



First meeting of the Advisory Board of the Global Action “Improving synergies between social protection and Public Finance Management”

31 August 2021, 3.00 pm to 5.15 pm (CEST time)

Background

Today, 4 billion people are excluded from social protection. The current COVID-19 crisis underscored the urgency of investing in social protection to realize the right to social security and achieve the Sustainable Development Goals. To improve synergies between policy making and public finance management implies greater involvement of Ministries of Labour, Social Welfare, social partners, and civil society, in: Firstly, the formulation, approval, execution, and reporting of social protection public budget, as well as all aspects the management of public resources, including domestic resource mobilization. Secondly, the devising and implementing strategies to increase fiscal space for social protection, for example, higher collection of government revenue (within a progressive tax system), improved redistribution with an expansion of social security contributions to workers in the informal economy, or combatting illicit financial flows. This also requires increased collaboration and evidence-based advocacy to convince Ministries of Finance that social protection has high social and economic returns, EU delegations to increase budget support for social protection, and International Financing Institutions to create/maintain a macroeconomic environment conducive to social spending.

Through the Global Action programme “Improving synergies between social protection and Public Finance Management” (hereafter SP&PFM Programme), the European Commission (EC), the International Labour Organization (ILO), UNICEF and the Global coalition for social protection floors (GCSPF) work jointly to improve the design and financing of social protection systems. Guided by the body of international law, human rights, social security standards and the principles embedded in the ILO Social Protection Floors Recommendation, 2012 (No.202), the SP&PFM Programme supports countries in designing, implementing and monitoring effective gender-sensitive and disability-inclusive social protection systems and programmes for all while ensuring financial sustainability and macroeconomic stability; and developing shock-responsive social protection programmes and systems adapted to the needs of those affected by protracted fragility and crises, including socio-economic shocks such as the current COVID-19 crisis.

The SP&PFM Programme is being implemented through two modalities:

- Approach 1, implemented jointly by the ILO, UNICEF and the GCSPF, the SP&PFM Programme provides medium-term technical assistance in areas mentioned above in eight countries: Angola, Burkina Faso, Cambodia, Ethiopia, Nepal, Paraguay, Senegal, and Uganda.
- Approach 2, implemented by ILO, offers on-demand specific technical advisory services to an additional 15 to 20 countries. At present, the following 10 countries are receiving support to strengthen their social protection responses to COVID-19: Bangladesh, Cabo Verde, Cote d'Ivoire, Ecuador, Malawi, Myanmar, Nigeria, Peru, Sri Lanka, and Togo.

In addition, the SP&PFM Programme undertakes cross-country training and research activities aimed at reinforcing exchange of knowledge and learning and building evidence-based advocacy for improved synergies between social protection and public finance management.

A Steering Committee at the global level, composed of representatives from the EC, ILO, UNICEF, an EU member State and the GCSPF provides strategic guidance to the programme and approves key planning documents for the overall programme and the country projects. The Steering Committee is supported by an Advisory Board composed of high-level experts on social protection and public finance management.

The Advisory Board

The Advisory Board has a strategic position, it acts as a group of experts and shall provide technical inputs and guidance for the consideration of the implementing partners, as well as supporting advocacy to improve the outcomes and results of the SP&PFM Programme.

The Advisory Board is expected to fulfil the following roles:

- Provide comments and technical inputs for the development of global knowledge and research products, handbooks and tools, as well as country analytical work when relevant; in particular research to assess whether and how investments in social protection systems contribute to macroeconomic stability and improved measures of inclusive economic growth, social inclusion, equality, employment and formalization;
- Provide strategic feedback and technical advice for strengthening the vision, strategy and priorities of the SP&PFM Programme, in particular in improving the synergies between social protection and PFM, including recommendations for research;
- Discuss and propose linkages between emerging social protection and PFM issues with the SP&PFM Programme, including in the context of the COVID-19 crisis;
- Provide technical advice to ensure that the SP&PFM Programme effectively promotes and applies international principles related to social protection, contributes to gender-equality and is inclusive of persons with particular needs such as people with disability, workers in the informal economy, and migrant workers, among others;
- Offer technical advice and guidance for enhancing the strategy for building social protection systems that are more resilient to crises and shocks;



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SOCIAL PROTECTION FLOORS

- Provide guidance and support advocacy among a larger audience and network for more robust and sustainable financing of social protection that also promotes national and international solidarity.

The Advisory Board will meet at least once a year, on a virtual basis. Each meeting is anticipated to last for about two hours.

Advisory Board Members:

- Evelyn Astor (ITUC);
- Luis Rodrigo Morales (IOE) and Pierre Vincensini (IOE);
- Barry Herman (Social Justice in Global Development, member of GCSPF);
- Laura Alfes (WIEGO);
- Michael Cichon (Independent Expert);
- Francesca Bastagli (ODI);
- Jayathi Ghosh (Jawaharlal Nehru University);
- David Coady (IMF);
- David Bradbury (OECD);
- Marius Olivier (Institute for Social Law and Policy);
- Representatives of two EU Member States.

With this backdrop, the first meeting of Advisory Board will take place on 23 June 2021, from 3.00 pm to 5.00 pm (CET), with the following proposed agenda.

Agenda for First Advisory Meeting, 23 June 2021, 3.00 to 5.15 pm (CET time)

3.00 – 3.05 pm: Welcoming remarks by Ms Gabriella Fesus, Head of Social Inclusion and Protection, Health and Demography Unit (INTPA.G.4), EC-INTPA

3.05- 3.12 pm: Introduction of the SP&PFM Programme and the intended role of the Advisory Board, by Ms Valérie Schmitt, Deputy Director, ILO Social Protection Department & Head of ILO Flagship programme on building social protection floors and Ms Natalia Winder Rossi, Director, Social Policy and Social Protection, UNICEF

3.12 – 3.25 pm: Introduction of the Advisory Board members and selection of the Advisory Board Meeting Chairperson

3-25 – 4.25 pm: Discussion and guidance for improving synergies between social protection and public finance management at country level

Short presentation on the vision and strategy of the SP&PFM Programme and progress towards its Outcomes, by Céline Peyron Bista (10 minutes):

Outcome 1: Improve partner countries' design and financing of social protection systems in support of their efforts towards SDGs 1 and 10;

Outcome 2: Support governments in implementing and monitoring effective gender-sensitive and disability-inclusive social protection systems and programmes while ensuring financial sustainability and macro-economic stability.

Outcome 3: Assist partner countries in developing and applying shock-responsive social protection programmes and systems.

The presentation will first include an overview of the vision and strategy of the Programme to build universal social protection systems in partner countries. It will be followed by a review of relevant interventions and analytical work being conducted by partner countries, including the link with the EU Budget Support, as well as the main challenges in working towards the achievement of the three Outcomes at the country and overarching levels. The discussion will be placed in the perspective of the COVID-19 socio-economic crisis and the global recovery, and its implication on social protection. Among other issues, it will discuss the need for more shock-responsive and adapted social protection systems to respond to crises and facilitate just transition; as well as the need for stronger PFM, especially budget planning and execution, for social protection. Following the presentation, the Chairperson will then facilitate reactions and inputs by the Board.

The following questions and concerns, among others, may guide the Advisory Board's discussion:

- In light of the Programme's first results and challenges, in the current context, how can the Programme strengthen the on-going analytical work and ensure that the support to countries will lead to improving the design, financing and implementation of social protection systems, including linking additional/temporary support deployed in response to the COVID-19 pandemic to the development of more shock-responsive and resilient social protection?
- How can the Programme improve its support to countries to create/maintain a conducive macroeconomic environment, increase domestic resources mobilization and the further development of PFM for better spending in social protection, in line with the international social protection principles, in the current context of possible austerity pressures? What can the Programme do to secure that social protection can contribute to sustainable PFM, in the context of the nascent global recovery?
- What can the Programme do to better engage the social partners and civil society in the debate on social protection financing and PFM?

4.25 - 4.30 pm: Break

4.30- 5.00 pm: Discussion and guidance on research work to better link social protection and PFM

How can the Programme develop evidence-based inputs from the country interventions to better position social protection in the global debate on financing the sustainable development goals in the era of COVID-19 and recovery. The session will be introduced and facilitated by the Chairperson.

Sharing what the Programme is currently doing: *Multi-country study on the multiplier of social expenditures on economic output, preliminary results, by Alvaro Ramos-Chaves* (5 minutes)

The Chairperson will then moderate a discussion by the Board, among other questions and concerns that may arise:

- How to best communicate the results of the multiplier study to better position social protection in the PFM and financing debate, with Ministries of Finance and at the global level?
- What other evidence and research are needed to reinforce the advocacy on improving financing of social protection and PFM for achieving the SDGs 1 and 10?

5.00 – 5.15 pm: Conclusion and way forward

The Chairperson will summarize and conclude with the Board members:

- Recommendations by the Board on potential analytical work and advocacy initiatives that could help the SP&PFM Programme bring stronger link between social protection and PFM at global and country levels;
- The way forward and next steps.

Closing remarks by Shahra Razavi, Director of the ILO Social Protection Department