

# GLOBAL BUSINESS NETWORK FOR SOCIAL PROTECTION FLOORS 2016-20 TENTATIVE WORK PLAN

### **FOREWORD**

During its first year of existence the Global Business Network for Social Protection Floors will be installed as a platform for businesses to share and learn good business practices to improve the well-being of workers, to enhance their productivity, and to attract and retain talent.

It will also aim to better document the relationship that exists between the provision of social protection and business performance. It is clear that for private sector leaders, investing in people makes good business sense. It is also clear that social protection floors contribute to fostering local consumption and mitigating the impact of economic shocks. However, scientific evidence on the relationship between the provision of social protection and business performance based on real data is limited and needs to be strengthened to promote more inclusive development.

Through the Global Business Network for Social Protection Floors, businesses can play a proactive role in supporting the ILO's Global Flagship Programme on Building Social Protection Floors for All. They can contribute through human and/or financial resources to make the social protection floors a reality for all.



IT IS ULTIMATELY THE RESPONSIBILITY OF STATES TO ENSURE THE EXISTENCE OF ADEQUATE SOCIAL PROTECTION FOR SOCIETY AND TO PLAN, ORGANIZE, AND, IN SOME CASES, FINANCE THE NECESSARY PROTECTION. ENTERPRISES CAN PLAY A SIGNIFICANT ROLE IN PROMOTING AND REALIZING SOCIAL PROTECTION FLOORS ADAPTED TO EACH COUNTRY.

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# GLOBAL BUSINESS NETWORK FOR SOCIAL PROTECTION FLOORS 2016-20 TENTATIVE WORK PLAN

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## 1. BACKGROUND AND PURPOSE

#### 1.1. The need for social protection floors<sup>1</sup>

Social protection is a human right. However, nearly 73 per cent of the world's population lacks access to adequate social protection coverage. This massive social protection gap is not acceptable from a human rights perspective. It is also a missed opportunity from an economic and social development point of view. A growing body of research shows that:

- ➤ Social protection supports companies' competitiveness: social protection guaranteed to individuals leads to lower absenteeism, greater productivity of workers, and reduced turnover.
- ➤ Social protection is a driver of growth and development: social protection and, specifically, social protection floors (SPFs) powerfully contribute to reducing poverty, exclusion, vulnerability, and inequality. Social protection also boosts aggregate demand for goods and services by increasing incomes, which can create new business opportunities for private sector enterprises.
- > Social protection is a sound investment: investments in SPFs are demonstrated to generate high returns to the economy such as in the case of Brazil, where each dollar spent on social assistance generates US\$1.33 in the wider economy.
- > Social protection is also a driver of social and political stability, which are important factors that impact the success of private enterprises and economic development at large.

To further support national efforts to establish effective social protection floors, the ILO launched in the Global Flagship Programme on Building Social Protection Floors for All in 2015.

The Programme will contribute to achieving the Sustainable Development Goals (SDGs) by making social protection floors a reality in countries that still have underdeveloped or fragmented social protection systems. As part of the Programme, the Global Campaign on SPFs supports country level interventions and creates momentum and demonstration effects that further the implementation of SPFs in other countries

The Global Business Network for Social Protection Floors is intended to be a platform for the private sector to contribute to the Global Programme.

<sup>&</sup>lt;sup>1</sup> National social protection floors (SPFs) guarantee access to essential health care and basic income security for children, persons of working-age and older persons. 185 countries have adopted the Social Protection Floors Recommendation, 2012 (No. 202), an approach to achieve universal social protection.

#### 1.2. Ambitions of the Global Business Network for Social Protection Floors

The ILO Global Business Network for Social Protection Floors (GBN) was launched at the ILO headquarters in Geneva on 28 October 2015.<sup>2</sup> The meeting was initiated by the ILO Director General, Mr. Guy Ryder, the Chairman and CEO of L'Oreal, Mr. Jean-Paul Agon, and the Secretary General of the International Organization of Employers (IOE), Ms. Linda Kromjong. In addition, 22 representatives from 12 enterprises participated in the meeting and agreed to use the Network to:

- exchange information on current business practices, policies, and programmes on social protection; and
- > support the development of national social protection programmes.

During the launch event, the importance of social protection in developing a business-conducive environment was stressed by all participants. At the same time, there was a general agreement regarding the lack of knowledge on the impacts of social protection on businesses, as well as on the role of the private sector in the establishment of social protection systems that are generally the prerogative of the State. Therefore, it has been proposed that the GBN contributes to the development of knowledge on social protection and provide support for private sector engagement in defining, designing and implementing nationally defined social protection floors.

The Network serves the ILO Global Flagship Programme on Building Social Protection Floors for All by providing a platform for the private sector to contribute to the installation of SPFs, and make the right to social protection a reality for all.



<sup>&</sup>lt;sup>2</sup> The meeting agenda, presentations and additional information are available on the Network website at: http://business.social-protection.org

### 2. Presentation of the tentative work plan

#### 2.1. Process for the development of the GBN work plan

The ambition of the present document is to present a tentative work plan for the development of the Global Business Network for Social Protection Floors. This work plan covers a period of five years in order to be consistent with the ILO's Global Flagship Programme on Social Protection Floors strategy. The work plan is not restrictive, but proposes a global framework for the Network members to contribute to the development of knowledge and ultimately to make social protection floor a reality for all.

Areas of work and activities mentioned in the work plan were identified through discussions held during the launch event on 28 October 2015, a survey conducted after the launch event among members of the Network, and bilateral discussions with some enterprises.

Not all members of the Network will be involved in all activities. The Network gathers agents from the private sector that share the ILO's values and vision on social protection and are interested in making the right to social protection a reality for all. Each member of the GBN will be invited to decide individually to which activities they will contribute, as well as the amount of time and resources they will allocate. The work plan aims to provide a direction for GBN activities and suggest activities that could be undertaken by its members.



# 2.2. Survey results on preferences for GBN activities and countries for collaboration

During the launch event, a number of areas of work and countries were identified in which concrete collaboration could start. A short on-line questionnaire was prepared to prioritize them according to members' input. The questionnaire was first shared in mid-November and remained open until the end of December 2015. Nine answers from eight companies were collected.

The questionnaire raised two general questions:

- > What are the thematic areas in which the GBN members are interested?
- > What are the countries in which the Network's activities could be conducted?

#### √ Thematic areas

The GBN compiled a list of potential areas for investment during the launch event. From this list, priorities were identified by those answering the survey. They are hereafter presented by decreasing order of importance according to the survey results:

- 1. Identify questions and conduct studies to document the results and impacts of social protection, notably on business performance.
- 2. Develop a practical guide on how to develop and implement social protection programmes within companies.
- 3. Develop a guide for multinational enterprises and national employers' organizations with support from the IOE (peer-to-peer) to promote the establishment of social protection floors.

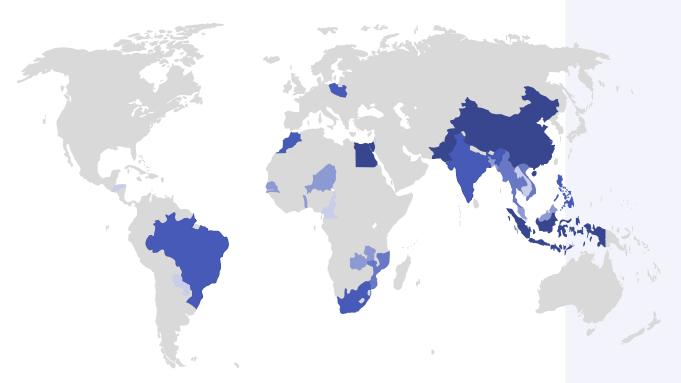
The full results are presented on the following page.

Possible areas of collaboration that were identified as a result of the launch event were:

- Company policies and programmes on social protection
- » Develop a practical guide on how to develop and implement social protection programmes within companies.
- Explore ways to document the costs and benefits of establishing social protection programmes within enterprises, as well as the costs of not having such programmes.
- » Agree on variables and develop an approach to better define global benchmarks for such programmes, based on the ILO's standards, and taking cultural, legal, and economic specificities of the different countries into account.
  - Company support for the development of public social protection schemes
- » Develop a policy statement on the business case for the development of sound public systems.
  - » Analyse and document the potential role of businesses to support the development of national social protection systems and work together with workers' and employers' representatives to establish and operate social protection schemes.
- » Develop a guide to encourage national employers' organizations to support governments in the establishment of social protection floors.
  - Measuring results and impacts
- » Identify questions and conduct studies to document the results and impacts of social protection, notably on business performance.
- » Identify key performance indicators and measures for social protection development.
  - Communication campaigns on SPFs at the global and country levels
- Develop a guide for multinational enterprises and national employers' organizations with support from the IOE (peer-to-peer) to promote the establishment of social protection floors.
- Support the ILO's communication campaign on social protection floors for all and contribute to the development and diffusion of communication materials on the right to social protection.
- 1 High interest
- 2 Moderately-high interest
- 3 Moderate interest
- 4 Minor interest

#### √ Countries for collaboration

The map below presents countries that were identified as potential candidates for cooperation.



The countries are listed by decreasing order of potential interest by members of the Network:

Egypt, Indonesia, China, Pakistan

Brazil, India, Morocco, South-Africa, Poland, the Philippines

Myanmar, Viet Nam, Mozambique, Thailand

Bangladesh, Malaysia, Niger, Senegal, Togo, Zambia

Cambodia, El Salvador, Cameroon, Honduras, Lao PDR, Occupied Palestinian Territory, Paraguay, Timor-Leste

#### 2.3. Tentative work plan

The proposed work plan is organized around four streamlined areas of work taking into consideration the priorities expressed by the members of the Global Business Network for Social Protection Floors:

- ➤ Strengthen the Global Business Network for Social Protection Floors: The first area of work aims to better define the Network's functions and develop its legitimacy as the leading entity working on the link between the private sector (and business communities) and the development of social protection.
- ➤ Document the results and impacts of social protection: This second area of work, identified as a priority by the Network, covers the development of knowledge. A twofold strategy is proposed to develop knowledge: (i) use the experiences of Network members that have previously developed social protection programmes for their employees, and (ii) identify at least one country where an impact evaluation protocol could be developed to build further empirical evidence.
- ➤ Develop a guide on social protection programmes within companies: Based on the experiences of GBN members in developing social protection programmes, the guide would aim to facilitate the design and implementation of such programmes within companies. The guide would include references to social dialogue within the enterprise and the complementarity between implementing these individual initiatives with the development of public schemes.
- ➤ Develop a guide for the private sector to promote the establishment of SPFs: In partnership with the IOE, the Network will develop a guide aimed at fostering the role of the private sector in the development of social protection floors. In order to be accurate, this guide should be based on a review of several country cases where concrete activities have resulted in better social protection for targeted populations.

Activities that are introduced hereafter are those that have been identified up to this point. It is recommended, however, that the Network remains flexible enough to take advantage of yet unidentified opportunities to provide support and develop new activities.

#### 2.3.1. Strengthen the Global Business Network for Social Protection Floors

The ambitions behind these streamlined areas of work are to achieve recognition of the GBN, make the GBN the point of reference for business participation in social protection activities (with a view to avoid duplicating efforts with other networks), and ensure sufficient visibility for the work that will be completed under the GBN's auspices.

Three complementary areas of work had been identified to achieve these outcomes:

- ➤ Output 1.1: The existence of the Network. This output mostly consists of strengthening the basis of the Network by developing a reference document on its functions and a common charter that would be agreed upon by current and future members. It also comprises the organization of the yearly global meeting and the constitution of sub-groups to work on given areas.
- ➤ Output 1.2: Include more members in the network. In order to be recognized, it is important that the network becomes wider and includes all the relevant business in the areas of work. For instance, if a statement is to be developed by members of the GBN on the importance of social protection for the textile industry, it would have greater impact if the statement comes as a joint position with the main players in the sector. In addition, the GBN is currently lacking representatives from developing countries where most activities are likely to take place.
- Output 1.3: Develop partnerships with other initiatives. In order for the GBN and its work to be recognized, it has to be better linked with other initiatives that bring businesses together on similar issues. In particular, there is a need to link the GBN with the Global Compact, Target 2030, the Business and Human Rights initiative, and any other initiatives submitted by members of the GBN.

- ➤ At least one global meeting is organized each year and attended by at least 15 representatives of businesses.
- The number of members of the GBN increases to at least 25 businesses.
- ➤ The GBN develops partnerships with at least three other initiatives that bring businesses together on similar issues.

#### 2.3.2. Document the results and impacts of social protection

This area of work aims to develop and share knowledge on the linkages between social protection and business performance.

Four complementary areas of work had been identified to achieve this outcome:

- ➤ Output 2.1: Define indicators to track the impact of social protection on businesses. In order to conduct evaluation and research, it is key for the Network to agree upon common indicators that will be used to (i) characterize social protection compliance of the enterprise in the country where it operates, and (ii) assess business performance. Once agreed upon, these indicators should be used for all research and experimentation related to this guestion.
- Output 2.2: Assess the impact of social protection programmes on Network members' operations using historical data. A first step in assessing the impact of social protection could consist of compiling and analysing historical data of GBN members that have developed social protection programmes for their employees or operate in countries in which public social protection schemes have been developed.
- ➤ Output 2.3: Developed and published statements. Based on the above internal research, it is proposed to develop statements for different sectors of activities based on the evidence of the impact of social protection on various businesses. Statements would be used as communications material to (i) demonstrate the commitment of global actors to support SDG target 1.3 and (ii) to promote the Network and its ongoing research.
- ➤ Output 2.4: Develop impact evaluation protocols to encourage countries to establish social protection floors. Ad hoc evaluation protocols could be developed by members of the Network, taking advantage of initiatives aiming to increase social protection coverage (for instance, the pilot implementation of health insurance in some garment factories in Bangladesh).

- > Statements are developed for the main industrial sectors and illustrated with testimonies from members of the GBN.
- > At least one research project is conducted and published under the leadership of the GBN.

#### 2.3.3. Develop a guide on social protection programmes within companies

The purpose of the third area of work is to organize and encourage companies to develop social protection schemes for their employees, thus benefitting from the experiences of the Network's members.

Three complementary areas of work had been identified to achieve this outcome:

- ➤ Output 3.1: Develop guide outline. Taking advantage of the experiences of several members of the GBN that have already developed social protection programmes for their employees, and in collaboration with those with less advanced policies that are currently facing this complex question, the guide's outline will be developed to propose a step-by-step approach for willing companies. Key success factors, guidelines, as well as references to international labour standards (including social dialogue) will bring insights and ensure the practicality of the guide.
- ➤ Output 3.2: Produce a draft version of the guide. Based on their respective experiences, chapters of the guide should be drafted by the different members of the GBN and discussed in sub-groups. The ILO will ensure the technical consistency of the guide and its compliance with international labour standards and values of the individual organizations.
- ➤ Output 3.3: Test the guide in at least one company. At least one multinational (to be identified) will receive support from the GBN members to develop a social protection programme for its employees. This support will allow the finalization of the guide by identifying any missing aspects.

- ➤ A draft version of the guide on how to develop social protection programmes within companies is developed.
- At least one multinational firm uses the guide and receives support from the GBN for the development of its social protection programme.

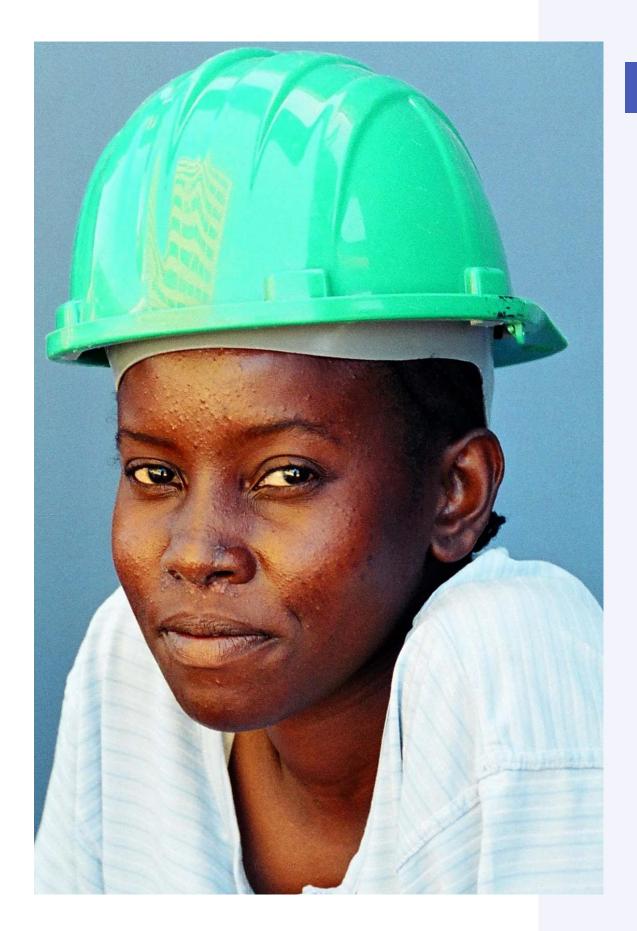
# 2.3.4. Develop a guide for the private sector to promote the establishment of SPFs

The purpose of the fourth area of work is to encourage the participation of multinationals and employers' organizations in the development of national social protection floors.

Four complementary areas of work have been identified to achieve this outcome:

- ➤ Output 4.1: Further document the role of business in developing and implementing SPFs. The GBN will gather evidence on the role that the private sector can play in the development of social protection and the implementation of social protection floors. Starting with the documentation of country cases, the gathered knowledge will allow the GBN to develop a joint vision of the role of the private sector in developing social protection floors.
- ➤ Output 4.2: Develop an outline of the guide. Based on the role that will be defined for the private sector, it is proposed that the GBN, in collaboration with the IOE, develop an outline for a guide that will empower the private sector to play its role in developing social protection floors for all.
- ➤ Output 4.3: Develop a draft version of the guide in partnership with the IOE. The GBN will develop a draft version of the guide in partnership with the IOE. In addition, extracts from the guide will be used to develop training materials. These training materials will be used by the GBN, the IOE, and the ILO to provide training to employers' organizations at the country level.
- ➤ Output 4.4: The GBN contributes to the implementation of SPFs in countries. It is proposed that members of the GBN join forces with national constituents in one country to support the implementation of social protection floors. Aligned with the role that will be identified for the private sector, this support could consist in providing human resources, technology, financial resources, and so on. For instance, the GBN could support the implementation of the self-employed social scheme in Morocco.

- ➤ Guidelines on the role of businesses in the development of social protection are produced based on at least three country cases.
- > A guide is developed to empower the private sector in the development of SPFs.
- > At least one country receives support from the GBN to develop SPFs.



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	Output 1.2: Include more members in the network		Sub-groups ar technically cor	ntribute to t	he GBN wor Interprises a	re mobilis work in p	ork in preparation of the 2 <sup>nd</sup> me		eeting
	Output 1.3: Develop partnerships with other initiatives		to Global compac						
Outcome 2: Document the results and impacts of social protection	Output 2.1: Define indicators to track the impact of social protection on businesses			● In	dicators are	agreed u	pon		
	Output 2.2: Assess the impact of SP on Network members' operations using historical data					• 4	A research prote	ocol is de	veloped Data are collected
	Output 2.3: Developed and published statements					Τ.		•	A template is developed
	Output 2.4: Develop impact evaluation protocols to encourage countries to establish social protection				entified for ho	is osting the	ne impact evalu developed and		
Outcome 3: Develop a guide on social protection programmes within companies	Output 3.1: Develop guide outline		Program	mes from r	members of t		rk are documer Outline of the		eveloped
	Output 3.2: Produce a draft version of the guide								
	Output 3.3: Test the guide in at least one company								
Outcome 4: Develop a guide for the private sector to promote the establishment of SPFs	Output 4.1: Further document the role of business in developing and implementing SPFs				Country n	otes are	produced		
	Output 4.2: Develop an outline of the guide						Outline of the	guide is d	developed
	Output 4.3: Develop a draft version of the guide in partnership with the IOE					Acti	vities of the GE	3N at the	country
	Output 4.4: The GBN contributes to the implementation of SPFs in countries				entified for ho n of the GBN		el are starting		

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	for the 3 <sup>rd</sup> mee									6th meeting of the GBN
										Of the ODIV
Develop partnerships										
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First results are avail	able									
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#### 2.4. Resources

Resources to conduct activities of the GBN will come from three sources:

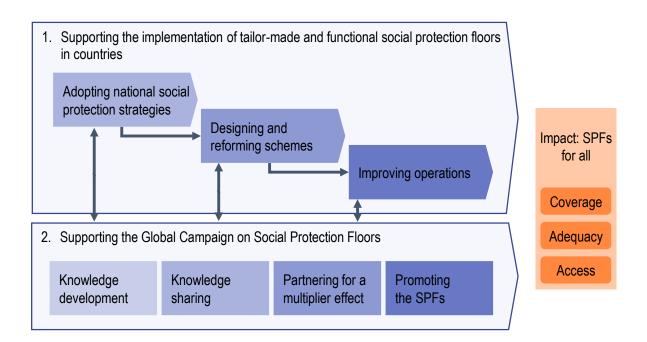
- ➤ The ILO is mobilizing its own resources (i.e. regular budget), notably in terms of human resources to support the functioning of the Network.
- ➤ Development cooperation funds will also be mobilized by the ILO in order to support activities of the GBN for instance, the development of country cases and the production of statements regarding the importance of social protection.
- Members of the network will be invited to mobilize their own resources (human and financial) to support activities that are of specific interest to them.

Once the work plan is approved by members of the GBN, they will be invited to position themselves in different activities and express how much they would like to invest on each activity (human and financial resources).

# ANNEX. INTRODUCTION TO THE GLOBAL FLAGSHIP PROGRAMME ON

The ILO's Global Programme on Building Social Protection Floors for All, launched in 2015, intends to make SPFs a national reality in selected countries and contribute to the development and dissemination of knowledge regarding the definition, design, implementation, and impacts of social protection floors.<sup>3</sup> This programme is essential to implement ILO's Recommendation No. 202 and will help the ILO to deliver on its post-2015 mandate.

Instead of pursuing piecemeal interventions in a large number of countries, the ILO will pursue ambitious projects with sufficient scale in fewer countries to bring about demonstrable change for millions of people who currently lack adequate social protection. The programme will support the implementation of tailor-made and functional SPFs by using a coherent, step-by-step, and adaptable approach. The Global Campaign on SPFs will promote the SPF concept and develop and share knowledge and good practices to further advance SPF implementation.



<sup>&</sup>lt;sup>3</sup> A detailed description of the ILO's Global Flagship Programme on Building Social Protection Floors for All is available at: http://www.social-protection.org/gimi/gess/ShowProject.action?id=3000

## **BUILDING SOCIAL PROTECTION FLOORS FOR ALL**

The ILO's Global Programme takes stock of the change in paradigm promoted through the adoption of the SDGs, emphasizing the importance for UN agencies to deliver "as One" and to better coordinate with their partners with a view to maximize the final impact on women and men. It is embodied in the Programme through the following features:

- ➤ More space is provided to ILO's partners in the management of the Programme through the installation of a technical advisory tripartite committee and a donor and partner group. Both groups support the management group in completing its duties.
- ➤ Activities in countries will be based on methodologies developed as One UN and delivered "as One" (such as the Assessment Based National Dialogue on Social Protection Floors), including through the pooling of resources and the development of joint projects.
- ➤ A Global Business Network for Social Protection Floors has been launched to provide the private sector with a platform to contribute to the Global Campaign and support the establishment of SPFs in countries. A similar initiative is currently under development to mobilize workers for the SPFs.

Measuring results and understanding the factors of success of technical support interventions is of the highest importance. Results-oriented monitoring and impact assessment protocols will be established as part of the ILO's Global Programme to keep track of institutional changes generated by the Programme and measure the ultimate impacts of interventions on final beneficiaries in terms of the expansion of coverage and the adequacy of social protection benefits.



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