**Pupil-teacher ratio (by level of education)**

**Guarantee of free and compulsory education of at least nine years’ duration.**

Countries with nine years of free and compulsory basic education in legal/institutional frameworks

**Skills**

**Knowledge and skills for employment, decent work and life, and entrepreneurship;**

Percentage of youth/adults with problem-solving skills

Percentage of youth/adults who are computer and information literate

Percentage of people with disabilities/people without disabilities with problem-solving skills \*

Percentage of people with disabilities/people without disabilities who are computer and information literate \*

**Participation in technical and vocational, upper secondary and tertiary education and training;**

Upper secondary education gross enrolment ratio

Tertiary education gross enrolment ratio

Participation rate in technical and vocational programmes (15- to 24-year-olds)

Percentage of youth not in education, employment or training (18- to 24-year-olds)

Participation rate in education and training over the past 12 months (25- to 64-year-olds)

Upper secondary attainment rate (25- to 64- year-olds)

**Affordable technical, vocational and tertiary education; and**

**Quality technical, vocational and tertiary education.**

**Equity**

**Disparities in education provision at all levels;**

**Disparities in access to education at all levels; and**

(Relative) Parity index sex: female attainment rate / male attainment rate

(Relative) Parity index disabilities: attainment rate of people with disabilities / attainment rate of people without disabilities\*

(Absolute) Range: difference between male and female attainment rate

(Relative) Parity index: poorest 20% attainment rate/richest 20% attainment rate

(Absolute) Range: difference between attainment rate of poorest and richest 20%

**Disparities in education outcomes such as the acquisition of skills and knowledge.**

(Relative) Parity index sex: percentage of women achieving minimum learning outcomes/percentage of males achieving minimum learning outcomes

(Relative) Parity index disabilities: percentage of people with disabilities achieving minimum learning outcomes/percentage of people without disabilities achieving minimum learning outcomes\*

(Absolute) Range: difference between women and men achieving minimum learning outcomes

(Relative) Parity index: percentage of poorest 20% achieving minimum learning outcomes/percentage of richest 20% achieving minimum learning outcomes

(Absolute) Range: difference between poorest and richest 20% achieving minimum learning outcomes

**Literacy and numeracy**

**Proficiency in literacy/numeracy to fully participate in society**

Percentage of youth and adults proficient in literacy skills

Percentage of youth and adults proficient in numeracy skills

Youth/adult literacy rate

People with disabilities/people without disabilities literacy rate\*

**Access to and participation in literacy and numeracy programmes.**

Participation rate in literacy programmes over the past 12 months (as % of illiterate 25- to 64-year-olds)

**Means of implementation: School environment**

**Availability and quality of education facilities including classrooms, water and sanitation facilities;**

Average size of single grade classes in primary schools

Access to basic services (electricity, potable water and toilets)

**Disability and gender sensitiveness, safety, inclusiveness and effectiveness of school environments.**

Percentage of students with a sense of belonging and inclusion at school

Percentage of students experiencing of bullying

Percentage of schools that meet child-friendly school standards: 1) inclusive of all children; 2) academically effective and relevant; 3) healthy, safe and protective; 4) gender-responsive; 5) physical and informational accessibility for children with disabilities and 6) involved with students, families and communities

**Means of implementation: Teachers**

**Characteristics of teachers such as qualifications and professional training;**

Percentage of teachers qualified according to national standards (by level)

Pupil-qualified teacher ratio

Percentage of teachers professionally trained according to national standards (by level)

Pupil-trained teacher ratio

**Teacher motivation;**

Average teacher salary relative to other professionals

Status of school climate and other learning environment factors associated with teacher motivation

**Provision of support for teachers; and**

Incidence of in-service training

Share of teachers having received training on disability awareness\*

**International cooperation in teacher training.**

**Finance**

**Public education expenditure;**

Public expenditure on education as percentage of GDP

Public expenditure on education as percentage of total public expenditure

**Aid to education;**

Total aid to education

Total aid to basic education

**Countries most in need**

Percentage of total aid to education in low-income countries

Percentage of total aid to basic education in low-income countries

**Groups most in need.**

Share of public expenditure on education received by poorest quintile

\*These indicators have been added by the authors of the SPPOT-ABND tool and are not part of the original proposal on indicators for measuring education for all as proposed by UNESCO.

Key Reading (to be completed)

Hujo/McClanahan. 2009. *Financing Social Policy*. UNRISD/Palgrave

Stolk, Christian van and Emil D. Tesliuc. 2010. *Toolkit on tackling error, fraud and corruption in social protection programs*, Social Protection Discussion Paper, No. 1002, World Bank, Washington DC

ECLAC. “Towards universal social protection: Latin American pathways and policy tools”.

FAO. 2009. Declaration of the World Summit on Food Security, World Summit on Food

Security, Rome, 16-18 November.

1. There is a range of options regarding how this initial assessment is carried out, depending on time, resources, level of detail, data availability and previous studies available. These options include an in-depth assessment through CODI, an abbreviated assessment questionnaire (see annex here), a shortened and very focused query (on program delivery level) and a process-based jointly assembled matrix to create the foundations for the policy option discussion (ABND, see box further below). [↑](#footnote-ref-2)
2. Political economy is obviously an important, if somewhat underreported issue: on the one hand there are the known ideological misunderstandings present in redistribution issues. On the other hand, there are political systems more or less openly adverse to advice on the matter. In this process-based option consultation tool this must be reflected in the set up for stakeholder inclusion and voice. [↑](#footnote-ref-3)
3. This should include government agencies, social partners as well as CSOs active in the area of social protection [↑](#footnote-ref-4)
4. As said at different points in this note, assessment by way of matrix can be done in various ways: data collected, entered and presented for scoring by either a SP experts or multi-stakeholder setting; matrix developed jointly through a series of such workshops etc. In CODI a very comprehensive analysis of the overall SP sector is envisaged that may be quite time intensive. On program or delivery levels, the questionnaire and assessment matrix can be tailored to the specific questions raised. In SPPOT-ABND data collection and processing/assessing is rolled into one process of reiterative consultation workshops over a prolonged period of time. [↑](#footnote-ref-5)
5. Some of the actors involved may prefer to limit participation in one way or another for various reasons and the views of who is important to include differ. (Often, it is argued that it is costly and time-consuming). However, the inclusion of a wider group has distinct informational and procedural advantages that should be carefully considered. [↑](#footnote-ref-6)
6. While participation is important, it is not a sufficient condition for sound policy making. The formulation of effective social protection policies also necessitates the gathering and analysis of information on e.g. social protection needs and gaps, efficiency and effectiveness of existing provisions, country implementation capacities, estimated cost of proposed interventions and their potential impact to enable the decision making process. These other aspects of the policy making processes will be discussed briefly in part 3 of this tool. [↑](#footnote-ref-7)
7. In the particular case of employers` and workers` organizations, it should be noted that international standards uphold their participation in the policy making process - such as in the elaboration and implementation of policies, the preparation of and implementation of laws and regulations affecting their interest and the establishment of relevant national bodies - through their views, advice and assistance. [↑](#footnote-ref-8)
8. For example, the online workspace <http://www.social-protection.org/gimi/gess/ShowProject.action?id=2790> was created to share information about a national dialogue process in the Kyrgyz Republic. [↑](#footnote-ref-9)
9. The regional workshops were held in the three geographical regions of the Philippines namely Luzon, Visayas and Mindanao and utilized the structures of Regional Development Councils and civil society groups, among others. This helped to make the ABND a highly participatory, transparent and relevant process by involving the perspectives of all stakeholders. [↑](#footnote-ref-10)
10. At the time of writing this document, the ABND process was ongoing. [↑](#footnote-ref-11)
11. The process of assessing SP needs described in this chapter bears some resemblance to the ABND methodology described in “Social Protection Assessment-based National Dialogue: A Global Guide” (ILO 2016), however, the assessment proposed here is more detailed and systematic. It also considers access to basic goods and services and it provides detailed checklists for assessing implementation gaps. [↑](#footnote-ref-12)
12. In many countries, there is no clear delineation of SP programs from other programs aiming variously at reducing poverty, improving economic growth, natural /environmental risks, education, housing, nutrition etc. The scope of the assessment and which programs to include should form part of the initial discussions when agreeing on the terms of reference for the tool application. [↑](#footnote-ref-13)
13. E.g. ICESCR, Art 2 [↑](#footnote-ref-14)
14. Guidance on applying the principle of progressivity in the realisation of universal social protection is provided by ILO’s recent Recommendation no. 202. Acknowledging that not all States share the capacities and financial resources to address all gaps immediately, universal coverage should remain the national objective but one that may be reached progressively on a priority basis. According to R202, the principle of progressivity applies to two dimensions of national social security extension strategies: ensuring at least basic levels of income security and access to essential health care (national social protection floors: horizontal dimension) and progressively ensuring wider scope and higher levels of protection guided by ILO social security standards (vertical dimension). [↑](#footnote-ref-15)
15. For a discussion of the right to social protection of persons with disabilities in particular, the Report of the Special Rapporteur on the rights of persons with disabilities is a valuable source of information: A/70/297. <http://www.ohchr.org/EN/Issues/Disability/SRDisabilities/Pages/Reports.aspx> [↑](#footnote-ref-16)
16. Other international standards such as the Social Security (Minimum Standards) Convention (No. 102) provide detailed benchmarks for benefit levels of different schemes and social protection functions. For example, for non-contributory schemes, these instruments establish that benefits must not be lower than prescribed portions of the typical prevailing wage levels for unskilled work (determined for each contingency) and that the total benefits paid and other means of the beneficiary should be sufficient to maintain the family of the beneficiary in health and decency. With respect to contributory schemes where benefits are based on earnings these must not be lower than prescribed portions of the typical prevailing minimum wage or wage of a skilled worker. It is beyond the scope of this tool to discuss the provision and benchmarks of this standard in detail. [↑](#footnote-ref-17)
17. ILO, 2020, Para. 8(b) [↑](#footnote-ref-18)
18. ILO, 2012, Para. 5(b) [↑](#footnote-ref-19)
19. For a discussion of the distributional impact of SP benefits, see also the section on “Measuring systems’ cost-effectiveness in reducing inequality” in *Measuring and maximising value for money in social protection systems,* DFID forthcoming [↑](#footnote-ref-20)
20. It is beyond the scope of this tool to discuss methodologies calculating inequality effects of taxes. For a detailed discussion see Bastagli, Francesca, (2015) *Bringing taxation into social protection analysis and planning*, ODI Working Paper No. 421 [↑](#footnote-ref-21)
21. At a minimum, the assessment should be carried out for the key life cycle categories of: children, active age and older persons. Where schemes exist and data is available, the analysis of social protection for active age groups should also include provisions in the case of disability, maternity, unemployment, work injury, survivors and sickness. [↑](#footnote-ref-22)
22. This indicator is different from legal coverage in that it assesses also conditions for the receipt of benefits other than legal coverage. For example, while all employees may be covered by a contributory pension scheme according to the legislation, in practice only those who are registered with the scheme and contribute to the scheme (or are exempt for specific reasons) will be eligible for benefits. [↑](#footnote-ref-23)
23. Since benefits for children are often provided as family benefits to the household, it may be difficult to measure the social security coverage for this age group at an individual level in certain countries. [↑](#footnote-ref-24)
24. For example, for maternity benefits, the proportion women in child-bearing age entitled to receive maternity benefits in case of pregnancy/motherhood, according to the legislation. [↑](#footnote-ref-25)
25. For example, for maternity benefits, the proportion of women in child-bearing age effectively entitled to receive maternity benefits in case of pregnancy/motherhood, that is those contributing to a maternity insurance or exempted from contributions, and those effectively covered by non-contributory benefits in case of pregnancy/motherhood. [↑](#footnote-ref-26)
26. For example, for maternity benefits, the proportion of beneficiaries of maternity benefits as a proportion of women in the final stages of pregnancy and recent mothers – as a proxy, this indicator could also be calculated as the number of beneficiaries as a percentage of births in a given year. [↑](#footnote-ref-27)
27. A complementary indicator is comparing transfers to the poverty or extreme poverty gap (see Cecchini and Madariaga, 2011, <http://repositorio.cepal.org/bitstream/11362/27855/1/S1100263_en.pdf> ). [↑](#footnote-ref-28)
28. Again, this value is higher than other benchmarks, for example the estimated 60$ recommended for lower income countries as a minimum to be able to meet health-related MDG targets. This latter target, however focuses on MDGs, i.e. maternal and child health, HIV/AIDs, Malaria and other major diseases and does not provide the needed services to the whole population. Other thresholds such as the 15% of GDP spending target for African states anchored in the Abuja Declaration in 2001 are much more ambitious but have proven difficult for countries to achieve. [↑](#footnote-ref-29)
29. <http://www.social-protection.org/gimi/gess/ShowRessource.action?ressource.ressourceId=51297> [↑](#footnote-ref-30)
30. “Methods for Estimating Comparable Prevalence Rates of Food Insecurity Experienced by Adults Throughout the World”, Voices of the Hungry Technical Report, Number 1, April 2016, FAO, Rome <http://www.fao.org/3/a-i4830e.pdf> [↑](#footnote-ref-31)
31. See: FAO 2104. “Refinements to the FAO Methodology for Estimating the Prevealence of Undernourishment Indicator”, FAO Statistics Division, Working Paper Series, ESS 14-05 [↑](#footnote-ref-32)
32. Most recent version: “The State of Food Insecurity in the World 2015: Meeting the 2015 international hunger targets: taking stock of uneven progress” http://www.fao.org/3/a-i4646e.pdf [↑](#footnote-ref-33)
33. [↑](#footnote-ref-34)
34. The principle of collective financing is protected in ILO social security Conventions which affirm that the cost of benefits, as well as expenses for their administration, shall be borne collectively by way of insurance contributions or taxation or both and distributed fairly among the stakeholders (Art 71(1) of Convention No. 102) [↑](#footnote-ref-35)
35. In the case of contributory schemes, Article 71(2) of Convention no. 102 specifies, that the total share of insurance contributions borne by employees should not exceed 50 per cent, the remaining funds being provided by the contributions from the employers and the subsidies from the State [↑](#footnote-ref-36)
36. It is important here to also watch out for coercive or unreasonable practices. Enforcement measures of course also have to operate with in the rule of law and respect the rights and dignity of tax payers and contributors [↑](#footnote-ref-37)
37. For example, Convention No 102, Art 72(2), Recommendation No. 202, para. 3; See also Recommendation No. 67 [↑](#footnote-ref-38)
38. Article 71(3) of Convention No. 102 [↑](#footnote-ref-39)
39. This requires an agency or institution responsible for the centralisation or at least the coordination of activities related to the collection of data and information necessary for monitoring and evaluation [↑](#footnote-ref-40)
40. Emmanuelle St Pierre Guilbault, “A Rule of Law for Social Protection in Developing Countries, General Principles and Best Practices”, 2009 UNPUBLISHED [↑](#footnote-ref-41)
41. It is important to recognize that targeting is not only a cost consideration but depends on the objective. If poverty alleviation is considered only, it may sound logical to focus on cost/benefit analysis only. If the question is what particular needs/ contingencies / vulnerabilities should be addressed such as old age indigence, disabled or child exclusion aspects then a categorical approach can be suitable. The political economy of the country and the social protection needs of the population are more decisive factors than a simple cost benefit analysis. If indeed a means test is to be applied, it should involve a discussion on the best means test possible, including considerations of the costs and benefits of proxy meant tests and its acceptability, accuracy, simplicity and transparency or other more simple forms. [↑](#footnote-ref-42)
42. For more detailed information on how to perform a rapid costing, please turn to modules 10-13 of the “Social Protection Assessment-based National Dialogue: A Global Guide” (ILO 2016) [↑](#footnote-ref-43)
43. Such a generic costing framework cannot take into account all the complex interaction of a social protection system such as behavior of citizens, economic developments or performance of the administration; rank scenarios according to societal priorities nor select interventions, strategies, financing system, or actual mix of public and private responsibilities in the national system; it does not predict the future but rather calculate the most likely financial outcomes based on a number of assumptions; its credibility depends on the quality of the data used and its outcomes are very sensitive to key assumptions [↑](#footnote-ref-44)
44. WSPR 2014/15 [↑](#footnote-ref-45)
45. “Toward a system of basic cash transfers for children and older persons: An estimation of efforts, impacts and possibilities in Latin America.” See <http://repositorio.cepal.org/bitstream/11362/37820/1/S1420990_en.pdf> [↑](#footnote-ref-46)
46. See <https://www.wider.unu.edu/project/southmod-simulating-tax-and-benefit-policies-development> [↑](#footnote-ref-47)
47. Grosh, M., del Ninno, C., Tesliuc, E., and Ouerghi, A. (2008) “For protection and promotion: the design and implementation of effective safety nets ”, p. 390 [↑](#footnote-ref-48)
48. Johnson Dias, Janice and Steven Maynard-Moody, “Profit Welfare: Contracts, Conflicts, and the Performance Paradox”, *Journal of Public Administration Research and Theory*: J-PART, 7, No. 2 (Apr 2007), pp. 189-211) [↑](#footnote-ref-49)
49. Grosh, M., del Ninno, C., Tesliuc, E., and Ouerghi, A. (2008) “For protection and promotion: the design and implementation of effective safety nets ”, p. 392 [↑](#footnote-ref-50)
50. Social Security Administration, Office of Retirement and Disability Policy, Office of Research, Evaluation, and Statistics (2012), “Annual Statistical Supplement to the Social Security Bulletin, 2011”, SSA Publication No. 13-11700 – n.b.: the averages are own calculations computed across all staff, de-facto claims treatment by claims managers is much higher since of course not all staff actually treat claims [↑](#footnote-ref-51)
51. <http://esa.un.org/unpd/wpp/index.htm> [↑](#footnote-ref-52)
52. Using a projection model to estimate future populations requires more effort, however the process provides more flexibility to take into account different assumptions and scenarios and more insights of factors influencing the projected population. Financial, Actuarial and Statistical Services Branch of the ILO has developed its population projection model called ILO-POP. The population model ILO-POP largely draws on the methodology developed by the Population Division of the Department for Economic and Social Affairs of the United Nations. The software was developed within the Financial, Actuarial and Statistical Services Branch to ensure compatibility with the other models. The ILO Technical Guide for ILO-POP can be obtained from its website <http://www.ilo.org/public/english//protection/socfas/download/pop_eng1.pdf> [↑](#footnote-ref-53)
53. The most common source to obtain GDP at constant prices is the IMF World economic outlook database (http://www.imf.org/external/pubs/ft/weo/2014/02/weodata/index.aspx) [↑](#footnote-ref-54)
54. System of National Accounts 2008, http://unstats.un.org/unsd/nationalaccount/docs/SNA2008.pdf [↑](#footnote-ref-55)
55. http://www.imf.org/external/pubs/ft/weo/2014/02/weodata/index.aspx [↑](#footnote-ref-56)
56. Available at [**http://www.uis.unesco.org/Education/Documents/towards-indicators-for-post-2015-education-framework-nov2014.pdf**](http://www.uis.unesco.org/Education/Documents/towards-indicators-for-post-2015-education-framework-nov2014.pdf) [↑](#footnote-ref-57)