



Social Indicators and up-scaling the SPI

ILO & ISSA experience with social protection statistics and perspective

Social Protection Index for Committed Poverty Reduction -
Seoul, 11 – 12 December 2007

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Introduction

Outline

- A common presentation ... for a common database
- ILO mandate
- Statistical needs and objectives
- Main tools and instruments
- Challenge of collecting administrative data
- ISSA: Theopiste Butare
- Development of complementary tools: household surveys
- Conclusion



Context - ILO mandate

The decent work agenda

A goal pursued through four strategic objectives | activities:

- Promoting rights at work
 - Encouraging opportunities for employment
 - Strengthening tripartism and social dialogue
 - **Enhancing social protection for all:**
 - **Extension of coverage** - improved policies and strategies to extend social protection to all
 - **Strengthening national capacity** to ensure sound financial management, good governance and adequate institutional arrangements of social security schemes
- ⇒ With high priority given to policies and initiatives that extend social security to those who are not covered by existing systems [ILC 2001 – *New Consensus on social security*]



Social protection – social security types of interventions

- Informal and formal social protection
- Private and public
- Social insurance - income replacement
- Income support, minimum income guarantees
- Transfers in kind: social services - like basic education or health care but also employment services and labour market programmes
- Transfers in kind: re-imbursments
- Subsidies
- Tax benefits – exemptions for social reasons

Statistical objectives

From ILO strategic objectives to statistical objectives

- **Why are we looking for statistics**
 - Formulation, monitoring and evaluation of policies and programmes
 - Advocacy
 - To enhance the capacity of an increasing number of member States to generate comprehensive social security data
- **What are the needs?**
 - **To measure coverage and evaluate options for extension**
 - **Scope:** Who is covered for what contingency – mostly legislative info.
 - **Extent:** how many are covered? For what kind of risk?
 - **Options for extension:** What are the needs & characteristics of the population not covered?
 - **To assess effectiveness of existing social protection schemes and formulate policies**
 - Again: Who benefits and how many poor/non poor, vulnerable groups
 - What are the benefits (amount)?
 - Who pays and how much (for benefits, for administration)?
 - **Scope:** Both formal and informal social protection schemes
- **Where?**
 - At the global, national and scheme level



Statistical objectives

Global level & country level

- **Building a knowledge base at the global level | idea of the promotion of a minimum set of indicators**
 - Collect, store and disseminate, on a regular and sustainable basis, comparable statistics on social security systems/programs financing, expenditure, benefit levels and coverage.
 - **Strategy:** to build on existing statistics and aims to gradually improve the knowledge base
- **Activities at the country level**

Provision of technical assistance and training to ILO member States (in cooperation with field offices)

 - In countries where statistics are available, activities focus on analysing data to help countries
 - Support to define their social protection policies
 - Support to improve the effectiveness of existing schemes and extending their scope
 - In developing countries the priority is to improve the capacity of member States
 - To generate and use data at the scheme level
 - To generate comprehensive social security data at the national level



ILO statistical experience

- **ILO main experience in social protection statistics and indicators:**
 - Was, and still is, based mainly on administrative data
 - Focused (...still) on formal social security schemes
 - Collection of data on expenditure and financing
 - ILO Cost of Social Security was for a long time a source of reference for comparative data on expenditure and revenue
- **To meet the objective, new instruments have been developed and others are under development**
 - To collect administrative data on beneficiaries, benefits and level of benefits at the scheme level
 - To cover (or try to) cover both formal and informal schemes
 - To complement and overcome the limitations of administrative data especially to measure coverage (household surveys)
 - To be able to identify the needs and characteristics of those that are presently not covered (household surveys)

ILO statistical experience

Administrative data – main data collection tools

SECSOC databases		Data type	Main features	Coverage
Combined ILO-ISSA database	SSI including performance indicators	Administrative data collected at scheme level	<ul style="list-style-type: none"> Covers formal and informal social security schemes Data & indicators on expenditure at national level and at scheme level; coverage & benefit level indicators Largely compatible with EUROSTAT & OECD systems 	<ul style="list-style-type: none"> More than 80 countries with some data Online data collection & partnerships
	ISSA	Administrative data collected at scheme level	<ul style="list-style-type: none"> Covers formal social security schemes for: long-term benefits and employment injury benefits 	<ul style="list-style-type: none"> Developing countries: more than 35 countries
Micro-insurance schemes database & indicators		Administrative data collected at micro-insurance scheme level	<ul style="list-style-type: none"> Schemes characteristics, target group & insurance coverage, package, contributors & beneficiaries, external linkages, etc. Data collection: micro-insurance schemes inventories (2003-2004) Networks of micro-insurance schemes 	<ul style="list-style-type: none"> 15 countries 2003-2004 More than 600 schemes covered in Africa Online data collection since 2007



ILO statistical experience

Administrative data - some analytical tools

Statistical DB	Data type	Main features	Coverage
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Actuarial studies and social budget	Detailed administrative data collected from specific schemes under review	Objective: monitoring past, current and future social protection finances based on present data and projections	About 10 countries per year
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SPER Social Protection Expenditure Review and government social budget	Comprehensive set of data. In SP area mainly administrative complemented with analysis of HH data	<ul style="list-style-type: none"> ● Objective: identify all existing social transfers in order to provide a baseline assessment of poverty, vulnerability and existing provisions. A diagnosis of national needs and opportunities ● building on existing research. ● The sequence: <ul style="list-style-type: none"> ● Poverty and vulnerability ● Employment conditions ● Formal coverage of social protection schemes ● Government finances and social budget 	8 countries + 2 in process Tanzania, Zambia
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Administrative data Challenges

- **Production & quality of statistical information in particular in developing countries**
 - Availability of data
 - Ability of the country to provide good quality data
 - Absence of information system and systematic data collection; Absence of analysis or use of data; absence of methods; lack of resources
- **Fragmentation of interventions**
 - **Multiplicity of actors and higher share of non governmental interventions (especially in developing countries)**
 - High level of informality => high proportion of population not covered by formal public schemes and higher share of non-governmental interventions
- **Deficit of coordination & network** of social protection providers and social protection statistics providers at the national level
- ➔ **Difficult to get a global view at the national level of:**
 - ⇒ Social protection programmes
 - ⇒ Expenditure
 - ⇒ And even more of coverage



Administrative data - Needs

- **Reinforce information systems at scheme and national level**
 - In the framework of activities to support authorities in the extension of social protection, the ILO gives direct support in designing information systems:
 - diagnosis of the situation
 - identification of needs and support in developing the information system
 - methods and tools to collect information
 - identifying a company capable of developing the system
 - Capacity building on the use and analysis of data collected
 - Current projects in Mozambique - INAS (National Institute for Social Action) and in Cape Verde.
- **Improved coordination at the national level**
 - Strengthening the coordination between ministries and institutions involved in social protection
 - ➔ Mozambique again: comprehensive project - INSS, INAS and local development component



INTERNATIONAL SOCIAL SECURITY ASSOCIATION (ISSA)

SOCIAL PROTECTION INDEX FOR COMMITTED POVERTY REDUCTION

Seoul, 11 -12 December 2007

ILO&ISSA experience with social protection statistics and perspective

ISSA's experience

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Senior Programme Manager
ISSA





INTERNATIONAL SOCIAL SECURITY ASSOCIATION

SOCIAL PROTECTION INDEX FOR COMMITTED POVERTY REDUCTION
Seoul, 11 -12 December 2007

- What is the ISSA?
 - « A non-profit international organization consisting of institutions, government departments, agencies and other entities administering one or more aspects of social security »
[ISSA Constitution, article 1]
 - The ISSA was created on 4/10/1927.



INTERNATIONAL SOCIAL SECURITY ASSOCIATION

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- ISSA's membership
- At the beginning of 2007
 - 370 member organizations
 - in 156 countries





INTERNATIONAL SOCIAL SECURITY ASSOCIATION

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- ISSA's mandate

The mandate of the ISSA is « to cooperate, at the international level, in the promotion and development of social security throughout the world, primarily through its *technical and administrative improvement*, in order to advance the social and economic conditions of the population on the basis of social justice »

[ISSA Constitution, article 2]



INTERNATIONAL SOCIAL SECURITY ASSOCIATION

SOCIAL PROTECTION INDEX FOR COMMITTED POVERTY REDUCTION
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- ISSA's strategic objectives
 - 1) Strengthen knowledge production and transfer
 - 2) Provide an international platform for members
 - 3) Promote social security at international level.





INTERNATIONAL SOCIAL SECURITY ASSOCIATION

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- ISSA's strategic objectives and work organization (branches):
 - ***Social Security Observatory***
 - responsible for knowledge development (including databases)
 - ***Social Security Promotion***
 - responsible for knowledge transfer (including communication and training)



INTERNATIONAL SOCIAL SECURITY ASSOCIATION

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- ISSA's strategic objectives and knowledge bases:
- Information collection through SSW
 - SSPTW survey
over 170 countries
 - Complementary and Private Pensions
60 countries
 - Survey on trends (reforms)
 - Legislation
 - ISSA Documentation Centre
- Collection of statistical data on social security (*).





INTERNATIONAL SOCIAL SECURITY ASSOCIATION

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- ISSA Statistical Database on Social Security in Developing Countries (*)
 - Fits with strategic objective (1)
 - Was approved by the ISSA Council in September 2001
 - *...in developing countries*: because many reliable data sources were already available on OECD countries



ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- English-Speaking Countries:
 - Launching of the data collection, establishment of the Network of Statisticians
 - seminar held in Bangkok, May 2002
 - Extension of the collection to new countries, expanding the Network of Statisticians
 - seminar in Arusha, April 2005



ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- French-Speaking Countries:
 - Launching of the data collection, establishment of the Network of Statisticians
 - seminar held in Tunis, April 2003
 - Extension of the collection to new countries, expanding the Network of Statisticians
 - seminar in Cotonou, Benin, February 2006



ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- **Background:**

- Descriptive data already available (SSW);
- Interest shown by ISSA members to have also a quantitative database;
- ISSA assets for addressing the demand:
 - A network of social security actuaries and statisticians (since 1995);
 - Statisticians, in member organizations, who have undergone continuing education courses.



ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- Scope:

- The initial idea, with this project, was to start small ...
 - small number of branches;
 - small number of variables;
 - small number of countries; etc.
 - ...
- and extend depending on the results obtained initially.



ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- Framework (Definitions, Branches)
 - ILO Convention 102; ISSA Constitution;
 - SSPTW (ISSA&SSA);
 - *Social security data required for the valuation of a national social security system (ILO/SOCFAS, 2002)*



ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- Branches/risks (initial stage)
 - Long-term benefits branch;
 - Employment injury;
- Schemes:
 - General schemes for private sector;
 - Mandatory schemes for specific categories of workers (workers in statutory bodies, government workers, etc.).

ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- Branches/risks:**

Long term and employment injury: most existing schemes, in developing countries (Source: SSPTW, 1999)

X means that the scheme exists;

¹ Sickness and maternity refers to cash benefits for sickness and maternity (countries must provide both benefits to be included); A * denotes that medical care and/or hospitalization coverage are provided in addition to cash sickness and maternity benefits (column 4)

Country	Old-age, disability, death	Employment injury	Sickness and maternity ¹ ; Medical care	Unemployment	Family allowances
Barbados	X	X	X	X	
Gambia	X	X			
Ghana	X	X			
Kuwait	X				
Philippines	X	X	X*		
St. Vincent & Grenadines	X	X	X		
Tanzania	X	X			
Thailand	X	X	X*		
Zambia	X	X			
Zimbabwe	X	X			

ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

Branches/risks:

Long term and employment injury: most existing schemes

X means that the scheme exists;

¹ Sickness and maternity refers to cash benefits for sickness and maternity (countries must provide both benefits to be included); A * denotes that medical care and/or hospitalization coverage ...

Country	Old-age, disability, death	Employment injury	Sickness and maternity ¹ ; Medical care	Unemployment	Family allowances
Benin	X	X			X
Burkina Faso	X	X			X
Guinea	X	X	X*		X
Tunisia	X	X	X*	X	X
Gabon	X	X			X
Mali	X	X			X
Malaysia	X	X			
New Zealand	X	X	X*	X	X
Germany	X	X	X*	X	X
Sweden	X	X	X*	X	X



ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- Variables for data collection:
 - Receipts (by categories);
 - Expenditures (by categories);
 - No. of persons protected, of beneficiaries
- Ancillary data (for later stages):
 - Population data;
 - Data on average wages, on GDP,...



ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- Years covered by data received (now):
 - For financial variables:
years 1997 to 2004/2005/2006;
 - For data on protected persons:
years 2001 to 2004/2005/2006.
 - data for 2005 and 2006 is still being checked and not yet on the website:
www.issa.int



ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- Countries covered (now):
 - 19 English-speaking countries:
 - 10 from Africa
 - 5 from Asia&Pacific
 - 4 from the Caribbean;
 - 16 French-speaking countries
 - all in Africa).
- For each country, one coordinator (in some cases, one per institution).



ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- **List of countries:**

- Barbados, Belize, British Virgin Islands, Gambia, Ghana, Kuwait, Jordan, Liberia, Mauritius, Philippines, Sierra Leone, St. Vincent and the Grenadines, Tanzania, Thailand, Zambia, Bahrain, Sudan, Uganda and Zimbabwe;
- Algeria, Benin, Burkina Faso, Burundi, Cameroon, Chad, Republic of Congo, Côte d'Ivoire, Guinea, Morocco, Mauritania, Mozambique, Niger, Rwanda, Togo, and Tunisia.

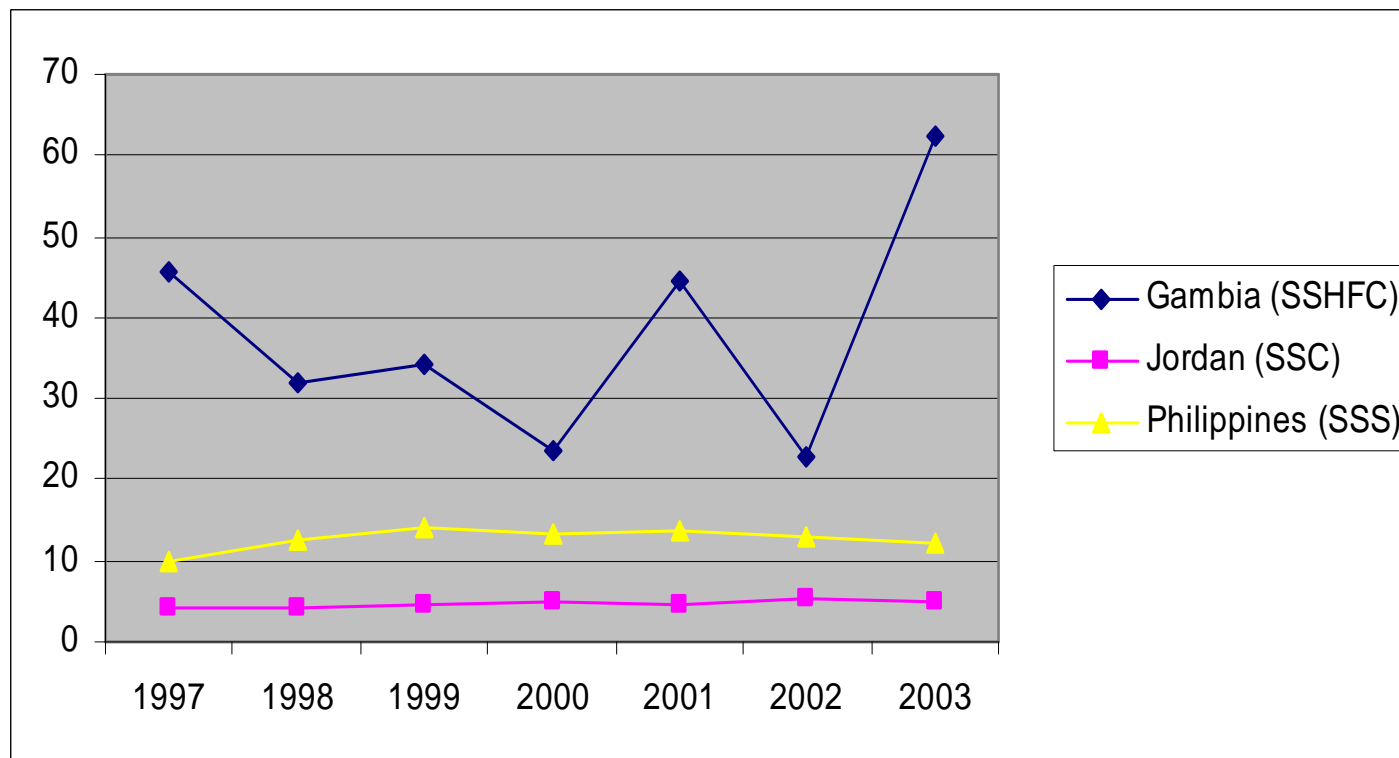


ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- Collecting the data:
What is in for our member institutions?
 - Collecting and verifying the data (by the statistical correspondents) is part of the process of capacity building (statistical and actuarial training seminars);
 - This contributes to strengthening institutions' capacity to ensure sound financial management of their schemes.

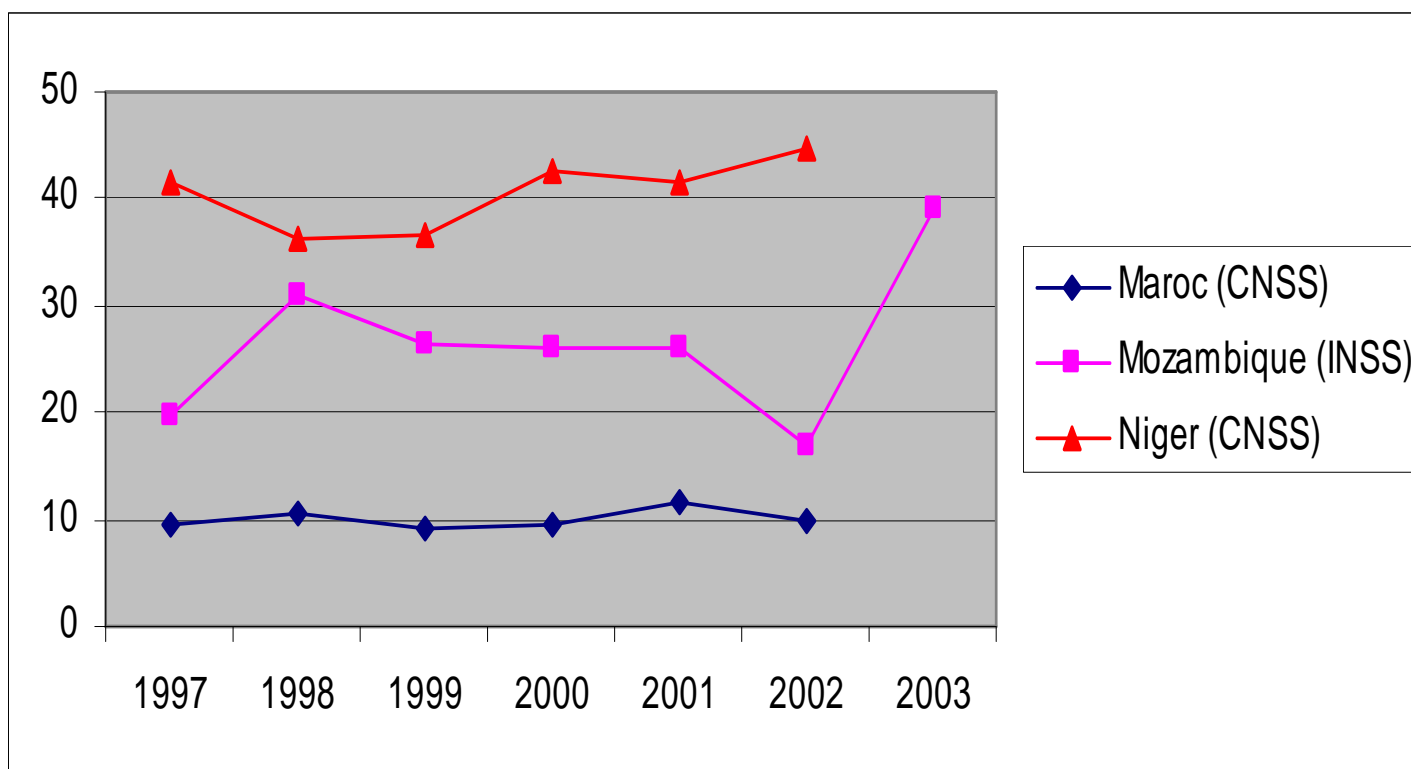
ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- **Example of efficiency indicator: Administrative expenses, in % of contributions (long-term scheme)**



ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- Example of efficiency indicator: Administrative expenses, in % of contributions (long-term scheme)





ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- Problems met from time to time:
 - Statisticians leaving their institutions;
 - No replies to questions (sent by e-mail) – updates, clarification,...
- Solutions found: by writing again, making regular phone calls,...



ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- Reliability of the data: needed checkings
 - Cross-checking with contents of annual reports and other sources;
 - Exchanging e-mails with statistical correspondents;...
 - Corrections where necessary.



ISSA STATISTICAL DATABASE ON SOCIAL SECURITY IN DEVELOPING COUNTRIES

- Future developments (in the framework of a joint database with the ILO)
 - Encourage the participation of more countries, and find appropriate incentives for more regular updates;
 - Encourage correspondents to aim at more quality (through capacity building: seminars, etc.)



The question of coverage

Household survey data

- **What for?**

- Data sources that are complementary to administrative data and which could complement data on coverage collected from existing databases
- Most appropriate information source for the analysis of the causes and effects of the absence of coverage

- Important elements to evaluate options of extension of coverage

- Appropriate tool for the analysis of distributional effects of a minimum package of social protection – giving some first indications for advocacy and further analysis

- Example: How universal pension benefits affect distribution of income/poverty incidence/poverty gap?

- **Main activities**

- Use of existing survey data
- Deal with primary data collection via household surveys

Deal with primary data collection

Household surveys

- Procedure engaged between STAT and the Social Protection Sector
- **Objective**
 - Better coverage of the social protection dimension in regular surveys: LFS, HH budget Surveys
 - Fill the information gap in particular on the issue of social security coverage, but also working conditions, health and safety in the workplace and...
 - overcome or compensate limitations of administrative data
- **Main tools**
 - **Module of questions on all dimensions of social protection** to be integrated in regular household surveys
 - Questionnaire on the informal economy, employment and social protection dimensions
 - Both cover mainly risks, strategy to cope with the risks and coverage by social protection programmes

Module of questions...

a few words

- **Build on past and present experiences**

- Module of questions on the informal economy: includes some questions on social protection
- **Panorama LABORAL**: ILO estimates based on household surveys of the countries.
 - ⚡ Limitations: **restricted to employees or to formal SP Scheme**
- Previous work of the Social Protection Sector in micro-data collection through the **People Security Surveys**
 - ⚡ Wider scope and valuable results but **unsustainable in the longer run** because of the cost

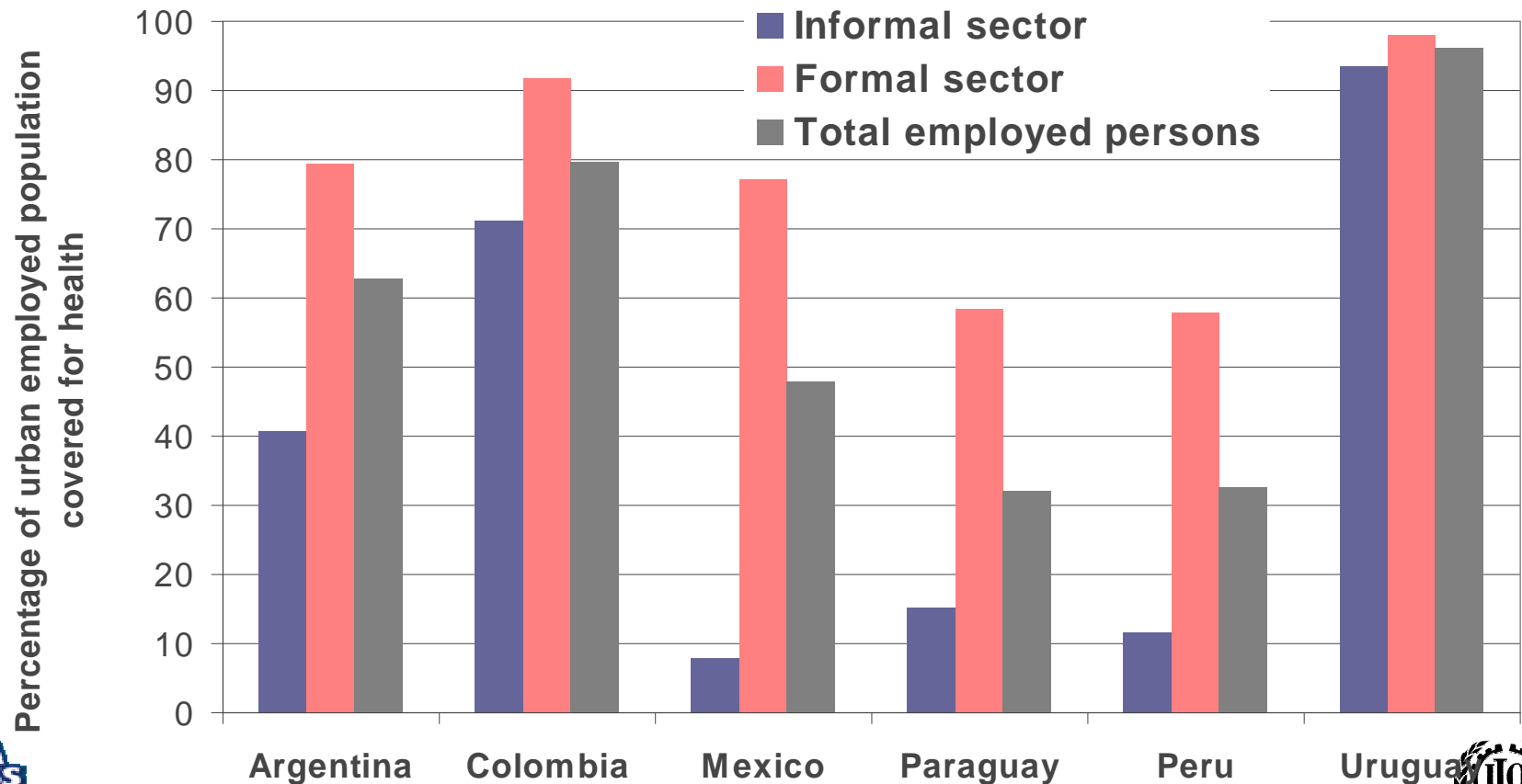
- **The module**

- 30 questions in total for the Social protection sector
- Provide some estimates and facts at the national level ... elements which could call for the need for an independent and more detailed survey
- Contribute to awareness raising of the need for and usefulness of social protection statistics ... and raising awareness inside the ILO of the extension of the scope of the Statistics Department focusing mainly on labour statistics



Panorama laboral: ILO estimates based on household surveys of the countries.

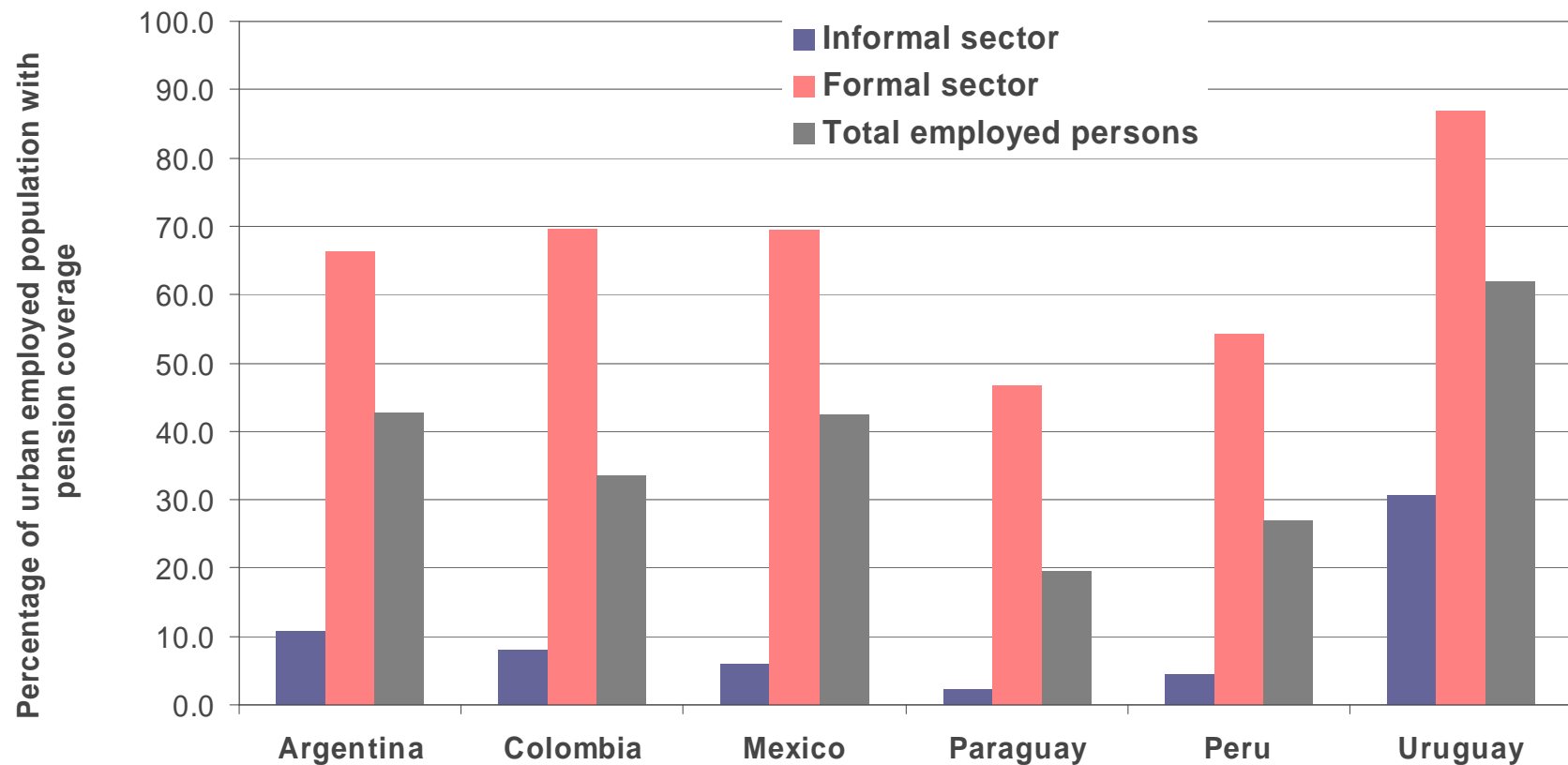
Latin America (selected countries): Urban employed population with health coverage





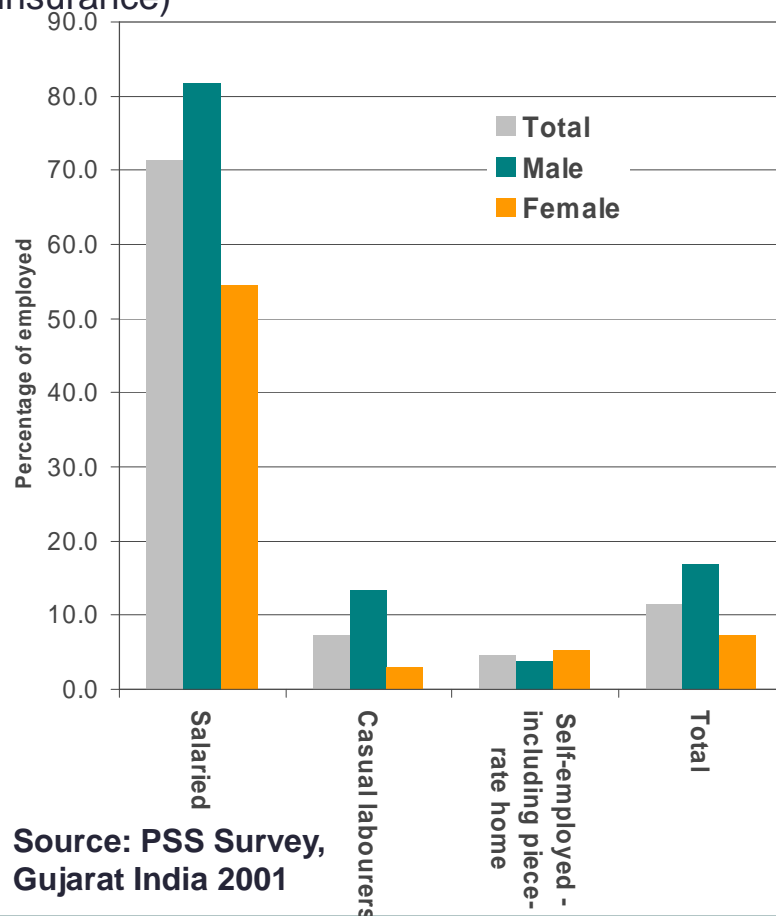
Panorama laboral: ILO estimates based on household surveys of the countries.

Latin America (selected countries): Urban employed population with **pension** coverage

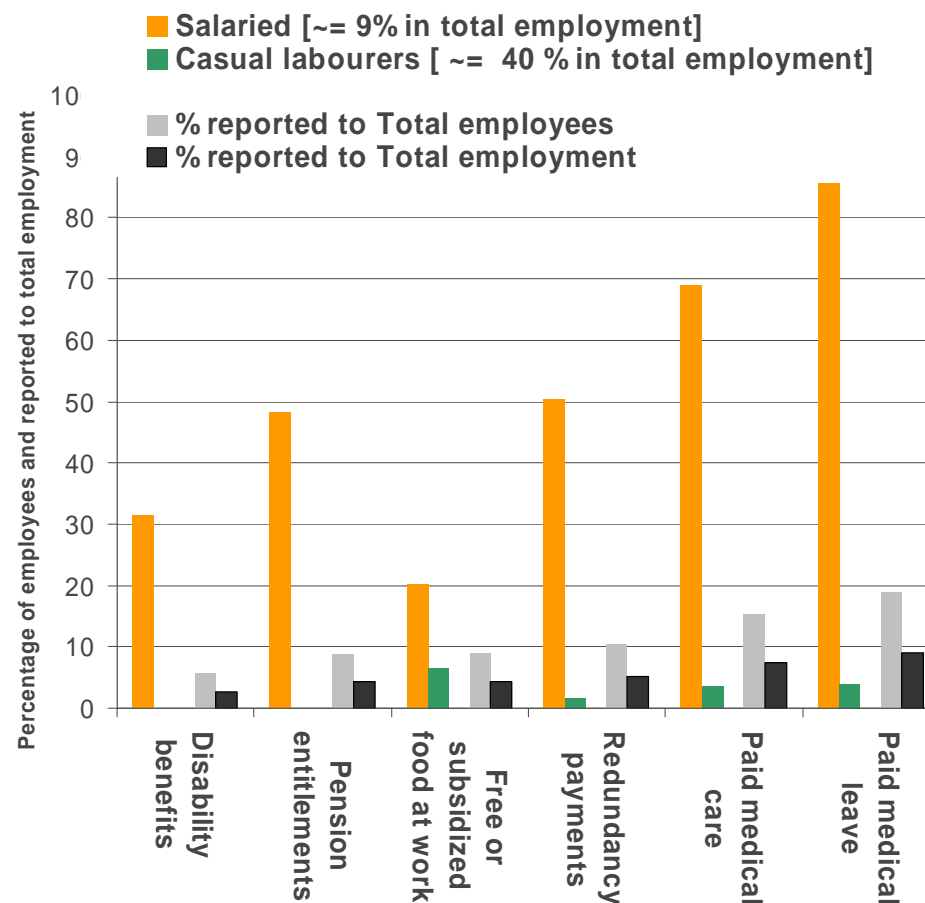


Examples of results from People Security Surveys [PSS] - Gujarat-India

India-Gujarat - Percentage of employed who are covered by a medical insurance/benefits (medical care benefit or private medical insurance)



India-Gujarat - If paid employees, benefits provided by the employer...



Module of questions on SP - Examples of questions: **social security coverage**

Coverage

To be **adapted to national circumstances**

Are you yourself covered by any of the following schemes? Does the scheme also cover your family?

- Social security system
 - Public Service Pension scheme
 - Parastatal Pension Fund
 - Government & Local Authorities Employees Provident Fund
 - Medical Services and Social Welfare
 - Medical care supported by an employer
 - Commercial insurance
 - Community-based insurance scheme
- **Have you ever received any benefit from one of these schemes?**

Which benefits are the schemes that are covering you, meant to provide? (multiple answers)

- Medical care – sickness, injury
- Medical care – maternity
- Sickness
- Work injury/ occupational disease benefits
- Invalidity benefits
- Old-age pension
- Funeral costs
- Survivor's benefits
- Maternity benefits
- Unemployment benefits
- Education for family members



Module of questions on social protection

Examples of questions

Risks:

During the last twelve months, has one, or several of the events listed below seriously affected your household's ability to pay the most necessary expenses?

- Birth of a child (and pregnancy)
- Hospitalization of income earning member | other member of the family
- Other medical costs
- Death of income earning member | other member of the household
- Permanent disability or illness
- Temporary disability
- Loss of job/employment/work
- Retirement from employment
- Natural disaster
- Business failure
- Harvest failure
- Loss or destruction of property
- Other (Specify)

Coping mechanisms

How did the household cope with the financial effects of these events?

- Spent savings
- Sold machine, equipment or other asset used to generate income
- Sold harvest in advance
- Sold other asset
- Took out mortgage on asset or house
- Borrowed money from a bank
- Borrowed money from money lenders
- Borrowed money from other source
- Worked longer hours
- Sent children to work
- Received support from state/ government /public entity
- Received support from family or friends
- Received support from church, NGO, or other non-public actors
- Received support from cooperatives or professional associations
- Other (Specify)

Conclusion [1] — Up-scaling SPI?

Where do we stand?

- With the exception of expenditure data, no international source provides the comparable and comprehensive information as required by the SPI
- Required time, resources consuming activities of search for info and estimates

What could be the next steps?

- **Combining efforts & gradually build the knowledge base**
 - From an ILO-ISSA common database to a ADB-ILO-ISSA database
 - Disseminate methods through alliances and partnerships with other Organizations
- **Capacity building** among social security statistics producers
 - Awareness-raising, promotion and training
 - Use and promote networks :
 - Favor regional or (sub) regional institutions or representations
 - Promote experts' organization at national level
 - **Institutionalization of social security data collection:** support application of the resolution on social security data collection (promoting, providing necessary means), minimum set of SP indicators
- **Promote the ongoing work on using the module of questions in Households surveys** or other alternative solutions



Conclusions [2] — Combining efforts

- Combining efforts:
ILO-ISSA cooperation – Why?
 - strengthening complementarities in view of delivering highest quality services to constituents;
 - avoiding duplication of activities, with a view to
 - ⚡ not to waste the available resources
 - ⚡ to concentrate on development and promotion of social security.



Conclusions [3] — Combining efforts

- ILO-ISSA: Fields for joint activities
 - Working on ways to extend social security coverage
 - Dissemination of information
 - Capacity building
 - Coordinating research activities
 - Advice and long-term support to government and social security institutions.



Useful links

- ILO social security inquiry
http://www.ilo.org/dyn/ilossiadmin/ssimain.home?p_lang=en
- ISSA
 - ISSA Website
<http://www.issa.int/>
 - social security statistics database
<http://www.issa.int/engl/homef.htm>
- Social Security Security Manual
<http://www3.ilo.org/public/english/protection/secsoc/downloads/1123sp1.pdf>
- Micro-insurance scheme database
<http://www.ilo.org/gimi/>
- Socio-economic security database
www.ilo.org.sesame
 - Social security expenditure database (based on IMF, OECD, WHO data)
 - Social security mechanisms and programmes database
 - People security Household surveys



Merci.....
Thank you
고맙습니다

