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The ILO's Strategy to Extend Social Security

An Independent Evaluation Report

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EVALUATION
UNIT

Independent evaluation of the ILO's strategy to extend the coverage of social security

International Labour Office

September 2010

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Carla Henry

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Preface

This report was prepared by the evaluation team Landis MacKellar, lead international evaluation consultant, and Carla Henry, Senior Evaluation Officer in the ILO Evaluation Unit. A detailed desk review was prepared by ILO Research Assistant Karen Coulibaly.

The evaluation team expresses its appreciation to the Director and officials of the Social Security Department for their continuous cooperation during the evaluation process. Thanks also go to the ILO Officials in Nepal, Thailand, Beirut and Jordan who supported case study missions.

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ABBREVIATIONS

ACFTU	All-China Federation of Trade Unions
ACTEMP	Bureau of Employers' Activities (ILO)
ACTRAV	Bureau of Workers' Activities (ILO)
ADB	Asian Development Bank
CIARIS	Learning and Resources Centre on Social Inclusion
DAC	Development Assistance Committee (OECD)
DfID	Department for International Development (UK)
DWCP	Decent Work Country Programme
EC	European Commission
EMP	Employment Sector (ILO)
EMP/POL	Employment Policy Department (ILO)
EQ	Evaluation Question
ESP	Committee on Employment and Social Policy
EU	European Union
EVAL	Evaluation Unit (ILO)
GB	Governing Body
GESS	Global Extension of Social Security
GIMI	Global Information on Micro-insurance
GTZ	German Agency for Cooperation (Deutsche Gesellschaft für Zusammenarbeit)
HIV/AIDS	Human immunodeficiency virus/acquired immune deficiency syndrome
IFC	International Finance Corporation
IFIs	International Financial Institutions
IFP/SES	InFocus Programme on Socio-Economic Security (SOC/SEC)
ILC	International Labour Conference
ILO	International Labour Organization/International Labour Office
ILO/AIDS	Programme on HIV/AIDS and the World of Work (ILO)
IMF	International Monetary Fund
IRIS	Integrated Resource Information System

ISSA	International Social Security Association
MDG	Millennium Development Goal
MIGRANT	ILO International Migration Programme
NGO	Non-governmental organization
NORMES	Labour Standards Department (ILO)
OECD	Organisation for Economic Co-operation and Development
OHCHR	Office of the High Commissioner for Human Rights
P&B	Programme and Budget
PC	Performance Criteria
PFA	Programme, Financial and Administrative Committee
PROTRAV	Labour Protection Department (ILO)
PSI	Programme Support Income
QUATRIN	Quantitative training programmes
RB	Regular Budget
RBSA	Regular budget supplementary account
RO	Regional office
SAFework	Safety and Health at Work and the Environment (ILO)
SEC/SOC	Department of Social Security (ILO)
SOC/FAS	Financial, Actuarial and Statistical Service Branch (SEC/SOC)
SOC/POL	Social Security Policy and Development Branch (SEC/SOC)
SPERs	Social Protection Expenditure and Performance Reviews
SPF	Social Protection Floor
SSI	Social Security Inquiry
SRO	Subregional office
STEP	Strategies and Tools Against Social Exclusion and Poverty
TRAVAIL	Conditions of Work and Employment Programme
UN	United Nations
UN CEB	United Nations System Chief Executives Board
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDAF	United Nations Development Assistance Framework
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization

UNFPA	United Nations Population Fund
UN-HABITAT	United Nations Human Settlements Programme
UNICEF	United Nations Children Fund
UNHCR	United Nations High Commissioner for Refugees
UNODC	United Nations Office on Drugs and Crime
UNRWA	United Nations Relief and Works Agency
US\$	United States of America dollar
WB	World Bank
WFP	United Nations World Food Programme
WHO	World Health Organization
WMO	World Meteorological Organization
XB	Extra-budgetary
XBTC	Extra-budgetary Technical Cooperation

EXECUTIVE SUMMARY

Introduction

The independent evaluation of the ILO's strategy to extend the coverage of social security during the period 2005-2009 is based on the analysis of key reports and programme documentation, a portfolio review organized by country, project documentation, and interviews with ILO staff, constituents and United Nations (UN) system colleagues. Eleven case studies were undertaken covering Bosnia and Herzegovina, Chile, Cyprus, Ghana, Jordan, Lao People's Democratic Republic, Mozambique, Nepal, and Senegal, Thailand and Zambia.

The evaluation addressed seven questions as follows:

1. To what extent is the design of the ILO strategy to extend the coverage of social security relevant to the global policy dialogue and the situation facing member States' governments, social partners, and those lacking adequate social protection?
2. How has the ILO's social security strategy design and implementation been effective in helping to extend various forms of social protection to all; to improve governance, financing, and administration of social security; and to support determination of national strategies for working towards social security for all?
3. To what extent has the ILO's strategy been coherent and complementary (in its design and implementation) with regard to the vertical and horizontal elements of the approach to social security extension?
4. To what extent have resources been used efficiently, and has the programme been appropriately and adequately resourced?
5. How has ILO external coordination (with constituents, UN partners, IFIs) and internal coordination (between sectors, technical departments, regions and sub regions) promoted the adoption of integrated approaches to social security?
6. To what extent have ILO actions had impact in the form of increased capacity, necessary tools and policy improvements needed to work towards social security for all?
7. To what extent have ILO interventions been designed and implemented in ways that have maximized sustainability at country level?

Background

The "Global Campaign on Social Security and Coverage for All" was launched in 2003 to promote and extend social security to all. The Global Campaign adopted an interactive four-

tiered strategy laid out in subsequent governance-level documents, including the ILO Declaration on Social Justice for a Fair Globalization.

The recent global financial crisis precipitated a renewed call for greater emphasis on social security systems and their role in mitigating the impact of economic downturns on workers and their families, and speeding up recovery. The UN-wide Social Protection Floor Initiative is an orchestrated effort launched in 2009 to promote nationally defined strategies that protect the minimum level of access to essential health services and income security envisaged under the ILO strategy for social security coverage extension through approaches that address gaps in supply and demand, based on each UN agency's comparative advantage. The lead agencies at global level are the ILO and World Health Organization (WHO).

In June 2009, the concept was endorsed by the ILO as part of the Global Jobs Pact adopted by the ILC. The Pact calls on countries to broaden the coverage of social protection and enhance security.

ILO's operational approach

The strategy for the Global Campaign has had four basic characteristics or foci:

Universality of access to formal systems of social protection;

Progressiveness, referring to the understanding that universal provision of a basic benefits package is to be regarded only as the first step in a continuing process;

Pluralism, in acknowledgement of the experience and evidence showing that there is no single "right" model or path for provision of social protection; and

Outcome focus, referring to the essentially pragmatic nature of all ILO interventions and activities.

Since 2007, the strategy has solidified around the concept of a rights-based two-dimensional approach to extend social security, where the vertical dimension addresses the need to improve the levels and quality of benefits above the basic level and the horizontal dimension addresses the need to extend basic income security and access to health care to the entire population.

Findings, conclusions and recommendations

Relevance, responsiveness and ILO added value

The ILO's strategy and programme have aligned well with the ILO's mandate. By effectively exploiting its comparative advantage in technical advice on social security financing, governance, and management of schemes, analysis of labour market and employment policies, international standards, and social dialogue, the ILO has added value. It has addressed, and continues to address, the purported trade-off between social protection and employment growth and has benefited from its pluralistic, pragmatic approach. Perhaps the ILO's greatest achievement has been in ensuring that universalism figures prominently in the social protection toolkit. With UN endorsement of the Social Protection Floor (SPF) initiative, interest in this area has ignited. The ILO needs to respond at country level with tools and evidence-based policy formulae to translate the social floor into practice. Operational templates are needed to translate technical and analytical work into concrete, broad interventions.

- **Recommendation 1:** Over the next six months prioritize work to document and disseminate policy-based successes where employment, economic growth, and social protection have brought stable economic development in combination with the extension of basic social protection.

Suggested next steps:

- Compile and share policy successes and lessons from information sources other than the ILO (Web-based); and
 - Call for quarterly informal exchanges of successes from the field (Web-based), including from constituents and UN colleagues collaborating to extend national social protection floors, to spur discussion and raise awareness.
- **Recommendation 2:** Accelerate efforts to improve international collaboration, especially work to provide guidance on design of technical cooperation and to promote exchange on innovations.

Suggested next steps:

- Prioritize efforts to systematize common definitions and approaches for social protection between various UN agencies and donor agencies;
 - Involve employment specialists in UN and donor task forces to advise on extending the social protection floor through employment-focused schemes, and in the mapping of social protection schemes within a country.
- **Recommendation 3:** Sustain the current operational approach to provide governments the information and analysis upon which to determine the pathway for extending social protection. However, the ILO should continue to pursue a two-pronged vertical/ horizontal approach and address issues linked to contributory schemes without curtailing its efforts and visibility in supporting the broader national dialogue on social protection measures that extend to all.

Effectiveness

The ILO's training and capacity building initiatives have made significant contributions to policy design and implementation. There are some issues of absorptive capacity and attrition in Africa, but overall, the ILO has done well. There could be more documentation on the effectiveness and impact of training at country level. At a number of points, it has emerged that ILO constituents at national level often lack capacity, sometimes interest, in the area of extending the social protection floor. ILO visibility continues to be lower than it should be. To some extent this is because of the way the ILO works (not claiming ownership of reforms, working within the UN context and with other specialized agencies, for example). Full integration of all of the components of the horizontal and vertical dimensions of social security has not always been possible because governments and partner agencies tend to have interests in one area or another.

The evaluation found examples of countries where traditional actuarial work and development of innovative non-contributory schemes usefully complemented each other. Continued emphasis on integrative work will help to advance the broad approach. Overall, the ILO's work has been most effective in laying the foundation, defining the framework

for, and advancing discussion of, feasible plans for national extension of a basic social protection floor. Included in such work are feasibility and costing studies on individual components of the floor. Focus on vulnerable groups has been embedded in the analysis but gender and the very aged remain under-addressed in many national schemes. The Global Campaign and the global SPF Initiative have achieved broad acceptance. Full consensus is not to be expected because social security lies in ideologically contested terrain, but the ILO has been highly effective in getting universal social protection on the agenda, both globally and at country level.

- **Recommendation 4:** Develop innovative approaches to increase ILO visibility.

Suggested next steps:

- Develop guidance for UN partners on good practices for collaboration, including terms of reference for working groups, key principles for working together, and agreed ways of presenting and following up on joint work; and
- Advocate within United Nations Country Teams for a more visible and consistent role and area of responsibility within the UN family on the broader work to extend the social protection floor;
-
- **Recommendation 5:** More emphasis should go to addressing problems of gender and social security in the informal sector as well as the very aged living alone (disproportionately female), a group at elevated risk of poverty.

Suggested next steps:

- Pursue collaboration with partner agencies (International Monetary Fund, World Bank, Asia Development Bank are priority targets) on joint research to expand the data and research base at country level on impact of social security policies and schemes on income security and poverty reduction of vulnerable groups and disadvantaged areas; and
- Include in social budgeting and social protection expenditure and performance reviews (SPERs), more explicit consideration of coverage to especially vulnerable groups, such as very aged women living alone.
- **Recommendation 6:** Target capacity development towards non-technical constituents in key decision-making positions, emphasizing awareness raising and stimulating demand for increased capacity.

Coherence and complementarity

The evaluation uncovered convincing evidence of the usefulness of the horizontal/vertical dimension model, the main ILO conceptual tool for engaging with coherence and complementarity in social security policy design. In practice, at any given time, most technical work has been on one aspect or another of social protection, not on broad integrative approaches. That noted, some cases effectively combined traditional contributory and innovative universal approaches. In Thailand, for universal health coverage, the ILO also effectively linked their national expertise and programme success

to policy review and capacity building in neighbouring Lao PDR. Cases studies also provided concrete examples (e.g., Ghana and Nepal) of where the ILO was providing both traditional, actuarial advice as well as advising on extending social protection through universal approaches. In Jordan, where concrete impacts were mostly in the vertical dimension (maternity), the ILO nonetheless advised on extending social protection to the informal sector.

- **Recommendation 7:** Leverage the ILO's success in middle-income countries by encouraging South-South exchanges of expertise, stressing in particular the long-term development of social security in middle-income countries and the lessons it has to offer to low-income countries.

Efficiency

The ILO underwent a consolidation of its social security activities in 2006, essentially merging three groups into one, with consequent efficiency gains and improved focus. With regular budget funds limited and not growing over time, the ILO's Social Security Department (SEC/SOC) has been responding to increased demand for its work by mobilizing extra budgetary funds and leveraging these effectively. However, the Office actively supports social security in over 70 countries in a given biennium, which when compared to the number of technical specialist positions, both in headquarters and especially in field offices, suggests strongly that the technical capacity is stretched very thin. As interest grows in the social protection floor, and integrated approaches to generate employment while extending social protection, the pressure to mobilise resources will also intensify.

- **Recommendation 8:** Fill vacant positions promptly and design technical cooperation resources to increase field-level expertise and reduce dependency on short-term missions and support; continue to make available flexible funding for bridging and filling gaps, particularly in the area of capacity building.

Internal coordination and management

The evaluation found a number of concrete instances of internal coordination and cooperation, such as between the Department for International Labour Standards and SEC/SOC in the area of international labour standards. There has also been integrative work on population trends and their consequences between SEC/SOC and ILO's employment policy department. Yet, a wide range of officials interviewed called for more integrative work on employment and social protection. At field level, demand for operational approaches combining employment with social protection is growing very rapidly. The ILO has effectively collaborated with a number of other agencies, including WHO, United Nations Children Fund (UNICEF) and on the funding side, UK's Department for International Development, and has improved dialogue with the World Bank.

- **Recommendation 9:** Improve operationally the support to field specialists for launching integrative work on employment and social protection.

Suggested next steps:

- Develop a joint work plan for the biennium between Employment and Social Security Departments spelling out the form and timing of collaboration (missions, communications, etc.) on advising and technically supporting the field in development of national strategies and plans of action for extending social protection, including components on job creation, skills development and employability;
 - SEC/SOC and the Employment Sector should consider jointly budgeting funds in 2010 and 2011 to generate proposals for innovative, cross-sectoral work.
 - Review Decent Work Country Programme (DWCP) strategies and proposed outcomes linked to employment and social protection to better integrate initiatives at policy and partnership levels.
- **Recommendation 10:** Reach out to partner agencies such as WHO and UNICEF who have specialised know-how and expertise in project implementation, while focusing its own engagement to analysing, designing, financing and improving coverage mechanisms of social security systems. ILO involvement in implementation should also be defined around supporting governments to ratify and implement the Social Security (Minimum Standards) Convention , 1952 (No. 102) and Recommendations on Income Security (No.67), 1944 and Medical Care (No. 69), 1944.

Impact

The ILO has analysed and helped to design individual components of national social protection floors. This has led to tangible country-level progress in Nepal, Thailand, Ghana, Jordan, and other case study countries. It has framed the debate and placed the basic social protection floor at its heart in many countries, and with partners, as well. Universalism, a rights-based approach, and pluralism are now squarely on the table, replacing the idea that the best way to extend social protection is to eliminate informality while expanding existing institutions. The ultimate impact would be the actual implementation of the broad package in a very poor country, which the case studies did not uncover. However, as indicated by growing interest in integrating employment and social protection policies, and in view of the rising number of countries that are designing broad national social protection policies, the chances are improving.

The ILO's work on defining comparable statistical approaches to social protection has been especially useful for policy analysis. Overall, the ILO's results framework has functioned well, but there is relatively little monitoring and evaluation work at country level, and insufficiency of follow up studies identifying lessons learned and country success stories linked to ILO interventions.

- **Recommendation 11:** Conduct follow-up analysis on outcomes of ILO's technical support-- uptake of recommendations, changes in national policies, institutional capacities, etc., to identify lessons learned and act upon in future work; conduct retrospective case studies on the impact of capacity building on institutional noting factors of success reaching beyond training and education of individuals.

Sustainability

The ILO's technical soundness and long-term relations through the tripartite process position it well for supporting sustainability. The unpredictability of extra-budgetary resources is a downside factor and underscores the importance of the ILO assessing national political preparedness to take difficult decisions when prioritizing allocation of its scarce technical resources. Perhaps the greatest high-level strategic challenge is that the ILO must counterbalance its commitment to poverty reduction in low-income countries with the higher probability of sustainability in middle-income countries.

- **Recommendation 12:** More visibly conduct assessment of national political will, absorptive institutional capacity and initial conditions to better inform the selection, design and continuation of country-level technical initiatives.

Lessons learned

In addition to specific conclusions, and the recommendations that flow from them, a number of lessons learned have emerged from the evidence base.

- The evidence gathered has supported the view that tripartism facilitates, not impedes, extending social security to all.
- The evidence gathered suggests that the ILO's strict adherence to its mandate and commitment to international labour standards has made it more, not less effective. Even those who disagree with the stance of the institution recognize that the ILO speaks with authority, in large part because its moral commitment is clear.
- The evidence gathered suggests that it is, above all, the ILO's reputation for technical expertise that has made it possible for the ILO to leverage itself from a provider of actuarial review to a source of broad policy advice.

The path forward must be illuminated by continued robust tripartite dialogue reinforced by capacity building; informed by high-quality research and methodology development; and reinforced by effective building of partnerships. The foundation for this future progress must be appreciation that long-run sustainability will be guided by economic growth and the institutional development that accompanies it.

1 INTRODUCTION

Objectives and scope

1.1.1 Objectives

This evaluation covers the ILO's global strategy and contribution: to extend various forms of social security to all; to improve the governance, financing and administration of social security institutions; and to support the determination of national strategies for working towards social security for all, as called for by the International Labour Conference (ILC) at its 89th Session in 2001 and reconfirmed by the 98th Session in 2009.

The main objectives of the evaluation are to:

- Provide the ILO as well as other stakeholders with a thorough, independent, and reliable assessment of the ILO's past and current initiatives and courses of action on extending coverage of social security.
- Identify lessons learned and thereby provide the ILO Governing Body with insights in order to assist in guiding implementation of the current social security strategy and forthcoming strategies and programming.

The evaluation is intended to promote accountability and learning. It aims to improve strategies, policies and functioning of the Office.

The key audience for the evaluation is the Governing Body, which is responsible for governance-level decisions. The lessons learned generated by the evaluation exercise are intended to be used in improving the ILO's support to its constituents.

Finally, the ILO indicated that it hoped the evaluation final report would be suitable for use as a background document for the 100th Session of the ILC in 2011.

1.1.2. Scope

The evaluation covers the period 2005-2009. While principally focused on these years, current and ongoing activities are also taken into account in order to ensure the forward-looking nature of the evaluation. To establish initial conditions and context, we also refer to the situation pre-2005.

The evaluation is based on the Development Assistance Committee (DAC) criteria of relevance, effectiveness, efficiency, impact and sustainability. The "3 Cs" of coordination, coherence, and complementarity are also taken into account, as is ILO value added.

The DAC criteria are defined as re-configured by the ILO to be slightly more operational.¹ These re-configured definitions are:

- *Relevance* and strategic fit. The extent to which objectives are consistent with beneficiaries' requirements, country needs, global priorities and partners' and donors' policies; and the extent to which the approach is strategic and the ILO uses its comparative advantage.
- Validity of intervention design (*coherence*). The extent to which the intervention is logical and consistent.
- *Effectiveness* and progress of intervention. The extent to which the intervention's immediate objectives were achieved, or are expected to be achieved, taking into account their relative importance.
- *Effectiveness* of management arrangements. The extent to which management capacities and arrangements put in place support the achievement of results.
- *Efficiency* of resource use. How economically resources/inputs (funds, expertise, time, etc.) are converted to results.
- *Impact* orientation and *sustainability*. The strategic orientation of the intervention towards making a significant contribution to broader, long-term, sustainable development changes; the likelihood that results of an intervention are durable and can be maintained or even scaled up and replicated by intervention partners after major assistance has been completed.

This is a strategy evaluation, and by "intervention" above we mean the ILO's strategy to extend the coverage of social security and associated programmes and activities.

The evaluation includes a review of:

- the evolving role and relevance of the ILO's social security strategy within the global effort to address the lack of social security among the world's poor and vulnerable;
- evidence of how the Office has increased the coherence and effectiveness (with respect to achieving results) of its support to member States through the programme approach (design and implementation);
- a thematic review of the four main means of action for extending social security: generation; management and dissemination of knowledge; policy development; technical cooperation; and capacity building;
- the Office's capacities and performance in supporting the strategy, including management arrangements and global and national partnerships involving constituents and other UN agencies, development agencies, and civil society organizations;
- the results-based framework, the choice and use of indicators, and the reviewing and reporting of progress within the Programme and Budget (P&B) framework as well as Decent Work Country Programmes (DWCPs); and

¹ ILO Evaluation Unit, *Guidelines to results-based evaluation*, Version 1, January 2010.

- coordination across the ILO and between headquarters and the field to maximize the support to constituents in extending social security.

Process and methodology

1.1.2 Phases of the evaluation

The evaluation consisted of four phases: Inception, Desk Review, Field, and Reporting/Discussion. Due to the short timeframe (see below) these phases were to some extent overlapping.

During the *Inception Phase*,

- Interviews were conducted at headquarters to brief senior officials on the nature of the evaluation, to identify major issues, and (in conjunction with the strategic document review carried out as part of the Desk Phase) to reconstruct the ILO's intervention logic. This logic, as expressed in the form of an Impact Diagram linking activities to strategic goals, is given below.
- Evaluation Questions (EQs) were set, as were preliminary Performance Criteria (PCs) according to which they might be answered. These EQs were designed to cover the DAC criteria of relevance, effectiveness, efficiency, impact, and sustainability; the "3 Cs" of coordination, coherence and complementarity; as well as ILO value added. EQs and PCs were designed with close attention to the intervention logic as reconstructed from the strategic document review.
- The Inception Phase resulted in an Inception Report that was reviewed and accepted by EVAL.

During the *Desk Phase*,

- A *strategic document review* covering all major ILO strategic documents related to social security was carried out. These included policy statements, analytical policy relevant reports, P&B documents, and SEC/SOC annual delivery reports.
- A *portfolio review*, which established the distribution by means of action, resources involved by region, etc., was implemented.
- Eleven countries were selected for in-depth country *case studies*. The main criterion was straightforward: the team selected countries where the ILO had been active during most of if not the entire reference period 2005-2009; covering a reasonable mix in terms of geography and level of development; and also covering different means of action. Three of these countries — Jordan, Nepal and Thailand — were selected for field missions, and a fourth — Zambia — benefited from a project evaluation exercise having just been completed; two more — Chile and Cyprus — were selected for telephone interviews, and the remainder — Bosnia and Herzegovina, Ghana, Lao People's Democratic Republic, Mozambique and Senegal, — were treated via desk review. The Desk Phase resulted in a Desk Report presenting the results of the strategic review, the portfolio review, and the country case studies, apart from those countries that were selected for field visits (which were not yet completed at the time the Desk Report was finalized).

During the *Field Phase*,

- The senior external consultant and ILO independent evaluator conducted field visits in order to meet and interview ILO field officials, project staff, member State representatives, national representatives of employers' and workers' organizations, representatives of other UN and international organizations, bilateral development agencies and representatives of civil society. Where field visits were impractical, telephone interviews were conducted. The purpose of field visits was to document ILO actions in the field and to gain a better knowledge of pitfalls and strengths of the ILO strategies and implementation at the level of member States. The team did not attempt to answer every EQ in every country; rather, evidence gathered at the country level has been used, in addition to other outputs of the Desk Phase, to answer EQs at the global level.

During the *Reporting/Discussion Phase*,

- A draft evaluation report was prepared and circulated for comment and revised accordingly.

1.1.3 Evidence base

Performance Criteria were assessed based on the following sources of evidence:

- Interviews with headquarters officials. These were especially relevant in assessing PCs related to the entire range of the evaluation criteria, especially at the global and headquarters level.
- Interviews with expert representatives of other organizations active in the social security field. These were especially relevant in assessing PCs dealing with the coherence of the ILO's strategy and its effectiveness and impact at the global level.
- Field interviews as described above. While field interviews are part of respective country case studies (see below), they represent a source of evidence that may be aggregated and generalized beyond individual countries, and so we consider these to be a separate evidence source. These were especially appropriate in assessing PCs concerned with relevance, the effectiveness of management arrangements including coordination, impact, and sustainability — all at the country level.
- The portfolio review undertaken during the Desk Phase. This analysed P&B documents, including Implementation Reports, focusing on what has been done and what results have been reported. It established the range and focus of the ILO's activities; the means of action and their application; where results have been achieved and where they have not. It also established budget and financial trends.
- The strategic document review undertaken during the Desk Phase. This analysed governance-level documents and ILO policy documents, including technical, analytical and advocacy material. The strategic document review contributed to assessing PCs concerned with relevance and coherence at the global level. It documented changes in strategic orientation over time (in the results-based management framework, for example), thereby helping to assess PCs dealing with coherence. It also contributed to assessing PCs concerned with effectiveness.

- Country case studies (both desk-based and field-based). Drawing on available country programme documents, reporting and evaluations, as well as, in the case of the three countries selected for field visits and field interviews, country case studies analysed how results were planned and monitored, and how progress was reported. Case studies also considered links to DWCPs, and considered the roles and responsibilities of others within and outside the ILO in reinforcing the process. Country case studies were useful in assessing PCs related to the entire range of the evaluation criteria, especially at the country level. They were especially useful in assessing efficiency.

In the spirit of data triangulation, multiple sources of evidence were used to assess each PC on an ad hoc basis as information became available (in semi-structured or unstructured interviews, for example). This is consistent with the fact that this is a strategic-level evaluation in which evaluation criteria were performance measured in qualitative terms. The PCs were rated as poor, good or excellent, and EQs were answered on the basis of PCs. The answer to each EQ gave rise to a number of Recommendations.

1.2.3 Limitations of the evaluation

The main limitation encountered was the extremely tight timeframe, which led to the various phases of the evaluation overlapping. Nonetheless, the team feels that the combination of headquarters interviews, field interviews via telephone, field visits and Desk Phase analysis provide a reasonably sound basis for the conclusions given in Section 4. The process of in-house review has also led to significant clarification of points made. An issue confronted early in the evaluation was the difficulty of measuring impact given the short reference period, as well as the difficulty of attributing observed changes to a single actor. We address this issue, where relevant, in assessing PCs in Section 3.

2 ILO HISTORY AND MANDATE IN SOCIAL SECURITY

Background

2.1.1 Development context

Extending basic social protection through innovative means and strengthening traditional social security systems is a priority in the global effort to reduce poverty and meet the Millennium Development Goals:

- A large majority of the global population (some 80 per cent) lives in conditions of social insecurity, i.e. they have no or only partial access to formal social security and have to rely on their families, kinship groups or communities to secure their standard of living. Among this majority, 20 per cent live in abject poverty.
- Some 90 per cent of the world's working-age population is not covered by pension schemes capable of providing adequate retirement income; formal coverage in social health insurance was as low as 7 per cent in Kenya, and 11.4 per cent in Senegal in 2005.
- Health care systems in most poor countries fail to provide adequate access to basic services, in large part because of the absence of health care financing systems. High out-of-pocket expenditures limit access (more than 5 million children under the age of 5 die every year due to lack of access to health care) and exacerbate income insecurity.
- A growing body of evidence suggests that social security transfers halve poverty in almost all OECD countries and reduce income inequality by half in many European countries. Evidence (including work by the ILO on the cost of a minimum package of social security benefits in sub-Saharan Africa, Asia and Latin America) also demonstrates that minimum packages of social security benefits are affordable even for the poorest countries.
- Evidence from the current economic crisis demonstrates that transfer incomes, notably social assistance and social security benefits paid to unemployed workers and other vulnerable recipients, act as social and economic stabilizers. Benefits not only prevent people from falling further into poverty but also limit the contraction of aggregate demand thereby curtailing the potential depth of the recession.
- Population ageing, new health hazards (e.g. HIV/AIDS), rural-urban and global migrations, increased competition and risks associated with globalization, flexibilization of employer-employee relations, and changing family structures adversely affect income security in general and old-age income security in particular. At the macro level, mainly longer life expectancy and diminishing

fertility rates bring about an increase in the old-age dependency ratio which has long-term implications for existing and future schemes.² At the level of the individual, life-course risk-based models indicate not only that the population is heterogeneous, but that individuals themselves often transition easily between various risk states. Yet, the problem of life-long poverty remains an ever-present priority.³

This overall picture can be broken down into main regional concerns and priorities:

- *Africa.* In Africa, only a small minority of the population is currently covered by old-age pension, disability or health schemes. System governance suffers from shortcomings and administrative costs are high. Very few African countries have a well-developed, holistic vision of social security and only a handful (Democratic Republic of Congo, Libyan Arab Jamahiriya, Mauritania, Niger and Senegal) have ratified the ILO's flagship Social Security (Minimum Standards) Convention, 1952 (No 102).⁴ There is no widely accepted normative concept of a social security development pattern in the African context.⁵
- *The Americas.* There is a long and distinguished history of social security schemes in the Americas, generally instituted under the Bismarckian model. In addition to suffering from macroeconomic instability, they have experienced deficiencies in regulation and supervision. The main focus of concern, however, was inequity. Coverage has been only about 60 per cent of the workforce and has actually declined in the last decade, only a limited range of contingencies are covered, and the overall quality of schemes (e.g. quality of health care provided) has been low.⁶ In the 1980s and 1990s the region experienced a wave of World Bank inspired "Pillar 2" reforms, but these failed to address the inequity issue adequately. However, the region has also been home to some of the most successful innovative basic income support schemes; for example in rural Brazil and Mexico City.
- *Arab States.* Outside the wealthy Gulf States, high, and in some countries, rising informality leaves a large proportion of the population uncovered. In most countries, social security systems are strongly oriented towards old-age pensions, and fall far short in other areas such as unemployment, maternity or sickness.

² GB.279/ESP/7, p.3.

³ Further details are given in *World Social Security Report 2010: Providing coverage in times of crisis and beyond*, ILO, Geneva, January 2010.

⁴ ILO: *Setting social security standards in a global society. An analysis of present state and practice and of future options for global social security standard setting in the International Labour Organization*, Social Security Policy Briefings, Paper 2, Geneva, 2008, p.61.

⁵ As detailed at <http://www.ilo.org/public/english/protection/secsoc/projects/africa.htm> (accessed 8 March 2010)

⁶ As detailed at <http://www.ilo.org/public/english/protection/secsoc/projects/latin.htm> (accessed 8 March 2010) and *Decent Work in the Americas: An Agenda for the Hemisphere*.

There is lack of access to affordable quality health care.⁷ The region presents special challenges in the areas of migration and refugees.

- *Asia and the Pacific.* Due to rapid fertility decline in East and South-East Asia, countries there face demographic challenges similar to those which Japan has been confronting in recent years. The problem is less acute in South Asian countries such as India, but there too, substantial ageing of populations is to be expected. In many countries, the informal sector has been an engine of growth, and countries have experimented with innovative schemes to cover informal sector workers. In China (as well as in Viet Nam), the challenge has been putting in place pension and health schemes to benefit the rural population, thus reducing a major inequity, within the broader planned-to-market economy transition.⁸ In India, it is covering the so-called “unorganized sector”, which is the current focus of concern. In South-East Asia, public social safety nets remain underdeveloped, perhaps out of fear of undermining traditional family and community ones. Yet, rapid change in demography and family structures and residence patterns, urbanization and migration call for strengthening of basic social protection. Poverty of elderly widows is a serious problem throughout the region.
- *Europe and Central Asia.* As in the Americas, the Europe and Central Asia region saw a wave of “Pillar 2,” as well as “notional defined contribution” reforms during the 1990s, many of which quickly ran into trouble. European countries in the East and in the Baltic region suffer from population ageing problems which are even more serious than in Western Europe. While there was been a degree of recovery, the macroeconomic collapse associated with transition had the impact of rapidly reducing the purchasing power of many pensions and other benefits. Having inherited a rigid labour market from the planned economy past, informality exploded, as did labour migration to the West, both placing the financing of social security under further strain.⁹ Under these circumstances, non-compliance became the rule, not the exception.

2.1.2 ILO history and the social security mandate

The mandate of the ILO in the area of social protection was outlined in the Preamble to its Constitution as early as 1919. The “protection of the worker against sickness, disease and injury arising out of his employment [and] the protection of children, young persons and women, [as well as] provision for old age and injury” were established therein as objectives for the Organization.

The ILO’s mandate with regard to social security was reaffirmed in Articles III (f) and III (g) of the Declaration of Philadelphia. These Articles recognize “the solemn obligation of the International Labour Organization to further among the nations of the world

⁷ As detailed at <http://www.ilo.org/public/english/region/arpro/beirut/areas/social/htm> (accessed 8 March 2010).

⁸ As detailed at <http://www.ilo.org/public/english/protection/secsoc/projects/asia.htm> (accessed 8 March 2010).

⁹ As detailed at <http://www.ilo.org/public/english/protection/secsoc/projects/europe.htm> (accessed 8 March 2010).

programmes which will achieve (...) the extension of social security measures to provide a basic income to all in need of such protection and comprehensive medical care (...) [as well as] provision for child welfare and maternity protection”.

In 1952, the ILC adopted the Social Security (Minimum Standards) Convention (No.102), which set the minimum standards for nine branches of social security: medical care, sickness benefits, unemployment benefit, old-age benefit, employment injury benefit, family benefit, maternity benefit, invalidity benefit, and survivors’ benefit.

Articles 22 and 25 of the Universal Declaration of Human Rights (1948) and Article 9 of the International Covenant on Economic Social and Cultural Rights (1966) further commit the ILO to action on the social front with social security for all as an ultimate outcome.

In 2001, in accordance with the aims and purposes set out in the Preamble to the Constitution and further to the Declaration of Philadelphia, the 89th Session of the ILC reaffirmed the ILO’s fundamental role in the promotion and extension of social security and its obligations in this respect. ILC Conclusions included the following statements:

- Social security if properly managed enhances productivity.
- There is no single right model of social security. Each country must determine a national strategy for working towards security for all.
- Priority should be given to policies and programmes which can bring social security to those not covered (e.g. self-employed, migrants, informal economy workers).
- Social security schemes should be extended and promoted in a way that addresses gender equality. They should evolve over time to progressively protect from contingencies such as “sickness, unemployment, old age, employment injury, maternity or the loss of a breadwinner”.

The ILC also proposed that a major campaign be initiated in order to promote the extension of social security coverage. The Global Campaign on Social Security and Coverage for All was launched in 2003 as a response to this request. The Campaign’s initial areas of intervention included extension of social security through dialogue, the promotion and strengthening of community based social security organizations, efforts towards the extension of health coverage in the Americas and the extension of coverage through improved collection of contributions in Central and Eastern Europe. Those areas of activity were soon extended to include empirical research on the role of social protection in “growth success countries”, and the investigation of potential international financial support for national social security schemes.

More recent ILO approaches to the extension of social security stem from the redesign of the strategy and organizational approach laid out in 2005. The Global Campaign has since adopted an interactive four-tiered strategy laid out in the 2006 ILO policy paper entitled “Social security for all. Investing in global social and economic development. A consultation”,¹⁰ and further elaborated in subsequent governance-level documents,

¹⁰ Issues in Social Protection: Discussion paper 16 (August 2006).

including the ILO Declaration on Social Justice for a Fair Globalization adopted by the ILC at its 97th Session (2008).

The 2008-09 global financial crisis precipitated a renewed call for greater emphasis on social security systems and their role in mitigating the impact of economic downturns on workers and their families, and speeding up recovery. In April 2009, the UN Chief Executives Board endorsed the concept of a social protection floor as a key policy to cope with the global crisis. In June 2009, the concept was endorsed by the ILO as part of the Global Jobs Pact adopted by the ILC. The Pact calls on countries to broaden the coverage of social protection and enhance security. It in particular requests countries that do not yet have extensive social security systems to develop “adequate social protection for all, drawing on a basic social protection floor including: access to health care, income security for the elderly and persons with disabilities, child benefits and income security combined with public employment guarantee schemes for the unemployed and the working poor” and urges “the international community to provide development assistance, including budgetary support, to build up a basic social protection floor on a national basis”.

The UN-wide Social Protection Floor (SPF) Initiative is an orchestrated effort launched in 2009 to promote nationally defined strategies that protect the minimum level of access to essential health services and income security envisaged under the ILO strategy for social security coverage extension through approaches that address gaps in supply and demand, based on each UN agency’s comparative advantage. Partners in the Initiative are the lead agencies at global level (ILO and World Health Organization) and the following cooperating agencies: Food and Agriculture Organization, International Monetary Fund, Office of the High Commissioner for Human Rights, United Nations Regional Commissions, Joint United Nations Programme on HIV/AIDS, United Nations Department of Economic and Social Affairs, United Nations Development Programme, United Nations Educational, Scientific and Cultural Organization, United Nations Population Fund, United Nations Human Settlements Programme, United Nations Children Fund, United Nations Office on Drugs and Crime, United Nations Relief and Works Agency, World Bank, World Food Programme, and World Meteorological Organization.

Finally, in September 2009, a Tripartite meeting of experts on strategies for the extension of social security coverage, attended by 12 government country experts, 12 experts nominated by the ILO Employers’ Group, 12 nominated by the ILO Workers’ Group, as well as 30 observers, and held in Geneva, further elaborated on the options for the way forward.

Social security objectives and means of action

2.1.3 2001-2005

The Global Campaign on Social Security and Coverage for All was designed to embrace the fundamental objectives for expansion outlined in the ILC 2001 Resolutions and Conclusions, but also account for the challenges being faced by existing social security systems worldwide.

The initial strategy for the Campaign had four basic characteristics or foci:

- *Universality of access* to formal systems of social protection. In line with its rights-based approach to social security, the ILO opted for aiming to make a minimum set of benefits available to all, priority being given to benefits with strong investment (i.e. human capital) character. These included child benefits, health care and income support.
- *Progressiveness*, referring to the understanding that universal provision of a basic benefits package is to be regarded only as the first step in a continuing process of social security development in which, fiscal space permitting, benefit levels will be increased and more contingencies will be covered.
- *Pluralism*, in acknowledgement of the body of experience and evidence showing that there is no single “right” model for provision of social protection, or single path towards achieving universal coverage.
- *Outcome focus*, referring to the essentially pragmatic nature of all ILO interventions and activities. The aim should be to reach optimal social outcome rather than settle ideological and/or academic debates.

There were three main means of action at global and national levels:

- *technical cooperation*, to encourage the policy debate on social security and achieve concrete improvements in coverage in as many countries as possible;
- *forming partnerships* in order to mobilize key actors at the national and global levels so that they might implement the Campaign strategy; and
- *knowledge development* through collection and dissemination of good practices and the design of new mechanisms to support technical cooperation.

2.2.2 2005-2009

In 2005, the Global Campaign also adopted a new four-part operational strategy that combined and integrated all of the ILO’s activities in the field of social security. The four means of action were:

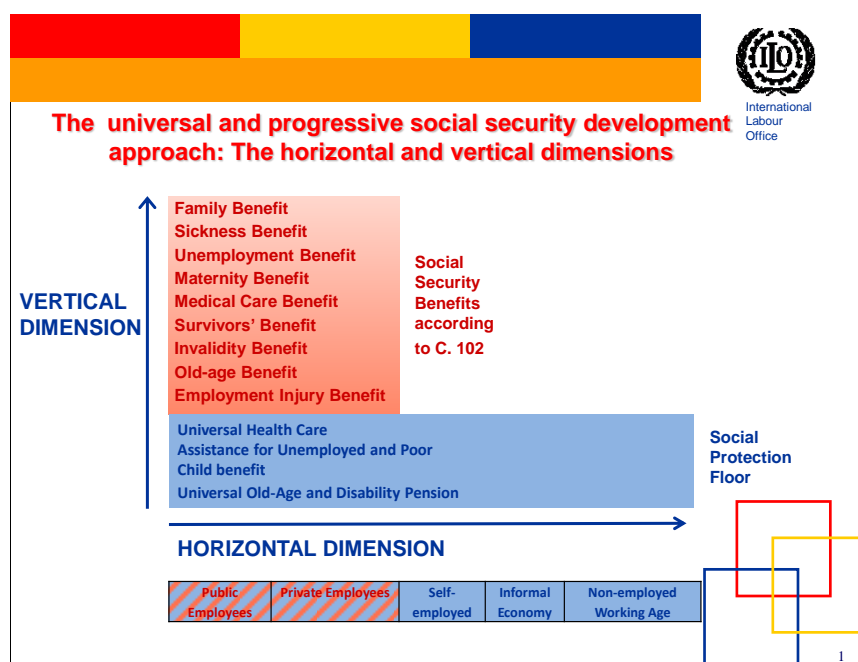
1. generation, management and dissemination of knowledge;
2. policy development;
3. technical cooperation; and
4. capacity building.¹¹

A new strategic model in two dimensions, horizontal and vertical, was developed (see Figure 1 below) to formalize the principles of universality and progressiveness. Extension of social protection along the horizontal dimension refers to the need to extend some income security and access to health care, even at a modest basic level, to the entire population. Extension along the vertical dimension refers to the need to increase levels of benefits and quality of

¹¹ GB.303/ESP/3.

coverage above the basic level, and expand the number of contingencies covered as economies grow and fiscal space expands. Through this approach, the ILO recognized the practical difficulties in many countries of extending classic Convention No.102 benefits to all, but advocated that a social protection floor be made available to all as a platform for future improvements in protection. This consists of a universal old-age and disability pension, child benefits, assistance for the unemployed and poor, and universal health care.

Figure 1. The universal and progressive social security development approach



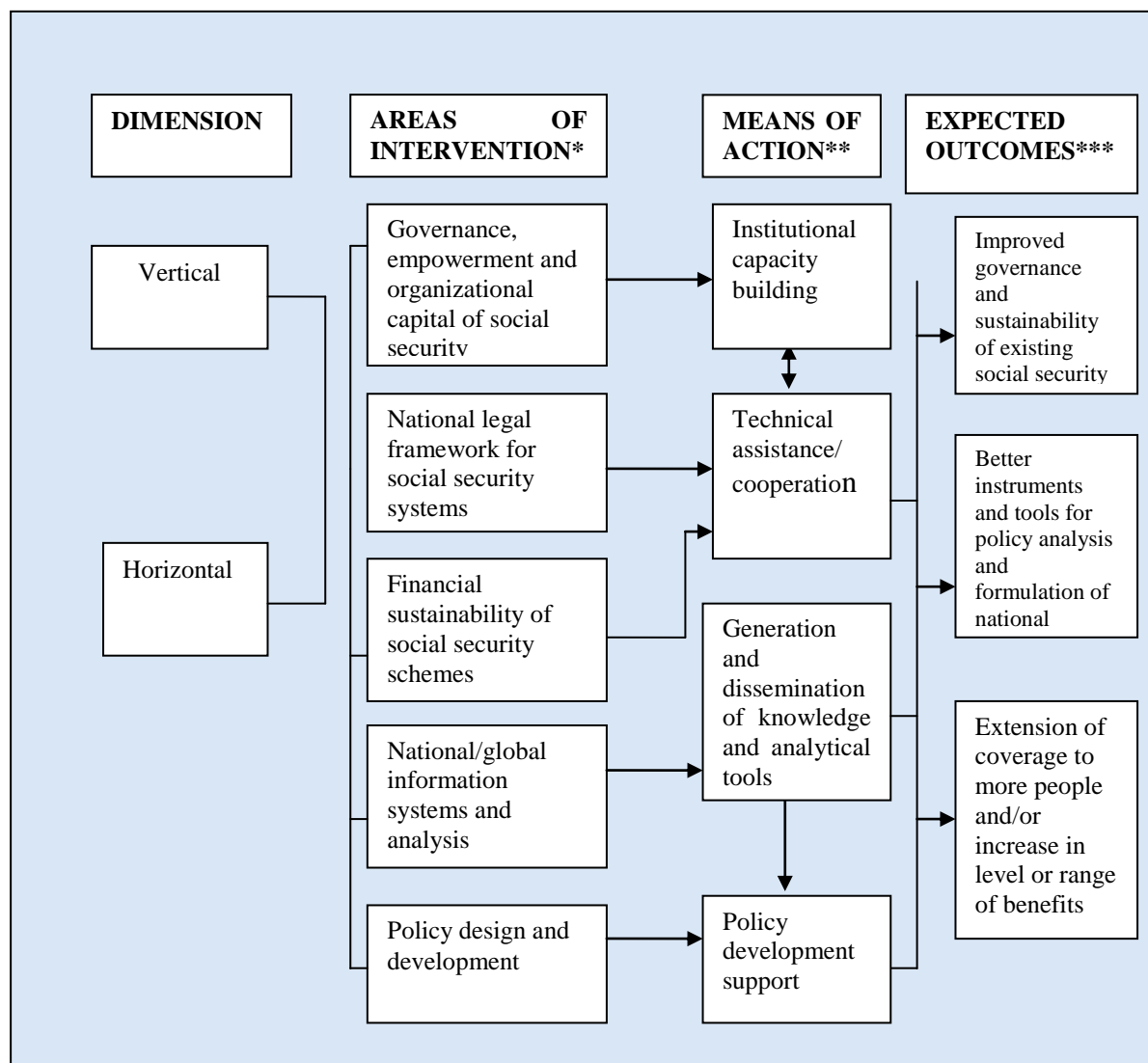
The overall outcomes of the ILO's work were expected to be:

- improved governance and sustainability of existing social security schemes;
- better instruments and tools for policy analysis and formulation of national strategies; and
- extension of coverage to more people and/or increase in the level or range of benefits.

Tying together dimensions, means of action and expected outcome, Figure 2 illustrates the ILO's overall strategy: Some of the means of action are mutually reinforcing, for example, technical cooperation has been almost invariably associated with capacity building, while knowledge generation and methodology development have strongly contributed to policy development and support. The areas in which the ILO can intervene were set out as early as the 2001 ILC which proposed that the Global Campaign on Social Security for All feature:

- improving governance and management;
- advising on legal frameworks;
- providing actuarial and financial reviews;
- developing databases; and
- designing policies.

Figure 2. ILO intervention strategy on social security extension¹²



In the following paragraphs, we describe briefly each of the four means of action identified in the Global Campaign.

2.2.2.1 Generation, management and dissemination of knowledge

Knowledge generation, management and dissemination were considered to be prerequisites to policy development, technical cooperation and capacity building. Associated activities are the collection and analysis of statistical information; exchange of national and international experience through research and Internet-based knowledge sharing; and the development of new technical tools that support the formulation of national policies.¹³

¹² Sources: * Inputs from ILC 2001, 89th Session, Resolutions and Conclusions; **Inputs from GB.303/ESP/3;***Inputs from ILC 2001 and ILO P&B for the following biennia 2004-05, 2006-07, 2008-09 and 2010-11. Visual prepared by authors.

¹³ Ibid.

- *Collection and analysis of statistical information.* The ILO's International Inquiry into the Cost of Social Security, a questionnaire-based survey implemented every three years, had to be discontinued in 1999 for lack of resources.¹⁴ Since 2005, social security data collection efforts have been broadened and data needs have spurred the launch of a "new" Social Security Inquiry. The new Inquiry aims to account not only for expenditure and financing, but also for number of beneficiaries and average benefit levels. It covers employment-related social security schemes, public health, welfare and anti-poverty programmes and non-public schemes of different types transferring goods, services or cash to poor and vulnerable households. Data is currently collected in more than 30 developing and transition countries in Africa, Asia, Europe and Latin America thanks to a variety of methods including direct online entry from officials responsible for schemes via the data entry module of the Social Security Inquiry (SSI) database, and survey questionnaires sent to the ministries in charge of member States' social security schemes and systems. The objective of this "new" Social Security Inquiry is to assist countries in improving their quantitative knowledge base on social security and to promote common statistical standards. Data collection is therefore coupled with training of local officials. The data collected feeds into the ILO SSI database.

In addition to collecting data through the SSI, the ILO is conducting Social Protection Expenditure and Performance Reviews (SPERs), and social budgeting to assess current and future costs of social protection. SPERs provide information about the structure and level of total social expenditure, and establish indicators of system performance with respect to its effectiveness, efficiency, population coverage and the adequacy of benefit levels. SPERS are also used to make available internationally comparable statistics on social protection.¹⁵

- *Research and Internet-based knowledge sharing.* Over the past five years, the ILO has also produced research papers on the extension of social security and undertaken major studies. Results of these activities have been disseminated through a variety of knowledge sharing mechanisms/avenues (e.g. Internet platforms and thematic experts' conferences).¹⁶ Since 2006, the Office has been developing an Internet-based knowledge management platform on the global extension of social security (GESS). GESS users can access information about policy areas such as health or old age, policy instruments, target groups, tools/models for extending social security or statistics; find direct links to key services such as financial and actuarial services, legal services and training services; and information organized according to country or regional activities. The section organized by country or regional activities allows users to access first-hand information and make direct contact with specialists in the regions and

¹⁴ ILO: *Social Security Inquiry Manual*, Geneva, 2005, p.1.

¹⁵ <http://www.ilo.org/public/english/protection/secsoc/areas/stat/spers.htm> (accessed 24 February 2010).

¹⁶ GB.303/ESP/3.

countries of interest to them. The platform is currently operational but incomplete, with information for some countries yet to be included.

- *Development of new technical tools that support formulation of national policies.* Since 2005, the ILO has also developed a preliminary set of quantitative legal, governance and financial performance indicators which can be used by managers and supervisory bodies to assess the performance of social security schemes. Although consensus has yet to be reached on these scheme-level indicators, they are used as a basis for data collection as part of the SSI. The Office has also designed or updated a number of technical tools that support the assessment of policy alternatives and the good governance and management practices in social security schemes and national social security systems.¹⁷ These include actuarial and social budget computer models, the SPER methodology, the Basic Social Protection Electronic Tool, the unemployment insurance tool and a management and follow-up software for microinsurance schemes, the MAS software.

2.2.2.2 Policy development

The ILO approach recognizes that there are many ways to achieve a set of basic social security guarantees while staying true to the aims of the Campaign. The Office acknowledges that “each approach will have its advantages and its problems and each will be ‘path dependent,’ in other words dependent on past developments and national values”.¹⁸ However, in its policy development work, the ILO adheres to principles either explicit or implicit in its social security mandate, such as the principle of solidarity and the need for reliable and predictable societal outcomes of social security reforms. It was, broadly speaking, in opposition to “Pillar 2” pension reforms supported by the World Bank because they lacked the solidarity component. In recent years, the ILO has provided policy advice to governments seeking to address shortcomings of those systems as they have emerged, within the context of requirements set out in Convention No. 102.

2.2.2.3 Technical cooperation

The ILO provides its constituents with concrete technical advice, in line with the Office mandate, regarding the design and implementation effectiveness of social security systems. Technical advice can take the form of actuarial reviews, cost analysis for basic social protection benefits and legal advice on national social security legislation and compliance with international labour standards. Those standards (mainly Conventions, Protocols and Recommendations) confer authority and legitimacy to the Office, but also provide basic policy orientations for ILO technical advice and cooperation.¹⁹ Technical cooperation also takes the form of long-term projects with direct bearing on the extension of social security coverage at country level.

¹⁷ Ibid.

¹⁸ ILO: op. cit., p.5.

¹⁹ ILO: *Extending social security to all: a review of challenges, present practice, and strategic options. Draft for discussion*, Tripartite meeting of experts on strategies for the extension of social security coverage, Geneva, 2009, p.37.

2.2.2.4 Capacity building

ILO capacity building activities in the area of social security aim to ensure the availability of sufficiently trained national experts to plan, organize, manage, finance and administer national and local social security schemes. To date, the ILO knowledge base has been summarized in five advanced textbooks. The Office is also supporting a master's programme in social security financing and social policy design at the University of Maastricht in the Netherlands and a master's programme in actuarial studies at the University of Lausanne in Switzerland. As training had to be scaled up, the ILO launched two regional quantitative training programmes applied to social protection, QUATRAN AMERICAS and QUATRAN AFRICA. Tailor-made seminars and workshops are also organized. All training activities target "political decision-makers, members of the administrative and supervisory boards of social security systems, managers of social security systems and budget and financial experts in leading ministries".²⁰ Capacity building aimed at strengthening the social partners and improving the quality of social dialogue also indirectly promotes progress on social security.

Operational objectives and indicators

The ILO strategy for the extension of social protection coverage has been embedded in the results framework of the ILO P&B since the 2000-01 biennium and the introduction of strategic budgeting in the ILO, and is captured under Strategic Objective 3: "Enhance the coverage and effectiveness of social protection for all". The ILO's operational strategy for the extension of social security is also detailed in the Strategic Policy Framework for 2006-09 and 2010-15. The Strategic Policy Framework for 2006-09 proposed the following medium-term outcomes: improved policies and strategies to extend social protection to all (Outcome 3a.1); better instruments and tools for policy analysis and formulation, and good governance (Outcome 3a.2), and exploring the concept of a socio-economic floor for all (Outcome 3a.3). These were confirmed in the P&B for 2006-07.

As of 2010, the strategy for the extension of social protection will be captured under Outcome 4, a broad outcome calling for better managed and more gender-equitable social security benefits.²¹ Table 1 below documents the evolution of the associated operational objectives and indicators as well as the biennial targets and reported outcomes.

²⁰ GB.303/ESP/3, p.10.

²¹ GB.304/PFA/2 (Rev.).

Table 1. Social security related outcomes and indicators

2004-2005 biennium (GB.295/PFA/13)		
Operational objective 3a: Social security		
Member States broaden the scope and the instruments of social security schemes (including the informal economy and the poor), improve and diversify benefits, strengthen governance and management, and develop policies to combat the adverse effects of social and economic insecurity.		
Indicator	Target	Actual
3a.1. Social security schemes to combat poverty and social exclusion: member States that adopt voluntary or public schemes, including improvement of existing social security schemes to extend social security coverage to previously uncovered sections of their population	25 member States	30 member States
3a.2. Improved governance and sustainability of social security schemes: member States or regions that initiate actions based on ILO advice or support either to improve or establish the financial, economic and fiscal sustainability of national security schemes and systems, and their governance	15 member States	28 member States
3a.3. National data development and monitoring of social protection: member States in which improved data are generated and comprehensive social policies are developed as a result of tripartite consultations that take into account ILO policy recommendations	20 member States	13 member States
2006-2007 biennium (GB.301/PFA/2)		
Operational objective 3a: Enhanced social security coverage		
Member States broaden the scope and instruments of social security, including the informal economy, rural areas and the poor, improve and diversify benefits, strengthen governance and management, improve their methods for implementing ILO technical standards, develop policies to combat the adverse social effects of social and economic insecurity and to support all women and men throughout their life cycles.		
Outcome 3a.1: Improved policies and strategies to extend social protection to all		
Member States implement improved policies and strategies to achieve basic social protection that ensures access to healthcare, guarantees income security, provides occupational health and safety and promotes social inclusion		
Indicator	Target	Actual
3a.1.(i) Member States adopt or implement effective policies and strategies to extend social security coverage	20 countries ²²	20 countries
3a.1.(ii) Member States strengthen existing social security schemes through policies and strategies to ensure effectiveness and sustainability	10 countries ²³	11 countries
3a.1.(iii) Member States improve their capacities to combine actions on social security and safety and health in the informal economy and rural areas	5 countries ²⁴	6 countries

²² Where ILO technical assistance leads to the adoption or implementation of policy statements, National Action Plans or legislation and the development of statutory or voluntary schemes.

²³ Where ILO technical assistance on existing social security schemes leads to (i) concrete proposals to improve their institutional, organizational, administrative and financial effectiveness and sustainability; and (ii) the design and the implementation of their reorganization within the framework of a national social security policy.

3a.1.(iv) Member States test innovative approaches to integrate social protection with local development and income-generating activities in order to reduce poverty, gender inequality and social exclusion	7 countries ²⁵	11 countries
Outcome 3a.2: Better instruments and tools for policy analysis and formulation and good governance in social protection Member States formulate and implement social protection policies and better manage social protection schemes, including their financial sustainability, based on ILO technical and analytical tools, knowledge base and skills		
Indicator	Target	Actual
3a.2.(i) Member States generate comprehensive data for policy formulation, including gender-sensitive surveys, and disseminate results	20 countries	22 countries
3a.2.(ii) Member States conduct tripartite consultations on the state of socio-economic security and generate recommendations for social policy formulation	10 countries	n. a.
3a.2.(iii) Member States adopt new tools and enhance national capacity for good governance through capacity building programmes for staff of social security institutions, social partner organizations and government ministries	15 countries	27 countries
3a.2.(iv) Member States take action to improve governance of social protection schemes or maintain good standards of governance	15 countries	14 countries 2 regional groups
3a.2.(v) Member States in crisis maintain a minimum level of protection for affected populations	3 countries	3 countries
2008-2009 biennium (GB.307/PFA/2)		
Intermediate Outcome 3a: More people have access to better managed social security benefits		
Immediate Outcome 3a.1: Increase member States' capacity to develop policies focused on improving social security systems		
Indicator	Target	Actual
3a.1.(i) Number of member States that apply ILO technical assistance to generate comprehensive social security data	50 member States	51 member States
3a.1.(ii) Number of member States that apply ILO technical assistance to develop social security policies that extend coverage to more and/or increase the level or range of benefits	15 member States	16 member States 1 region
Immediate Outcome 3a.2: Improve member States' capacity to manage social security schemes and implement policies focused on improving social security systems		

²⁴ Where ILO support leads to innovative projects, dissemination of good practices, production of tools, training and capacity building for governments, social partners and socio-economic organizations in the informal economy and rural areas.

²⁵ Where ILO support consists of (i) design and implementation of field projects; and (ii) building and the production of guidelines and manuals for actors at the national and local level.

Indicator	Target	Actual
3a.2.(i) Number of member States that either apply ILO technical assistance or tools to give effect to the principles of ILO standards, including the tripartite governance of social security schemes, or use of ILO tools to increase administrative efficiency and effectiveness or to improve financial sustainability	10 member States	18 member States
3a.2.(ii) Number of member States in which officials trained by the ILO for good governance, planning and management of social security, enter or remain in, the employment of social policy making bodies	15 member States	26 member States
2010-2011 biennium (GB.304/PFA/3)		
Outcome 4: More people have access to better managed and more gender-equitable social security benefits		
Indicator	Target	Actual*
4.1. Number of member States that, with ILO support, improve the knowledge and information base on the coverage and performance of their social security system	20 member States ²⁶	n.a.
4.2. Number of member States that, with ILO support, develop policies improving social security coverage, notably of excluded groups	3 member States	n.a.
4.3. Number of member States that, with ILO support, improve the legal framework, general and financial management and/or tripartite governance of social security in line with international labour standards	8 member States	n.a.

* The ILO Programme and Budget Implementation Report will be presented to the Governing Body in March 2012.

This more fine-grained view of the ILO's strategy demonstrates that it has engaged in a broad range of interventions and has had impact in a significant number of member States. The scale of activities and impacts indicates that the ILO is effectively exercising its mandate in the area of social protection and making progress towards the goals set by the ILC 2001.

The regional dimension

There is a strong regional dimension to the challenges of extending social protection.

- *Africa*. The ILO's strategy in Africa is meant to address poverty and social exclusion.²⁷ Three major approaches have been emphasized:
 - Extending classical contribution-based social protection schemes where they exist through improved compliance and, where appropriate, extending schemes to cover those on the fringes of the formal sector or even, where feasible, in the informal sector.
 - Introducing community based social security schemes and linking them to external sources of support (e.g. the case of health care in Ghana).
 - Extending tax-financed basic income schemes, with emphasis on the principle of universality.

²⁶ Of which at least 5 in Africa and 2 in each other region.

²⁷ ILO: *Decent Work Agenda in Africa (2007-2015)*, Addis Ababa, 2007, p.45.

- *The Americas.* The ILO's strategy in the Americas is meant to strengthen existing systems while increasing coverage, including innovative approaches to take into account the heterogeneity of populations at risk. Projects have aimed at:
 - Redefining priorities for coverage, both in terms of target populations and contingencies. In more well-to-do countries in the region the ILO stresses unemployment benefits; in poorer countries, health coverage; and in all countries, family benefits.
 - Identifying the most cost-effective social protection instruments given population heterogeneity. The ILO has helped to develop non-contributory schemes to provide coverage while not distorting the labour market, in which many slip easily between the formal and informal sectors over the course of their working lives.
 - Strengthening social security institutions. The ILO has worked to improve the quality of social security institutions, improving information made available to members, promoting measures to discourage the manipulation of social security schemes for purposes unrelated to social protection, and improving management and administration.

- *Arab States.* In the Arab States, the ILO has focused on coherent national policies based on a solid social protection floor (see Figure 1), ensuring policy coherence with labour market development (e.g. promoting women's labour force participation), and institution strengthening through improved governance and improved technical capacity. The latter includes review of social security and labour legislation in line with international standards, enhancing national statistical, analytical and monitoring capacities.

- *Asia and the Pacific.* In Asia, the ILO was involved in a range of traditional actuarial interventions as well as in policy advice on extension of social security. In Nepal, it advised on the feasibility of broadening the old-age allowance and on the design of a pilot programme to provide cash for work in rural areas. In Thailand, it advised on a comprehensive reform of health care financing that instituted a successful universal basic health scheme. In China, it has provided advice and technical analysis on both pensions and health, in the overall context of expanding social protection to better cover the rural population.

- *Europe and Central Asia.* In Europe and Central Asia, ILO activities have encompassed advising on legislation, policy studies on the reform of schemes, and actuarial studies and training in the use of analytical tools.

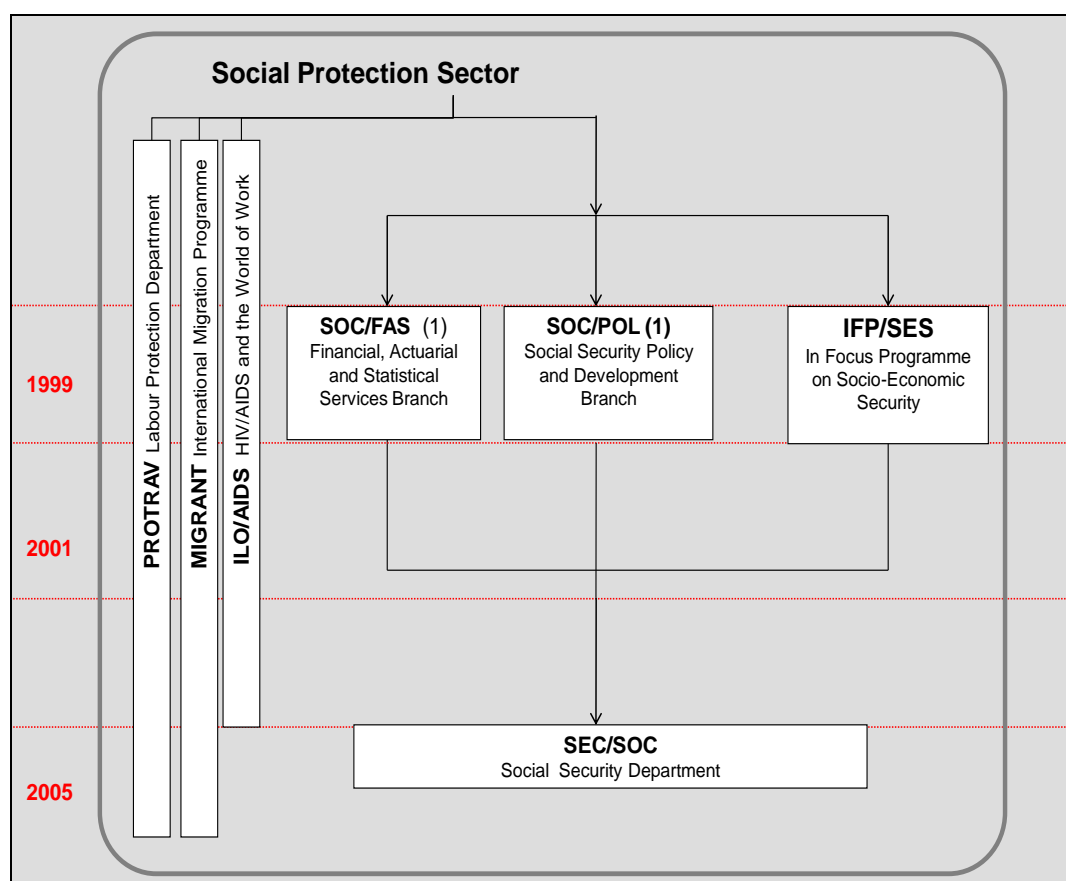
Organizational approach and external partners

The ILO Social Security Department (SEC/SOC) is under the Social Protection Sector (Sector 3) that also comprises the Labour Protection Department (PROTRAV), the International Migration Programme (MIGRANT) and the Programme on HIV/AIDS and the World of Work (ILO/AIDS).

SEC/SOC has been the main department anchoring the strategy for the extension of social security since 2005. Prior to that, social security activities were carried out by three entities: the Financial, Actuarial and Statistical Service Branch (SOC/FAS); the Social Security Policy and Development Branch (SOC/POL); and the InFocus Programme on Socio-Economic Security (IFP/SES).

IFP/SES focused on enhancing knowledge of economic and social insecurity and supporting better formulation of policies to combat the adverse effects of insecurity through data and analysis. SOC/FAS concentrated on improving the financial architecture and governance of national social security schemes and systems. SOC/POL assisted ILO member States and constituents in the design, reform and implementation of social security policies based on the principles embodied in international labour standards (Convention No.102 in particular), and provided them with help in managing the corresponding schemes. Figure 3 below summarizes the institutional history of SEC/SOC.

Figure 3: Organizational development of SEC/SOC



(1) Until 2000, the two SOC/FAS and SOC/POL units were within one social security department. IFP/SES was a separate unit.

While SEC/SOC is the main operational unit implementing the Office's mandate in the area of social security, additional capacity is found in the ILO Field Offices network and the International Training Centre of the ILO in Turin. In countries where the Office is active, it has working relationships with the government agencies responsible for overseeing and managing social security schemes and systems. Those agencies include ministries of labour

and their specialized agencies, ministries of social affairs, and national social development departments.

At international level, the Office collaborates on social security with a number of institutions, which include other UN organizations (e.g. UNICEF and WHO), International Financial Institutions (IFIs) (e.g. the World Bank and the IMF), regional development banks such as the Asian Development Bank (ADB), multilateral organizations (e.g. the Council of Europe and the European Commission), and bilateral cooperation agencies (e.g. DfID and GTZ). The ILO's collaborative efforts aim to help, among others, to enhance ILO visibility and impact through increases in the amount of resources dedicated to social security research, policy design and implementation. Partnerships bring to the forefront the role of social protection in pursuing the Millenium Development Goals and other international initiatives, and provide opportunities for mainstreaming the ILO's strategic approach to the extension of social security coverage.²⁸

SEC/SOC collaborates closely with the Turin Centre in its capacity building work. It has also had historically close links with the International Social Security Association (ISSA), whose head office is located in ILO headquarters.

Portfolio analysis

2.6.1 Extra-budgetary interventions

The ILO's portfolio of extra-budgetary funded technical interventions for the extension of social security includes over 100 projects and technical missions implemented over the past four years.²⁹ Twenty of those had a budget of over US\$500,000. Total extra-budgetary allocation has amounted to almost US\$36 million over the past five years. Table 2 and Figure 4 below show the regional distribution of interventions. Over half, in financial terms, were interregional or global, with Africa accounting for most of the funds allocated to country or region-specific projects.

Table 2. Regional distribution of ILO social security extra-budgetary funded interventions, 2005-2009

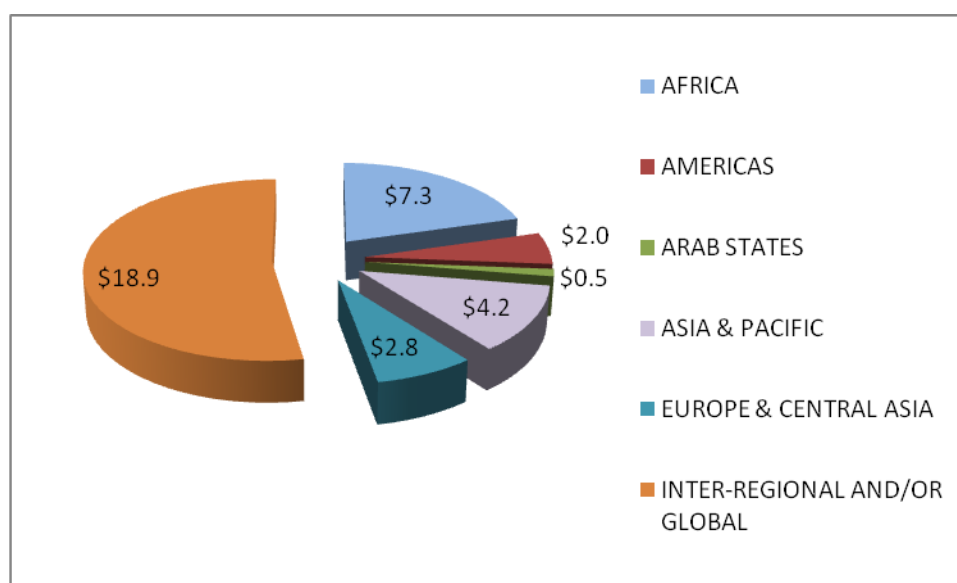
Regions	US\$	%
Africa	7 337 624	20.6
Americas	2 016 632	5.7
Arab States	470 374	1.3
Asia and the Pacific	4 234 423	11.9
Europe and Central Asia	2 759 114	7.7
Interregional/global	18 858 889	52.9
Total	35 677 056	100

Source: ILO's Integrated Resource Information System (IRIS) approved project budgets, as of 13 January 2010.

²⁸ <http://www.ilo.org/public/english/protection/secsoc/about/partners.htm> [accessed 1 March 2010].

²⁹ The list is based on IRIS coding where SEC/SOC, SOC/POL and SOC/FAS were identified as the thematic unit of the project/mission. Interventions included are both centralized and decentralized in their administration.

Figure 4. Share of ILO social security extra-budgetary interventions' resources, 2005-2009



ILO social security interventions' means of action cover the whole range of actions envisaged by ILO strategy and policy documents and ILO capabilities. The coverage of major interventions is summarized in Table 3 below showing both main and secondary means of action as aggregated in country level implementation reporting. The summary is categorized based on the list of interventions reported in the ILO Programme Implementation Report for the 2008-09 biennium.³⁰ Data collection and analysis accounted for the largest share of reported results (35.2 per cent), with capacity building not far behind (29.0 per cent). This is consistent with the recent emphasis on data generation and technical training. Most country level outcomes were in Africa (34.5 per cent) with the Americas and Asia each accounting for about 25 per cent, which is roughly consistent with extra-budgetary distributions shown in Figure 4.

Table 3. Coverage of major interventions, by means of actions and region, 2008-09

Category of actions	Africa	Americas	Arab States	Asia	Europe	Total	%
1. Generation, management and dissemination of knowledge							
1a. Social security data collection, analysis and dissemination	12	8	1	20	10	51	32.5
1b. Internet-based knowledge sharing	5	1	0	1	1	8	5.1
1c. Development of new thematic and technical tools	2	1	0	0	1	4	2.5
2. Research and policy development							
2a. (Old-age) pensions	0	3	0	0	0	3	1.9
2b. Social health protection	3	3	0	2	0	8	5.1
2c. Informal ³¹ , agricultural or transport sectors-specific protection	6	2	0	3	1	12	7.6

Source: ILO's Integrated Resource Information System (IRIS) approved project budgets, as of 13 January 2010.

³⁰ GB.307/PFA/2.

³¹ The extension of social security schemes in many cases and especially the implementation of components of the social protection floor are targeted to the informal economy. But the separation into the various categories of

Category of actions	Africa	Americas	Arab States	Asia	Europe	Total	%
3. Technical cooperation/assistance							
3a. Technical assistance/advice on policy design	5	4	1	5	1	16	10.2
3b. Technical assistance/advice on implementation and delivery effectiveness	5	3	0	3	2	13	8.3
4. Capacity building							
4a. Ad hoc and /or on-demand workshops and seminars	12	2	1	4	2	21	13.4
4b. Workshops and seminars as part of longer term training programmes (e.g. QUATRAIN)	6	13	0	2	0	21	13.4
Total	56	40	3	40	18	157	100
%	33.1	23.7	1.8	23.7	10.7	100	

Source: Evaluation team's calculations based on list of interventions reported on in the ILO Programme Implementation Report 2008-09.

Table 4 collapses the regional dimension of means of action, but adds a time dimension by comparing two biennia, 2006-07 and 2008-09 (roughly the beginning and end of the evaluation reference period). Of interest is the increase in interventions focused on data collection and analysis. The relative increase in knowledge and information base advice is due to the development of the SSI database and the number of countries (in absolute terms) for which social security data were collected and disseminated in 2008-09. Within the capacity building area, there was a shift from ad hoc seminars to long-term training.

Table 4. Summary coverage of major interventions, by means of actions, 2006-2009

Category of actions	Total 2006-07 %		Total 2008-09 %	
1a. Data collection and analysis	17	12.98	51	32.5
1b. Internet-based knowledge sharing	1	0.76	8	5.1
1c. Development of new thematic tools	0	0	4	2.5
2a. (Old-age) pensions	2	1.53	3	1.9
2b. Social health protection	9	6.87	8	5.1
2c. Informal sector-specific protection	6	4.58	12	7.6
3a. Technical assistance on policy design	50	38.17	16	10.2
3b. Technical assistance on implementation	6	4.58	13	8.3
4a. Ad hoc seminars	31	23.66	21	13.4
4b. Longer term training programmes	9	6.87	21	13.4

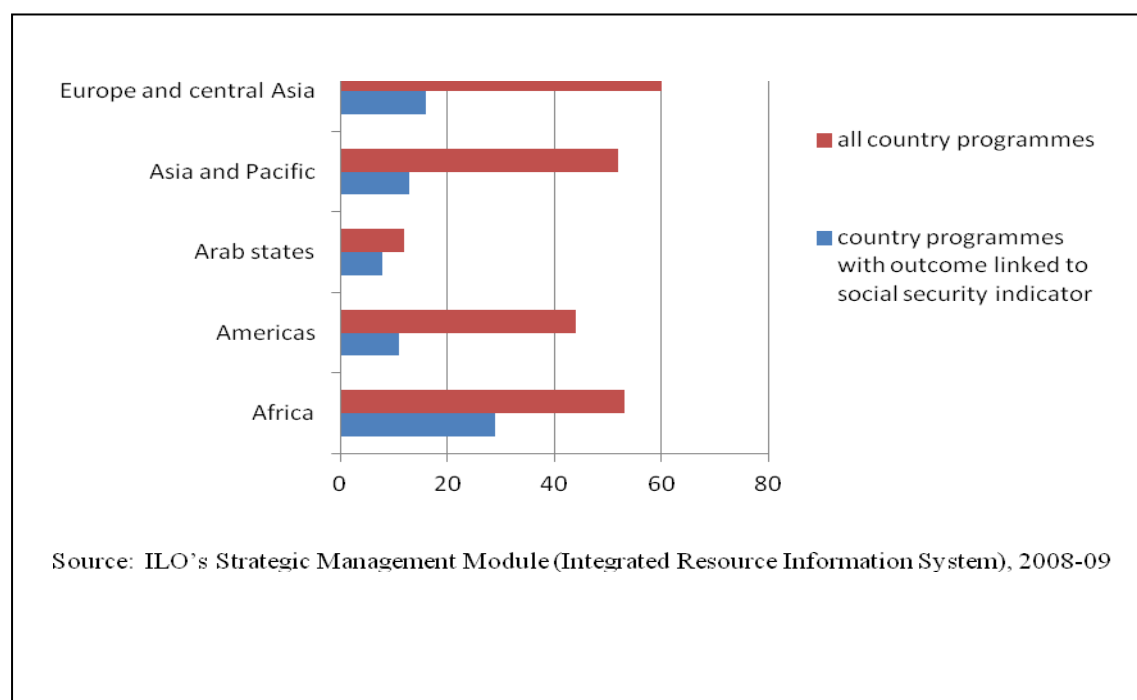
We note a decline in the number of projects consisting of technical advice on policy design and a corresponding increase in the number devoted to implementation.

action has been based on whether the informal economy has been explicitly mentioned in the brief description of the results in the document GB.307/PFA/2.

2.6.2 Social coverage extension in DWCPs (and country programmes at large)

For 2008-09, 29 out of 53 countries in the Africa region feature an outcome on social security; 11 out of 44 countries in the Americas region; eight out of 12 in the Arab States; 13 out of 52 countries in the Asia and the Pacific region; and 16 out of 60 countries in the Europe and Central Asia region. Figure 5 below provides a visual illustration.

Figure 5. Number of country programmes with outcomes linked to social security Programme and Budget indicators, by region, 2008-09



2.7 Governance, management, and resources

2.7.1 Governance

Global ILO governance instruments are documents approved by the ILC or the Governing Body, either directly or through approval of Committee Reports. Those directly related to the Social Protection Sector (and SEC/SOC and social security) and setting the mandate for action include:

- ILC Declarations such as the Declaration of Philadelphia (1944) and the Declaration on Social Justice for a Fair Globalization (2008);
- Conventions and Recommendations,³² including Convention No.102 and its associated Recommendations;
- P&Bs; and
- Governing Body decisions taken on selected related topics.

³² For an indicative list of ILO social security standard-setting instruments see Annex5.

The Committee on Employment and Social Policy (ESP) is mandated to consider and advise the Governing Body on ILO policies and activities in the fields of social security. Issues relative to the financial and administrative programming and implementation are handled by the Governing Body's Programme, Financial and Administrative (PFA) Committee.

2.7.2 Management and resources

Core human resources dedicated to the implementation of the strategy for the extension of social security are currently composed of SEC/SOC headquarters staff and social security advisors in the regions reporting to Regional Office (RO) and Subregional Office (SRO) directors. Those positions are funded through regular budget or Programme Support Income (PSI). See Table 5 below for the distribution of core staff by region for the past two biennia.

ILO field staff was reinforced by two additional officials between the 2008-2009 and 2010-2011 biennia, one in the Americas and one in Europe, but with one less in the Asia and the Pacific region. Given that the ILO is technically supporting initiatives in over 40 countries each biennium, core staffing appears thin.

Table 5. Social security core specialist positions in the field according to the regular approved budget

Region	2008-09		2010-11	
	Number of positions	RO/SRO in:	Number of positions	RO/SRO in:
Africa	3	Dakar Harare	3	Dakar Harare
Americas	3	Lima San Jose Santiago	4	Lima San Jose Santiago Buenos Aires
Arab States	1	Beirut	1	Beirut
Asia and the Pacific	3	New Delhi Bangkok Manila	2	New Delhi Bangkok
Europe and Central Asia	1	Budapest	2	Budapest Moscow
Total	11		12	

In 2008-09, SEC/SOC in Geneva was staffed with 15 professional (decreased to 14 in 2009) and seven general service staff and had a total regular budget allocation of some US\$8.3 million. For the current biennium, SEC/SOC has 14 professional staff and seven support staff in headquarters, and 12 regular budget staff in the field. Its regular budget resource allocation

is about US\$9.4 million (US\$8.9 in constant 2008-09 US\$ terms). Tables 6 and 7³³ below show resource trends in the operational budget of the SEC/SOC department during the past two biennia. Regular budget resources have increased by a little more than US\$1,000,000 in real terms. However, this has been more than offset by significant declines in centrally administered Extra-budgetary Technical Cooperation (XBTC) and Programme Support Income (PSI).

Table 6. Social security department human and financial resources (2008-2011)

	Professional W/Ms* US\$	General Service W/Ms US\$	Non-staff	Total	%
2008-09					
RB	300.7 + 24 D2 5 627 255	162.3/0 2 1 588 483	1 076 259	8 291 997	53.1
RBTC			321 00	321 000	2.0
XBTC centrally administere d			5 215 154	5 215 154	33.4
PSI	48.33/02 865 082	26.9/02 263 486	670 806	1 799 374	11.5
Total 2008-09				15,627,525	100.0

	Professional W/Ms US\$	General Service W/MYs ** US\$	Non-staff	Total	%
2010-11					
RB	342/00 + 24 D2 6 976 807	172.32/02 1 929 758	530 005	9 436 570	67.6
RBTC			244 000	244 000	1.8
XBTC centrally administered			3 926 937	3 926 937	28.1
PSI	16.1/02 300 893	5.0/02 55 935	1 211	358 039	2.6
Total 2010-11				13 965 546	100.00

* Workmonths

** Workmonths/Years

³³ Source: IRIS, Strategic Management Overview, programme management SOC/SEC as of 18/02/2010.

Table 7. RBSA social security allocations (in US\$)³⁴

Region	Responsible Unit	Theme	2008-09 allocations (US\$)	2010-11 allocations as of 26/07/10
Africa	RO-Addis	Social security	1,909,841	2,060,770
Africa	RO-Addis	Social security for migrant workers	1,071,996	1,575,079
Americas	SRO-Santiago	Social security	141,344	58,656
Arab States	RO-Beirut	Social security	117,469	132,835
Europe	SRO-Budapest	Integrated implementation of the DWCP (Serbia and Kosovo)	124,748	25,251

In total, for the past three biennia, the following estimated amounts of strategic resources (as part of the ILO strategic budgeting process) have been dedicated to the pursuit of enhanced social security for all across all parts of the Office:

Table 8. Estimated strategic budget resources for social security as reported in Programme and Budget documentation

2006-07 (GB.292/PFA/8 (rev.))	2008-09 (GB.298/PFA/13)	2010-11 (GB.304/PFA/3)
Operational objective 3a: enhanced social security coverage	Intermediate outcome 3a: more people have access to better managed social security benefits	Outcome 4: more people have access to better managed and more gender equitable social security benefits
RB 42.3 ³⁵	RB 34.1	RB 37.3
XB 12.3 ³⁶	XB 14.5	XB 12.6
RBSA n.a.	RBSA 4.0	RBSA n.a.

³⁴ Amounts allocated from RBSA for work related to the outcome on social security. These are the net amounts allocated after deducting for programme support and evaluation.

³⁵ In 2006-07 US\$ millions .

³⁶ Ibid. Financial data for the other two biennia is expressed in 2008-09 US\$.

3 FINDINGS RELATED TO EVALUATION QUESTIONS

This chapter presents the range of findings that support judgements related to scope of the evaluation. Seven evaluation questions (EQ) are presented. Under each EQ a brief outline of the approach taken is provided and a set of performance criteria (PC) listed, followed by findings related to relevance, responsiveness and ILO added value for each PC. This is followed by a summary of the evaluators' major findings for each PC. The answer to the overall question is provided at the end of each subsection and includes a judgement (poor, good or excellent) of how far the criteria were fulfilled, any additional explanation required, and a summary box for the EQ.

Relevance, responsiveness and ILO added value

EQ 1	To what extent is the design of the ILO strategy to extend the coverage of social security relevant to the global policy dialogue and the situation facing member States' governments, social partners, and those lacking adequate social protection?
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Approach to the question and ILO intervention

The ILO's relevance to country needs can be judged to some extent by comparing the regional context in Section 2.1.1 with the regional dimension of ILO's strategy and programme in Section 2.4 and, even more directly, by reference to country case studies, which are summarized in annexes 2 and 3 to this report.

The analysis for determining the ILO's relevance, responsiveness and added value is based on the following performance criteria:

- *PC 1.1 The ILO's strategy for the extension of social security aligned with the Organization's role and mandate in this area.*
- *PC 1.2 The ILO's strategy aligns with its comparative advantage to contribute to global and/or national thinking and action for extending social security through a social protection floor (the horizontal dimension) and for strengthening currently available social protection programmes (the vertical dimension).*
- *PC 1.3 The ILO's strategy dealt with the difference of opinion between those advocating a universal social protection floor and those advocating that countries must decide for themselves.*
- *PC 1.4 The ILO's strategy addressed the need to encourage job creation and economic growth, including interacting with social protection programmes geared towards job creation (e.g. public works schemes, school vouchers for the poor, workfare programmes, etc.).*
- *PC 1.5 The ILO's strategy addressed the twin challenges of (i) low coverage, in most countries, of the social security schemes envisaged by the ILO's traditional instruments and (ii) the low fiscal base for newer, tax-based social protection schemes.*

- *PC 1.6 The ILO's strategy adequately addresses the need for gender equality and empowerment within the context of adequate levels of social security.*

Findings related to relevance, responsiveness and ILO added value

PC 1.1 The ILO's strategy for the extension of social security aligned with the Organization's role and mandate in this area.

In both pensions and health, and through its initiatives under the Global Campaign on Social Security for All, and more recently the ILO Global Jobs Pact and the UN CEB SPF initiative, ILO global and country level activities have been strongly in line with its mandate.

In the area of *old-age pensions*, the mandate of the ILO in the area of social protection as outlined in the Preamble to its Constitution establishes the “provision for old age” as a priority for the Organization. Convention No. 128 and Recommendation No. 131 on invalidity, old-age and survivors' benefits further elaborate on the mandate. Convention No. 102 sets the minimum standards for nine branches of social security including old-age benefits.³⁷ The ILC at its 89th Session in 2001 also reaffirmed the need for schemes to evolve over time to protect progressively from contingencies such as old age.³⁸

ILO Conventions and Recommendations set out the formulae for determining benefits deemed “adequate”. Convention No. 102 in particular sets the minimum replacement rate for earnings-related pensions for those with earnings lower than the prevailing typical or average level at 40 per cent of previous earnings. Relevant ILO standards also attach considerable importance to the question of sustainability.³⁹

The Office's approach to the pensions debate has been framed by the Organization's mandate, i.e. safeguarding social outcomes while maintaining a directional rather than doctrinal stance. ILO officials interviewed stated that there is no claim to harbour an ILO pension reform “model”. Yet experts from other major international institutions state with equal force that there is (as do the national officials interviewed). The key to resolving this apparent divergence of views is that the ILO is, as evidenced through this analysis, pluralistic, but only within the guidelines set by its mandate and social values. The ILO promotes, as a matter of mandate, basic “guarantees of national social pension schemes” which are, among others: universal in coverage; a rights-based approach to benefits; actuarial equivalence of contribution and benefit levels; guaranteed minimum rates of return on

³⁷ ILO: *Setting social security standards in a global society. An analysis of present state and practice and of future options for global social security standard setting in the International Labour Organization*, Social Security Policy Briefings, Paper 2, Geneva, 2008, p.1.

³⁸ ILO: Resolution and Conclusions concerning social security, International Labour Conference, 89th Session, Geneva, 2001, para. 8.

³⁹ Ibid, p.2.

savings; gender fairness; sound financing; fiscal responsibility; and State-guaranteed and driven nature of schemes and systems.⁴⁰ Among the key aspects of this policy stance are:

- *Actuarial equivalence of contribution and benefit levels and guaranteed minimum rate of return on savings*: As stated in the background papers to the Tripartite meeting of experts in 2009, "...benefits should represent both a minimum replacement rate and a minimum rate of return in case of savings schemes, which in turn must adequately reflect the overall level of contributions paid".⁴¹
- *State-guaranteed and driven nature of schemes and systems*: "... the State should remain the ultimate guarantor of social security rights, while the financiers/contributors should participate in its governance".⁴²

In its efforts to promote and support systems that fulfil those criteria and account for the nature and path-dependence of existing arrangements, the Office has advocated reform options but has avoided developing and championing a strong view on the exact architecture of national pensions systems.⁴³ It has rather focused on social outcomes, i.e. population coverage and benefit levels in line with its constitutional mandate and Conventions.

In part, the divergence of views (which, to be candid, has often been perceived in terms of a contest between the World Bank and the ILO; relations have, however, been fairly cordial) revolves around a misunderstanding of the two institutions' mandates. The World Bank is mandated to supply policy advice that primarily aims at securing the financial sustainability of social security schemes, and to back that up with loans, if a government requests, for further development of social security. The mandate of the ILO, framed in terms of international standards, tripartism and social dialogue, is more social outcome-oriented and mandate-bounded, with the result that options which might be appealing to governments may be ruled out.

To be specific, the ILO normative basis for policy in the framework of the Global Campaign requires benefit structures of national old-age income security schemes to allow for the extension of coverage to all members of the population. The Office recognizes that relying on an extension of "traditional" contributory/social insurance schemes designed for the formal sector cannot realistically be expected to be a major means of extension of coverage to the self-employed and those in the informal sector. It has promoted instead the design of informal

⁴⁰ Drouin, A. and Cichon, M.: *Optimal financing and self-adjusting mechanisms for sustainable retirement systems: The social stabilization of pensions in times of crises and beyond: A critical review of three decades of pension reform and their outcomes*, paper presented to the International Conference of Social Security Actuaries and Statisticians, Ottawa, Canada, 16-18 September 2009, pp.14-15.

⁴¹ ILO: *Extending social security to all: a review of challenges, present practice, and strategic options. Draft for discussion*, Tripartite meeting of experts on strategies for the extension of social security coverage, Geneva, 2009, p.19.

⁴² Ibid.

⁴³ Drouin and Cichon, op.cit., pp.14-15.

sector-specific schemes, the inclusion of tax-based universal or targeted schemes and encouraged the development of special schemes based on mutual insurance principles.⁴⁴

In the area of *health*, the ILO's mandate focuses on social protection in health. It is specified in:

- the Constitution of the ILO;
- the Declaration of Philadelphia;
- ILO Conventions, particularly the Social Security (Minimum Standards) Convention, 1952 (No. 102) and the Medical Care and Sickness Benefits Convention, 1969 (No. 130);
- the ILO's decent work concept; and
- the New Consensus on Social Security reached during the ILC in 2001.

Taken as a whole, the ILO's approach to social protection in health prioritizes a rights-based, inclusive approach to health care based on core values such as equity, social justice and solidarity. According to its economic and institutional development, culture and history, each country is encouraged to determine the best forms of ensuring access to health services and financial protection through organizational and financial arrangements such as universal schemes, social health insurance, microinsurance and private provision.⁴⁵ A key strategic element is the central credo of incorporating all existing coverage and financing subsystems in a country into one pragmatic pluralistic national strategy, as long as the existing subsystems and the social protection system as a whole meet a number of outcome and process criteria. Goals are:

- achievement of universal coverage of the population within a realistic timeframe;
- effective and efficient provision of adequate benefit packages, including financial protection for all, but not necessarily uniform benefit packages;
- a governance system that confirms the overall responsibility of government for the functioning of the system as a whole, but also involves covered persons, financiers (contributors and taxpayers, including employers and workers in the formal and informal economy) and providers of care; and
- fiscal and economic affordability.

The ILO country level strategy involves assessment of the coverage gap and access deficit; development of a national coverage roadmap, including financing aspects; and the strengthening of national capacities for implementation. The approach is part of the ILO decent work strategy and the Global Campaign on Social Security and Coverage for All. It

⁴⁴ C. Guillion et al. (eds.): *Social security pensions: development and reform*, (Geneva, ILO, 2000).

⁴⁵ <http://www.ilo.org/public/english/protection/secsoc/areas/policy/social.htm> (accessed 24 March 2010).

builds on in-depth analyses of the extent of social health protection coverage and the gaps in access to health services.⁴⁶

Evidence from the case studies generally supports a positive assessment of the coherence between the ILO's country level work and its institutional mandate, as well as a high degree of relevance to country needs.

In the case of Nepal, the ILO's work on estimating the feasibility of reducing the qualifying age for the old-age universal pension and on rural unemployment was found to be relevant to national needs, priorities and approaches. The work was consistent with its commitment to promoting a social protection floor.

In the case of Thailand, the ILO performed a number of actuarial reviews between 2007 and 2009, including reviews of the Social Security Scheme and Workmen's Compensation Scheme, and also undertook a pension reform advisory mission. Since 2005, much of the ILO's work in Thailand has concerned strengthening financial management and expanding health insurance, including a universal non-contributory health scheme which has proven successful. As the Government considers improved social protection as a priority, this support was highly relevant to country needs. The ILO has provided a range of targeted technical studies and capacity building initiatives that are available on request.

In Zambia, ILO actions have been consistent with the 2006 Fifth National Development Plan and the 2007-2010 UNDAF. As the DWCP is also consistent with these documents, consistency between the ILO's social protection work and the DWCP framework is achieved. However, in the case of Zambia, the ILO's social partners noted limited involvement in formulation of its intervention, with reportedly some capacity challenges, which may have limited the relevance of the intervention in their view.

PC 1.2 The ILO's strategy aligns with its comparative advantage to contribution to global and/or national thinking and action for extending social security through a minimum social protection floor (the horizontal dimension) and for improving the quality and coverage of currently available social protection programmes (the vertical dimension).

The ILO's programme has been responsive to the need to provide social protection for the poor. Its activities are well aligned with its comparative advantage (i.e. expertise in social dialogue, technical advisory services on the financing, governance and management of schemes and analysis of labour market and employment policies and their links to poverty). In that sense, by choosing to do what it can do relatively better than others, for example, building on its depth of knowledge and network on social security, the ILO has acted so as to add value. It has also acted well in building on its tradition and reputation as a force for social justice. Evidence of this is the high degree of credibility that the ILO has earned in many countries. The ILO is now being looked to as a source of value added in integrating labour market and social protection analysis and applications.

⁴⁶ *Social health protection: An ILO strategy towards universal access to health care*, ILO, Geneva, 2007, p. 49.

The ILO's comparative advantage lies in four major areas:

1. the existence of internationally adopted standards and principles that provide global credibility to ILO policy advice;
2. tripartism, i.e. utilizing continuous dialogue between the constituents to build consensus and advance social protection;
3. technical advisory services on the financing, governance and management of social security schemes; and
4. analysis of labour markets and employment, including their links with poverty and exclusion.

The ILO's strategy and programme clearly aligns with these points of comparative advantage. Within the UN system, the ILO has taken the lead on social security issues within the context of establishing a social protection floor. This received strong endorsement from the UN Chief Executives Board in April 2009 in accepting the SPF Initiative as a key element of response to the economic crisis and appointing the ILO and WHO as co-leads in the area.

In most of the country case studies, the ILO has achieved a high level of credibility with governments, constituents and international partners in its technical, policy and capacity building activities related to social protection. This may be regarded as an indirect indicator that it has effectively exploited its comparative advantage.

In Nepal, evidence shows that the ILO focused on areas where it had a comparative advantage with regard to other UN agencies and IFIs. At the time of the evaluation, the ILO had become the lead agency advising the Ministry of Finance on social protection issues. In Thailand, its actuarial studies received high praise (though not all recommendations have been implemented). In Cyprus, the ILO exploited its comparative advantage in actuarial analysis, as well as its relative expertise in traditional social security arrangements, to become a prime source of support for pension reform. It also exploited its comparative advantage in tripartism, in a country where the tripartite tradition is extremely strong. In Jordan, the ILO's strength in actuarial and institutional analysis of social security programmes was also effectively exploited to provide actuarial advice, training, and to set up a new maternity scheme that is now being recognized as a model. Moreover, it collaborated with the EU to produce a study on extending social protection in an environment of increasing informality. In Chile, it combined actuarial expertise and broader pension advisory credibility with its traditional support for social justice to help correct deficiencies that became apparent in the mandatory defined contribution pension reform of the 1980s and 1990s.

However, the evaluation has not uncovered much evidence that the ILO's special expertise in labour-market policies was integrated into its country level social protection work, particularly at the operational level, and we point out elsewhere that there is need for a more integrative approach both at headquarters and in field offices. Nevertheless, there are examples of where the aspects of informality in the labour market were embedded in social protection expenditure and performance reviews (SPERS), such as in Zambia. As interest at country level has risen sharply in this broader perspective, there is need for an integrative package or template that can operationalize such approaches in the form of broad interventions.

PC 1.3 The ILO's strategy dealt with the difference of opinion between those advocating a universal social protection floor and those advocating that countries must decide for themselves.

This issue was the subject of some debate at the ILO, but appears to have been ironed out in the course of recent policy consultations such as the September 2009 Tripartite expert meeting. In its work at the country level, the ILO has concentrated on pragmatic, outcome-focused policy advice that can lead to progress in real time. This pragmatism has not, it should be noted, caused it to deviate from the fundamental priorities associated with the Global Campaign on Social Security and Coverage for All.

This was the subject of internal debate within the ILO, with the governance structure of the ILO ensuring that the debate was constructive. Representatives of the constituents interviewed expressed sometimes firm views, but at the same time displayed awareness of the views held on the other side of the debate. Documents attesting to basic consensus on social security, achieved through tripartite means, are the 2001 Declaration of the 89th Session of the ILC and the background paper to the September 2009 Tripartite expert meeting on social security for all. Both strategically, adopting the principle of pluralism, and in pragmatic terms as assessed by country case studies, the Office appears to have come down on the side of those holding that each country needs to make its own decision but within the parameters set out in international standards (Convention No.102). This is true of SEC/SOC's work in health as well as in pensions; for example, in the former area it supports the view that the health care package can be composed of essential country specific services.

In fact, a key role of the ILO is to act as a convenor of UN specialized agencies to discuss which guarantees – child allowances, family benefit, health insurance, etc. – can best be combined to provide a national basic social protection floor.

PC 1.4 The ILO's strategy addressed the need to encourage job creation and economic growth, including interacting with social protection programmes geared towards job creation (e.g. public works schemes, school vouchers for the poor, workfare programmes, etc.).

Partly as a result of its tripartite governance structure, the ILO's campaign to extend social protection has, since its inception in the 89th Session of the ILC in 2001, stressed that social protection encourages, rather than discourages, growth. At country level, social dialogue is the most important means of achieving reconciliation on the trade-offs between different approaches to social protection. It should be noted that in many of the ILO's poorer member States, the capacity of constituents to engage at a high level on policy trade-offs is still lacking.

The ILO's high-level strategy, as exemplified by, for example, involvement in the Global Jobs Pact, the 2006 Governing Body paper on Social Protection as a Productive Factor (GB.294/ESP/4), and the ILO policy paper on Social security for all: Investing in global social and economic development. A consultation, has explicitly embraced the idea that

extension of social protection is a growth-promoting strategy, not one that chokes off economic growth and the accompanying jobs creation. Key to this integration has been considering social protection as investment, not a zero-sum game in which resources are transferred from some to others. Equally important has been a risk-based life cycle view (not formalized but always explicit) that sees social protection as encouraging risk-taking and the ensuing entrepreneurship, not stifling them.

However, some obvious opportunities at headquarters for integrating the work of the Employment Sector and SEC/SOC have been missed. While recognizing accomplishments, such as the joint work on responses to population ageing, a significant number of officials interviewed in Geneva and the field expressed a wish for more integrative work. This might, for example, consist of more integrative work on migration and social protection (a certain amount has been done, and training has been organized by the Turin Centre). Issues of informality and social protection, while they have been probed (e.g. in Jordan), could be analysed at higher level; this may be related to the fact that extending social security to include the informal sector remains a sensitive subject between workers and employers. Country level evidence is more encouraging for the integration of social protection with job-creation strategies. Perhaps the strongest comes from Nepal, where the ILO contributed to legislative frameworks in labour law reform that explicitly combine extending social security (most immediately, unemployment insurance) while acknowledging the need for labour market flexibility. Local employment initiatives including “workfare” and labour intensive public works are under development – all linked to the emerging framework for social protection. There is, however, heavy and growing demand at country level for operational approaches to integrated social protection and employment policies and schemes.

PC 1.5 The ILO’s strategy addressed the twin challenges of (i) low coverage, in most countries, of the social security schemes envisaged by the ILO’s traditional instruments and (ii) the low fiscal base for newer, tax-based schemes.

The strategy has taken up both challenges. At global level, the ILO took the lead in differentiating between the horizontal and vertical dimensions and in illustrating that universal extension of basic benefits was fiscally feasible if responsible policy choices were made. Its work on designing appropriate policy tools enabled it to move beyond the safe area of the traditional contributory approach, which had long dominated the social security field. At country level, the main intervention for pursuing this theme is the SPER and associated social budgeting; both exercises are highly relevant to country needs.

At the global level, the bulk of the ILO’s intellectual effort in recent years has either concerned itself with how to improve low coverage or how to overcome the challenge posed by insufficient fiscal resources.

The main relevant technical cooperation activity has been the Social Protection Expenditure and Performance Reviews (SPERs) and associated social budgeting exercises. SPERs are a flexible approach for assessing the performance of the social security system as a whole. They aim to:

- provide information on the performance of national social protection schemes in a number of countries as well as on the extent of coverage and exclusion from social protection; and
- provide information about the structure and the level of total social expenditure, and establish indicators of system performance with respect to its effectiveness, efficiency, population coverage and adequacy of benefit levels. They are also meant to be used to make available internationally comparable statistics on social protection.⁴⁷

Completed SPERS include Argentina (2005), Benin (2005), Chile (2003), Poland (2007), Senegal (2008), Slovakia (2005), United Republic of Tanzania (2008), Uruguay (2003), Zambia (2008), and Zanzibar (2008),

While SPERS are a diagnostic tool, they are closely related to social budgeting using the ILO's generic social budget model. This model is a powerful tool for capacity building, awareness raising (demonstrating that basic social protection is feasible) and for informing decision making. However, the problem remains that, even in countries that have committed to expanding social protection, lack of political will may weaken effectiveness at policy level (Nepal and Zambia, for example).

SPERS have been implemented in several countries covered by case studies. In Nepal, the ILO's costing/social budgeting work illustrated the feasibility, but also the cost of, extending social protection in view of the small tax base. As noted below in assessing impact, (EQ 6), while there has been substantial analysis done and the ILO has contributed to improving the policy dialogue, the Government has yet to commit itself firmly in fiscal terms. In Zambia, the SPER was carried out from late 2006 to late 2009 with funding from DfID. Three non-contributory schemes for extending social protection to the informal sector and rural population were identified as feasible. Knowledge and data were generated and tools were developed. Capacity was built, in particular through QUATRAN AFRICA. However, actual impact to date has been limited, in part because work was cut short at a time when the ILO would have been expected to shape an Action Plan. (Since launching the evaluation, the ILO has found alternative funding to restart the policy development process in Zambia.)

PC 1.6. The ILO's strategy adequately addresses the need for gender equality and empowerment within the context of providing adequate levels of social security

⁴⁷ Krzysztof Hagemejer; *Social protection expenditure and performance reviews: Methodological note on definitions, classifications and performance indicators*, Financial, Actuarial and Statistical Services; ILO, Geneva (awaiting publication).

The ILO's use of age- and gender-disaggregated models has allowed it to analyse gender issues in social protection. Prominent among these are various forms of direct and indirect discrimination based on women's marital and employment situations, as well as emerging demographic factors such as the problem of poverty in extreme old age, which disproportionately affects women. A major constraint to country level analysis is data deficiencies; in several countries studied, proposed policy reforms that would have addressed gender imbalances were not implemented, in part due to lack of research on the gender effects. There is a clear need for additional research and data collection on effects of various policies on men and women.

Promoting a basic social security package that assists both women and men, young and old, requires finding viable (technically and financially feasible) ways of extending coverage of basic health care, family/child benefits, and targeted income support for the poor, unemployed, old-aged and persons with disabilities.

Broad categories of benefits through the lens of gender equality include family benefits (maternity benefits, family allowances and child care benefits), and pensions (retirement and survivors' protection). In most developing countries, these benefits are predominantly extended through formal sector social security schemes, and as case studies have shown, women's inclusion and extension within these schemes have consistently been advocated by the ILO. Two areas receiving ILO attention have been cases where a married woman's entitlements are defined as an extension of her husband's, and where rates of contributions and benefits are set differently for men and women.

Initiatives to extend basic social protection to women and children not eligible for existing schemes has been the focus of several ILO global fora, publications, technical assistance, and often with particular attention to poor and vulnerable groups (in Africa in particular). Women tend to be indirectly excluded from social security schemes based on certain conditions, tend to work in sectors not covered by social security, and also are more likely to enter and exit employment over a period of time, or to work part-time, than men.

Social budget models and SPERs analyse gender and socio-economically disaggregated data, which can capture these trends, however, problems with national data availability and reliability regarding the demographic dimensions of populations have been widely reported (the United Republic of Tanzania and Zambia are two recent examples). This in turn has limited the extent to which national estimates of impact linked to social protection measures targeting women, children, poor and other vulnerable groups can be estimated, and social protection schemes refined accordingly. Absence of this information has been mentioned in several country cases as a main reason why policy improvements linked to higher budget costs, such as reducing old-age pension eligibility age cut-offs (Nepal), increasing payment amounts to induce a poverty impact effect (Thailand), and extension of coverage beyond targeted provinces (Lao People's Democratic Republic), have not been made.

While the provision of maternity and health care benefits are explicitly covered in Convention No.102, higher levels of protection are covered in Convention No.183 for maternity protection and in Convention No.130 for medical care and sickness benefits. From the evaluation case studies, the ILO has specifically promoted initiatives for addressing access to maternity health care in Ghana and Senegal in the informal sector, and a maternity cash benefits scheme in Jordan.

An ILO study conducted in Eastern Europe has also shown that in countries where social security reforms have brought improved coverage to working women, qualitative feedback suggests that these can have subtle and negative impacts, if employment of women is seen as more costly and more restrictive. The three-country study also found that gender equality was not a major driving force in the national social protection reforms, and that the gender dimension of major policy changes received relatively little attention, either during national reform deliberations or thereafter. The ILO subsequently developed materials to guide gender-sensitive policy development (The Gender Dimensions of Social Security Reform in Central and Eastern Europe Training Guide, 2005).

There is a clear need for additional research and data collection on the effects of various policies on men and women. The creation of a social protection outcome in the 2010-11 P&B calling for access to better managed and more gender equitable social security benefits will specifically look at the issues of income security schemes and health protection for women in rural areas, and promises to compensate this information shortfall.

A problem requiring special attention is the burgeoning number of extremely aged persons – who are disproportionately female. Widows are at elevated risk of poverty because many have lost their spouse, their children may have moved away, and ill-health or severe disability may make it impossible for them to earn labour income. In Africa, HIV/AIDS is an issue because children who provided support may be ill or have died. The ILO's age- and gender-disaggregated approach and the SPERs methodology are ideally suited to analysing poverty and responses to it among the very old. In all cases, the ILO will need to balance carefully the goal of extending old-age allowances to a broader age group and the goal of ensuring that the very elderly, who need assistance the most, receive adequate resources. In supporting a universal basic old-age pension, the ILO has attempted to address the stigma that often is experienced by aged persons applying for social assistance, a major factor discouraging take-up.

Overall findings on relevance and responsiveness:

PC 1.1	Excellent
PC 1.2	Excellent
PC 1.3	Excellent
PC 1.4	Good
PC 1.5	Excellent
PC 1.6	Good
Overall:	Excellent

Summary of EQ 1

The ILO has aligned its strategy and programme very effectively with its mandate. By exploiting its comparative advantages in tripartism and technical advisory work on social security, the ILO has added value. It could have done better on integrating analysis of labour markets into its social security work and on integrating social protection issues into its work on employment. That said, the ILO has, at the research level, addressed the issue of the trade-off between social security and employment growth, strongly endorsing and then supporting the view that the two are complements, not substitutes. The ILO's approach has been based on pragmatic, outcome-focused approaches, allowing it to promote pluralism and move beyond ideological debates. The work on social security has, however, closely adhered to international standards. Overall, we are of the opinion that the ILO's relevance, responsiveness to needs and value added have been excellent. We stress, however, that, as country level interest has expanded, the ILO has yet to provide operational templates for translating its technical and analytical work into concrete, broad interventions. The increased relevance of the ILO's work needs to be matched by operational successes. Table 4 above may give some hint of a move from design to implementation.

Effectiveness

EQ 2	To what extent have the ILO's social security strategy design and implementation been effective in helping to extend various forms of social protection to all; to improve governance, financing, and administration of social security; and to support determination of national strategies for working towards social security for all?
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We defined several major dimensions of effectiveness with regard to extending social security:

- effective use of research, knowledge generation and capacity building;
- effective mix of technical work, policy development and technical cooperation; and
- clear focus.

For effective use of research, knowledge generation and capacity building, the relevant performance criteria are:

- *PC 2.1 Training designed and implemented in a way that addresses capacity gaps, including capacity of constituent organizations.*
- *PC 2.2 Costing/social budgeting models attained wide acceptance and application.*
- *PC 2.3 Effective information dissemination strategy.*
- *PC 2.4 High level of visibility for ILO's message outside the Office.*

For effective mix of technical work, policy development and technical cooperation, the relevant performance criteria are:

- *PC 2.5 Effective integration of traditional ILO actuarial assessment and technical development of innovative approaches to financing broader social security coverage.*
- *PC 2.6 Initiatives to address the poor and vulnerable through pilot local schemes for basic social protection were informed by and helped to inform the ILO's technical and policy development work as well as efforts to scale up to the national level.*
- *PC 2.7 Such schemes demonstrated feasibility and are showing results.*

For clear focus, the relevant performance criteria are:

- *PC 2.8 The Global Campaign on Social Security and Coverage for All clearly understood.*
- *PC 2.9 Global work on social budgeting, modelling, etc., contributes to a new global paradigm and consensus on social security.*

Findings related to effectiveness

PC 2.1 Training designed and implemented in a way that addresses capacity gaps, including capacity of constituent organizations

ILO training and capacity building instruments and activities encompass a wide range of options, from textbooks and policy papers through graduate university courses to regional training initiatives and awareness raising for constituents. Capacity building addresses gaps and is mainstreamed in technical cooperation, including actuarial and financial analyses. Field visits, interviews with responsible officials at headquarters, at the Turin Centre, in regional offices, and on country field trips, all led to a favourable view of ILO capacity building. A recurrent theme is, however, that while efforts to improve social dialogue have not neglected to introduce social security themes, and while members of constituent organizations have benefitted from training activities, the social partners in some of the ILO's poorer member States still do not have a full understanding of core issues and the trade-offs between policy options. Not only are initial conditions weak, the level of interest in receiving training in social security is not always evident. Another issue with capacity building is the low absorptive capacity for and high attrition rate of trained staff returning to Africa. We would judge the ILO's performance on this PC to have been excellent.

ILO capacity building falls into a number of distinguishable areas and aims to ensure the availability of sufficiently trained national experts to plan, organize, manage, finance and administer national and local social security schemes:

- *Textbooks.* To date, the ILO knowledge base has been summarized in the following five advanced textbooks (all, we recognize, published prior to the evaluation period):

- *Financing social protection*. Quantitative Methods in Social Protection Series.
Cichon, M; Scholz, W.; van der Meerendonk, A.; Hagemejer, K.; Bertranou, F.; Plamondon, P. (Geneva, International Labour Office, ISSA, 2004)
- *Actuarial Practice in Social Security*. Quantitative Methods in Social Protection Series.
Drouin, A; Plamondon, P.; Binet, G.; Cichon, M.; McGillivray, W.; Bédard, M.; Perez Montas, H., (Geneva, International Labour Office, ISSA, 2002)
- *Social Budgeting*. Quantitative Methods in Social Protection Series.
Scholz, W.; Cichon, M.; Hagemejer, K. (Geneva, International Labour Office, ISSA, 2000)
- *Modelling in Health Care Finance. A compendium of quantitative techniques for health care financing*. Quantitative Methods in Social Protection Series.
Cichon, M.; Newbrander, W.; Yamabana, H.; Weber, A.; Normand, C.; Dror, D.; Preker, A. (Geneva, International Labour Office, ISSA, 1999)
- *Actuarial Mathematics of Social Security Pensions*. Quantitative Methods in Social Protection Series. Subramaniam, I. (Geneva, International Labour Office, ISSA, 1999)
- *Social health insurance. A guidebook for planning*. Normand, C.; Weber, A. (Bad Homburg, ADB, GTZ, WHO and ILO, 2009)
- *University courses*. The Office also supports a master's programme in social security financing and social policy design at the University of Maastricht in the Netherlands and a master's programme in actuarial studies at the University of Lausanne.
 - Joint ILO/University of Maastricht master of science in public policy and human development (MPP) specializes in Social Policy Design and Social Policy Financing, educating 20 to 25 students per year.⁴⁸
 - Two-year master's degree in actuarial science - University of Lausanne (Ecole des Hautes Etudes Commerciales – HEC). This course started in 2005. SOC/SEC was subsequently invited to complement the programme with lectures focusing on social protection from an international perspective, providing international experience in actuarial practice and social policy analysis.⁴⁹
- *QUATRIN*.

⁴⁸ <http://www.ilo.org/public/english/protection/secsoc/areas/mspf.htm>

⁴⁹ : <http://www.ilo.org/public/english/protection/secsoc/areas/mas.htm>

- QUATRIN AFRICA and the Joint ILO/University of Mauritius Executive Masters of Science in Social Protection Financing. The objective of the RBSA financed project is to strengthen the financial governance of social protection schemes in Africa.
- QUATRIN AMERICAS is the ILO's new training programme in quantitative methods applied to social protection. The goal of the programme is to develop the institutional capacity of governments and social actors on actuarial methods and financing social protection. The programme was designed within the framework of the Decent Work Hemispheric Agenda in the Americas (2006-2015).
- *Turin Centre courses.* To enhance the capacity of governments, employers' organizations, workers' organizations and other social and economic actors to play an effective role in the design, management and governance of social security schemes, the Centre offers a wide range of relevant courses.

Training courses are prepared in close collaboration with the ILO Social Security Department and ISSA.

- *Training in the context of technical cooperation.* Capacity building is provided in the framework of technical cooperation projects to staff of national social security schemes and ministries in order to transfer knowledge through hands-on specific training programmes delivered by the Social Security Department. Some examples are:
 - Jordan. Actuarial training (Geneva, 2006; Amman, 2007 and 2008)
 - Morocco. *Atelier de renforcement des capacités des partenaires sociaux membres de la Commission technique chargée de la réforme des régimes de retraite*, 2007
 - Morocco. *Externalisation des Caisses internes de Retraites*, 2009
 - Senegal : *SPER et Budget Social*, 2009
 - Trinidad and Tobago : ILO Actuarial Training, National Insurance Board of Trinidad and Tobago, Geneva, 2006
 - United Republic of Tanzania, Zambia and Zanzibar training of the network of experts (2009)
 - China, in the framework of the Memorandum of Understanding for cooperation between ILO and the Chinese Ministry of Labour and Social Security.

In addition to the actuarial training activities, SEC/SOC staff also provided support to the Chinese national counterparts and served as resource persons in a number of training seminars, including:

- unemployment protection and employment promotion course organized for a high-level government delegation, November 2005, Turin;
- training course on Unemployment Insurance, organized for senior officials of the MOLSS, October 2006, Turin;
- session of Social Security for Workers in the Informal Economy: Policy & Practice, part of a training course for ACFTU on Promotion and Protection of Workers' Rights in the Informal Economy, Turin, April 2007;
- training workshop for UNDP programme local counterparts, September 2007, Beijing;
- training course on Social Protection and Re-employment Policies, organized for All-China Federation of Trade Unions (ACFTU), April 2008, Turin;
- seminar on unemployment insurance reform and development organized under the EU-China social security reform project, July 2008, Beijing;
- ILO/ACFTU International Seminar on Social Security Promotion, held in Xiamen, China, October 2009;
- training course on Human Resources and Social Security Statistics organized for a group of government statisticians, January 2010, Turin; and
- *ad hoc workshops and seminars.* A number of examples are given in country case studies. In Nepal, a 2010 tripartite workshop on social security led to a written tripartite declaration confirming commitment to the establishment of schemes related to unemployment, employment injury, sickness and maternity, as well as to the commitment towards the ratification of Convention Nos.102 and 158. In Zambia, training was provided through QUATRAN AFRICA, as well as in the context of the SPER/social budgeting exercise that was carried out. However, a significant proportion of those taking part in social dialogue admitted to limited knowledge of core issues surrounding the extension of social protection. In a number of countries (e.g. Jordan and Cyprus), capacity building designed to strengthen the social partners contributed significantly to improving the dialogue on social security. Yet, a problem cited by many persons interviewed is that the social partners often do not have an in-depth understanding of the core policy issues and options and the trade-offs between various approaches.

The evaluation team did not receive evaluations or evaluative reporting (apart from positive comments from participants interviewed) on the various training programmes, which limited information to ad hoc feedback on training from interviews and project documentation enumerating training activities. Of importance would be monitoring of use of training to address some of the concerns raised during interviews, such as ability to use new skills at

work, staff attrition to better paying jobs, and accountability of senior leaders to take decisions based on improved awareness and know-how.

PC 2.2 Costing/social budgeting models attained wide acceptance and application

Through textbooks, country studies (essentially SPERs and associated social budgeting studies, technical training and country applications), the ILO's approach to social budgeting has won broad acceptance. The tools employed score high on simplicity, user-friendliness, and transparency. The fact that they emerge from a long history of modelling increases their credibility. The models used to analyse the expansion of social protection have undoubtedly been effective, even if the policy impact is more debatable. The ILO's performance on this criterion has been excellent.

Effective use of research would require that some of the modelling work at the cutting edge of that research, namely models applied to costing social protection extension, should be broadly accepted.

At the global level, the Office's models have gained wide acceptance and helped to establish a new social protection paradigm in line with the ILO's mandate and principles. It is worth noting the depth of the ILO's experience in modelling, which is part of the reason that it is broadly accepted. Models developed over the years include:

- the ILO pension projection model, initially developed in the 1980s, revised in the 1990s and updated in 2002;
- the ILO population projection model, elaborated in 2002;
- the ILO social budget model, designed in 1999;
- internal guidelines for the actuarial analysis of a national social security pension scheme (1998);
- the basic social protection electronic tool, developed in 2007;
- the unemployment insurance tool; and
- the MAS software, a management and follow-up software for microinsurance schemes.

At the country level, the SPERs approach and Basic Social Protection Electronic Tool have proven highly useful for awareness raising (demonstrating that a basic social floor is feasible at modest cost), knowledge generation and capacity building. There are a number of cases where social budgeting exercises have framed the discussion of priorities, financing and scope of national social protection strategy. Feedback from several ILO national social security scheme experts has indicated that the effectiveness of these could be improved if followed up by more customized analysis to translate broad findings into specific plans of action.

For further information on SPERS and social budgeting, see PCs 1.5 and 2.6.

The ILO's actuarial work is also relevant, as evidenced in all case study countries. In Cyprus, the ILO's actuarial advisory services helped the Government to come to grips with

one of its key social security policy priorities, namely poverty in extreme old age. In Chile, the ILO has advised on how to fill gaps and address inadequacies in the pension system.

PC 2.3 Effective information dissemination strategy

The ILO has engaged in a broad and ambitious programme to develop Internet databases and platforms to disseminate the required information to the community working on extending social protection. This work stresses indicators and variables that were not traditionally covered in social security databases, and which were largely developed in the OECD context. Not surprisingly, there are significant challenges of data availability and accuracy; nonetheless, in disseminating this information, the ILO has made an effective contribution to improving the quality and accessibility of knowledge and analysis available. More traditional means of disseminating information – web sites, publication of brochures and policy reports, academic publication of textbooks and peer-reviewed articles – have been of good quality. Overall, the ILO's performance on this criterion has been good.

The ILO's dissemination of hard-copy material together with Internet-based platforms has operated reasonably effectively. The dissemination of technical and analytical material in the form of textbooks, policy papers and publications in peer-reviewed academic journals has been good. It is worth noting that dissemination, knowledge generation and capacity building are very closely related.

Several major Internet-based initiatives for disseminating information may be taken as examples:

- *The Social Security Inquiry (SSI) database.* The “new” SSI database objective is to collect, store and disseminate, on a regular and sustainable basis, comparable statistics on the financing, expenditure, benefit levels and coverage of social security systems/programmes.⁵⁰ The objective is to allow calculation of internationally comparable indicators as a basis for analysis. The database focuses on countries outside the OECD and covers a wide range of variables more related to social protection broadly considered than to the traditional concerns of social security databases (e.g. the US Social Security Administration's *Social Security Around the World* database). Data are accessible to both internal and external users, but there is differential access depending on the category of user.⁵¹ There have been a number of challenges – data for some indicators are spotty, not all countries are included, and accuracy and timeliness are variable. However, the database represents a significant accomplishment and one that holds promise for the future, if data replenishment can be sustained.

⁵⁰ Florence Bonnet: 16th International Conference of Actuaries and Social Security Statisticians, Powerpoint presentation, Ottawa, September 2009, p.3; and *Collecte, organisation et diffusion des statistiques sur la sécurité sociale du Département SEC/SOC: Démarche proposée, Premier acte*, Geneva, December 2006, p.1.

⁵¹ Florence Bonnet : Ibid; and *Collecte, organisation et diffusion des statistiques sur la sécurité sociale du Département SEC/SOC*: op.cit, p.2.

- *Related and complementary databases.* The Social Security Programmes and Mechanisms Database is essentially a repackaging of US Social Security Administration and ISSA data. The Social Expenditure Database tracks spending and coverage for the forms of social security identified by Convention No.102. The Social Transfers Impacts Database is a unique database offering information on the impact of conditional cash transfers and is based on a review of over 100 studies in the field.
- *Internet platforms.* The ILO has developed a number of Internet platforms, often in the context of technical cooperation.
 - GESS, a global knowledge sharing platform on the extension of social security. Users can access information about policy areas such as health or old age, policy instruments, target groups, tools/models for extending social security or statistics; and find direct links to key services such as financial and actuarial services, legal services and training services and information organized according to country or regional activities.
 - GIMI, designed and implemented in the framework of the STEP Belgium Programme to disseminate knowledge on microinsurance.
 - The Learning and Resources Centre on Social Inclusion (CIARIS) was conceived within the STEP Portugal Programme and aims to strengthen practitioners' capacity to design, plan, manage and evaluate projects and policies to fight social exclusion and promote decent work.

PC 2.4 High level of visibility for ILO's message outside the Office.

In some degree because of its well-publicized stance on pension reform controversies of the 1990s and 2000s, the ILO's message is well received by international partners. Contributing to this is the high reputation of the ILO for expertise. The defining role of international standards and the ILO mandate and tradition have also helped the ILO to send clear, strong signals. The ILO has also convened interagency exchanges at global, regional and country level, which have raised awareness of various organizational approaches. At country level, the ILO is in many countries enjoying increased visibility among international partners as a result of its lead role on social protection in the UN family. However, it is precluded from taking overt credit for high-visibility reforms, because its role is advisory and analytical, and based on concrete country requests. There is inevitably some loss of visibility when working with other specialized or donor agencies. The ILO's challenge is to find innovative ways of increasing visibility while continuing to partner effectively.

At the global level, and particularly among major partner organizations such as the World Bank, the OECD, WHO, UNICEF, UN-DESA, donors such as DfID and GTZ, and NGOs such as HelpAge and Save the Children, the ILO's message is highly visible, in part due to the effective dissemination of information. The ILO is well represented in major international fora on social protection. Its key role in the Global Jobs Pact has also enhanced visibility. The ILO is the co-lead UN agency (with WHO) for the SPF Initiative, which has increased the Office's profile among the other UN agencies.

At the country level, the situation is more complicated, because the ILO is precluded, by the tripartite process, from taking credit for reform linked to its technical support in the same way that, say, the World Bank could for reform that it finances. This was, for example, the case in Thailand, where the ILO was careful to not overstep its bounds in claiming credit for improved financial management of the health insurance programme. In Nepal, the ILO is highly visible as co-chair of the development partners' task force on social protection and as lead agency in advising the Ministry of Finance on social protection. In Thailand, the situation is different. The ILO Office in Bangkok is subregional, whereas the UN has a country office. The ILO is not part of the UN Country Team. It is, however, active in social protection working groups. The ILO also regularly engages in many joint studies with national institutions, typically leaving dissemination to the partner agency. Some actuarial studies are, of course, confidential. The ILO is highly visible in Cyprus and Chile, reasonably so through the Better Work Project in Jordan, although suffering somewhat from the fact that there is no ILO Office in that country. Better Work is a partnership between the ILO and the International Finance Corporation (IFC), meaning that presenting Better Work Jordan as an ILO project might draw criticism. The visibility of the ILO at the country level has also been improved in the field of social health protection through the ILO/WHO/GTZ Consortium on Social Health Protection and the P4H Initiative. Examples of collaboration include joint work in Kenya, Yemen and Uganda.

Where the ILO chooses to form partnerships with other UN agencies, such as WHO or UNICEF, or with bilateral donors such as DfID, it is inevitable that there will be some loss of visibility. However, the benefits of such partnering greatly exceed the disadvantages. The SPF Initiative, for example, is an explicitly UN initiative, not one pursued alone by the ILO. It does, however, use Convention No.102 as one of the rights-based mechanisms through which to establish at country level a common reference point for orienting joint UN action.

PC 2.5. Effective integration of traditional ILO actuarial assessment and technical development of innovative approaches to financing broader social security coverage

The ILO's master's programme at Maastricht University is unique in combining training in traditional actuarial analysis with training in broader and more innovative approaches to social security. At country level, the picture is mixed. Social budgeting and actuarial analysis tend to run along separate tracks, and integration could be improved. In SPERs, full integration may be difficult because government priorities (as well as those of the development partner agencies) may lie firmly in one or another of the possible guarantees. Despite the fact that there are opportunities for improved integration of actuarial and social budgeting approaches, we judge performance on this criterion to have been good.

The ILO's methodological toolkit permits a globally consistent analysis of the social security system as a whole.

In theory, a trained actuary is engaged in all SPER assessments, but in fact resource limitations do not always make this possible. In general, social budgeting and actuarial analysis tend to run along two tracks, and integration could be improved. Social budgeting through the generic social budget model combines assumed rates (economic growth, interest rate, inflation rate, rates related to taxation), proportions (proportion of target population covered), and benefit levels. The target population is estimated using standard demographic

approaches. One of the advantages of the approach is its extreme transparency and suitability for awareness raising and capacity building.

Once a SPER has been carried out, however, full integration of traditional and innovative approaches is hindered by constituents', governments', and international partners' interests, which lie in different main areas:

- In Nepal, heavy emphasis has been placed on income security for the poor by the UN with some parts of Government and social partner interest focusing first on unemployment compensation schemes targeting the formal sector.
- In Cyprus and Jordan, interest in ILO support was in two specific areas, pension reform and maternity respectively (also unemployment in Jordan, but the Government early on adopted an approach endorsed by the World Bank that the ILO considered not to meet international standards). Universal health care is another policy concern in Jordan, but the ILO has not advised the Government on this.
- In Zambia, the ILO aligned itself with the Government's priority to identify non-contributory approaches to extend social security to the informal sector, though there is a long-established contributory social security system with problems that also need to be addressed.
- In Senegal, priorities were driven by the Government's commitment to develop a plan for extending social security to the rural sector and informal sector workers, particularly health care in the first case.
- Mozambique appears to have come closer to a broad integrative approach, as the Social Protection Law adopted in 2007 covers all aspects of social protection, both traditional through contributory schemes and those based on conditional cash transfers and in-kind transfers and non-contributory approaches. However, the bulk of the ILO's work (apart from capacity building at the National Social Security Institute) has been on analysis and design of innovative pilot schemes.
- In Ghana, the ILO explicitly provided both traditional actuarial support and support for the development and piloting of innovative schemes (in particular, health insurance for the rural population now being expanded under the Global Social Trust pilot project).
- Work in Bosnia and Herzegovina concentrated on pension reform, capacity building and promoting social dialogue on the social security system.
- In Thailand, the ILO effectively advised the Government on how to improve both the contributory health scheme offered through the social security system while putting in place a universal basic health care programme which has proven highly successful. This integrated package of advice was specifically requested by the Government and largely financed by the EU.

In the capacity building area, the master's degree offered at the University of Maastricht is a highly innovative and integrated programme. Equal weight is given to traditional actuarial training and to the critical assessment of social protection policy options. Many ILO training

programmes have an integrative aspect in that those concerned mostly with health will also receive training in pensions, and those mostly engaged in administration and broad policy design will also receive actuarial training. This is a feature of ILO training that is appreciated.

PC 2.6 Initiatives to address the poor and vulnerable through pilot local schemes for basic social protection were informed by and helped to inform the ILO's technical and policy development work efforts to scale up to the national level

ILO analysis and policy development work has been very effective in identifying and deepening discussion of various means to provide basic social protection. Specific schemes, e.g. in the area of health and basic income for the unemployed have also been analysed and designed, in part based on that analysis. The ILO's contribution has been in the context of long-term dialogue with the partners, informed by its technical expertise. The ILO's performance in getting broad poverty reduction integrated into the social security policy debate has been excellent.

In general, the ILO's main contribution to the development of initiatives including pilot schemes has been in policy development and analysis of various options, often through SPERs and social budgeting. There has been some good comparative work, e.g. comparative analysis of strategies for providing basic social protection in seven low-income African countries, paying special attention to Senegal and the United Republic of Tanzania, where detailed data were available.⁵²

Initiatives and pilot schemes in a number of countries were evaluated before roll-out using ILO expertise, not only in modelling, but in overall design and integration with national priorities for a comprehensive approach to social protection. In Ghana, a number of technical studies were done on how to expand the rural health coverage social security system. In Mozambique, technical assistance was provided in developing a strategy for basic social protection, and analytical work was done on cash transfers and poverty reduction. In Nepal, pilot schemes are integrated to a plausible national framework on social protection that has been informed by ILO policy advisory work.

However, in Nepal and other countries, the ILO's contribution has been mostly to inform discussions, which are still ongoing. One clear issue that emerges from the survey of countries is that project timeframes are often short. Three African countries where the ILO was able to follow the chain from pilot projects to national strategy design are Ghana Mozambique and Senegal, countries where the ILO's involvement, originally in the context of STEP, has been long-term in nature.

PC 2.7 Such schemes demonstrated feasibility and are showing results

⁵² Pal, K , Behrendt, C., Léger, F., Cichon, M., and Hagemejer, K. *Can low-income countries afford basic social protection? First results of a modelling exercise*, SOC/FAS Discussion Paper 13, Geneva, 2005.

There are several examples, involving health, where innovative non-contributory schemes have either established feasibility or have shown promise. In a number of cases, however, progress towards the implementation, assessment and roll-out of such schemes remains for too long at the national discussion stage. We judge the ILO's performance on this PC to have been good.

The ILO has convincingly demonstrated feasibility through its analytical and budgeting work. However, in many cases it is too early to see concrete results. In some countries, innovative schemes remain at the discussion phase. In Thailand, where the ILO focused on improving the health care finance system, the universal basic component has over 40 million members and is effectively providing basic and preventive care.

In Zambia, coverage of pilot income security schemes is low and uneven. Various ILO interventions have not resulted in effective schemes. The Zambian SPER resulted in awareness raising and capacity building, and has had some effectiveness in giving rise to pilot schemes capable of being rolled out. The ILO has without doubt contributed to progress in the design of interventions. The Ministry of Labour and Social Security is working on the design of a universal old-age pension scheme and has taken over a pilot old-age scheme with the intention of rolling it out. The Ministry of Finance is modelling the fiscal impact of cash transfers to the elderly. A committee of Permanent Secretaries is working on social budgeting issues, informed by the SPER.

In Ghana, there have also been successes. The ILO has supported, in tandem with the World Bank, the build-up of the national health insurance scheme since its inception in 2003. A pilot cash benefit, conditional on receiving appropriate maternal and child health care services, is being instituted under the Global Social Trust pilot project. Long-term feasibility will depend on a combination of external financing, Government willingness to take over financing, and access to health care of reasonable quality.

PC 2.8 The Global Campaign on Social Security and Coverage for All clearly understood and designed

Through publications, technical documents and conceptual models, SEC/SOC has adequately described the Global Campaign's goals, design and feasibility. However, expansion of social security to include the informal sector is still a source of controversy among ILO constituents, both at the global level (despite the adoption of resolutions at the ILC) and at national level. Through effective collaboration between SEC/SOC and NORMES, the ILO has contributed significantly to improving compliance with international labour standards, including ratification of Convention No.102. Overall, the ILO's performance has been good.

The Global Campaign has been well explained in, for example, the 2006 ILO policy paper "Social security for all: Investing in global social and economic development. A consultation", and GB.303/ESP/3 in 2008. Evidence of its having been well designed and adequately understood within the tripartite structure is the ILO Declaration on Social Justice for a Fair Globalization adopted by the ILC at its 97th Session (2008). Further elucidation

came in the background paper and discussions at the September 2009 Tripartite meeting of experts on the extension of social protection to all.

The two-dimensional vertical/horizontal model has served as an effective tool for illustrating the fundamentals of the Global Campaign.

Expansion of social protection to the informal sector remains, however, a controversial issue both at the global level and the country level. In general, employers' organizations at the global level tend to have concerns about the wisdom of extending benefits to the informal sector. At national level, they are more likely to support it. The situation is the opposite in the case of workers' organizations; globally they are strongly in favour of extension, but nationally, there is concern that existing benefits for formal-sector employees will be eroded by the financing of the extension.

In lower-income countries, the level of awareness and appreciation of policy trade-offs is sometimes weak at the level of constituent organizations.

Most legal activities in the field of social security are carried out by SEC/SOC in close collaboration with NORMES. Key interventions carried out in this regard include:

- the drafting of the Unemployment Insurance Law for Bahrain (2005), and of Nepal's National Social Security Organization's Law (2009);
- assistance to the Governments of Lithuania, Moldova and Romania in the assessment of compliance of their national legislation and practice with Convention No. 102;
- assistance to the Government of Albania and the Government of Jordan in the process of ratification of Convention No. 102;
- promotion of the ratification of Convention No. 102 in Uruguay (2009) and Bulgaria (2006-08);
- comparative analyses/reports on the application of ratified Conventions in the framework of national social security legislation to serve as a basis for the observations and direct requests of the ILO Committee of Experts on the Application of Conventions and Recommendations in Albania (2008 and 2009), Bosnia (2009), Slovakia (2007) and Poland (2006); and
- comments on the draft Law of the Republic of Armenia on Compulsory Insurance against Occupational Accidents and Diseases in Workplaces (2008) and Liberia's Decent Work Bill 2009, Draft Two.

The ILO has integrated throughout its country level work reinforcement of the Social Security Convention (No.102) compliance and related standards, and legal advisory services to support ratification and implementation.

PC 2.9 Global work on social budgeting, modelling, etc., contributes to a new global paradigm and consensus on social security

The ILO's modelling work, both conceptual and technical, has established a recognized, robust and widely accepted approach to extending social protection for all. There will never be full consensus on extending social security because the subject lies in ideologically contested terrain and self-interest is at stake. Nonetheless, ILC declarations indicate some degree of consensus at the governance level and, at country level, we have found concrete examples in which SEC/SOC's work led to agreement between the constituents on specific aspects of social security. Based on the high quality of the work and its effectiveness in advancing the policy debate, we judge the ILO's performance on this criterion to have been excellent.

The ILO's fundamental models of the horizontal and vertical dimensions and the application of social budgeting to present the fiscal implications of alternative social protection paths, has undoubtedly contributed to a global paradigm or, in a more down-to-earth way, to a globally accepted and robust approach to examining the challenges of social protection. Clearly, consensus will never be achieved in an area that lies in ideologically contested terrain; the debate over anything having to do with social justice will always have at least two sides.

However, several developments suggest a growing degree of consensus:

- The call for the Global Campaign that emanated from the 89th Session of the ILC in 2001.
- Tripartite affirmations that social protection and economic/employment growth are complements, not substitutes. This indicates a degree of consensus achieved between workers and employers at the macro, global level; less so, usually, at the country level. Nonetheless, as headquarters interviews indicated, the employers take a more critical view of the ILO's SEC/SOC social security policy work than do the workers. It should be noted that, at country level, a surprising degree of consensus may be achieved between the constituents and may be attributed to ILO interventions, such as on the need for pension reform in Cyprus and on the desirability of a new maternity scheme in Jordan.
- The increasing convergence of the ILO and the World Bank, arguably the two main intellectual powerhouses of social security at the global level (along with a few national agencies with substantial international networks), and particularly with respect to developing countries and countries in transition. While their language may differ, and while the Bank holds unswervingly to the line of targeting while the ILO adheres to the principle of universality, there is considerable common ground. The convergence is, not surprisingly, most feasible at the national levels where pragmatic solutions often have to be found.

Overall findings on effectiveness

PC 2.1: Excellent
PC 2.2: Excellent

PC 2.3:	Good
PC 2.4:	Good
PC 2.5:	Good
PC 2.6:	Good
PC 2.7:	Good
PC 2.8:	Good
PC 2.9:	Excellent
Overall:	Very Good

Summary of EQ 2

The overall answer to this EQ is Very Good. Regarding effective use of research, knowledge generation and capacity building, we found first, that ILO capacity building work and training have proven robust and been broadly accepted by experts; they have also contributed to capacity building and policy design. Dissemination, through traditional means such as brochures, policy papers and academic publications, has been excellent. Visibility has been very good at the level of international experts; somewhat weaker at national level, although this has much to do with the institutional context in which the ILO works. The SPF is a UN initiative, not an ILO one. The ILO has traditionally given advice and counsel, not put its stamp on reforms, unlike some other organizations. The challenge is to increase visibility while it continues to partner effectively and maintain its traditional relationship with the constituents.

Regarding the effective mix of technical advice and policy development, we found, first, that the integration of traditional actuarial analysis and design of innovative approaches has sometimes been constrained by governments and by partner priorities lying in one area or another. However, we also found examples at country level where the two had, in fact, been effectively integrated. Secondly, we found an excellent level of the effective use of ILO assets to inform policy design of innovative schemes, but many of these are still at the discussion stage. Finally, the ILO has done good work in demonstrating feasibility, though apart from a small number of cases, the ILO's contribution is still at the level of laying the foundation and establishing agreement on future steps. Overall, we would judge effectiveness in this regard to have been good.

The Global Campaign is well articulated and understood at the international level. One weakness is that constituents at the country level do not always have a clear understanding of the issues involved. The ILO's work has contributed to a broadly accepted and robust approach to extending social protection, and has been particularly useful in getting universalism on the table. However, it must be accepted that social security lies in ideologically contested terrain, and achieving true consensus is unlikely to happen. Overall, we would judge effectiveness in this regard to have been good.

In view of the above, we would rate the effectiveness of the ILO's strategy to have been very good bordering on excellent.

Coherence and complementarity

EQ 3	To what extent has the ILO's strategy been coherent and complementary (in its design and implementation) with regard to the vertical and horizontal elements of the approach to social security extension?
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The horizontal and vertical dimensions, as employed in the Global Campaign, have a sequential aspect: priority feasible policy actions should lead to extension in the horizontal dimension until a basic protection floor is available to all. While pursuing that objective, countries can move up the vertical dimension, strengthening and extending traditional schemes to cover more people for more contingencies with higher benefits. As already described in answering EQ 2, it is sometimes difficult to integrate actions dealing with the horizontal and vertical dimensions simultaneously in the near and medium terms. We approach this EQ with the following Performance Criteria:

- *PC 3.1 Coherent and complementary combination of actions dealing with the horizontal and vertical axes.*
- *PC 3.2 Policy dialogue on horizontal and vertical dimensions informed by the social partners.*
- *PC 3.3 Costing/social budgeting exercises take adequately into account the trade-offs between horizontal and vertical strategies for improving social protection.*

Findings related to coherence and complementarity

PC 3.1 Coherent and complementary combination of actions dealing with the horizontal and vertical axes

Actions have tended to fall into either one dimension or another, despite the fact that the ILO's approach is capable of combining actions in the two dimensions. In large part, this is due to government priorities, as well as to the priorities of donor agencies and, in the case of the Social Protection Floor, the priority of UN agency partners. Although ILO tools allow explicit discussion of policy trade-offs, governments are not always willing to engage in such discussions. In a few cases, the ILO has provided technical and policy support in both the horizontal and vertical dimensions, notably in Thailand, where both dimensions of health care insurance and pensions benefited significantly from ILO actions, in Ghana as well as in Zambia. Our view is that the ILO's performance on this criterion has been good, as genuine opportunities for complementary actions and integrative approaches to guarantee coherence are limited.

Much of the discussion in the context of PC 2.5 on combining traditional actuarial work with the design of innovative approaches is relevant here. In most countries, actions have mainly fallen in one dimension or another:

- Nepal - piloting approaches to rural unemployment and advising minimum qualifying age for the old-age allowance;
- Ghana - rural health insurance provision;
- Cyprus - reform of the contributory pension scheme;
- Chile - reform of the pension scheme;
- Senegal - policy development for extending health insurance to the rural population and informal workers in the transport sectors, in addition to advice on general social protection policy development;
- Mozambique - policy advice and technical assessment of promoting income security, mostly by cash and in-kind transfers;
- Jordan - a new maternity scheme and policy advice against an unemployment insurance scheme that was under consideration; and
- Bosnia and Herzegovina - promoting tripartism in pension system reform.

In the case of Ghana, traditional actuarial services and social budgeting to strengthen formal social security institutions were also provided, but only in the field of health were these integrated with the efforts to broaden coverage. In Thailand, there was true integration of the horizontal and vertical dimensions, as the ILO provided technical and policy support to all three legs of health care finance: the contributory formal scheme, the non-contributory civil service scheme, and the new universal basic protection system. Also, significantly, the ILO cooperated with the EC in Jordan to produce a study on extending social protection in the context of informality.

The horizontal and vertical dimension model has been a powerful tool for explaining and achieving policy needs and options in the Global Campaign. It has been effectively operationalized through the SPERs diagnostic assessment approach and the social budgeting approach to analysing the fiscal and poverty reduction characteristics of different approaches. However, as already noted, at different times strategic focus at the country level has tended to concentrate attention on one component or another. It is over a progression of time, however, that the fuller social security spectrum can be addressed through the accumulation of various types of technical support. One constraint to using the ILO approach to contribute to clear strategic focus is that, while the broad approach of the ILO allows for discussion of policy trade-offs between the horizontal and vertical dimensions, the open discussion of such trade-offs is ideologically loaded. Tripartite dialogue helps the ILO to focus those discussions to some extent, but governments in general are reluctant to engage in explicit discussion of trade-offs. The ILO's work relating social protection to economic growth helps to enable such discussions, but this work may appear rather abstract and long term in nature to a government weighing fiscal options against political priorities in the timeframe dictated by the political and budgetary calendar. However, the ILO cannot shy away from such trade-off discussions.

One irreducible complexity of the two-dimension model is that it encompasses two timeframes: the near-term one described above, which can be analysed through social budgeting studies; and the very long term in which economic growth plays a major role in promoting the extension and deepening of social protection. SEC/SOC's work on the compatibility of extending social protection and encouraging economic growth is well received. But the history of social security development in the OECD countries suggests that many forces play out over a timeframe of several decades. Rising income increases the demand for leisure and quality of life in old age. Combined with experience, it also leads citizens to demand better service from formal social security institutions. It raises the demand for high-quality health care. The same rising income that stokes demand fills governments' coffers, creating at the same time an effective means of financing it. There is no question that there is causation in both directions (as, for example in the case of health, which research shows to both promote growth and result from it).

PC 3.2 Policy dialogue on horizontal and vertical dimensions informed by the social partners

At the global and governance level, the social partners have contributed significantly to policy dialogue leading to common ground. At the national level, capacity gaps, self-interest, and political factors make it difficult to achieve full participation of ILO constituents in policy dialogue. In view of the forces discouraging a full tripartite discussion, we judge the ILO's performance here to be good, with the proviso that more emphasis on capacity building for constituent organizations might improve performance. The evaluators note that plans for doing so by SEC/SOC were included in the P&B 2010-2011.

The choice to favour extension of social security along the horizontal dimension, i.e. giving priority to covering the rural population and informal sector workers, remains controversial. Beneficiaries of existing formal schemes are concerned that the expansion may come at their expense, or interfere with the strengthening of existing schemes. However, the ILC has endorsed the Global Campaign while the SPF Initiative represents a significant achievement, and one to which the ILO has contributed by encouraging participation of its constituents in discussions. The subject of the informal sector still remains the subject of dispute at the governance level, but some common ground has been found.

At country level, ensuring representation of the ILO constituents in policy dialogue is sometimes difficult. Despite capacity building efforts, constituent organizations in many case countries do not fully understand core social protection issues and are reluctant to make concessions that they fear will erode their own position. Governments do not always play a mediating and facilitating role because of political considerations and their reluctance to spell out, in plain text, trade-offs between the two dimensions.

PC 3.3 Costing/social budgeting exercises take adequately into account the trade-offs between horizontal and vertical strategies for improving social protection

The ILO's work on costing social protection is devoted largely to demonstrating that it is possible to reduce poverty in the horizontal dimension without making those who are covered in the vertical dimension worse off and still respecting fiscal constraints. There are however trade-offs: resources used in achieving a universal social protection floor could be used to improve inadequate coverage and benefit provision of existing contributory schemes, or to cover new contingencies. ILO social protection work could make better use of the methodological firepower developed by the Office to explore the full range of trade-offs. Lest this be thought a harsh judgement, we recognize that to do so would bring the ILO into contradiction with its commitment to fight poverty and exclusion both generally and within the specific context of the SPF Initiative. We would therefore judge performance on this criterion to be good.

Particularly when carried out as follow-up or as part of a SPER, costing/social budgeting activities offer a powerful tool for examining scenarios with differing combinations of actions to extend social protection in the horizontal dimension and to improve social protection in the vertical dimension. This can serve as the basis for discussion of trade-offs, both fiscal and in terms of poverty reduction and equity. With the SPF Initiative, the ILO has taken a clear stance in favour of promoting universal basic benefit packages because they can have a poverty reducing impact that the strengthening of existing contributory schemes cannot. In many countries, strengthening the vertical dimension could worsen inequity, not reduce it, and would have a negligible poverty reduction impact, particularly in the short- and medium-terms. Given its policy commitment, the ILO does not wish to promote "either-or" discussions or, worse, strengthen the already too-prevalent misconception that social security is a zero-sum game – what one group gains, the other will lose. Add to this the lack of consensus between constituent groups, especially at the national level, and the reluctance of governments to engage in frank public debate over trade-offs, it is not surprising that social protection budgeting exercises concentrate mostly on demonstrating that there is fiscal space for taking poverty reducing actions in the horizontal dimension without necessarily impairing the well-being of those in the vertical dimension. The Office's efforts to address political trade-offs between the two dimensions through national and tripartite dialogue processes are noted and may be the main pragmatic way forward.

Overall findings on coherence and complementarity

PC 3.1 Good

PC 3.2 Good

PC 3.3 Good

Overall: Good

Summary of EQ 3

The horizontal/vertical dimensional conceptual model for extending social security has helped arrive at a clear strategic focus; however, there are two challenges. The first is that it is inherently difficult to engage governments, donor partner agencies and social partners in explicit discussions of trade-offs between developing the two dimensions. The second is that, while sequencing is taken into account, the model would benefit from being contextualized in a broad framework that discusses the extremely long-term and transformational changes that help to develop social security over a timeframe of up to half a century.

In every PC examined – coherent and complementary policy actions undertaken in the two dimensions, contribution of social partners to discussion of the two dimensions, and exploration of trade-offs between the dimensions – we have found some reasons for caution based on what has been accomplished. However, we have also identified constraints, including the ILO's policy mission to reduce poverty, that help to explain why the full range of opportunities cannot be explored (e.g. strengthening the vertical dimension, while fiscally feasible and institutionally desirable, would have little or no impact on poverty due to the low coverage of the existing system). In view of this we would generally judge the ILO's performance on coherence and complementarity to be good.

Efficiency

EQ 4

To what extent have resources been used efficiently, and has the programme been appropriately and adequately resourced?

The provision and use of resources must be adequate and appropriate (flexible, timely) to enable implementation and fulfilment of deliverables. This evaluation question is aimed at identifying the extent to which the organizational resource processes and levels have promoted efficiency and reliability, and reduced associated risk.

The findings are based on the following performance criteria:

- *PC 4.1 Efficient mix and use of extra-budgetary and regular budget resources in pursuing strategic objectives.*
- *PC 4.2 Organizational planning identifies funding gaps and proposes reasonable strategies for filling them.*
- *PC 4.3 Evidence of rational prioritization of countries so as to maximize impact given limited resources and long time horizons.*

Findings related to efficiency

PC 4.1 Efficient mix and use of extra-budgetary and regular budget resources in pursuing strategic objectives

The ILO has put into practice means of extending technical capacity to support delivery of services through an effective mix of resources. However, operationally, there is a high level of uncertainty regarding capacity, scale and distribution over the longer term based on unpredictable flows of extra-budgetary funding. Taking such uncertainty into consideration, the ILO's performance on this PC has been good.

Over the past decade, the ILO has seen its core budget unchanged, which has meant, in practical terms, that extra-budgetary resources are required for core programming areas to expand capacities and operations. A major challenge is to design technical cooperation initiatives that build upon the ILO's core strategy and programme without diverting scarce resources towards external demands and interests outside this framework.

The evaluation team reviewed resource trends from all sources of funding and analysed the use of funds through case studies and a project-level portfolio analysis. Several findings were reached:

- Of the estimated US\$36 million (see Table 2) in extra-budgetary resources utilized in 2005-2009, just over half were centrally managed within the core Social Security Department, where the main centralized projects were the STEP programmes funded by Belgium and Portugal, and several funded by DfID. The centralized extra-budgetary project funds have permitted technical cooperation-funded staff to be assigned to some of these projects. Through centrally managed funds, the technical cooperation staff in 2009 assigned to headquarters were nine professional positions and four support staff and in the field one professional staff. The funds have helped to finance activities targeted at the global social protection agenda and the provision of technical missions and activities to deliver specialized expertise to the field.
- In the regions the ILO has pooled regular and extra-budgetary resources to roughly double the number of its field-level professionals, most of whom implement large-scale projects.
- Feedback from case studies and missions indicates that social security expert capacity gaps do exist and have been identified by constituents and UN partners as constraining, e.g. in Southern Africa and South Asia. In 2009, at field level several core technical specialist vacancies remained unfilled for nearly a year. This put added pressure and cost on headquarters in particular to technically backstop the affected countries to the extent possible.
- The Social Security Department makes use of "fee-for-service" mechanisms through which those countries requesting special studies, missions and activities able to cost-share, are encouraged to do so. Within its extra-budgetary portfolio for social security, over the past five years an estimated 20

projects have exceeded budgets of US\$500,000 compared with an additional 100 projects and activities funded at a lower level, indicating the relatively high reliance on targeted resources for delivery of specific activities.

- In addition, for the 2008-09 biennium, the Office allocated US\$3.365 million in RBSA funding for the Africa region to coordinate and support countries particularly in addressing poverty and social and economic exclusion through capacity building. A second large RBSA allocation is again envisioned for 2010-11, (as of June 2010 allocated resources amounted to US\$3.385 million). The funds also have been useful in filling gaps in technical cooperation projects, in linking into UNDAF and donor networks with targeted amounts of resources to fund high-priority studies.

The funding mechanism set up under QUATRAN supports flexible targeting and use of resources for capacity building, and can complement initiatives funded through other sources.

The Global Social Trust pilot project in Ghana, in which solidarity based workers' contributions in Luxembourg are used to support an innovative rural health programme, is another example of leveraging funds.

PC 4.2 Organizational planning identifies funding gaps and proposes reasonable strategies for filling them

The Office has consolidated in order to improve efficiencies. Evidence also points to focused programming globally and nationally against an agreed and limited set of priorities. The Office has been innovative in mobilizing resources and designing technical cooperation to align with the programming plan. Overall, its performance on the PC has been good.

Beginning with the 2006-07 biennium, the Office consolidated its social security structure from three separate programme units into a single social security department. Though difficult, this move helped to eliminate duplication in administrative functions, consolidated comparable technical areas and functions, and improved consistency in terms of priorities and strategies. Based on interviews and reviews of workplans, the evaluators noted coherence across technical working groups, whose work is configured within an overall focus and strategy.

Nonetheless, resource and capacity gaps have been a reality for the programme since the reorganization. According to field and headquarters staff, the process for prioritizing use of scarce resources has been based on consideration of key initiatives to move forward, as well as on the potential at country level for progress to be made, and on consideration of available expertise to support the work. At country level, case studies also confirmed that the ILO had clear focus for its programming in a given country at a given time and that this evolved as the country situation and needs changed. At global level, the diversity of technical areas covered in headquarters, from health care financing to old-age pension schemes to maternity and unemployment schemes to legal services, requires technical teams to juggle heavy workloads, while managing expectations and commitments. In 2008-09, the Office reported being active in 42 countries, with, however, considerable variation in level of effort.

Technical cooperation resources in the form of large projects have also been the backbone of the STEP programme, which was able to rely on longer term funding from primarily two core donors. This enabled multi-year technical capacity in selected countries where initial work at the pilot level was able to progress to the point of influencing national policy discussions. The STEP programme works on two interdependent components: (1) the extension of social protection (in particular in health), for populations within the informal economy and the rural sector, and (2) the promotion of integrated approaches in the fight against social exclusion at the local level.

Other projects with shorter implementation periods and higher uncertainty of continued support have encountered related problems (Zambia with DfID).⁵³ Similarly, larger projects with inflexible use of resources have also encountered delays where governments have been slow to commit resources, change policies, etc., such that the project outcomes and impact could not be achieved in the timeframe specified despite delivery of outputs on the ILO's part (e.g. Lao People's Democratic Republic).

Resource mobilization carries with it the need to recruit social security specialists experienced in project management and knowledgeable of the country context. There is a reported shortage of these experts, meaning that project-style technical cooperation poses risks in attracting and retaining high-calibre managers.

Overall findings regarding efficiency

PC 4.1	Good
PC 4.2	Good
Overall:	Good

Summary of EQ 4

As regular budget resources have remained flat over the reference period 2005-2009, the Social Security Department has found new means of obtaining extra-budgetary support and leveraging those funds. Demand for SEC/SOC's services is heavy, and, due to its governance structure, the ILO is not in a position to refuse requests for support outright. It can, of course, influence the level and type of support provided. Criteria in this respect are the programmatic priority of the action requested, its likelihood of success in the country in question, and resources, particularly the availability of field staff. In the absence of the latter, headquarters staff must provide support, but are already stretched thin. However, efficiency and increased focus have been gained as a result of the re-organization that took place in 2005.

⁵³ Work in Zambia including support to the Government to develop a social security implementation plan is now being continued. An ILO official is on a 6-month mission to provide support to the Government.

External/internal coordination and management

EQ 5	To what extent has ILO external coordination (with constituents, UN partners, IFIs) and internal coordination (between sectors, technical departments, regions and subregions) promoted the adoption of integrated approaches to social security?
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The findings are based on the following performance criteria:

- *PC 5.1 Has the ILO demonstrated willingness to cooperate, not compete?*
- *PC 5.2 Concrete initiatives with related programmes on issues related to 1) social protection and jobs growth; 2) safety and health and working conditions linked to workers' rights; and 3) social protection for labour migrants.*

PC 5.1 Has the ILO demonstrated willingness to cooperate, not compete?

We have identified significant examples of collaboration with WHO and UNICEF, with the World Bank, and with DfID. The ILO is regarded as a key player in the social protection field; however, other agencies may have specialized expertise in particular domains, may be able to supply resources, or are acknowledged providers of technical assistance. With the UN having taken the lead in coordinating the Social Protection Floor Initiative, the need for coordination within the context of the UNDAF has increased. According to several ministries of finance in case countries, improvements in UN collaboration are already perceived, however special interests continue to dominate agency specific agendas (including the ILO's). To some extent, governments see advantages to this since different points of view are promoted. Governments expressed a preference for having viewpoints and policy options shared, and to have these delinked from provision of development funds. In particular, they supported the progress made in improved dialogue and technical exchange between the UN and IFIs on social protection policies, priorities and financing. A welcome development has been the increasing harmony between World Bank and ILO approaches, although differences remain. The ILO's overall performance on this criterion has been very good.

As part of the social security strategy, the Office has established and is developing working relationships with a variety of organizations, including other UN agencies (e.g. WHO and UNICEF), IFIs (e.g. the World Bank), bilateral agencies (e.g., DfID), and others. Interagency collaboration outputs include joint project activities, thematic and technical tools and studies, training workshops, conferences, and participation in informal working groups.

In adopting the Global Jobs Pact in April 2009, and integrating the UN CEB crisis initiative on the SPF Initiative, the ILO integrated the need for a jobs-intensive recovery with an explicit call for social protection. Since adoption, there has been a rapid move within UN Country Teams to respond; however, there is still a need to agree on common definitions and principles for working together. In addition, progress is dependent on the willingness of the main UN partners to share information and agree on a common strategy. Incentives to do so may not yet be compelling enough to forego agency specific agendas, such as child

education, health protection or pension reform. Nonetheless, in the examples surveyed below, we find concrete examples of collaboration.

Examples of major external partnerships

- ILO-WHO. WHO, in addition to its expertise on design and implementation of public health programmes, has substantial expertise in health care finance. The ILO's collaboration with WHO aims to help (i) provide more comprehensive technical support and policy advice in the health sector (which includes addressing poverty, supporting sustainable financing by involving a tripartite decision-making approach, actuarial evaluation, etc.); (ii) create synergies and coordinate work of the international development community at country, regional and global levels; (iii) design, implement and improve schemes, extend coverage, but also sustainable health financing and efficient contracting by mobilizing resources, creating synergies and savings through complementary activities and by providing a forum for improved coordination.⁵⁴
 - o An important locus of collaboration has been the Partnership for Health (P4H) Initiative. The P4H Initiative's principal objective is to "strengthen health systems - their organization, governance and financing - by putting appropriate social health protection mechanisms in place with a view to achieving universal coverage".⁵⁵ In the context of Cambodia, the collaborating agencies agreed to exchange relevant information, coordinate their efforts in providing capacity development for social health protection schemes, regulators and implementers based on approved training plans, and join efforts in developing models and scaling up successful schemes. Joint ILO-WHO activities envisaged under the SPF Initiative include work on the health contracting instrument and legal framework, risk-pooling and pre-payment mechanisms.⁵⁶ Completed and planned joint activities include conceptual work on policies and tools (such as SimIns, a social budgeting and financial simulation tool), legal and fiscal assistance at country level (e.g. the Kenya campaign where partnering agencies undertook conceptual work on the extension of social health insurance and the implementation of the National Social Security Fund),⁵⁷ policy dialogue at global level and capacity building of national health institution affiliates.
 - o At the global level, WHO is co-lead agency (with the ILO) in the UN-wide SPF Initiative launched in 2009. Activities envisaged as part of the Initiative are, among others, (i) development of a compendium of UN agencies' existing technical tools that can be used at country level to establish the feasibility of national social protection floors that are age- and gender-responsive; (ii) support to national dialogue-based country assessment of the linkages between

⁵⁴ http://www.shi-conference.de/our_aims.php and Providing For Health business meeting, 22-23 January 2009, draft report (accessed 22 March 2010).

⁵⁵ MOU between AFD, ILO, WHO and GTZ on collaboration concerning social health protection, p.1.

⁵⁶ Ibid., p.35.

⁵⁷ SOC/SEC annual delivery report 2006.

the pursuit of the realization of the social protection floor and development objectives.⁵⁸

- ILO-UNICEF. UNICEF is both an ILO partner in the implementation of country level interventions and a cooperating agency in the UN-wide SPF Initiative. Examples of country level initiatives include a social budgeting intervention in Senegal, a country based analysis of a benefit package in Nepal drafted by SEC/SOC at the request of UNICEF,⁵⁹ and collaboration within the framework of the UN joint programme for social protection, and the food subsidy programme in Mozambique. Joint ILO-UNICEF activities envisaged as part of the SPF Initiative include work on improving access to transfers (e.g. conditional cash transfers) linked to health services such as maternal, child or reproductive health related-services and work on child labour and youth programmes.⁶⁰
- ILO-World Bank. The ILO and the World Bank have not always been in agreement. The Bank was strongly identified with a series of pension reforms which aimed to supplement or replace traditional public Pay-As-You-Go financed pension schemes with fully-funded, defined-contribution mandatory public schemes, supplemented by voluntary saving schemes. The ILO generally advised against such reforms on the grounds that they violated international standards in the area of social security, in particular the solidarity principle; in addition to which, the governance issues involved could be addressed less well through proven processes of tripartite dialogue. In the area of poverty reduction, the ILO has generally been sceptical about means-based targeting, supporting instead universality, leading to a contradiction between the Bank's "social safety net" approach and the ILOs "social protection" approach. Yet, the Bank and the ILO have nonetheless collaborated effectively. The World Bank is a cooperating agency in the SPF Initiative, a P4H Initiative participating agency since 2008 and International Health Partnership (IHP) member since 2007.⁶¹ Collaboration with the ILO mainly entails information exchange/consultation on policy and country level activities. It also includes direct import of information from the World Bank's World Development Indicators database to the ILO Social Security database.⁶² ILO staff have taught at the World Bank Institute. Joint meetings and fora of exchange have included training workshops in collaboration with the Institute, "Show-and-tell" seminars for donors and international agencies jointly organized by SEC/SOC and the Bank's Social Protection network, ILO participation in Bank-led meetings (e.g. the 2005 meeting on contractualization by

⁵⁸ ILO and WHO: *Social Protection Floor Initiative: Manual and strategic framework for joint UN country operations*, Geneva, November 2009, p.vii.

⁵⁹ See Pal, K; Cattaert, G; Woodall, J; and Hagemejer, K: *Nepal: affordable and not an illusion. Costing of basic social protection benefits for Nepal 2007-2034*. Technical note, ILO, Geneva, 2008.

⁶⁰ ILO and WHO: *Social Protection Floor Initiative*, op.cit., Geneva, November 2009, p.35.

⁶¹ WHO and German Federal Ministry for Economic Cooperation and Development: *Report on the Technical Meeting on the "Providing for Health Initiative"*, Bonn, November 2007, p.2.

⁶² <http://www.ilo.org/dyn/sesame/ifpses.socialdbexp> (accessed 22 March 2010).

health insurance schemes, in Senegal, and the 2007 Bank meeting on scaling up affordable health insurance and pension conference for Arabic-speaking countries, in Cyprus) are examples of such fruitful collaboration.⁶³ In general, experts interviewed were of the opinion that relations between the Bank and the ILO had improved in recent years.

- *ILO-DfID*. The ILO collaboration with the Social Protection Team of DFID's Policy Division in the area of social security has been focused on ILO expertise in the area of costing of basic universal benefits for low-income countries and the impact of these on the reduction of poverty.⁶⁴ It has, more often than not, translated into DfID funding of technical cooperation projects. Such projects include a poverty impact assessment of basic social protection in Senegal, the Global Campaign on social security coverage as a means to combat poverty implemented in the United Republic of Tanzania and Zambia, and the technical missions that resulted in cost projections of basic social protection for select Asian countries. DfID-requested and financed work also entailed the development of a stand-alone generic modelling tool for financial assessment of minimum benefit schemes and work on the Mozambican food subsidy programme.

PC 5.2 Concrete initiatives with related ILO programmes on issues linked to 1) social protection and jobs growth; 2) safety and health and working conditions with workers' rights; and 3) social protection for labour migrants

Internal collaboration to support integrated programming is in evidence and well appreciated at country level. Concrete examples of collaboration between SEC/SOC, MIGRANT, NORMES, and EMPOL have been identified, as well as joint training initiatives with the Turin Centre. The Office is moving forward with pilots to better document country cases that extend social protection and promote employment through an effective policy mix. However, field staff need more information and tools to deliver advice and technical cooperation within this framework. We judge the ILO's overall performance on this criterion to have been good.

While there is a general feeling that more joint work is needed, there are several concrete examples of work integrating social protection and employment. Joint work between SEC/SOC and EMPOL resulted in a study on the demographic context for economic performance and labour markets, including for countries experiencing higher levels of poverty and informality.⁶⁵ It explored the relationship between social security, employment and economic performance, and particularly addressed the plausibility of growth and employment with decent levels of social security, highlighting how feasible policy packages can deliver all of these.

⁶³ SOC/SEC annual delivery reports 2005 and 2007.

⁶⁴ <http://www.ilo.org/public/english/protection/secsoc/about/partners.htm> (accessed 30 March 2010).

⁶⁵ ILO: *Employment and social protection in the new demographic context*, Geneva, 2010.

In mid-2009, a joint global initiative to identify coherent and integrated social protection and employment policy frameworks was financed by the EU (Euro 2.5 million) under which four pilot countries will develop national plans to extend social protection and promote employment with both a basic social protection package and a coordinated inclusive employment strategy being rolled out.

While high-level attention is being focused on how to integrate employment promotion and income security, lack of experience on the ground in developing approaches and specific proposals is delaying operational work despite what appears to be a burgeoning demand for such initiatives from the ILO. The 2008-09 financial crisis and the emergence of the Global Jobs Pact have also become a strong driver of joint work, but this work will need transition from short-term support measures to sustained protection and promotion policies.

Internal communication and joint planning between sectors appeared inadequate at the time of field missions, suggesting that this could be improved to make space for innovation. Between headquarters and the field, internal information networks combining employment and social protection experts to provide support and exchange experience are emerging but are not yet delivering the scale or form of support needed (in the shape of joint proposal development, joint missions, etc.). At the field-office level, employment and social protection continue to run primarily along separate tracks though some change is underway.

Joint initiatives with MIGRANT, ILO/AIDS, TRAVAIL and SafeWork were found to take place at country level, such as with the Work Improvement in Small Enterprises (WISE) and in neighbourhood development (WIND) methodologies, and capacity building work and awareness raising tools, where social security was well integrated in materials and technical cooperation.

ILO social security work carried out in collaboration with MIGRANT has covered migrant workers' social security. Key activities reported have been research on social security rights for migrant workers (resulting in a publication on gaps to be filled),⁶⁶ and a contribution to the Handbook on Establishing Effective Labour Migration Policies.⁶⁷ Within technical cooperation at country level aimed at improving social protection of migrant workers, social security rights and schemes have been prominently integrated.

Legal activities carried out in collaboration between SEC/SOC and NORMES in the area of international labour standards are described in section 2.8 above.

Feedback from ILO staff and constituents suggests that social security technical staff understand roles and responsibilities and that internal communication and information exchange among this group is considered sufficient to support the programme of work.

⁶⁶ Kulke, U.: *Filling the gap of social security for migrant workers: ILO's strategy on globalization, migration and human rights: international law*. Volume II, Collection of the Geneva Academy of International Humanitarian Law and Human Rights, Bruylant, Brussels, 2007.

⁶⁷ Organization for Security and Co-operation in Europe (OSCE); International Organization for Migration (IOM); ILO, 2006 <http://www.ilo.org/public/english/protection/secsoc/areas/legal/legalact.htm> and summary of activities provided by SEC/SOC.

Overall findings regarding external/ internal coordination and management

PC 5.1 Very Good

PC 5.2 Good

Overall Very Good

Summary of EQ 5

As interest in combining the social protection floor with employment growth increases, improved coordination is called for both internally and externally. A wide range of officials interviewed called for more integrative work on employment and social protection. There is a good foundation for this work, in the form of initiatives already taken. SEC/SOC has collaborated effectively with NORMES in the area of international labour standards and with MIGRANT on social protection for migrant workers. External collaboration must be viewed in terms of the UN and the broader aid effectiveness agenda. That agencies compete with each other for the attention of governments and donors is a fact of life that is unlikely to disappear. But the ILO has effectively collaborated with a number of agencies, including WHO, UNICEF and, on the funding side, DfID. Relations with the World Bank have improved noticeably. Yet, the major need now is for concrete operational templates, based on technical analysis and lessons learned from practical experience, to effectively take the lead (or more accurately, co-lead with WHO) on the SPF Initiative at country level. This means devising operational templates that respect common definitions and can accelerate the process of moving into implementation of integrated social protection/ employment initiatives.

Impact

EQ 6

To what extent have ILO actions had impact in the form of increased capacity, necessary tools and policy improvements needed to work towards social security for all?

From the outset, the evaluators recognized that attributing impact to a single organization's activities is difficult. Moreover, it was clear even before interviews, document reviews and country case studies began that the short reference period of the evaluation made it unlikely that major expansion of social protection could be identified as an accomplished fact. For these reasons, we decided, in assessing impact, to identify concrete expansion of coverage where it can be observed (e.g. universal health insurance in Thailand, improving maternity coverage in Jordan or raising the old-age pension in Nepal), but to pay more attention to an alternative form of impact: progress in laying the analytical and policy foundation for changes to be implemented over the next 5-10 years.

Our finding is based on the following performance criteria:

- *PC 6.1 Means of action lead to tangible steps towards extension of social security to cover target groups.*

- *PC 6.2 The ILO defines, measures and reports in ways that capture changes in coverage.*
- *PC 6.3 Country level changes can be reliably attributed to ILO efforts.*
- *PC 6.4 Clear, outward-looking, global, flexibly evolving results frameworks, indicators and targets.*

Findings related to impact

PC 6.1 Means of action lead to tangible steps towards extension of social security to cover target groups

We have identified a number of concrete extensions of social security in a range of countries where the ILO's impact may safely be judged to have been tangible. We have not, however, identified a case where a comprehensive universal social protection programme at national level has been implemented. Nonetheless, in many countries where it has engaged in SPERs and social budgeting, the ILO has framed the debate, put universalism on the table in spite of traditional resistance, and achieved high-level credibility with governments, constituents and development partners. We would judge performance on this criterion to have been good.

The comparison of “targets” to “actual” in Table 1 makes clear that tangible steps have been taken, and these may be reasonably attributed to ILO actions. Most results indicators such as “Number of countries in which ILO actions led to Government taking steps to...” which allow for a broad range of positive impacts, still fall short of actual increases in coverage. However, as shown under PCs 2.2, 2.6, and 2.8, in many countries, ILO actions have significantly contributed to laying the policy foundation for the extension of social protection at country level. These actions are both in the form of comprehensive SPERs and associated costing scenarios, as well as technical and analytical work on specific schemes. Examples of concrete impacts, some of which have led to actual increases in coverage, are:

- Nepal, where the increasing of the old-age allowance and the draft Unemployment Compensation Act now being finalized, are due in part to ILO policy advisory work, and general policy advice on social protection has advanced national consideration of the issue. However, there is no firm commitment as yet on the part of the Government to a broad policy package.
- Chile, where ILO advisory work contributed concretely towards filling gaps that emerged in the Pinochet-era reformed pension system.
- Cyprus, where ILO actuarial advice helped the Government to address poverty in extreme old age.
- Jordan, where the ILO advised on the new maternity scheme adopted.
- Senegal, where the ILO advised on extension of health insurance to the rural population, i.e. some 5 million people out of a total population of 12.9 million.

- Mozambique, Senegal and Zambia, where ILO supported dialogue and policy formulation related to income security and the basic social floor.
- Thailand, where the ILO was the main source of external technical support in the institution of the universal basic health care financial management system, now claiming over 40 million members.

The latter is a particularly significant concrete impact. Perhaps not coincidentally, Thailand is a middle-income country with a long history in social security, and where the ILO has long been engaged. Initial conditions are an important factor, but they can be stretched over a five-year timeframe, and in many countries not as developed as Thailand, the ILO has successfully done so. As described under PC 2.9, strengthening of social security has near- and long-term dimensions. Through its work, the ILO has developed policy options consistent with universality, poverty reduction and respect of fiscal constraints – a major impact on policy dialogue. A five-year time horizon would perhaps be appropriate for laying the policy foundation. Actual implementation of steps in many ILO member States is not to be expected except over the timescale of a decade. Full development of adequate social protection for all can only be expected over multiple decades. It would be too harsh to criticize the work of the ILO because actual demonstrated increases in coverage are mostly modest to date.

PC 6.2 The ILO defines, measures and reports in ways that capture changes in coverage.

Methodology development and capacity building in this area have improved international good practice, made social security statistics more relevant to poverty reduction, and improved international comparability despite data gaps. More monitoring and retrospective studies paying attention to follow-up to ILO technical support would be welcome. We judge the ILO's performance on this PC to have been good.

The SSI database addresses this need for over 100 countries and has significantly advanced international comparative efforts. In almost every country covered by the case studies, participation in the SSI process and, where relevant, SPERs and costing studies, built capacity and generated data on coverage. Definitions and processes were thereby put in place which will allow countries to track, on an annual basis, changes in coverage according to internationally comparable definitions and practices. See the discussion under PC 2.3 for further information.

Suffice it to say that, in contributing to resolution of basic definitional issues (see the study referenced under PC 1.5), in promoting a broader range of indicators than those traditionally used by social security statisticians, by disaggregating so as to provide information on gender and distribution, and above all by concentrating on improving data on developing countries, the ILO has had a significant impact on international good practice. A study exemplifying the international comparative approach is the African study reference in assessing PC 2.7.

PC 6.3 Country level changes can be reliably attributed to ILO efforts

We decided, early in the evaluation, that it would not be fair to judge the ILO over a five-year timeframe, strictly on actual implementation of universal social protection. The country changes that can reliably be attributed to ILO action are, in the case of the broad policy package, the framing of the debate and the foundational work necessary to support a national dialogue and engage the UN and the donor community. The ILO has done a good job in this area, noting that expectations from the UN and donor partners are also calling for ILO technical leadership within the broader social protection agenda. We also note concrete progress in specific cases, not on universal social protection broadly considered, but on universal health coverage (Thailand), innovative rural health schemes (Ghana), maternity (Jordan), pension reform (Chile and Cyprus), etc. Taking all this into consideration, we would judge the ILO's performance to have been good.

Attribution is always difficult given the number of actors involved – government, social partners, partner agencies, etc. For example, in Nepal expenditure on social protection increased in 2008-2009, but this was due to the work of multiple donor agencies, not just the ILO. However, in our country case studies, we have found a number of cases of impact in the form of extended or improved coverage that can reliably be traced to the ILO – maternity scheme in Jordan, pension reform in Cyprus and Chile, and health insurance in Thailand, to take but three examples. The discussion under PC 6.1 gives further examples, including countries where the ILO has effectively become the lead advisor on extension of social protection.

What is conspicuously lacking is the rolling out of a solid and comprehensive (covering all the contingencies identified in the horizontal dimension) social protection floor in a very poor country. That being said, the ILO's work has made a substantial contribution to making sure that options for poverty reducing universal approaches are now, in many countries, considered feasible tools.

While there have been some successes, the number of countries in which SEC/SOC is working in (42 in the current biennium) and the amount of technical cooperation funding, suggests that SEC/SOC is stretched quite thin (see EQ 4). At the country level, there was also evidence of an impression that ILO support consists in large part of brief missions by headquarters staff or consultants. At the same time, country level interviews indicated broad satisfaction with, and in many cases warm praise for, the quality of support provided. There is room for improvement, which we have noted elsewhere, in the availability of tools for field offices to operationalize the social floor in a concrete way, integrating employment and social protection.

Countries in which ILO costing studies have had a significant impact on policy development include Ghana, Mozambique, Nepal, Senegal, Thailand and Zambia. In Zambia, three feasible avenues for expanding social protection were identified, but due to lack of financial support for the ILO's continuing activities, a Plan of Action has not yet been designed. In Senegal, the ILO's work provided a strategy for extending social security to the poor through cash transfers. The African comparative study referenced in assessing PC 2.6 demonstrated the fiscal feasibility of cash transfer schemes to reach the poor in seven countries. The costing exercise for Nepal generated proposals for reducing the qualifying age for the universal old-age allowance while adding in child allowances and a birth grant. This is now a document of reference for the Ministry of Finance and donor agencies, and has substantially advanced the discussion of a basic social protection social floor.

PC 6.4 Clear, outward-looking, global, flexibly evolving results frameworks, indicators and targets

Despite limitations to the reporting framework, our survey of country cases has shown that the overall framework is good. We have found no cases where results as reported at the programme level distorted results at the country level. The overall performance on this criterion was good.

There was a perception among some headquarters officials interviewed that success at the global level is not matched by effective actions at country level. SEC/SOC is viewed as a global programme. However, a review of country results frameworks indicates that frameworks, indicators and targets largely match the results-based management Programme and Budget. There are clear limitations to the reporting framework. Standard targets are countries where ILO support resulted in governments taking steps and results are reported by country count. This raises issues of comparability – one country actually implementing a significant expansion of health coverage might be given the same weight as another which instituted an inter-ministerial committee to study the problem. However, when we examined country results frameworks, we were generally satisfied with the extent to which results frameworks featured actual impacts. This increases our confidence in the admittedly, at first glance, rather optimistic results reported in the Programme and Budget reporting matrix.

Overall findings regarding impact

PC 6.1	Good
PC 6.2	Good
PC 6.3	Good
PC 6.4	Good
Overall	Good

Summary of EQ 6

We were careful, in addressing this EQ, to draw a distinction between three levels of impact. One was tangible new social protection measures instituted, of which we found a number of examples. The second was laying the foundation for and framing the policy dialogue between constituents, governments and international donor partners on a rights-based, comprehensive basic social protection floor. The ultimate impact would be the actual implementation of the broad package.

When tangible steps are considered across all three aspects, we rated the ILO's performance on the first and second levels of impact to have been good. It would not be fair, over the timeframe considered, to criticize the ILO for low performance to date on the highest level of impact. A major impact of the ILO has been promotion of standard definitions and statistical practices that measure coverage and adequacy of social protection in a broad framework appropriate for developing countries; this has greatly improved international and national policy discussions. Attribution of country level impacts to one agency in a complicated, multi-actor context is always difficult, but based on concrete examples, we would judge the ILO's country level impact on change to have been good.

The ILO's results framework tends to have impacts assessed at the level of activities and outputs, but in comparing the country level results framework with the Programme and Budget-level global framework, we found that the two were reasonably consistent. Overall, the results framework is a good one.

Overall, we judge the ILO's performance on impact as good.

Sustainability

EQ 7	To what extent have ILO interventions been designed and implemented in ways that have maximized sustainability at country level?
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The findings are based on the following performance criteria:

- *PC 7.1 The ILO dealt at country level with the problems of limited resources, longer term horizons, and political will.*
- *PC 7.2 The ILO's capacity building programme addressed problems of staff turnover, scarcity of complementary resources, etc.*

Findings related to the evaluation question

PC 7.1 The ILO dealt at country level with the problems of limited resources, longer term horizons, and political will

In a mechanical sense, the answer is that the ILO has done this well according to current good practice. But problems of political will to act have been encountered in our evaluation. Moreover, it appears to us that sustainability is treated by the ILO in rather mechanical terms of “feasibility” as established by baseline-alternative exogenous assumption modelling approaches. We suggest two areas in which the treatment of sustainability could be improved; one by the application of scenario-based planning techniques and the other by application of now well-established stochastic simulation techniques. The ILO is well-positioned for both. A thorny issue, on which we cannot advise but must flag, is the trade-off between the ILO’s poverty reduction mandate, encouraging work in the poorest countries, and the potential for greater sustainable impact in middle-income countries. The ILO’s performance on this PC is judged to be good.

In the technical sense of feasibility assessments this is true. Costing exercises look at a range of economic and demographic scenarios (as captured in baseline and alternative exogenous assumptions) and frame the financially feasible set of options. So long as exogenous assumptions remain within the designated range, then more or less by assumption, the proposed reform is sustainable. By any conventional standard, the ILO is prudent in the analysis and advice it offers. Two weaknesses with the conventional approach are, however, apparent. One is the issue of political risk. Even in the small set of countries that we have examined, there were a significant number of instances in which the political will to implement changes did not exist or shifted over the relevant timeframe. Sometimes this is built into the incentive structure of international assistance; some governments are notorious for soliciting multiple preliminary studies and proposals from multiple agencies, then comparing them at leisure. The second is technical – a powerful lesson to emerge from strategic planning: baseline/alternative scenario approaches systematically downplay “surprises” and extreme events (e.g. the financial crisis, the collapse of communism or the present Gulf of Mexico oil spill). While the ILO’s performance on this PC is judged to be good, accepted approaches exist that could be combined with conventional baseline-alternative approaches to improve the process. These might include, for example, narrative scenario-based exercises involving different political states of the world and widely differing global economic and social conditions.

Two approaches come to mind. One would be a participatory scenario-based approach of the type that now prevails in the private sector but which, apart from the Intergovernmental Panel on Climate Change, seems to have little impact on international organizations. The ILO is ideally situated for this. It has:

- a long-term problem on which to advise;
- a constituency with frequently opposing views reflecting fundamentally different priorities;
- a body of substantial theoretical work (e.g. Pinstrup-Andersson) describing alternative social protection utopias/dystopias;

- a set of simple and transparent linear models which spell out the result of various approaches in easily understood terms and can be used in real time; and
- a relationship of trust with decision makers.

The second approach is more technical and builds on the fact that the ILO's models are relatively small and non-complex. Accepted stochastic (random) solution approaches can enable these deterministic models to deal with extreme events. To the extent that ILO modelling has implicated the life-cycle approach to risk that featured in recent joint SEC/SOC – EMPLOI work, similar stochastic approaches can be utilized. Micro-simulation modelling of individual life courses drawn from a heterogeneous population under different policy scenarios are now entirely feasible, and could be translated into awareness-raising materials.

PC 7.2 The ILO's capacity building programme addressed problems of staff turnover, scarcity of complementary resources, etc., as well as the role of the social partners

We have judged the ILO's capacity building efforts to be excellent overall. Here we flag only a limited number of concerns: the need for more impact assessment and retrospective studies, the need to carefully balance the supply of technical training with the actual need, and the potential of participatory, scenario-based, model-informed approaches (discussed above) to reach policy common ground at the national level. We also note the recent launch of a pilot project in Ghana within the framework of the Global Social Trust, and the untested financial sustainability of these approaches.

The ILO has engaged in an enormous amount of capacity building, and all the partners, governments and constituents alike have warmly endorsed the relevance and quality of training provided. We were somewhat surprised at the dearth of retrospective follow-up activities to monitor impact. Such a study was considered by the Turin Centre, but it was subsequently decided that resources could better be used elsewhere.

We have discussed above the possible use of the ILO's models in participatory scenario exercises, real-time and hands-on, an activity with a strong capacity building dimension.

Complementary resources and the role of social partners suggest that special mention should be given to the Global Social Trust, a programme promoted by the ILO in which it was envisaged that substantial extensions of social security in the South would be supported, on a solidarity basis, by, e.g. voluntary donations from workers' organizations in the North. The proposal was accepted by the Governing Body only with some reluctance on the part of the Employers, who were concerned about its ambitious scope and overall lack of focus. In the event, the ILO has successfully implemented one pilot project in Ghana with the support of workers in Luxemburg. Despite high visibility, only a few countries have expressed interest in this highly innovative approach, but open to doubt as to its financial sustainability.

Overall findings with regard to sustainability

PC 7.1 Good

PC 7.2 Good

Summary of EQ 7

We have found that the ILO delivers sound policy analysis and advice, as well as capacity building, and continues to offer support in implementation through long-term relationships. The long-term nature of its relationships with countries in which it works is one of the strongest factors encouraging sustainability. However, the ILO cannot guarantee the financial and technical availability required to see through those initiatives which are dependent on extra-budgetary resources. For this reason, better ascertaining political will to assume fiscal requirements is a key concern. All in all, the ILO's feasibility work has been fairly formulaic in nature, but with assumptions clearly laid out and a range of alternative scenarios taken into account. We have expressed our view that better application of the state of the art in participatory, scenario-based planning techniques involving the tripartite partners, supported by ILO models applied in more advanced stochastic fashion, could significantly improve sustainability. Finally, perhaps the greatest challenge is that the ILO must counterbalance its commitment to poverty reduction in lower income countries with the higher probability of sustainability in middle-income countries. This is a trade off on which the evaluators cannot advise, except to underscore that it is a real trade-off, not an illusion.

4 CONCLUSIONS, RECOMMENDATIONS AND LESSONS LEARNED

Conclusions and recommendations

EQ 1 RELEVANCE

Conclusion 1: The ILO's strategy and programme have aligned well with the ILO's mandate. By effectively exploiting its comparative advantage the ILO has added value. It has addressed, and continues to address, the purported trade-off between social protection and employment growth and has benefited from its pluralistic, pragmatic approach. Perhaps the ILO's greatest achievement has been in ensuring that universalism figures prominently in the social protection toolkit. We stress that, with UN endorsement of the SPF Initiative, interest in this area has ignited. The ILO needs to respond at country level with tools and evidence-based policy formulas to translate the social floor into practice. Operational templates are needed to translate technical and analytical work into concrete, broad interventions. The increased relevance of the ILO's work needs to be matched by operational successes.

- **Recommendation 1:** Over the next six months prioritize work to document and disseminate policy based successes where employment, economic growth, and social protection have brought stable economic development in combination with the extension of basic social protection.

Suggested next steps:

- Compile and share policy successes and lessons from information sources other than the ILO (Web-based); and
 - Call for quarterly informal exchanges of successes from the regions (Web-based), including from constituents and UN colleagues collaborating to extend national social protection floors, to spur discussion and raise awareness.
- **Recommendation 2:** Accelerate efforts to improve international collaboration on integrative work, especially work to provide guidance on design of technical cooperation and to promote exchange on innovations.

Suggested next steps:

- Prioritize efforts to systematize common definitions and approaches for social protection between various UN agencies and donor agencies; and
- Involve employment specialists in UN and donor task forces to advise on extending the SPF, and in the mapping of social protection schemes within a country.

- **Recommendation 3:** Sustain the current operational approach to provide governments with the information and analysis upon which to determine the pathway for extending social protection. However, the ILO should continue to pursue a two-pronged vertical/ horizontal approach and deal with issues linked to contributory schemes without curtailing its efforts and visibility in supporting the broader national dialogue on social protection measures that extend to all.

EQ 2 EFFECTIVENESS

Conclusion 2: ILO training and capacity building have made significant contributions to capacity building and policy design. There are some issues of absorptive capacity and attrition in Africa, but overall, the ILO has done well. It would have been helpful if there had been more documentation on the effectiveness and impact of training at country level. At a number of points, it has emerged that ILO constituents at national level often lack capacity, or interest, in the area of extending the social protection floor. ILO visibility continues to be lower than it should be. To some extent this is because of the way the ILO works (not claiming ownership of reforms, for example). Another dimension is that the ILO works at country level mostly within the UN context. The SPF is a UN initiative, though started by the ILO. Other specialized agencies' interests also come into play. Full integration of all the components of the horizontal and vertical dimensions of social security has not always been possible because governments and partner agencies tend to have interests in one area or another. We did, however, find examples of countries where traditional actuarial work and development of innovative non-contributory schemes usefully complemented each other. Continued emphasis on integrative work, as discussed under EQ 1, will help to advance the broad approach. Overall, the ILO's work has been most effective in laying the foundation for, defining the framework for, and advancing discussion of, feasible plans for national extension of a basic social floor. We include in such work feasibility and costing studies on individual components of the floor. The Global Campaign and the SPF Initiative have achieved broad acceptance. Full consensus is not to be expected because social security lies in ideologically contested terrain, but the ILO has been extremely effective in placing universal social protection on the agenda, both globally and at country level.

- **Recommendation 4:** Develop innovative approaches to increase ILO visibility.

Suggested next steps:

- Develop guidance for UN partners on good practices for collaboration, including terms of reference for working groups, key principles for working together, and agreed ways of presenting and following up on joint work; and
- Advocate within UN Country Teams for a more visible and consistent ILO role and area of responsibility within the UN family on the broader work to extend the SPF.

- **Recommendation 5:** More effort should go to addressing problems of gender and social security in the informal sector as well as the very elderly living alone (disproportionately female), a group at elevated risk of poverty.

Suggested next steps:

- Pursue collaboration with partner agencies (IMF, World Bank, ADB are priority targets) on joint research to expand the data and research base at country level on impact of social security policies and schemes on income security and poverty reduction of vulnerable groups and disadvantaged areas; and
 - Include in social budgeting and SPERs, more explicit consideration of coverage to especially vulnerable groups, such as elderly women living alone.
- **Recommendation 6:** Target capacity development towards non-technical constituents in key decision-making positions, emphasizing awareness raising and stimulating demand for increased capacity.

Coherence and complementarity

Conclusion 3: The evaluation uncovered convincing evidence of the usefulness of the horizontal/vertical dimension model, the main ILO conceptual tool for engaging with coherence and complementarity in social security policy design. In practice, at any given time, most technical work has been on one aspect or another of social protection, not on broad integrative approaches. That said, there were some country case studies (e.g. Thailand, health insurance) where traditional contributory and innovative universal approaches had been effectively combined. We also found concrete examples (e.g. Ghana and Nepal) where the ILO was providing both traditional actuarial advice as well as advising on extending social protection through universal approaches. In Jordan, where concrete impacts were mostly in the vertical dimension (maternity), the ILO nonetheless advised on extending social protection to the informal sector. The interests of governments, funding agencies and implementing agencies all tend to focus on a narrow range of options. It is also inherently difficult to have a constructive, open dialogue on policy trade-offs. This is especially the case in the tripartite context, and when the capacity and willingness of constituents to discuss extension of social protection is limited.

- **Recommendation 7:** Leverage the ILO's success in middle-income countries by encouraging South-South exchanges of expertise, stressing in particular the long-term development of social security in middle-income countries and the lessons it has to offer low-income countries.

EQ 4: EFFICIENCY

Conclusion 4: The ILO underwent a consolidation of its social security activities in 2006-07, essentially merging three groups into one, with consequent efficiency gains and improved focus. With stagnant regular budget funds, the SEC/SOC department has been able to cope with increasing demand for its work by obtaining extra-budgetary funds and leveraging these effectively. However, the Office actively supports social security in over 70 countries in a

given biennium, which when compared to the number of technical specialist positions, both in headquarters and especially in field offices, suggests strongly that the technical capacity is stretched very thin. As interest grows in the social protection floor, and integrated approaches to generate employment while extending social protection, the pressure to mobilise resources will also intensify.

- **Recommendation 8:** Fill vacant positions promptly and design technical cooperation resources to increase field-level expertise and reduce dependency on headquarters short-term missions and support; continue to make available flexible funding for bridging and filling gaps, particularly in the area of capacity building.

EQ 5: Internal and external coordination

Conclusion 5: The evaluation found a number of concrete instances of internal coordination and cooperation, such as between NORMES and SEC/SOC in the area of international labour standards. There has also been integrative work on population trends and their consequences between SEC/SOC and the Employment Policy Department. However, a wide range of officials interviewed called for more integrative work on employment and social protection. At field level, demand for operational approaches combining employment with social protection is growing rapidly. ILO has effectively collaborated with a number of other agencies, including WHO, UNICEF and, on the funding side, DfID. Relations with the World Bank are now better than at any time in recent years.

- **Recommendation 9:** Improve operationally the support to field specialists for launching integrative work on employment and social protection.

Suggested next steps:

- Develop a joint work plan for the biennium between the Employment Sector and the Social Security Department spelling out the form and timing of collaboration (missions, communications, etc.) on advising and technically supporting the field in development of national strategies and plans of action for extending social protection, including components on job creation, skills development and employability;
 - Review DWCP strategies and proposed outcomes linked to employment and social protection to better integrate initiatives at policy and partnership levels; and
 - SEC/SOC and the Employment Sector should consider budgeting funds in 2010 and 2011 to generate proposals for innovative, cross-sectoral work.
- **Recommendation 10:** Reach out to partner specialized agencies such as WHO and UNICEF which have specialized know-how and expertise in project implementation, while focusing engagement on analysing, designing, financing and improving coverage mechanisms of social security systems. ILO involvement in implementation should also be defined around supporting

governments to ratify and implement the Social Security (Minimum Standards) Convention (No. 102) and Recommendations on Income Security, 1944 (No. 67) and Medical Care, 1944 (No. 69).

EQ 6 IMPACT

Conclusion 6: The ILO has analysed and helped to design individual components of the SPF. This led to tangible country level progress in Ghana, Jordan, Nepal, Thailand, and other countries. It has framed the debate and placed the basic social protection floor at its heart in many countries, and with internal partners as well. Universalism, a rights-based approach and pluralism are now squarely on the table, replacing the idea that the best way to extend social protection is to eliminate informality while expanding existing institutions. The ultimate impact would be the actual implementation of the broad package in a very poor country, which we have not seen yet. However, as indicated by growing interest in integrating employment and social protection policies, and in view of the rising number of countries that are designing broad national social protection policies, the chances are improving. The ILO's work on defining comparable statistical approaches to social protection has been especially useful. Overall, the ILO's results framework has functioned well, but there was relatively little monitoring and evaluation work at country level, and insufficiency of follow-up studies identifying lessons learned and country success stories linked to ILO interventions. More objective assessment of political will might have improved outcomes in some countries.

- **Recommendation 11:** Conduct follow-up analysis on outcomes of the ILO's technical support -- uptake of recommendations, changes in national policies, institutional capacities, etc., in order to identify lessons learned for future work; conduct retrospective case studies on the impact of capacity building on institutions, noting factors of success reaching beyond training and education of individuals.

EQ 7: SUSTAINABILITY

Conclusion 7: The ILO's technical soundness and long-term relations through the tripartite process position it well for sustainability. The unpredictability of extra-budgetary resources is a downside factor and underscores the importance of assessing political will. Perhaps the greatest high-level strategic challenge is that the ILO must counterbalance its commitment to poverty reduction in low-income countries with the higher probability of sustainability in middle-income countries. This is a trade-off on which the evaluators cannot advise, except to insist that it is a real trade-off, not an illusion. Sustainability will, in the long run, be guided by economic growth and the institutional growth that accompanies it.

- **Recommendation 12:** More visibly conduct assessment of national political will, absorptive institutional capacity and initial conditions to better inform the selection, design and continuation of country level technical initiatives.

4.2 Lessons learned

In addition to specific conclusions and the recommendations that flow from them, a number of lessons learned have emerged from the evidence base.

General

- All the evidence we have gathered has supported the view that tripartism facilitates, not impedes, extending social security to all.
- All the evidence we have gathered suggests that the ILO's strict adherence to its mandate and commitment to international labour standards has made it more, not less effective. Even those who disagree with the stance of the institution recognize that the ILO speaks with authority, in large part because its moral commitment is clear.
- All the evidence we have gathered suggests that it is, above all, the ILO's reputation for technical expertise that has made it possible for the ILO to leverage itself from a provider of actuarial review to a source of broad policy advice. We did not, in this evaluation, once hear from any expert, even those who would logically have been in opposition to the ILO's policy stance, an accusation that the ILO's analytical work was shoddy.

Country level

- The ILO is sometimes constrained by requests from governments. Yet, it is part of the ILO's role to raise awareness and sensitize governments to broader issues, or issues of concern to specific vulnerable groups, which need attention.
- Refusing to endorse a government's approach can send a policy signal much stronger than grudgingly agreeing to provide advice despite misgivings.
- In order to win respect from governments and task force member agencies, the UN and donor joint task force should take steps to formalize and professionalize their joint work.
- Despite the UN CEB approved definition of the SPF, operationally there is not yet consensus among UN partners at country level of what is called for operationally, which in turn makes joint action difficult to achieve. Agencies continue to approach extension of social protection based on agency mandates and priorities.
- Governments benefit from improved coherence within the donor network with regard to their own efforts to consolidate internal ministerial policies, programmes and administration.
- To have influence over the advancement of a social protection floor, the ILO needs to be more conceptually and operationally nimble to integrate social assistance, social insurance with other forms of social protection and include employment promotion.

- Most UN agency staff at country level have limited understanding of social security policy and strategy, and therefore require targeted support to improve their capacity to conceptualize and operationalize multiple schemes within a consolidated national social protection strategy and governance system.
- The capacity building strategy to train a team of experts across multiple agencies within government is a particularly effective means of supporting institutional and systemic change, particularly if the individuals can collaborate technically once returning to their organizations.
- In some countries there is still reluctance to harmonize contributory and non-contributory schemes, both in pensions and in health, if the beneficiaries of the former fear deterioration in benefits.
- Technical support for a capacity building project should not rely too heavily on short-term missions and too minimally on in-country technical person(s) to anchor the work.
- The focus on establishing comprehensive approaches to employment growth and social protection has initially worked to bring headquarters units together; the challenge will be to maintain the momentum.
- The SPF approach broadens the ILO's traditional work and constituents need to be trained and develop capacity to participate in the broader policy debate.
- Social security at local level can be bundled with larger initiatives that also address working conditions and occupational safety and health within the informal as well as the formal sector.
- Local government is the means by which to extend the reach of national social protection schemes to the local level. These also can and are being bundled with pro-poor employment services, local dispute mechanisms, and access to health and other social services.
- In order for government agencies to implement national decrees, they must be designated as the recognized authority. Often the ILO needs to be proactive in moving this decision level along, particularly if the government is not experienced with autonomous public bodies.
- The effort to promote a wide-reaching goal such as extending social security to the informal sector, combined with the more nitty-gritty support called for by social security institutions lacking capacity and empowerment, may well be too large and/or diverse for one project to reasonably tackle and requires longer term commitment to country based support.
- Most initiatives to extend social protection to the informal economy need a lead agency to champion the initiative. The ILO's constitutional mandate positions the ILO to lead such initiatives on a global and national level. However, such activities require resources. The ILO would be better to develop partnerships with donors and IFIs in this effort.
- Countries are well served when the ILO can be flexible in commissioning technical assistance on an "as needed" basis, rather than according to a prescribed list and timetable.

- Support to fairly conventional policy development embedded in the vertical dimension of social protection expansion can yield tangible benefits in a country where capacity is good and institutions are functional.
- The deeper, longer term and more structural the treatment of labour market trends, the stronger the actuarial analysis of conventional schemes. High-low or baseline-alternative scenarios cannot substitute for a deeper analysis.

Summing up

In general, the evidence we have gathered strongly supports the view that the ILO's performance is due to:

- A clear policy position, based on the institutional mandate and shaped in tripartite dialogue.
- A set of simple, transparent and technically sound models and assessment approaches.
- Working with partners.

The path forward must be illuminated by continued robust tripartite dialogue reinforced by capacity building; informed by more high-quality research and methodology development; and reinforced by effective building of partnerships.

The foundation for this progress must be appreciation that long-run sustainability will be guided by economic growth and the institutional development that accompanies it. Incomes rise; the demand for social protection and insurance rises in parallel, as does the intolerance for weak institutions where they are in evidence. The ILO deserves praise for having jump-started this process, proposing innovative policies that can address in real time the poverty of those outside the social security umbrella and accelerate institutional and legal/regulatory reform.

5 SYNTHESIS JUDGEMENT

The following table offers a synthetic graphic judgement of ILO work on extending social protection:

Criteria	What is meant	RATING		
Relevance, internal and external coherence	<u>Relevance</u> relates to the objectives of a development intervention as regards consistency with beneficiaries' requirements, country needs and global priorities.	Poor	Good	Excellent
Effectiveness	<u>Effectiveness</u> is the extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance.	Poor	Good	Excellent
Complementarity/coherence	<u>Complementarity/coherence</u> is concerned with the consistency and continuity of the ILO's overall and specific social security strategies and policies.	Poor	Good	Excellent
Efficiency	<u>Efficiency</u> measures how economically resources/inputs (funds, expertise, time, etc.) are converted into results.	Poor	Good	Excellent
External and internal coordination and collaboration	<u>External and internal coordination and collaboration</u> refers to the organizational and collaboration arrangements adopted by the ILO for work with internal and external partners.	Poor	Good	Excellent
Sustainability	<u>Sustainability</u> is the continuation of benefits after major development assistance has been completed (perennial benefits).	Poor	Good	Excellent