



**The UN SPF Team in
Thailand: relevance,
experience, lessons to be
learned**

Prepared by V. Schmitt, Social Security Specialist, ILO
DWT Bangkok and Presented by Kwanpadh Suddhi-
Dhamakit, UNDP Bangkok, Seoul, 1&2 November 2012

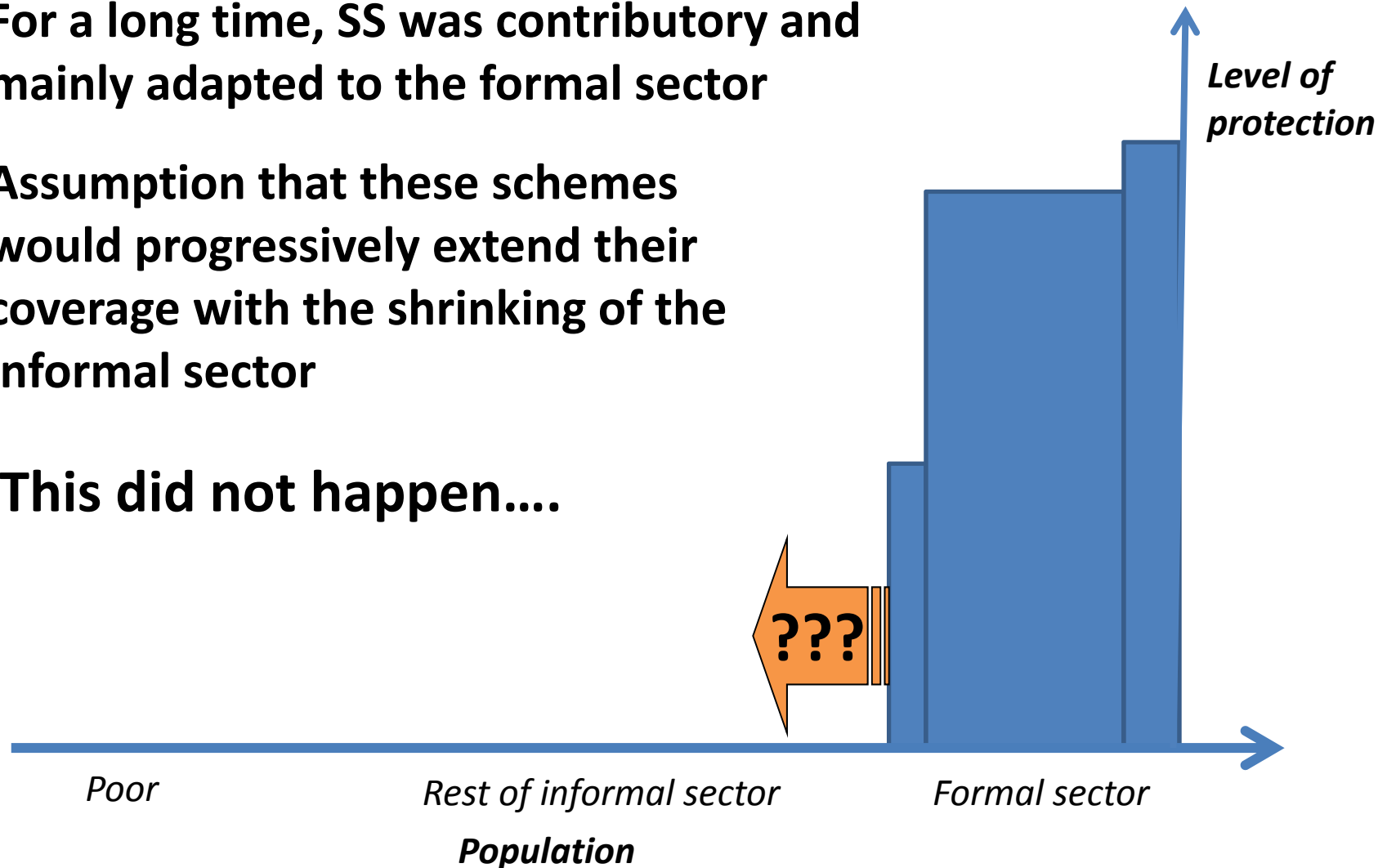
Structure of the presentation



- **Social protection floor: concept, initiative and recommendation**
- The UN SPF Team in Thailand: relevance and experience
- The Assessment Based National Dialogue exercise: process and results

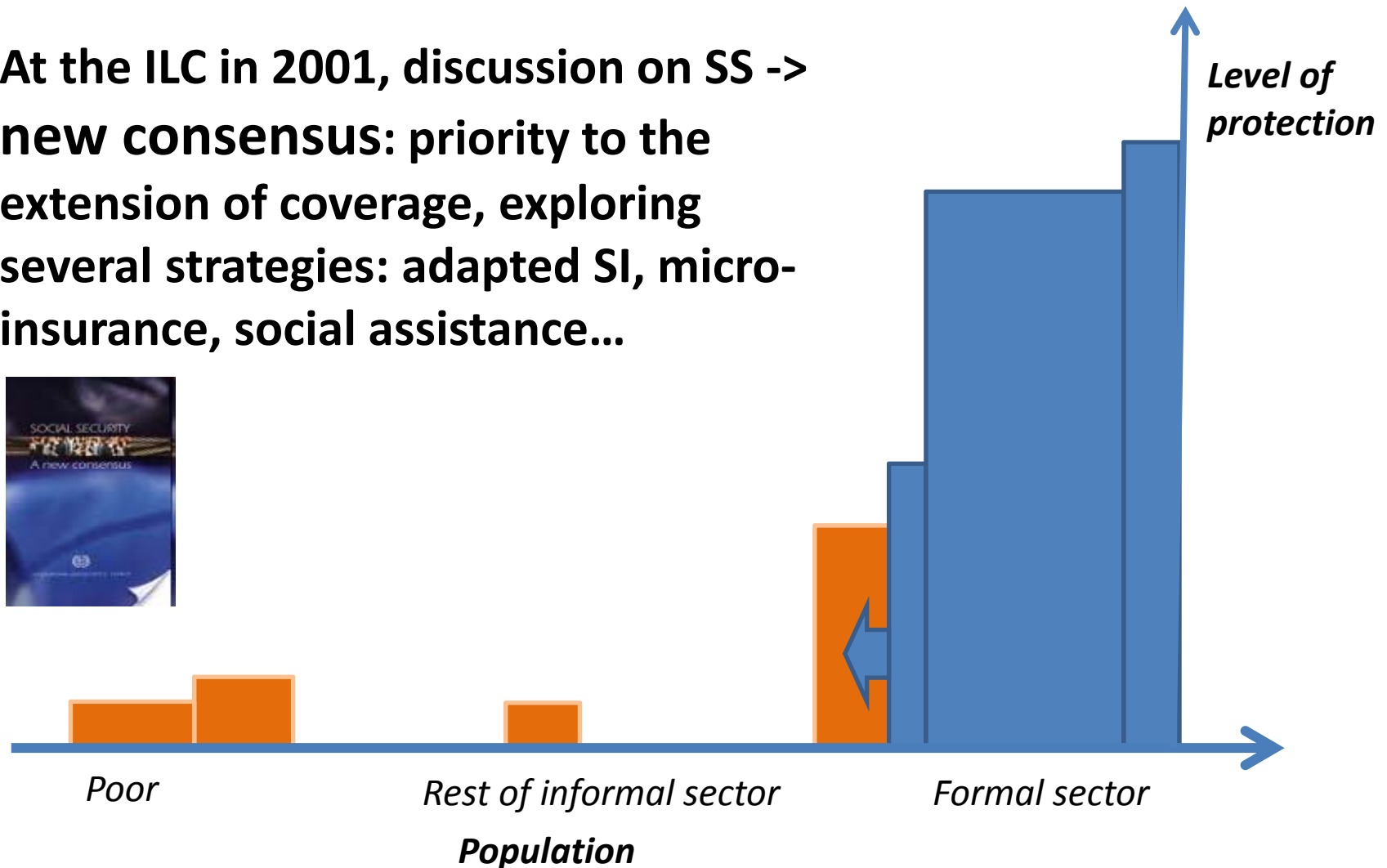
Social security extension

- For a long time, SS was contributory and mainly adapted to the formal sector
- Assumption that these schemes would progressively extend their coverage with the shrinking of the informal sector
- This did not happen....



Social security extension

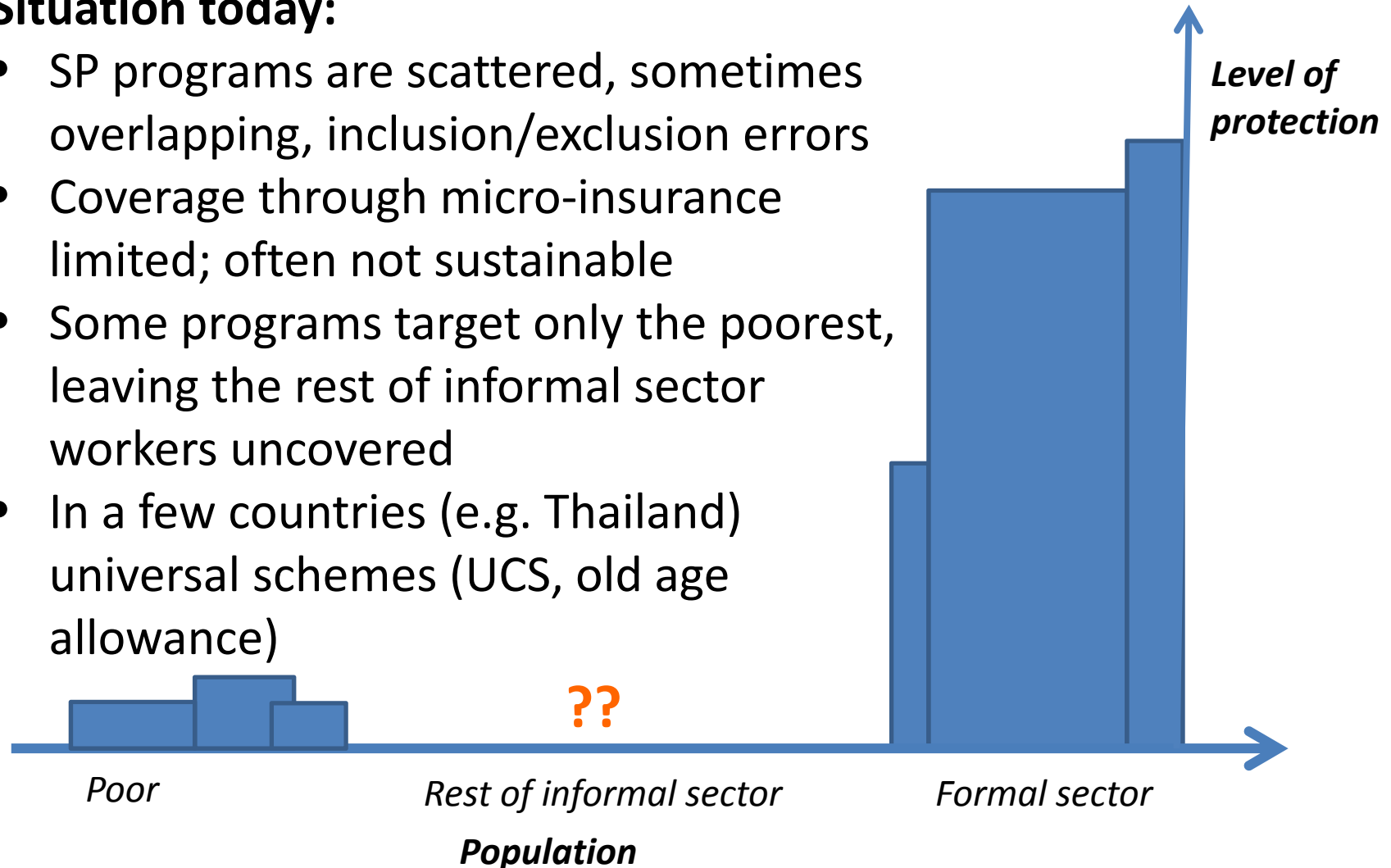
- At the ILC in 2001, discussion on SS -> **new consensus: priority to the extension of coverage, exploring several strategies: adapted SI, micro-insurance, social assistance...**



Social security extension

Situation today:

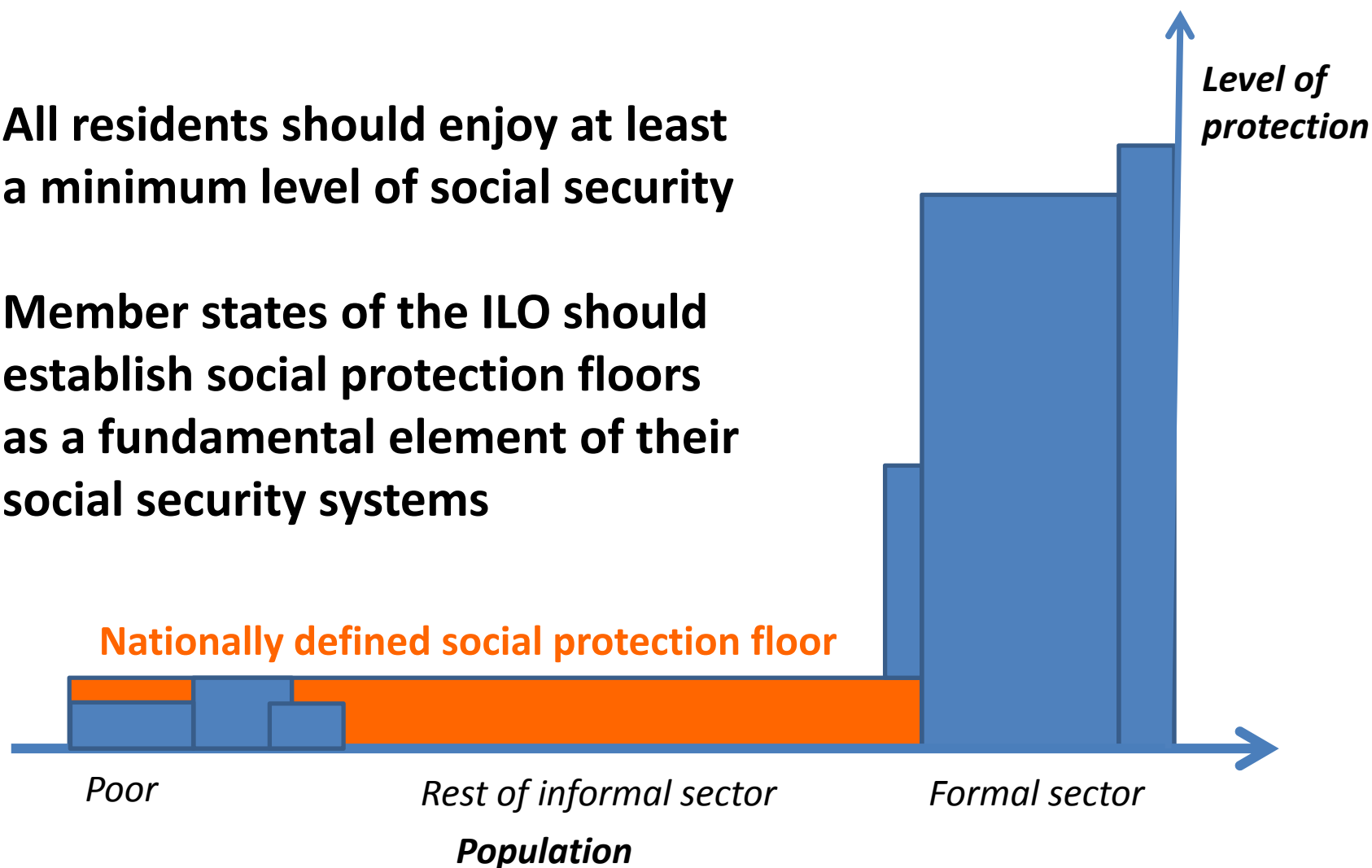
- SP programs are scattered, sometimes overlapping, inclusion/exclusion errors
- Coverage through micro-insurance limited; often not sustainable
- Some programs target only the poorest, leaving the rest of informal sector workers uncovered
- In a few countries (e.g. Thailand) universal schemes (UCS, old age allowance)



Social security extension: the social protection floor

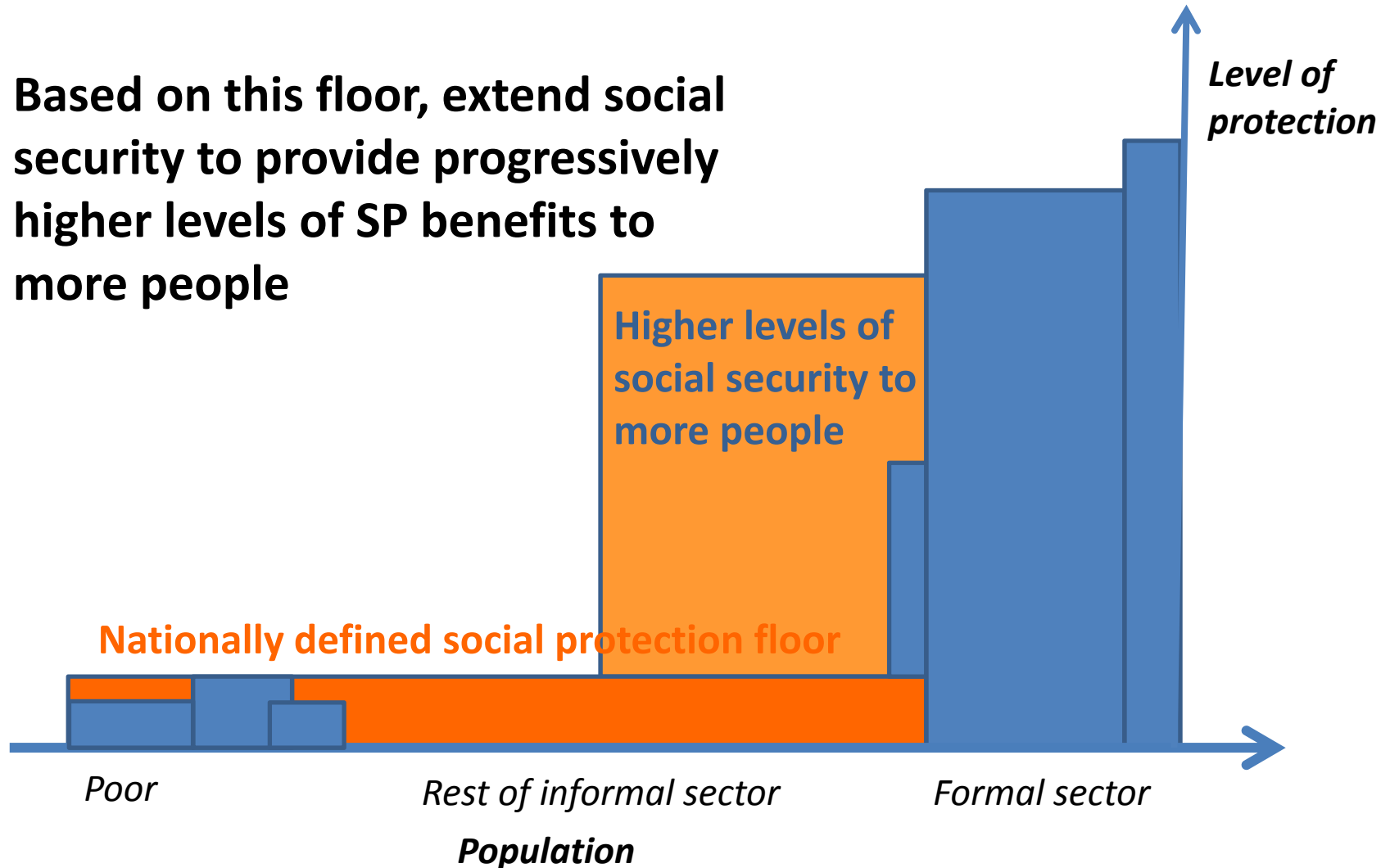
All residents should enjoy at least a minimum level of social security

Member states of the ILO should establish social protection floors as a fundamental element of their social security systems



Social security extension: the social protection floor

Based on this floor, extend social security to provide progressively higher levels of SP benefits to more people



In a country with a Social protection floor, four guarantees:



All residents have access to **essential health care**



All **children** enjoy **income security** through transfers in cash or kind → access to nutrition, education and care



All those in **active age groups** who cannot earn sufficient income enjoy a **basic income security** (particularly in case of sickness, unemployment, maternity, disability)



All **residents in old age** and with disabilities have **income security** through pensions or transfers in kind

Nationally defined Social Protection Floors

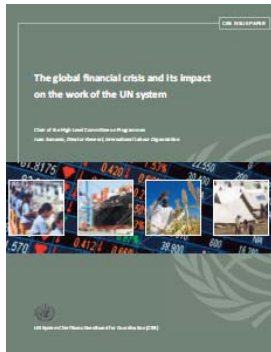
- **Not a one size fits all approach** : each country defines the levels of benefits that it can/is willing to provide



- Each country also decides **how to do it** – through universal schemes, targeted social assistance, social insurance, a combination...

The UN SPF initiative

- **SPF initiative launched by UNCEB** in April 2009 & Manual for country operations



SPF adopted at ILC 2009 as part of the **global jobs pact**

- Creation of the **SPF Advisory group** in 2010



www.ilo.org/public/english/protection/spfag/

The SPF initiative



- **G20 Summit**, Labour & Development group (Paris, Sept 2011) & heads of States (Nov 2011) in Cannes

→ **Three recommendations:**

- 1- Develop nationally defined social protection floors
- 2- Encourage international organisations to coordinate their actions more effectively to help countries develop nationally determined social protection floors
- 3- Ensure effective financing for the implementation of nationally determined social protection floors

Adoption of the SPF Recommendation (No 202) by the 185 member states of the ILO in June 2012



101st ILC

14 June 2012

456 yes votes

1 absence

The recommendation 202 is a useful guidance for member states who wish to establish/maintain SPFs as part of their national social security systems

http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_183326.pdf

Structure of the presentation



- Social protection floor: concept, initiative and recommendation
- **The UN SPF Team in Thailand: relevance and experience**
- The Assessment Based National Dialogue exercise: process and results

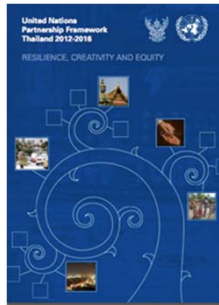
Thailand's social protection floor

- Two major universal schemes that constitute the main pillars of Thailand's **SPF**
- *The Universal Coverage Scheme (UCS), 2001*
- *The Non Contributory Allowance for Older People, 2008*

Thailand's social protection floor

- Social protection progressively, a fundamental means to mitigate social inequalities
- Former Prime Minister Abhisit Vejjajiva's 5-point roadmap, and the strategy to develop a universal coherent social protection system by 2017 called the "Welfare society"
- Vision of the Eleventh National Economic and Social Development Plan (2012-2016) is to build "A happy society with equity, fairness and resilience"
- Policy Statement of Prime Minister Yingluck Shinawatra to the National Assembly on Tuesday 23 August B.E. 2554 (2011)

The UNPAF on social protection (2012-2016)



- Social protection was chosen as one of the six key areas of the UNPAF (RTG/UN)
- Focus on **enhancing Thailand's capacity to provide universal basic social protection and higher levels of benefits**, with the overall objective of ensuring the financial and institutional sustainability of the system

The UN SPF Joint Team in Thailand

- Created in March 2010 to support the Royal Thai Government (RTG) in the development of a holistic and coherent social protection system.

- The team members

- ILO = chair



- The UN SPF Team's brochure: www.social-protection.org/gimi/gess/ShowProjectResource.do?resourceId=30388&pid=1325

The UN SPF Joint Team in Thailand

- Activity #1: Documenting Thailand's social protection experience



Watch the video: www.social-protection.org/gimi/gess/ResShowResource.do?resourceId=27521

2 papers (on UCS and 500 Baht scheme) in ILO-UNDP publication



The UN SPF Joint Team in Thailand

- Activity #2: Promoting social protection concepts among key stakeholders in Thailand: conferences and capacity development



Development Cooperation Seminar on « Social Protection: Towards Universal Coverage in Thailand »



Launch of the publication "*Social Protection Floor for a Fair and Inclusive Globalization in Thailand*"



Capacity development (e.g. with Chulalongkorn Univ.) to strengthen the national analytical capacity in social protection

The UN SPF Joint Team in Thailand

- **Activity #3: Supporting Thailand's development of a holistic and coherent social protection system: Assessment Based National Dialogue (ABND) Exercise**
- 18 months process
- Participatory approach
- Research questions: Is the SPF a reality in Thailand? What needs to be done to complete the SPF? Can Thailand afford it?

Structure of the presentation



- Social protection floor: concept, initiative and recommendation
- The UN SPF Team in Thailand: relevance and experience
- **The Assessment Based National Dialogue exercise: process and results**

What do we want to know?

“Is the social protection floor a reality?”



😊 Full achievement of the SPF !!

☹ Still some gaps → recommendations to the government to reach the full accomplishment of the SPF

“Is the social protection floor a reality?”



DO all residents have access to **essential health care**?



DO all **children** enjoy **income security** through transfers in cash or kind → access to nutrition, education and care?



DO all those in **active age groups** who cannot earn sufficient income enjoy a **basic income security**? (particularly in case of sickness, unemployment, maternity, disability)

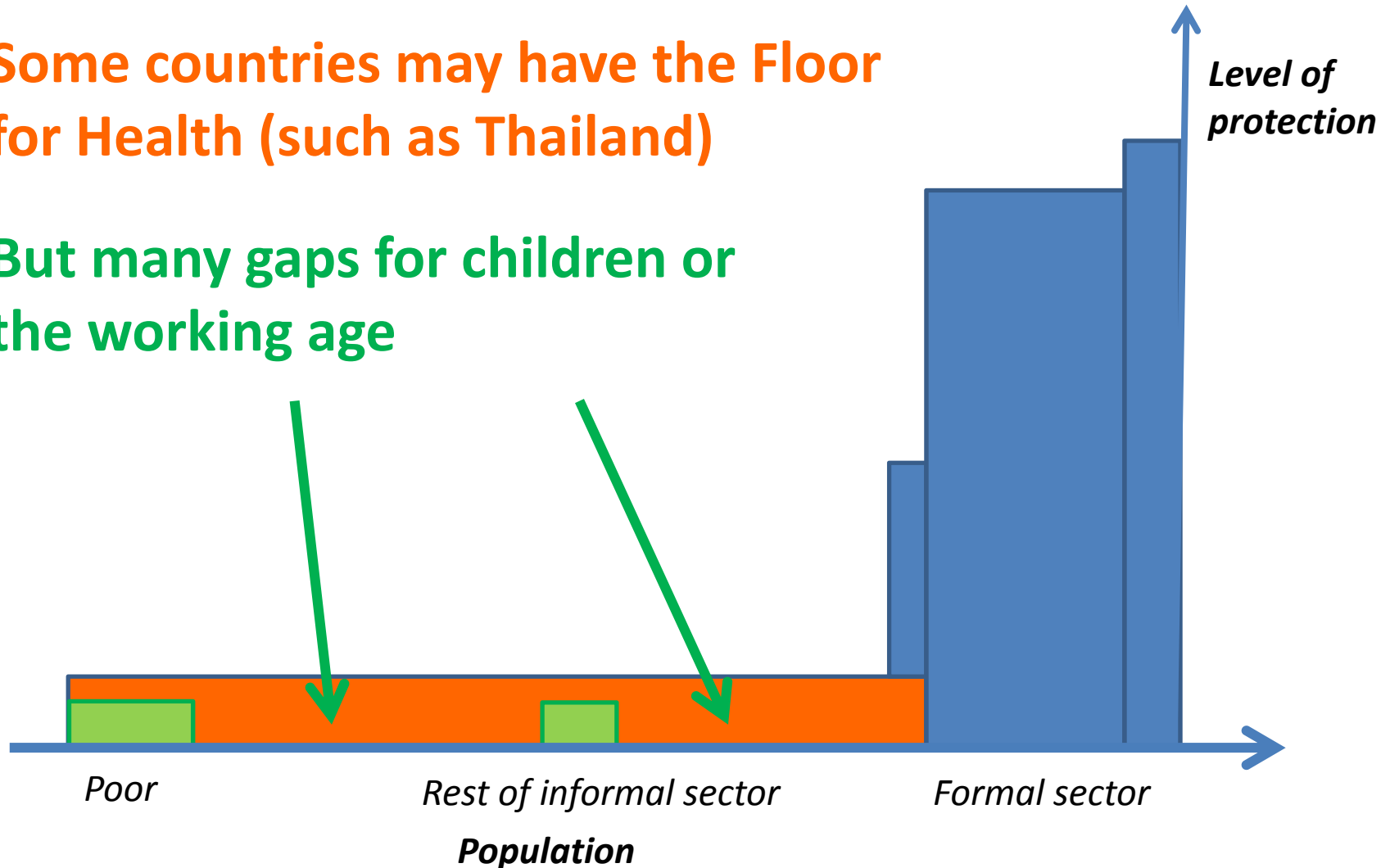


DO all **residents in old age** have **income security** through pensions or transfers in kind?

“Is the social protection floor a reality?”

Some countries may have the Floor for Health (such as Thailand)

But many gaps for children or the working age



“Is the social protection floor a reality?”

1. What is the Social Security Situation?

2. How far are we from the achievement of the SPF? -> gaps, issues

3. What should be done to complete the floor?

4. How much would it cost today and in the future?

5. Can the Government afford it?
Do we need to increase the fiscal space?

6. How to ensure that the recommendations are endorsed and listen to?

7. How to advocate for the SPF as a whole or specific recommendations? (ROR...)

“Is the social protection floor a reality?”

Step 1 – Building the assessment matrix including the identification of priority recommendations




Step 2 – Rapid Assessment Protocol to estimate the cost of implementing the social protection provisions



Step 3 – Finalisation of the assessment report for endorsement and further action by the higher levels of government

ASSESSMENT FACTSHEET:

DECENT WORK
Promote and protect it


International Labour Organization

Assessment Based National Dialogue on Social protection in Asia and the Pacific
A participatory approach

A process uniting many actors

The Assessment Based National Dialogue (ABND) on Social Protection aims at identifying priority areas for the Government's intervention in the field of social protection, and at estimating the cost of these interventions. It requires the involvement of a number of actors:

- UN agencies involved in the Social Protection Floor (SPF) initiative (ILO, UNICEF, WHO, UNFPA, UNHCR, UNESCO, UNWOMEN, WFP) and development partners.
- Line ministries (Labour, Health, Social Welfare, Finance, Planning, Rural Development, etc).
- The National Statistics Office and academia.
- Workers' and employers' representatives, civil society organizations.
- Local governments (in some cases).

Their contribution includes providing information on existing schemes and programmes (including statistics relating to coverage and budgets), identifying policy gaps and implementation issues, and formulating recommendations in line with Government strategies, advocating for these recommendations and ensuring that they can be translated into concrete actions.

A unique opportunity for national dialogue

Many stakeholders work in isolation and only deal with a part of the social protection agenda. The ABND provides a unique opportunity to gather all stakeholders together and come up with a common diagnosis of the social security situation, formulate shared priority policy options, and progressively define a vision for the development of social protection. This consensus is achieved progressively, through consultations, workshops, and technical sessions where the proposed policy options are revised to take budgets and costs into account.

An opportunity for UN collaboration

In Thailand and Indonesia the assessments were conducted by the UN SPF team/working group under the ILO's leadership. In Viet Nam the ILO led the assessment in close collaboration with other UN agencies.

The ABND three step approach


STEP 1 – Development of the assessment matrix

The four guarantees of the Social Protection Floor (SPF) are used as benchmarks to describe existing social security, social protection and poverty alleviation programmes, identify policy gaps and implementation issues, and produce recommendations for the design and implementation of further social protection provisions with the aim of guaranteeing at a minimum the SPF to all the population.

Figure 1: Assessment Matrix

	UN objective	Existing provision	Planned or proposed strategy	Cost (implementation)	Resource available
Health					
Children					
Working age					
Older people					

The assessment matrix is compiled in close collaboration with all relevant stakeholders, using face-to-face consultations and workshops at both national and provincial levels.


Participatory workshops in Bangkok and Jakarta

Step 3

9. Endorsement by UN/RTG joint team and presentation to the government (Oct-Nov 2012)

8. Finalization of Costing, Fiscal space, Writing ABND report (May-August 2012)

7. Dialogue # 3 on results of costing (March 2012); Training on costing (May 2012)

6. Data collection for the RAP protocol and costing of the scenarios (Nov 2011 - March 2012)

Step 1

1. Inventory of schemes (June 2011)

2. Draft Assessment Matrix (July 2011)

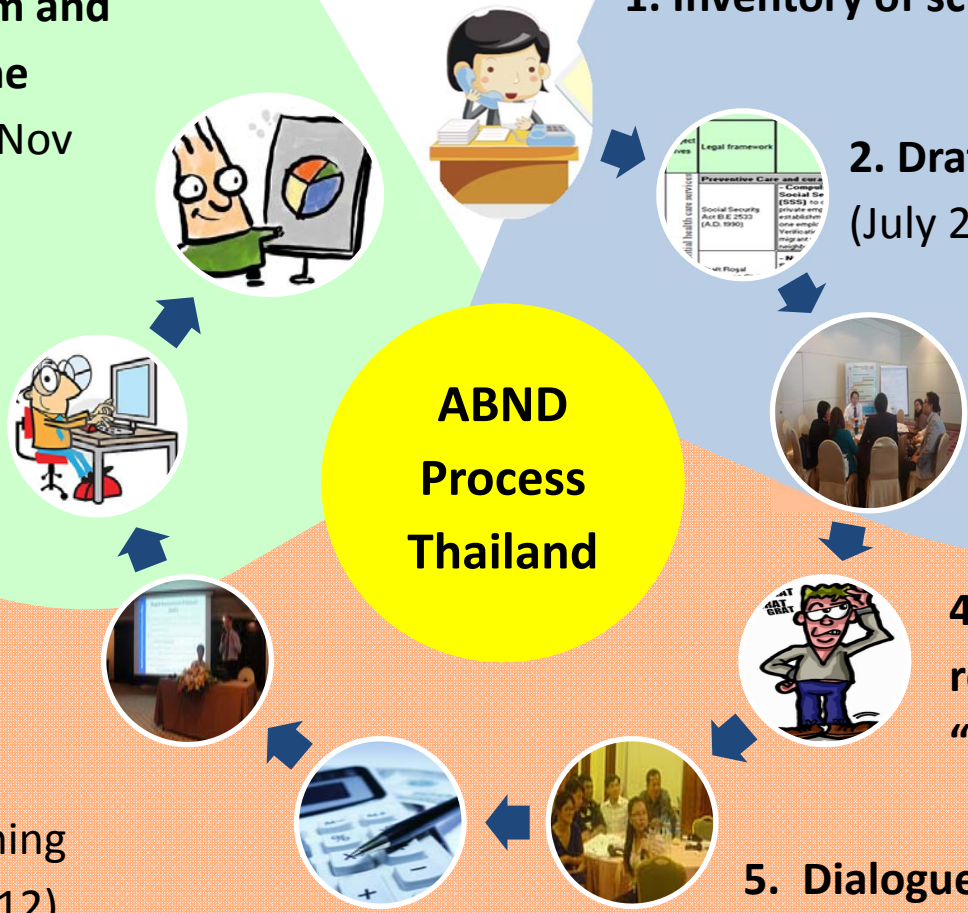
3. Dialogue # 1 on ABND matrix (August 2011)

4. Translation of policy recommendations into "costable" scenarios

5. Dialogue # 2 on proposed scenarios (November 2011, February 2012)

Step 2

ABND Process Thailand





Stakeholders in Thailand

Line ministries (Labour, Health, Social Development, Education, Finance), NESDB

Workers and employers organisations

Civil society

National Statistics Office, academia

UN agencies involved in Thailand's SPF Team (ILO, UNDP, UNESCO, UNFPA, UNICEF, UNRCO, UNWOMEN, WHO)

STEP 1: Building assessment matrix

	SPF objectives	Existing SP provisions	Planned SP provisions (strategy)	Policy gaps	Implementation issues	Recommendations
Health	Four SPF guarantees	Identifying existing situation in the country		Identifying policy gaps and implementation issues, addressing which would complete the SPF		Priority policy options, to be decided through national dialogue
Children						
Working age						
Elderly						

From Step 1 to Step 2

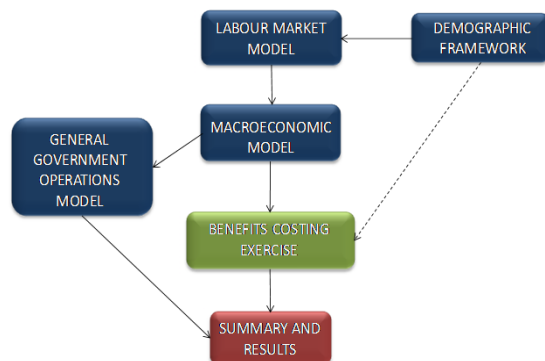
	SPF objectives	Existing SP provisions	Planned SP provisions (strategy)	Policy gaps	Implementation issues	Recommendations
Health						
Children						
Working age						
Elderly						

2 Types of recommendations!

Recommendations = Increase benefits or population covered, introduce new SPF benefits

Qualitative recommendations on the management of existing schemes, review targeting & registration mechanisms, introduce a social insurance scheme (unemployment insurance, pension system), conduct a tax reform, improve the quality of health or education ...

We can use the RAP Protocol




We need to conduct complementary studies



STEP 2: Rapid Assessment Protocol

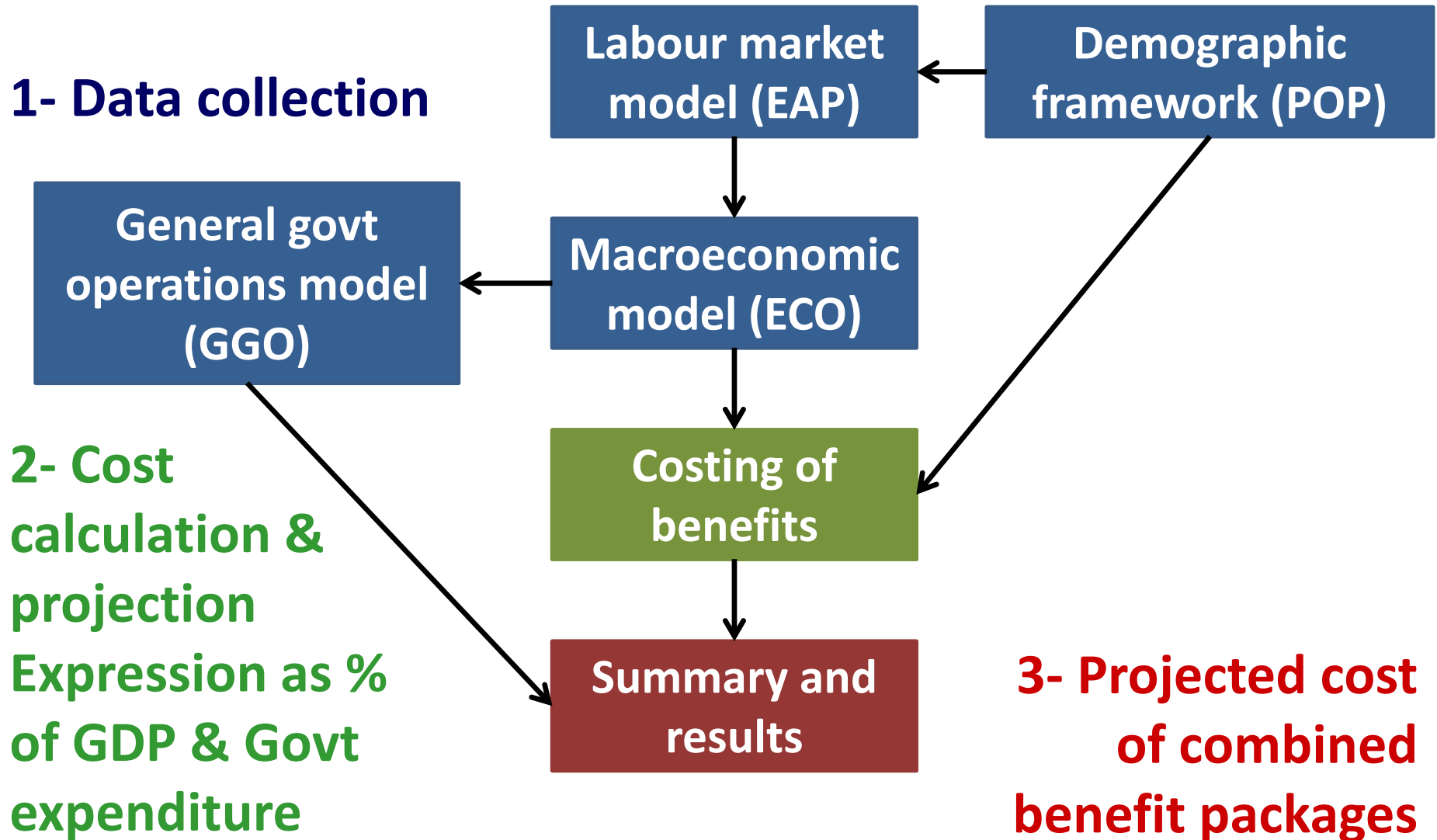
What is it? What is it for?

	A	B	C	D	E	F	G	H	I	J	K	L	M	
1			RAPID ASSESSMENT PROTOCOL											
2			INTERNATIONAL LABOUR OFFICE											
3			Social Security Department											
4														
5														
6	Model version:		1.0											
7	Country:		Thailand											
8	Created:		5/1/11 10:00 AM											
9	Modified:		9/13/12 12:00 AM											
10	User Name:		ILO/HISRO											
11														
12			TECHNICAL GUIDE											
13														
14	A. SCOPE													
15	B. DISCLAIMER													
16	C. METHODOLOGY													
17	D. MAIN FEATURES													
18	E. MODEL STRUCTURE													
19	F. DATA REQUIREMENTS AND SOURCES													
20	G. INSTRUCTIONS													
	README	Summary	POP	EAP	LPR (AR)	ECO	GGO(SO)	CHILD	MAT	SICKNESS	WORKING AGE	PENS	DIS	HEALTH

RAP is a simplified Excel tool developed by ILO to estimate the cost of providing SPF benefits (for health, children, working age and the elderly)

STEP 2: Rapid Assessment Protocol

A set of excel sheets



STEP 2: Rapid Assessment Protocol

How to use the RAP?

	A		J
1	CHILD BENEFITS		
7	Child Benefits		
10			2018
11	STATUS QUO		
12	Civil Servants, scholarship		4,45
13	Child allowance for civil servants (50 or 100 BHT per month - not sure)		
14	Formal Sector: Child allowance (art 33+39)		9,37
15	Total Status Quo		13,83
16	In % of GDP		0.08:
17	In % of revenue and grants		0.36:
18			
19	Scenario 1: Universal Child Allowance for all children aged 0-3 (TBH 400)		
20	POPULATION (in thousands)		
21	Reference population		8,14
22	Target/eligible population		8,14
23	COVERAGE		
24	Take-up rate (%)		
25	Number of beneficiaries (in thousands)		8,14
26	BENEFITS		
27	Flat-rate benefit paid to the caregiver who is responsible for the care of the child		
28	Benefit/Child/Month (inflated)	400	408
29	Benefit/child/ year	4,800	4,896
30	Aggregate benefits (in million THB)	7,331	12,278
31	COSTS		
32	Administrative costs (%)	5.00%	5.00%
33	Administrative costs (in million THB)	366.55	613.88
34	TOTAL Scenario 1 (in million THB)	7,698	12,891
35	In % of GDP	0.07%	0.11%
36	In % of revenue and grants	0.35%	0.52%

Recommendations are translated into scenarios (specific social protection provisions) that need to be introduced or further expanded

Cost of implementing the scenarios is calculated using RAP work sheets

STEP 2: Rapid Assessment Protocol

How to use the RAP?

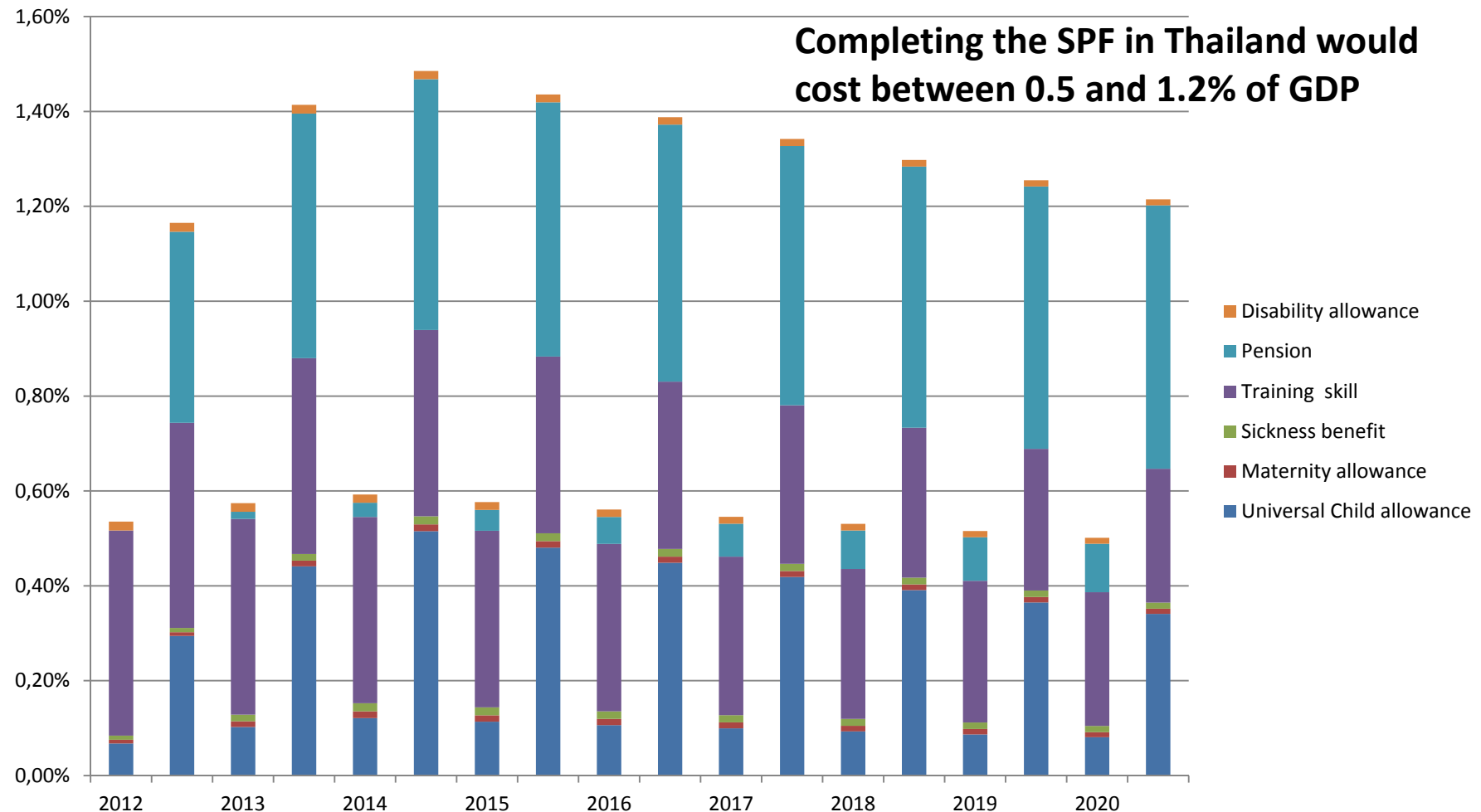
	A	D	E	F	G	H	I	J
1	CHILD BENEFITS							
7	Child Benefits							
10		2012	2013	2014	2015	2016	2017	2018
11	STATUS QUO							
12	Civil Servants, scholarship	4,751	4,591	4,499	4,432	4,407	4,414	4,45
13	Child allowance for civil servants (50 or 100 BHT per month - not sure)							
14	Formal Sector: Child allowance (art 33+39)	7,039	7,355	7,673	8,097	8,528	8,951	9,37
15	Total Status Quo	11,790	11,946	12,171	12,528	12,935	13,365	13,83
16	In % of GDP	0.10%	0.10%	0.09%	0.09%	0.08%	0.08%	0.08%
17	In % of revenue and grants	0.53%	0.48%	0.44%	0.41%	0.39%	0.37%	0.36%
18								
19	Scenario 1: Universal Child Allowance for all children aged 0-3 (TBH 400/month)							
20	POPULATION (in thousands)							
21	Reference population							3,14
22	Target/eligible population							3,14
23	COVERAGE							
24	Take-up rate (%)							
25	Number of beneficiaries (in thousands)							3,14
26	BENEFITS							
27	Flat-rate benefit paid to the caregiver who is responsible for the care of							
28	Benefit/Child/Month (inflated)							45
29	Benefit/child/ year		4,856	4,994	5,094	5,196	5,300	5,40
30	Aggregate benefits (in million THB)		12,278	16,322	16,458	16,616	16,791	16,98
31	COSTS							
32	Administrative costs (%)		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
33	Administrative costs (in million THB)		613.88	816.08	822.92	830.79	839.57	849.1
34	TOTAL Scenario 1 (in million THB)	7,698	12,891	17,138	17,281	17,447	17,631	17,83
35	In % of GDP	0.07%	0.11%	0.13%	0.12%	0.11%	0.10%	0.10%
36	In % of revenue and grants	0.35%	0.52%	0.62%	0.57%	0.53%	0.49%	0.46%

The estimated cost can be linked to available fiscal space (government budget, GDP) to check the financial feasibility of recommendations



STEP 2: Rapid Assessment Protocol

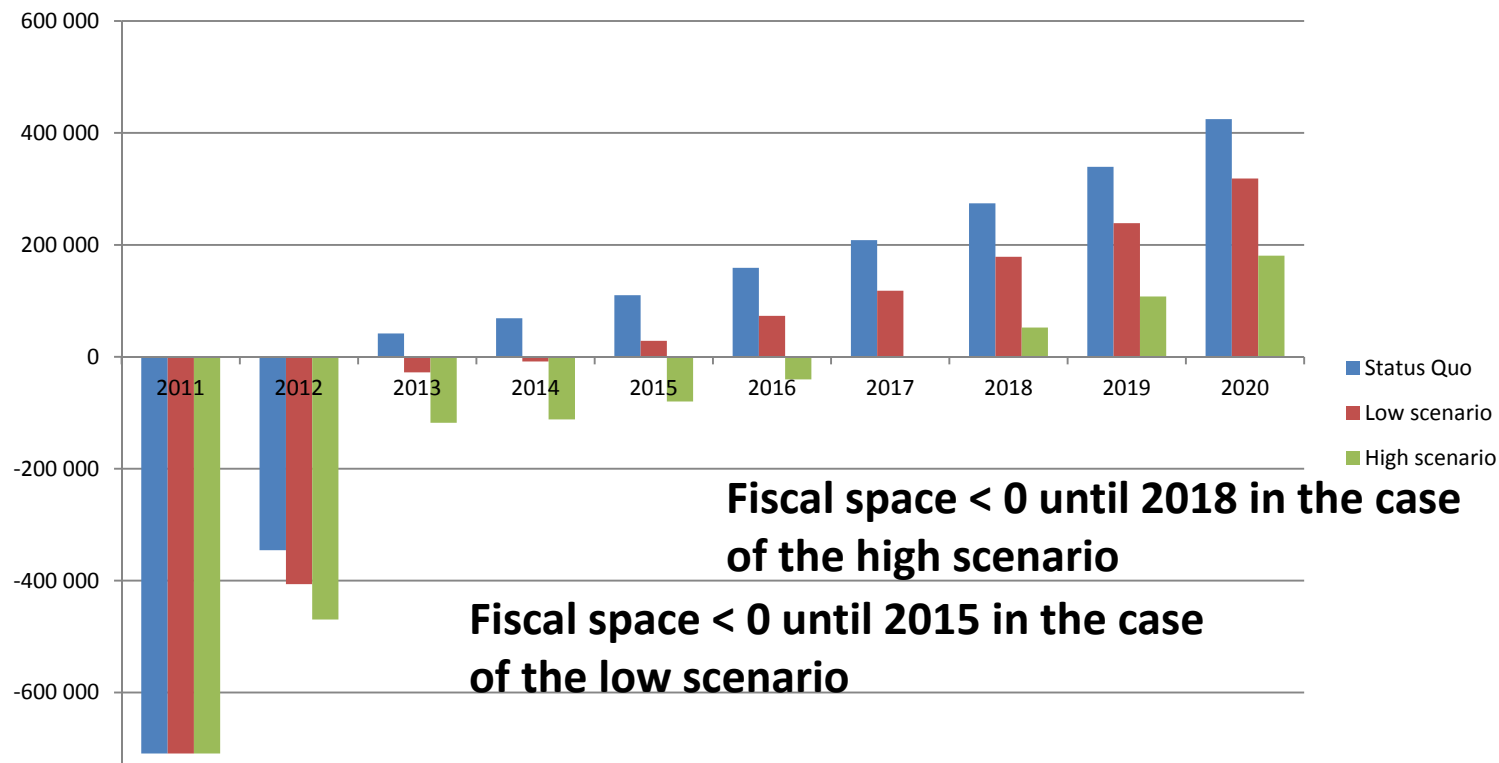
The additional cost of SPF packages expressed in % GDP and Government expenditure



STEP 2: Rapid Assessment Protocol

Fiscal space analysis

We project the fiscal space, which provides an indication of whether the government can complete the SPF with current budget structure. In Thailand reallocations of public spending or increase in taxes would be needed.

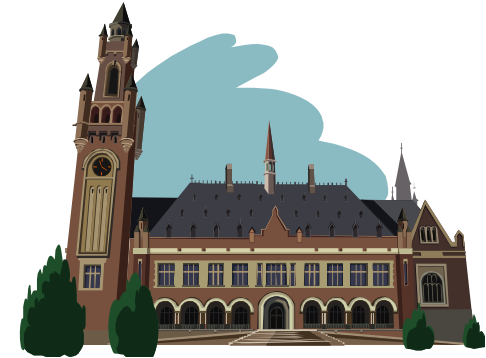


STEP 3: Finalization for endorsement



Finalising the assessment report with stakeholders

Presenting the final report to higher levels of Government for endorsement and further action



Government may conduct a pilot for testing the recommendations



Or Government may conduct further feasibility studies:

- financial or actuarial studies
- legal framework review & revision
- personnel and capacity review



STEP 3: Finalization for endorsement

Convincing policy makers

1. Evidence from other countries

2. Models to assess expected impact on poverty reduction, reduction of inequalities, employability and productivity, growth, return on investment

3. Marketing and communication to advocate for the recommendations among the general public, civil society, workers & employers, the parliament and the Government

STEP 3: Finalization for endorsement

UN SFP Team's strategy in Thailand

- The document has been produced by the UN and based on consultations with technocrats and civil society – There are two options:
- Option 1 (easiest): we launch the ABND report as a technical document from the UN Team
- Option 2 (more difficult): the ABND report becomes a policy document – we launch the document as a set of policy recommendations endorsed by (a) one of the line ministries, (b) a cross cutting body such as the Social Welfare Committee, or (c) NESDB.
- So far, we have adopted option 1 and in addition we stimulate a debate at policy level through several channels to ensure that some of the recommendations can be pushed forward

For more information:

Valerie Schmitt

ILO Social Security Specialist, East Asia, South-East Asia
and the Pacific

ILO DWT Bangkok

schmittv@ilo.org