

# ► Building the future of social protection for a human-centred world of work

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Report V

▶ **Building the future of social protection for a human-centred world of work**

*A recurrent discussion on the strategic objective of social protection (social security), under the follow-up to the ILO Declaration on Social Justice for a Fair Globalization, 2008*

**Fifth item on the agenda**

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## ► Abbreviations

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ABND	assessment-based national dialogue
ASEAN	Association of Southeast Asian Nations
BRICS	Association of five major emerging national economies: Brazil, the Russian Federation, India, China and South Africa
CEACR	Committee of Experts on the Application of Conventions and Recommendations
DG INTPA	European Commission Directorate-General for International Partnerships
DWCP	Decent Work Country Programme
Flagship Programme	Global Flagship Programme on Building Social Protection Floors for All
GDP	gross domestic product
GIZ	German Agency for International Cooperation
IFI	international financial institution
IMF	International Monetary Fund
ISPA	Inter-Agency Social Protection Assessment
ISSA	International Social Security Association
ITC-ILO	International Training Centre of the ILO
OECD	Organisation for Economic Co-operation and Development
SDG	Sustainable Development Goal
SME	small and medium-sized enterprise
SPF	social protection floor
SPIAC-B	Social Protection Inter-Agency Cooperation Board
SSA	Social Security Administration
SSI	ILO Social Security Inquiry
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDG	United Nations Development Group
UNICEF	United Nations Children's Fund

UNSDCF	United Nations Sustainable Development Cooperation Framework
UN SPF Initiative	United Nations Social Protection Floor Initiative
USP2030	Global Partnership for Universal Social Protection to Achieve the Sustainable Development Goals
WHO	World Health Organization



## ► Introduction and objectives

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### Introduction

1. In 2019, at its 108th Session, the International Labour Conference adopted the historic ILO Centenary Declaration for the Future of Work (Centenary Declaration), which renews and reinvigorates the founding mandate of the International Labour Organization (ILO) to shape a decent future of work for all. Like 100 years earlier, the Centenary Declaration recognizes that universal and lasting peace can be achieved only if it is based upon social justice, and that achieving social justice requires improved conditions of labour and workers' rights worldwide, including the right to social security. In the context of the transformative changes driven by globalization, technological innovations, demographic shifts, and public health and climatic crises, social protection remains an integral part of the ILO's mandate and a key contributor to decent work, social justice and sustainable development.
2. Despite significant progress in the extension of social protection in many parts of the world, as the COVID-19 pandemic has starkly revealed, the human right to social security is not yet a reality for the majority of the world's population. Only 45 per cent of the global population are effectively covered by at least one social protection benefit, while the remaining 55 per cent – as many as 4 billion people – are left unprotected.<sup>1</sup>
3. The case for social protection is compelling. It is both a right that belongs to all human beings and an investment with high social and economic returns. It powerfully contributes to reducing poverty, vulnerability and inequality, while enhancing political stability and social cohesion. It contributes to economic dynamism by enhancing productivity, strengthening people's capacities to benefit from a changing world of work and supporting aggregate demand, especially during economic downturns. Social protection delivers results: income security and access to healthcare make a real difference to people's lives. Consequently, its potential was recognized for achieving the Goals of the 2030 Agenda for Sustainable Development (2030 Agenda), and was powerfully reinforced by the COVID-19 pandemic.
4. The first recurrent discussion on social protection (social security) was held at the 100th Session of the International Labour Conference in June 2011. It led to the endorsement of the ILO's two-dimensional strategy for the extension of social security, designed to build and maintain universal, comprehensive, adequate and sustainable social security systems, paving the way for the quasi unanimous adoption of the Social Protection Floors Recommendation, 2012 (No. 202), at the 101st Session of the Conference in June 2012. Importantly, this Recommendation provides guidance to Member States for achieving universal social protection by building social protection floors (SPFs) within progressively comprehensive social security systems.
5. The conclusions adopted by the 105th Session (2016) of the Conference on the evaluation of the impact of the ILO Declaration on Social Justice for a Fair Globalization reconfirmed

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<sup>1</sup> ILO, *World Social Protection Report 2017–19: Universal Social Protection to Achieve the Sustainable Development Goals*, 2017.

the continuation of the recurrent discussions. At its 328th<sup>2</sup> and 331st<sup>3</sup> Sessions, the Governing Body decided on the next cycle of recurrent discussions, placing a recurrent discussion on social protection (social security) on the agenda of the 109th Session (2021) of the Conference.

6. The timing of this second recurrent discussion is fitting as it facilitates the refinement of an ILO strategy for the achievement of universal social protection in the context of the 2030 Agenda and efforts towards an inclusive recovery from the socio-economic devastation of COVID-19, in line with the priorities set out in the Centenary Declaration.
7. At its 331st Session, the Governing Body also decided on a revised framework for recurrent discussions. This report has been prepared by the Office in line with the guidance provided by a task force composed of representatives from headquarters and the field. Consultations on a draft outline of the report were held with governments and employers' and workers' groups in March and April 2019. With the 109th Session of the Conference deferred to 2021 due to COVID-19, the same groups were consulted on how to revise the report to reflect COVID-19 developments. Based on an outline of proposed COVID-related revisions discussed with the Bureaux of Workers' and Employers' Activities (ACTRAV and ACT/EMP) in November 2020, the report was revised and widely shared within the Office for comments.

## Objectives

8. In line with the guidance of the Governing Body,<sup>4</sup> the report seeks to inform ILO constituents by:
  - providing an overview of the present state of social security around the world;
  - identifying the diverse social security challenges and opportunities of Members and providing an overview of national responses;
  - providing an overview of the action that the ILO has taken to support constituents in their efforts to address the challenges and harness the opportunities in social security that have arisen since the last recurrent discussion in 2011;
  - providing suggestions for the direction of future ILO action with a view to informing programme, budget and other governance decisions.
9. This report considers the findings of the General Survey concerning the Social Protection Floors Recommendation, 2012 (No. 202) (henceforth 2019 General Survey), discussed by the Committee on the Application of Standards at the 108th Session (2019) of the Conference,<sup>5</sup> as well as of the independent evaluation of the ILO's strategy and actions for creating and extending SPFs for the period 2012–17, discussed by the Governing Body in November 2017,<sup>6</sup> and a 2019 synthesis review of ILO social protection (social security) interventions.<sup>7</sup>

<sup>2</sup> GB.328/INS/5/2 and decision.

<sup>3</sup> GB.331/INS/3.

<sup>4</sup> GB.331/INS/3, paras 1 and 6.

<sup>5</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development: General Survey concerning the Social Protection Floors Recommendation, 2012 (No. 202)*, ILC.108/III/B, 2019.

<sup>6</sup> GB.331/PFA/9.

<sup>7</sup> ILO, *Social Protection (Social Security) Interventions: What Works and Why? Lessons Learned from a Synthesis Review, 2012–2018*, prepared by the ILO's Evaluation Office, 2020.

## Structure

10. The report is structured in five chapters that include a summary of lessons learned from evaluation reports or experience garnered from technical advisory services provided by the Office. *Chapter 1* recalls the ILO's pivotal role in grounding the human right to social security and supporting the development of rights-based social protection systems, including floors, and discusses the change of paradigm to consider social protection not as a cost but as a precondition for human dignity, social justice and sustainable development. *Chapter 2* describes the progressive development of social protection systems in recent years with a particular focus on global and regional trends. *Chapter 3* assesses trends in policy responses and action taken by Member States to overcome challenges in the extension of social security and the building of national social protection systems, and in implementing the guidance provided in Recommendation No. 202. *Chapter 4* presents the action taken by the Office, including through its Flagship Programme, to respond to the diverse realities and needs of tripartite constituents in respect of achieving universal social protection for all. *Chapter 5* highlights key observations and lessons that emerge from the analyses of the previous chapters and the outcome of the Centenary Session (2019) of the Conference, as a basis for identifying proposals for future Office priorities to help Member States build strong social protection systems, including floors, adapt them in the context of the future of work, and be better prepared for future shocks and crises.

### ► Box 1. The concepts of “social security” and “social protection”

The concepts of “social security” and “social protection” are used interchangeably in the report and cover all measures providing benefits through contributory or non-contributory mechanisms (or a mix thereof), whether in cash or in kind, to realize the human right to social security and to secure protection, inter alia, from:

- lack of work-related income (or insufficient income) resulting from sickness, disability, maternity, employment injury, unemployment, old age, or death of a family member;
- lack of access, or unaffordable access, to healthcare;
- insufficient family support, particularly for children and adult dependants;
- general poverty and social exclusion.

National legislation and practice lack a harmonized understanding of the two concepts. Sometimes, but not always, “social security” designates social insurance mechanisms, whereas “social protection” is at times understood to be broader in character (integrating additional social services and measures) and at others considered in a narrower sense (referring only to measures addressed to the poorest, most vulnerable members of society).

## ► Chapter 1

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### Universal social protection for human dignity, social justice and sustainable development

**11.** This chapter provides an overview of the development of the international legal and policy architecture supporting the human right to social security. It reviews the strong mandate given to the ILO over its 100 years of existence to extend social security to all through a rights-based approach while considering the circumstances which have hampered the progress of social security and junctures that have catalysed positive action. It discusses the recent change of paradigm that binds social protection to human dignity, social justice and sustainable development and has resulted in the prioritization of social protection by many countries and a proliferation of actors in this area, both nationally and internationally. It concludes with the need for increased policy coherence and coordination to guide the sustainable development of social protection, including by duly taking into account internationally agreed standards and principles.

#### 1.1. Recognizing social security as a human right and broadening the ILO's mandate to extend social security to all

- 12.** In 2018, the Universal Declaration of Human Rights celebrated its 70th anniversary. Its Articles 22 and 25 boldly state that everyone, as a member of society, has the right to social security as well as to a standard of living adequate for their health and well-being. The International Covenant on Economic, Social and Cultural Rights, 1966, ratified by 170 countries, establishes a legal obligation, virtually worldwide, to progressively implement the right to social security to the maximum extent of available resources (Articles 2 and 9).
- 13.** Since 1919, based on its constitutional mandate, the ILO has developed standards focused on providing protection to the world of work, including in the case of maternity, sickness, disease and injury arising out of employment, and the provision of old-age benefits. The Declaration of Philadelphia (1944), building on the premise that “poverty anywhere constitutes a danger to prosperity everywhere”, called on the ILO to achieve “the extension of social security measures to provide a basic income to all in need of such protection and comprehensive medical care” (III(f)). The Declaration emphasized that all policies should ensure the basic human rights to freedom, economic security and prosperity for all, calling on the ILO to consider “all international economic and financial policies and measures in the light of this fundamental objective”.
- 14.** Based on this extended mandate and a shared willingness to learn the lessons from past crises, a comprehensive international legal architecture was developed to substantiate and give effect to the human right to social security through a rights-based approach. Over its 100 years of existence, ILO constituents have adopted 31 social security Conventions and 24 Recommendations – more than one sixth of the entire body of international labour

standards; consequently, social security is considered “one of the major areas of the standard-setting and supervisory activities of the ILO”.<sup>8</sup>

15. The comprehensive internationally agreed normative framework developed by the ILO’s tripartite constituents is unique and underpins the ILO’s activities, both at the policy and legal levels, establishes clear benchmarks and principles, and charts the way towards the progressive realization of the human right to social security. Its keystone Social Security (Minimum Standards) Convention, 1952 (No. 102), carries forth the universal mandate of the Declaration of Philadelphia. It remains the only international treaty with a systemic approach to social security, giving the State the general responsibility to establish and maintain a system securing the protection of its population against a series of contingencies faced throughout people’s lives, including when these result from systemic shocks, by reference to core principles and minimum qualitative and quantitative benchmarks, and through a combination of contributory and non-contributory mechanisms. These contingencies comprise the need for medical care and income security in the event of sickness, unemployment, old age, employment injury, maternity, disability and survivorship, and for families with children. In particular, Convention No. 102 establishes the main principles associated with the administration and financing of the related institutions, complemented by more advanced standards that set higher levels of protection with respect to these contingencies (except family benefits),<sup>9</sup> as well as standards addressing the situation of migrant workers.<sup>10</sup>
16. Numerous countries have committed to the right to social security by ratifying human rights treaties and ILO instruments. Yet, even in the absence of ratification, these standards continue to guide the development of national social protection policy and legal frameworks, as well as international commitments to expand social security, notably the United Nations (UN) Sustainable Development Goals (SDGs).

## 1.2. A convergence of circumstances hampering the spread of social security

17. Despite these major legal developments, the majority of the world’s population still remains excluded from any form of social security. Several challenges have prevented the implementation of the human right to social security. The persistence of informal employment, with more than 60 per cent of the employed population making their living in the informal economy, results in significant protection gaps, mostly in developing countries.<sup>11</sup> Challenging labour market transformations, structural unemployment and fragmented labour markets, not only in high-income countries, have entailed the growth of flexible, temporary, atypical forms of employment, and have incentivized self-employment and greater recourse to complex subcontracting and civil or service contracts, often lacking adequate social protection and among the hardest hit by financial, economic or sanitary

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<sup>8</sup> ILO, *Social Security and the Rule of Law: General Survey concerning Social Security Instruments in Light of the 2008 Declaration on Social Justice for a Fair Globalization*, ILC.100/III/1B (2011), para. 22.

<sup>9</sup> Employment Injury Benefits Convention, 1964 [Schedule I amended in 1980] (No. 121); Invalidity, Old-Age and Survivors’ Benefits Convention, 1967 (No. 128); Medical Care and Sickness Benefits Convention, 1969 (No. 130); Employment Promotion and Protection against Unemployment Convention, 1988 (No. 168); and Maternity Protection Convention, 2000 (No. 183); and related Recommendations.

<sup>10</sup> Equality of Treatment (Social Security) Convention, 1962 (No. 118); and Maintenance of Social Security Rights Convention, 1982 (No. 157), and related Recommendation.

<sup>11</sup> ILO, *Women and Men in the Informal Economy: A Statistical Picture*, third edition, 2018.

crises.<sup>12</sup> Since the recession of the mid-1970s, recovery has often been sought through economic and structural adjustment policies based on deregulation, privatization, labour market flexibility, social security reforms and a reduction in labour costs and social spending.<sup>13</sup> However, in many cases, this has resulted in a noticeable retreat of the welfare state and shifting of responsibility from the State to the private sector and financial markets, thereby shifting greater risks to individuals.<sup>14</sup> International labour standards have been depicted as potentially obstructing economic growth and competitiveness, though this has been empirically disproved.<sup>15</sup>

18. While globalization undoubtedly contributed to lifting many people out of poverty, it has also been accompanied by increased inequality and socio-economic insecurity, and uneven distribution of the benefits of economic growth in many parts of the world, leaving millions of people without protection when the COVID-19 pandemic hit.<sup>16</sup> This phenomenon has had an important impact on social protection for at least two reasons: (1) social insurance is largely financed by contributions based on the labour income share, which has been steadily declining since the 1980s; (2) social protection systems have often been unduly considered only as a cost and a by-product of economic growth rather than an investment in people and a prerequisite for sustainable economic and social development.

## 1.3. A renewed international commitment to social protection

### 1.3.1. Rediscovering the benefits of social protection as a precondition for sustainable inclusive growth

19. In the aftermath of the 1997 Asian economic and financial crisis, it became clear that social protection was a precondition for achieving sustainable inclusive growth and addressing the social consequences of globalization. Against the backdrop of increasing levels of poverty, inequality and social exclusion in many countries, due largely to persistent and even increasing levels of unemployment, underemployment, informality, flexibilization and deregulation of labour markets, country experiences evidenced the effectiveness of social transfers and effective access to healthcare as a form of redress.<sup>17</sup>
20. As of 1999, the extension of social protection to all was recognized as one of the four components of decent work and crucial to address the social dimension of globalization in a context of increasing deregulation and informality.<sup>18</sup>
21. Nearly a decade later, amidst the turmoil of the 2008 global economic and financial crisis, the ILO Declaration on Social Justice for a Fair Globalization stressed that all Members of

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<sup>12</sup> ILO, *Non-standard Employment around the World: Understanding Challenges, Shaping Prospects*, 2016.

<sup>13</sup> ILO, *Defending Values, Promoting Change: Social Justice in a Global Economy: An ILO Agenda*, Report of the Director-General (Part I), International Labour Conference, 81st Session, Geneva, 1994, 71; Gerry Rodgers et al., *The International Labour Organization and the Quest for Social Justice, 1919–2009* (ILO, 2009), 33.

<sup>14</sup> ILO, *Defending Values, Promoting Change*, 10; ILO, *Social Security and the Rule of Law*, paras 119–123; Francis Maupain, *The Future of the International Labour Organization in the Global Economy* (Oxford: Hart Publishing, 2013).

<sup>15</sup> OECD, *Trade, Employment and Labour Standards: A Study of Core Workers' Rights and International Trade*, 1996; ILO, *Defending Values, Promoting Change*, 69–75.

<sup>16</sup> ILO, *Social protection floor for a fair and inclusive globalization*, Report of the Social Protection Floor Advisory Group chaired by Michelle Bachelet, Geneva, 2011, 1–4.

<sup>17</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, para. 19.

<sup>18</sup> ILO, *A Fair Globalization: Creating Opportunities for All*, World Commission on the Social Dimension of Globalization, 2004.

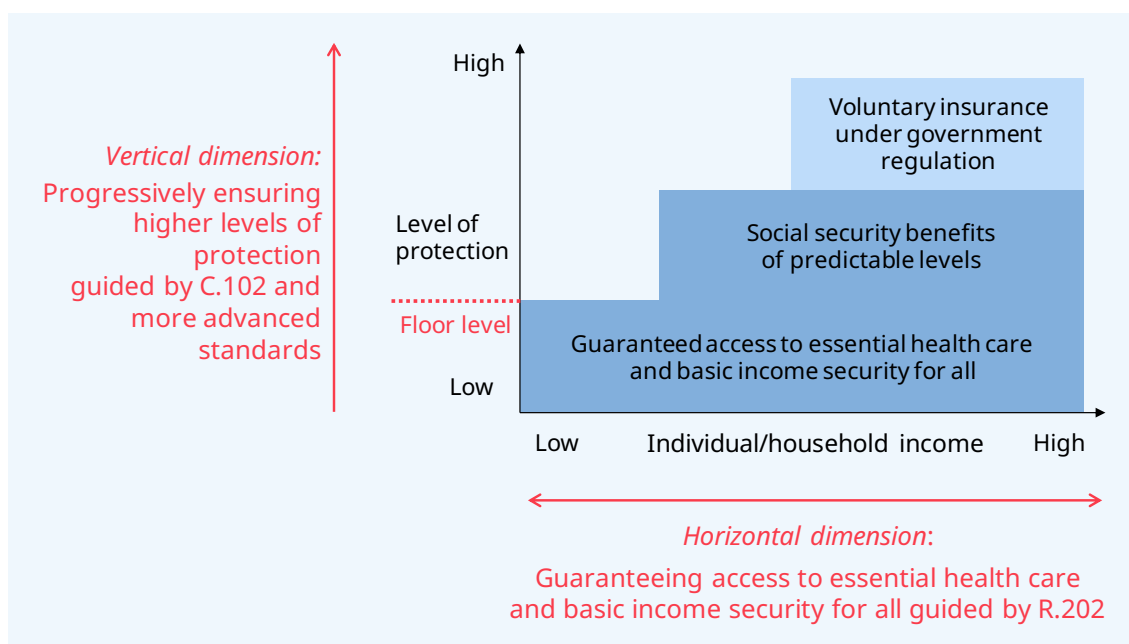
the Organization have a key responsibility to contribute to the realization of the decent work objectives. This includes implementing the objective of social protection through “the extension of social security to all, including measures to provide basic income to all in need of such protection, and adapting its scope and coverage to meet the new needs and uncertainties generated by the rapidity of technological, societal, demographic and economic changes”.

22. In the aftermath of the crisis, the 2009 Global Jobs Pact called upon countries to build “adequate social protection for all, drawing on a basic social protection floor” and urged “the international community to provide development assistance, including budgetary support, to build up a basic social protection floor on a national basis”. The UN System Chief Executives Board for Coordination entrusted the ILO and the World Health Organization (WHO) to lead the UN Social Protection Floor Initiative (UN SPF Initiative), launched in April 2009, as one of several joint initiatives to combat and accelerate recovery.

### **1.3.2. Paving the way towards universal social protection by using standard-setting as the ILO’s main comparative advantage**

23. The realization that the necessary rights-based development of social protection could not be achieved through one-off crisis response measures but required sustained action and commitment to build sustainable, comprehensive and progressively universal systems paved the way towards the adoption of Recommendation No. 202 in 2012. The ILO resumed its standard-setting activities in social protection through this new landmark instrument listing the principles that guide the formulation of social protection policies and strategies aimed at securing: (i) universal coverage in terms of persons protected; (ii) comprehensive protection in terms of risks covered; and (iii) adequate levels of protection.
24. Crucially, the Recommendation affirmed that all countries should give priority to establishing national SPFs as a fundamental element of their social security systems through a two-dimensional strategy to guarantee at least basic levels of income security and access to essential healthcare for all (known as the horizontal dimension) and to incrementally secure higher levels of protection, guided by Convention No. 102 and the more advanced standards, for as many persons as possible and as soon as possible (known as the vertical dimension) (figure 1.1).

► **Figure 1.1. Effective national social security extension strategies: Building comprehensive systems (normative basis: Recommendation No. 202)**



25. Recommendation No. 202 crystallizes the twenty-first century blueprint for developing normative and policy frameworks aimed at building and maintaining universal and sustainable social protection systems, beyond merely ad hoc, one-off or fragmented approaches. The visionary nature of the Recommendation was promptly recognized by the international community in the 2030 Agenda, which urges countries to “implement nationally appropriate social protection systems and measures for all, including floors” (SDG target 1.3) and to “achieve universal health coverage” (SDG target 3.8).<sup>19</sup>
26. The adoption of Recommendation No. 202 has also reinforced the recognition of the ILO’s mandate in the field of social protection. Responding to the growing involvement of multiple international actors in this field, including UN bodies, international financial institutions (IFIs) and other international organizations, various initiatives have aimed at streamlining policy guidance and development cooperation in the area of social protection so as to improve policy coherence, ensure coordination and avoid duplication. The Social Protection Inter-Agency Cooperation Board (SPIAC-B), created in 2012, and the Global Partnership for Universal Social Protection to Achieve the Sustainable Development Goals (USP2030), created in 2016, both co-chaired by the ILO and the World Bank, have contributed to greater policy coherence in the field of social protection. Yet more remains to be done to streamline the policy frameworks of the UN system and the IFIs with internationally agreed principles and values in line with the resolution on advancing social justice through decent work (2016).<sup>20</sup> The momentum for extending social protection, including in the context of the COVID-19 pandemic, calls for greater coherence in the policy advice and development cooperation actions of the various international actors involved to realize universal social protection based on internationally agreed principles and values.

<sup>19</sup> UN General Assembly, resolution 67/81, *Global Health and Foreign Policy*, A/RES/67/81 (2012), para. 3, underlines “the importance of universal coverage in national health systems, especially through primary health-care and social protection mechanisms, including nationally determined social protection floors”.

<sup>20</sup> More information is provided in Ch. 4.



## 1.4. Social protection as a prerequisite for sustainable development – The 2030 Agenda for Sustainable Development

27. Recognizing that social protection is a social, economic and political necessity, the international community gave it a prominent place in the 2030 Agenda, with 5 of the 17 Goals expressly acknowledging the role of social protection to respond to global challenges and achieve a better and more sustainable future for all, leaving no one behind (figure 1.2).

► **Figure 1.2. Social protection in the 2030 Agenda: Relevant goals and targets**



28. In particular, social protection is given a key role in eradicating poverty through social protection systems for all (SDG target 1.3). Furthermore, the UN system gives global recognition to the ILO's mandate in social protection, by giving the ILO the official custodianship of the compilation of data and reporting on progress made towards the achievement of SDG target 1.3 through associated indicator 1.3.1. In addition, target 1.a calls for the significant mobilization of resources from a variety of sources to end poverty and specifically considers government spending on health, education and social protection (indicator 1.a.2). SPFs also contribute to SDG target 3.8 on universal health coverage since they guarantee access to essential healthcare (indicator 3.8.1) without hardship (indicator 3.8.2). The 2030 Agenda also highlights the role of social protection as a means to attain sustainable economic and social impacts on a global scale, gender equality (SDG 5), decent work and economic growth (SDG 8), a reduction of inequality (SDG 10), and the promotion of peaceful and inclusive societies for sustainable development and effective, accountable and inclusive institutions at all levels (SDG 16). The achievement of these objectives has been seriously challenged by the COVID-19 pandemic, which in many cases has revealed new, or further exacerbated existing, vulnerabilities and inequalities, thus requiring a renewed and strong post-crisis commitment in the run-up to 2030.

## 1.5. The ILO Centenary Declaration for the Future of Work – Recognizing universal, comprehensive and adequate social protection systems as a key component for building a sustainable future

29. Marking the ILO's first century, the Centenary Declaration emphasizes the pivotal role of social protection for a human-centred approach to growth and development. Population ageing, globalization, labour migration, digitalization and climate change pose challenges to the adequacy and financial and economic sustainability and extension of existing social protection systems. The Declaration thus calls upon all Members to strengthen the capacities of all people to benefit from the opportunities of a changing world of work through, inter alia, "universal access to comprehensive and sustainable social protection" (Part III(A)(iii)), so as to better support and protect workers and employers during their life and work transitions. Importantly, the COVID-19 pandemic and its ravaging effects have made the Declaration's call on the ILO to direct its efforts to "developing and enhancing social protection systems, which are adequate, sustainable and adapted to developments in the world of work" (Part II(A)(xv)) resonate even more.
30. In September 2019, a UN General Assembly resolution<sup>21</sup> welcomed the ILO Centenary Declaration and called on UN bodies to consider integrating its policy proposals into their work, including through the UN Sustainable Development Cooperation Framework (UNSDCF).<sup>22</sup>

## 1.6. Seizing the opportunity to bend the curve and meet the 2030 Agenda

31. The consensus around the pressing need to effectively guarantee universal social protection has never been so patent than in the last decade, and has been reinforced in the wake of the crucial role played by social protection to cope with the consequences of the COVID-19 pandemic. This unprecedented alignment of circumstances has the potential to promote an integrated approach to sustainable development and bring together all nations and development actors around a common paradigm that recognizes both the value and urgency of investing in social protection and guaranteeing human rights, dignity and social justice, as well as sustainable and inclusive growth. The latest available data shows that, even before the outbreak of the COVID-19 pandemic, the world was lagging behind on meeting the SDGs: despite some progress, 736 million people were still living in extreme poverty, especially in rural areas; 820 million people were living with hunger; and inequality was rising in many parts of the world. Action undertaken so far has clearly not proved sufficient to realize the universal right to social security, not least through the allocation of the necessary financial resources. In many respects, the COVID-19 crisis triggered a considerable regression in achieving the 2030 objectives, which will require even greater commitment and collaboration on social protection at country level between ministries and institutions responsible for social protection, including ministries of economy and finance,

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<sup>21</sup> UN General Assembly, resolution 73/342, *International Labour Organization Centenary Declaration for the Future of Work*, A/RES/73/342 (2019).

<sup>22</sup> In addition, the UN General Assembly confirmed the importance of social protection for achieving universal health coverage in all UN Member States. UN General Assembly, resolution 74/2, *Political Declaration of the High-level Meeting on Universal Health Coverage*, A/RES/74/2 (2019).

sectoral ministries, and workers' and employers' organizations. Similarly, the ILO and other development partners, including IFIs, have a shared responsibility to improve their collaboration and act as one, while duly recognizing each partner's mandate, uniqueness and value added. This will be the determining factor in avoiding austerity, building back better and turning words and good intentions into reality for all.

## ▶ Chapter 2

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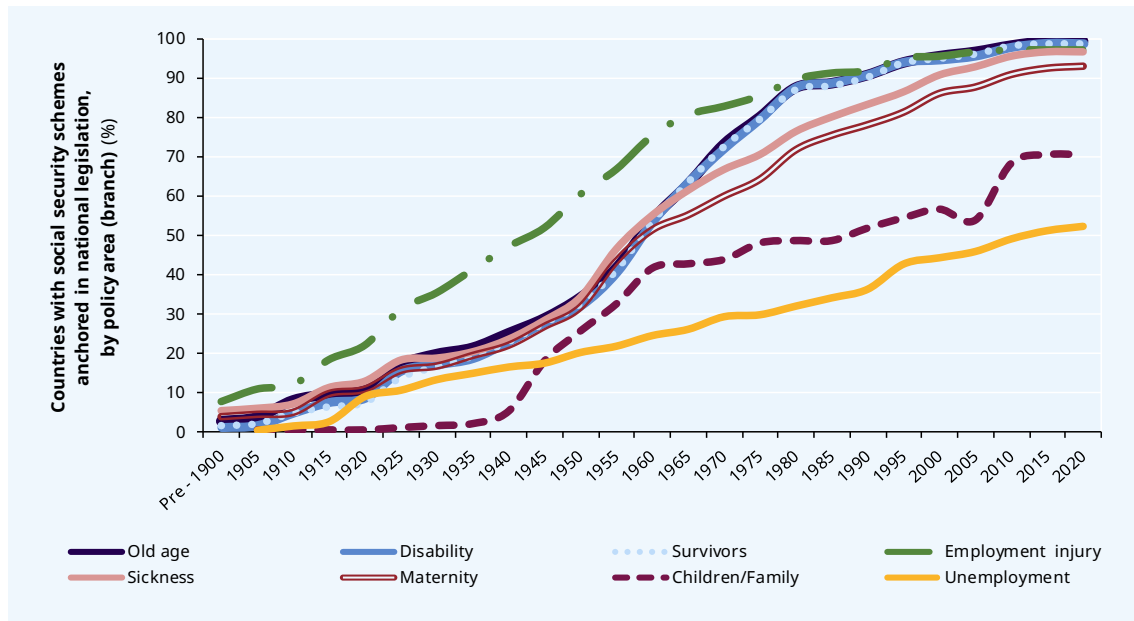
### There has been laudable progress, yet significant gaps remain

- 32.** This chapter provides an overview of the current state of social protection systems around the globe, their coverage, comprehensiveness, level of benefits and expenditures, following a life-cycle approach. It highlights progress in recent decades in expanding social protection, including SDG target 1.3, as well as the gaps that remain to be closed, based on the information from the ILO World Social Protection Database and the International Social Security Association (ISSA), and on developments in social protection legislation.

#### 2.1. Progress in building social protection systems

- 33.** In the past 100 years, the development of social protection systems has been remarkable. Most countries currently have social protection schemes in place that are anchored in national legislation, covering all or most policy areas of social protection, although in some cases these cover only a minority of their populations. However, despite this laudable progress in legal coverage, large implementation gaps remain, especially in Asia and Africa.
- 34.** Countries tend to build their systems sequentially, depending on their national circumstances and priorities. Historically, countries have first addressed the area of employment injury, then introduced old-age pensions and disability and survivors' benefits, followed by sickness, health and maternity protection. Benefits for children and families, and unemployment benefits, typically come last (figure 2.1).
- 35.** The development of national legal frameworks and the extension of legal coverage is essential for a rights-based approach. However, the extension of legal coverage does not always in itself ensure the effective coverage of the population by adequate benefits. The extension of effective coverage, as we see in section 2.2, has significantly lagged behind due to problems in implementation and enforcement, a lack of policy coordination, insufficient financing and weak institutional capacities for the effective delivery of benefits and services.

► **Figure 2.1. Development of social protection programmes anchored in national legislation by policy area, pre-1900 to 2020 (percentage of countries)**



Note: Based on the information available for 186 countries. The policy areas taken into consideration are those in Convention No. 102, excluding healthcare. The estimates include all programmes prescribed by law, including employers' liability schemes.

Source: Estimates based on ISSA/Social Security Administration (SSA), [Social Security Programs Throughout the World](#).

36. ILO social security standards continue to be an important source of guidance for countries in building their social security systems, extending legal coverage and realizing effective coverage, as demonstrated by an increased number of ratifications of Convention No. 102 and other Conventions since 2011 (see box 2.1) and the application of Conventions and Recommendations at country level.

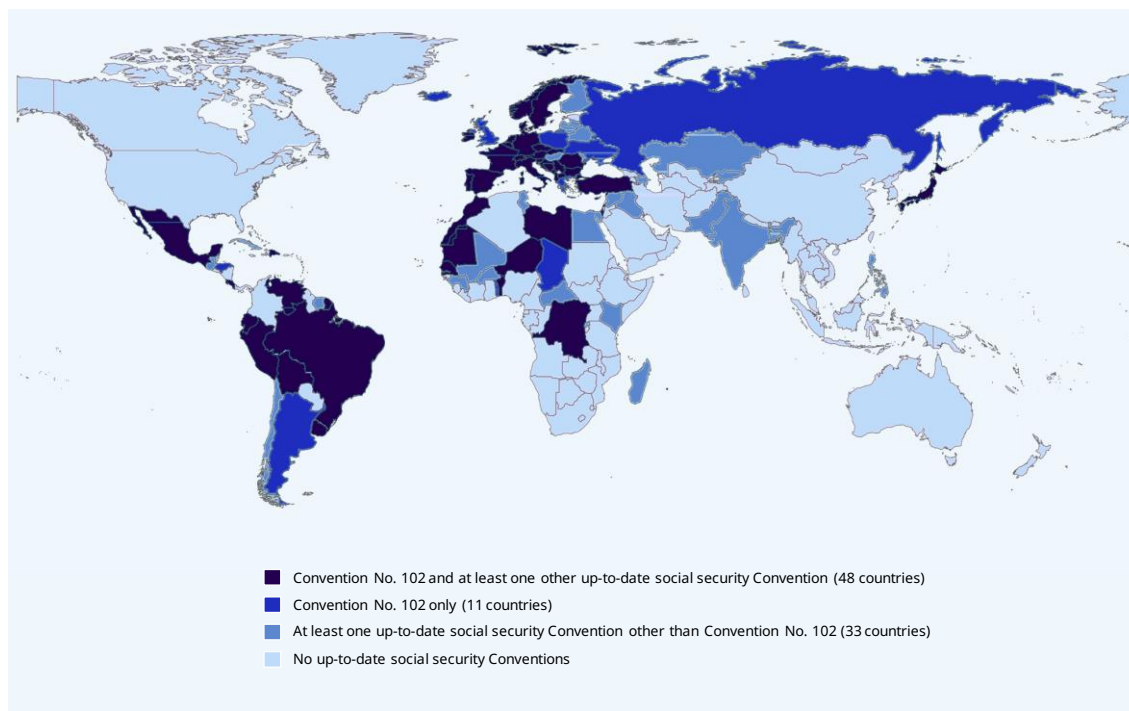
► **Box 2.1. Ratification and application of ILO social security standards**

The ratification and application of Convention No. 102 and other up-to-date social security Conventions (figure 2.2) remain a key priority for ILO Member States, as highlighted by the conclusions adopted by the 100th Session (2011) of the Conference concerning the recurrent discussion on social protection (social security) (para. 29) and most recently by the Centenary Declaration. Since 2011, 12 Member States (Argentina, Benin, Cabo Verde, Chad, Dominican Republic, Honduras, Jordan, Morocco, Russian Federation, Saint Vincent and the Grenadines, Togo and Ukraine) have ratified Convention No. 102, bringing the total number of ratifications to 59. In addition, 18 Member States have ratified other social security Conventions or the related Maternity Protection Convention, 2000 (No. 183), since 2011, including Belgium, Burkina Faso, Kazakhstan, Mali, Mauritius, Niger, North Macedonia, Norway, Senegal, and Sao Tome and Principe.

These new ratifications demonstrate a strong commitment by Member States to ILO standards and their application, including through the related supervisory mechanisms. ILO social security standards provide a widely accepted international guiding framework for national social security schemes, which serves as an important reference even for countries that have not (yet) ratified the relevant Conventions, as well as for the United Nations and other international or regional organizations.

Source: [NORMLEX Information System on International Labour Standards](#).

► **Figure 2.2. Ratification of Convention No. 102 and other up-to-date social security Conventions**



Source: NORMLEX Information System on International Labour Standards.

## 2.2. Trends in effective social protection coverage

### 2.2.1. Global and regional developments

- 37.** Countries in many parts of the world have made significant progress in the extension of social protection coverage. Nevertheless, the human right to social security is not yet a reality for a majority of the world's population. Only 31 per cent of the global population have access to comprehensive social security systems in all areas, from child benefits to old-age pensions, while the rest are covered only partially or not at all. Only 47 per cent of the global population are effectively covered by at least one social protection cash benefit, while the remaining 53 per cent – as many as 4 billion people – are left unprotected (SDG indicator 1.3.1) (see figure 2.4).<sup>23</sup>
- 38.** Substantial improvements have been made in the coverage of older persons: 78 per cent of people above retirement age receive a pension, thanks to the expansion of both non-contributory and contributory pensions. However, only 19 per cent of the unemployed receive unemployment cash benefits, only 34 per cent of persons with severe disabilities receive disability cash benefits, only 35 per cent of the employed are covered by work injury benefits, only 26 per cent of children worldwide enjoy effective access to social protection, and only 45 per cent of women giving birth receive maternity cash benefits. Furthermore, coverage by social assistance cash benefits is as low as 29 per cent of vulnerable persons, comprising children, people of working age and older persons not otherwise protected by contributory schemes.

<sup>23</sup> Unless otherwise specified, estimates in this chapter are taken from ILO, *World Social Protection Report 2017–19*.

39. The COVID-19 crisis has demonstrated the importance of social protection systems to protect people's health, jobs and incomes. However, it has also revealed the consequences of high coverage gaps in many countries, exposing the vulnerability of the population coping with the devastating health and employment impacts of the crisis. In response, almost all countries introduced social protection measures to respond to the crisis (see box 2.2).

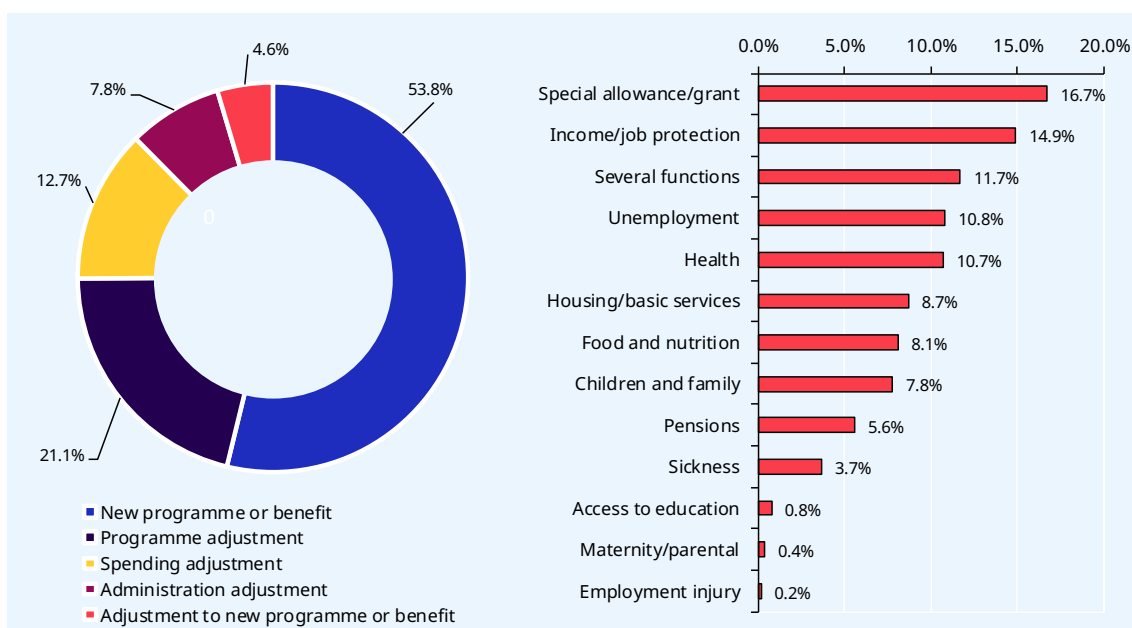
► **Box 2.2. Social protection responses to the COVID-19 crisis**

Between 1 February and 30 November 2020, governments of 209 countries and territories announced at least 1,596 social protection measures (mostly short-term) in response to the COVID-19 crisis. Most measures entail the introduction of new programmes or benefits (53.8 per cent), followed by adjustments of existing programmes (41.6 per cent), as detailed in figure 2.3. By the second semester of 2020, new programmes or benefits were also being amended (4.6 per cent).

Around 16.7 per cent of the responses can be classified as special allowances, followed by measures aiming at income/job protection (14.9 per cent), several functions at once (11.7 per cent), unemployment protection (10.8 per cent), and others detailed in the figure. Overall, 75.8 per cent of all the measures are of a non-contributory nature, especially in the case of new programmes and benefits (90.8 per cent). It is worth noting that while 81.7 per cent of countries in Europe and Central Asia were able to rely on contributory measures for their responses to COVID-19, this was in contrast to 57.8 per cent globally and only 32.7 per cent in Africa.

Source: NORMLEX Information System on International Labour Standards.

► **Figure 2.3. Distribution of announced measures, by type (left) and function (right)**



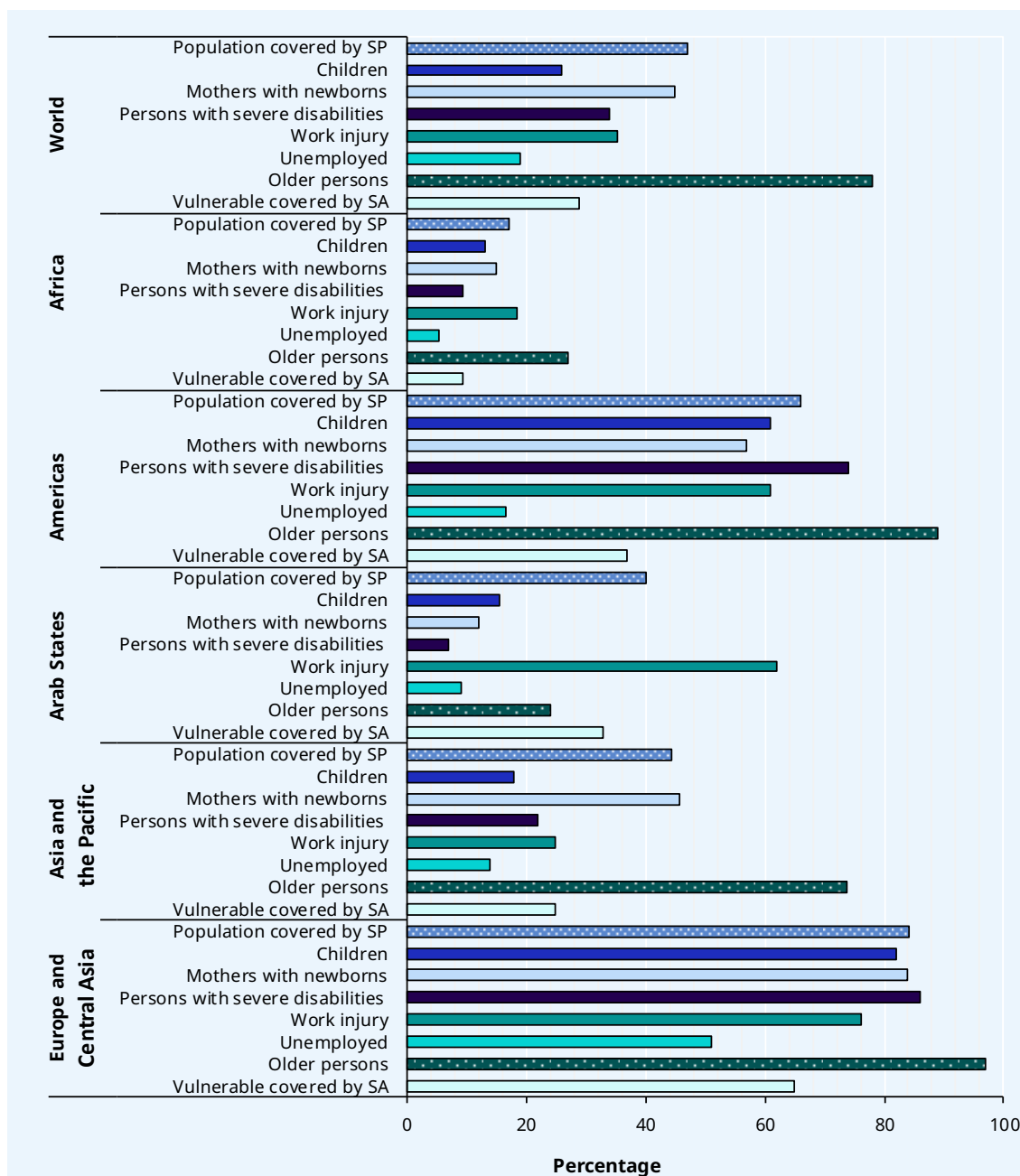
Source: ILO, "Social Protection Responses to the COVID-19 Crisis Around the World", *Social Protection Monitor*, 2020.

40. In Africa, despite significant progress in the extension of social protection coverage, only 17 per cent of the population receive at least one social protection cash benefit, with significant variation across countries. Owing to greater efforts to extend old-age protection, 27 per cent of Africa's older population now receive a pension. Countries such as Botswana, Cabo Verde, Lesotho, Mauritius and Namibia have reached, or approached, universal pension coverage. However, significant coverage gaps remain across the region with respect to children, women with newborns, unemployed workers, persons with disabilities and vulnerable populations.

- 41.** In the Americas, 66 per cent of the population are effectively covered by at least one social protection cash benefit, largely as a result of major efforts to extend social protection systems over recent decades. More than half of children, pregnant women and mothers of newborns, as well as of older persons, are covered by social protection cash benefits, yet larger gaps exist for unemployment benefits. Some countries have successfully achieved universal coverage of children (Argentina, Brazil, Chile), mothers with newborns (Canada, Uruguay), persons with disabilities (Brazil, Chile, United States of America, Uruguay) and older persons (Argentina, Plurinational State of Bolivia, Canada, Trinidad and Tobago, United States of America).
- 42.** In the Arab States, around 40 per cent of the population are covered by at least one social protection cash benefit. Coverage for old-age pensions, even though well developed as compared to other social protection areas, is limited, estimated at 24 per cent, and is expected to persist due to the low share (39 per cent) of active contributors to pension systems in the total labour force. Undertakings with positive impacts include the establishment of unemployment insurance schemes in Bahrain, Kuwait and Saudi Arabia, and enhanced coverage for maternity protection in Iraq and Jordan. Numerous social assistance programmes in the region cover more than 32 per cent of the vulnerable population; however, it is essential to extend coverage, including to non-nationals.
- 43.** In the Asia and the Pacific region, 44.1 per cent of the population are effectively covered by at least one social protection cash benefit, although significant progress has been made in strengthening social protection systems and building SPFs. The coverage varies across the subregions, with only 22.8 per cent coverage in Southern Asia and 72.3 per cent in East Asia. Large coverage gaps remain in the areas of child and family benefits, maternity protection, unemployment protection and disability benefits. It is, however, worth noting that some countries have achieved universal coverage of children (Australia, Mongolia), others have extended maternity protection coverage (Bangladesh, India, Mongolia) and still others have introduced and expanded non-contributory and contributory pension schemes to achieve universal coverage for older persons (Mongolia, New Zealand, Thailand and Timor-Leste). Nonetheless, adequacy of benefits remains a concern in many countries.
- 44.** In Europe and Central Asia, given relatively comprehensive and mature social protection systems, including floors, 84 per cent of the population have access to at least one cash social protection benefit. Regional coverage estimates reach 80 per cent for child and family benefits, maternity cash benefits, disability benefits and old-age pensions, with several countries reaching universal coverage. However, there is a need for further progress to be made in the area of unemployment coverage, and with regard to the adequacy of pensions and other social protection benefits in the light of demographic change and macroeconomic pressures.
- 45.** While higher levels of social protection coverage are usually associated with countries that have high levels of economic development, some countries, such as Botswana, China, Cabo Verde and Timor-Leste, demonstrate that sustained efforts in extending coverage can be successful at any level of development (see section 3.2).
- 46.** Despite significant progress in the extension of coverage through contributory schemes, many are left unprotected, largely due to high levels of informality, especially in rural areas. Just under a third of the global population (29 per cent) considered as vulnerable – children and persons of working age and older persons not covered by social insurance – receive a non-contributory benefit, such as social assistance (SDG indicator 1.3.1 on vulnerable persons). While in Europe and Central Asia around two thirds of vulnerable persons receive non-contributory benefits (65 per cent), this is the case for only 37 per cent in the Americas, 25 per cent in Asia and the Pacific, and 9 per cent in Africa.



► **Figure 2.4. Effective social protection coverage, global and regional estimates by area, 2020 (SDG indicator 1.3.1)**



Notes: Global and regional estimates are weighted by relevant population groups. Estimates are not strictly comparable to 2016 regional estimates due to methodological enhancements, extended data availability and country revisions.

SA – social assistance; SP – social protection: Population covered by social protection: Proportion of the total population receiving a contributory or non-contributory benefit, or actively contributing to at least one social security scheme. *Children*: Ratio of children/households receiving child/family benefits to the total number of children/households with children. *Mothers with newborns*: Ratio of women receiving cash maternity benefits to women giving birth in the same year. *Persons with severe disabilities*: Ratio of persons receiving disability benefits to persons with severe disabilities. *Unemployed*: Ratio of recipients of unemployment benefits to the number of unemployed persons. *Older persons*: Ratio of persons above statutory retirement age receiving an old-age pension to persons above statutory retirement age (including contributory and non-contributory schemes). *Vulnerable persons covered by social assistance*: Ratio of social assistance recipients to the total number of vulnerable persons (defined as all children plus adults not covered by contributory benefits and persons above retirement age not receiving contributory benefits (pensions)).

Sources: ILO, [World Social Protection Database](#), based on the ILO Social Security Inquiry (SSI); ILOSTAT; national sources.

## 2.2.2. Reaching universal coverage

47. When it comes to population coverage, countries tend to prioritize two major groups. The development of contributory mechanisms tends to start with employees in the public and private sectors, particularly those in stable full-time employment. At the opposite end of the income scale, the introduction of non-contributory social assistance programmes usually targets the poorest segments of the population or specific categories of the population (such as children under 5 or older persons). Yet this two-pronged strategy tends to leave unprotected the vast majority of the population, especially workers in precarious forms of employment and the self-employed – the so-called “missing middle”. Some countries, however, are gradually extending coverage to these unprotected groups, through a combination of social insurance and social assistance (see section 3.1.1) to reach universal coverage.

### Children

48. Cash transfers for children have increased in low- and middle-income countries, with more than 23 countries reaching universal social protection coverage of children, either by combining social insurance and social assistance benefits or providing universal child benefits (for example Argentina, Brazil, Chile and Mongolia). However, benefit levels often remain insufficient. Cash transfers for children have contributed to reducing child labour.<sup>24</sup>

### Working-age population

49. Social protection for the working-age population includes maternity, paternity and parental benefits, sickness benefits, unemployment protection, employment injury benefits and disability benefits.<sup>25</sup>
50. Universal maternity coverage has been achieved in most countries in Western Europe, Canada, Mongolia, Ukraine and Uruguay, while other countries, including Argentina, Colombia and South Africa, have made significant progress.
51. Unemployment protection has been central in the response to the COVID-19 crisis, especially in countries that have improved coverage in recent years.<sup>26</sup> This includes middle- and low-income countries that have introduced or expanded unemployment insurance schemes, combining them with employment promotion measures and other labour market policies as part of an integrated package, for example in Cabo Verde, Malaysia, Thailand, Tunisia and Viet Nam.
52. Regarding employment injury benefits, a number of developing countries are keen to establish employment injury insurance schemes instead of employers’ liability to ensure that all employees are adequately covered and all injured workers or dependants of deceased workers receive proper compensation in response to their needs. In Asia, some countries, such as Japan, Malaysia, Philippines, Republic of Korea and Thailand, have a long history of gradually expanding coverage in the event of employment injury, while others, such as Cambodia and the Lao People’s Democratic Republic, have recently introduced employment injury insurance schemes. Bangladesh is committed to establishing a national employment injury insurance protection and rehabilitation scheme. A number of countries are exploring how to extend coverage to self-employed workers. Furthermore, the COVID-19 crisis has

<sup>24</sup> ILO, OECD, IOM and UNICEF, *Ending Child Labour, Forced Labour and Human Trafficking in Global Supply Chains*, 2019.

<sup>25</sup> Some benefits (such as disability) can be considered transversal throughout the life cycle.

<sup>26</sup> ILO, *Unemployment Protection in the COVID-19 Crisis: Country Responses and Policy Considerations*, 2020.

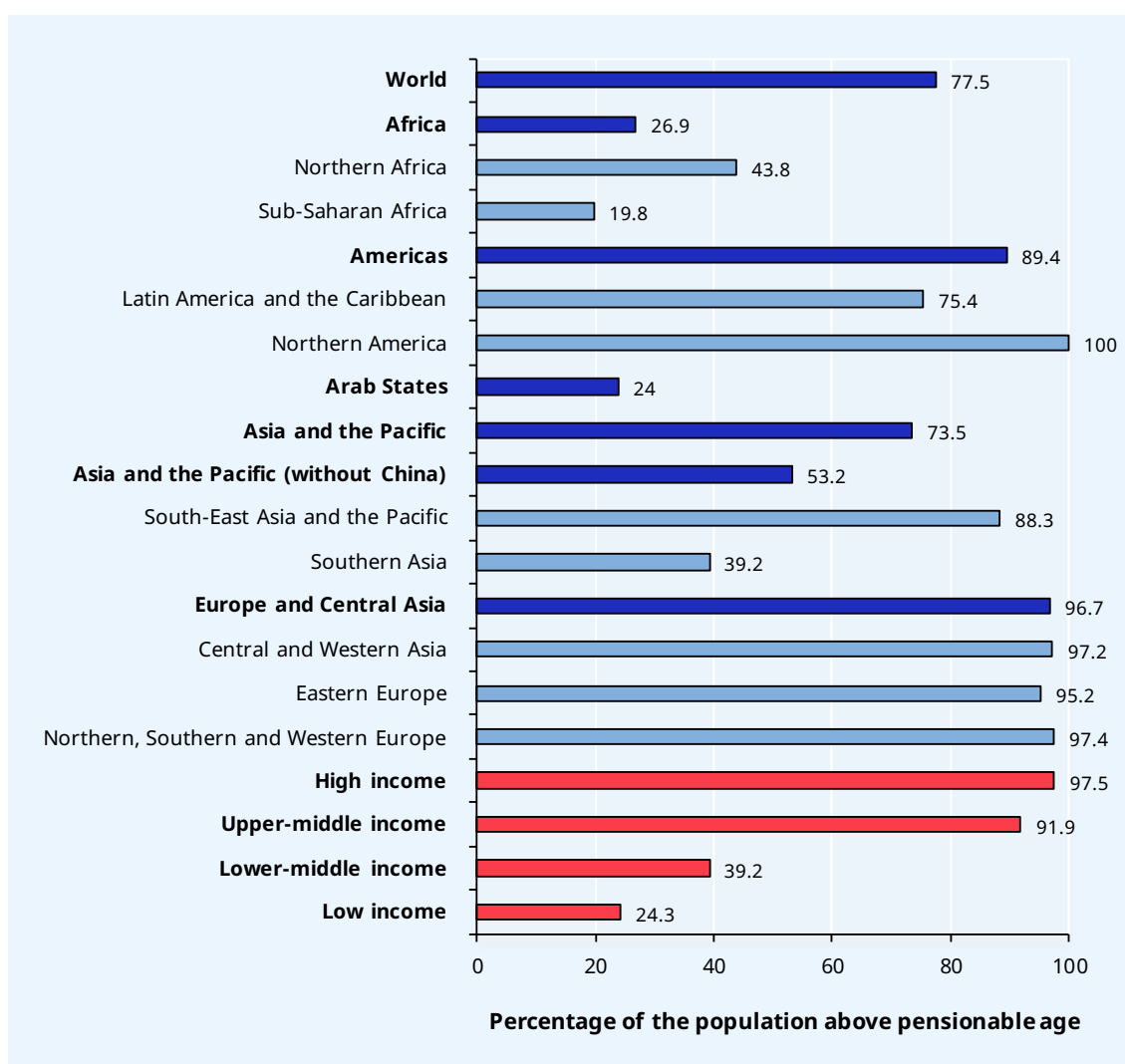
highlighted that countries with employment/work injury insurance systems have been able to ensure broader coverage faster than countries with employers' liability provisions.<sup>27</sup>

53. While some countries, such as Kyrgyzstan, Nepal and South Africa, are extending disability benefits to all, Brazil, Chile, Mongolia and Uruguay have achieved universal coverage.

### Old age

54. More than 20 countries in all regions have achieved universal old-age pension coverage, and many more are close to achieving it. Globally, 78 per cent of older persons above statutory retirement age receive a contributory or a tax-financed pension (figure 2.5).

► **Figure 2.5. Old-age pensions, effective coverage: Percentage of persons above statutory pensionable age receiving a pension, by region, latest available year (SDG indicator 1.3.1)**



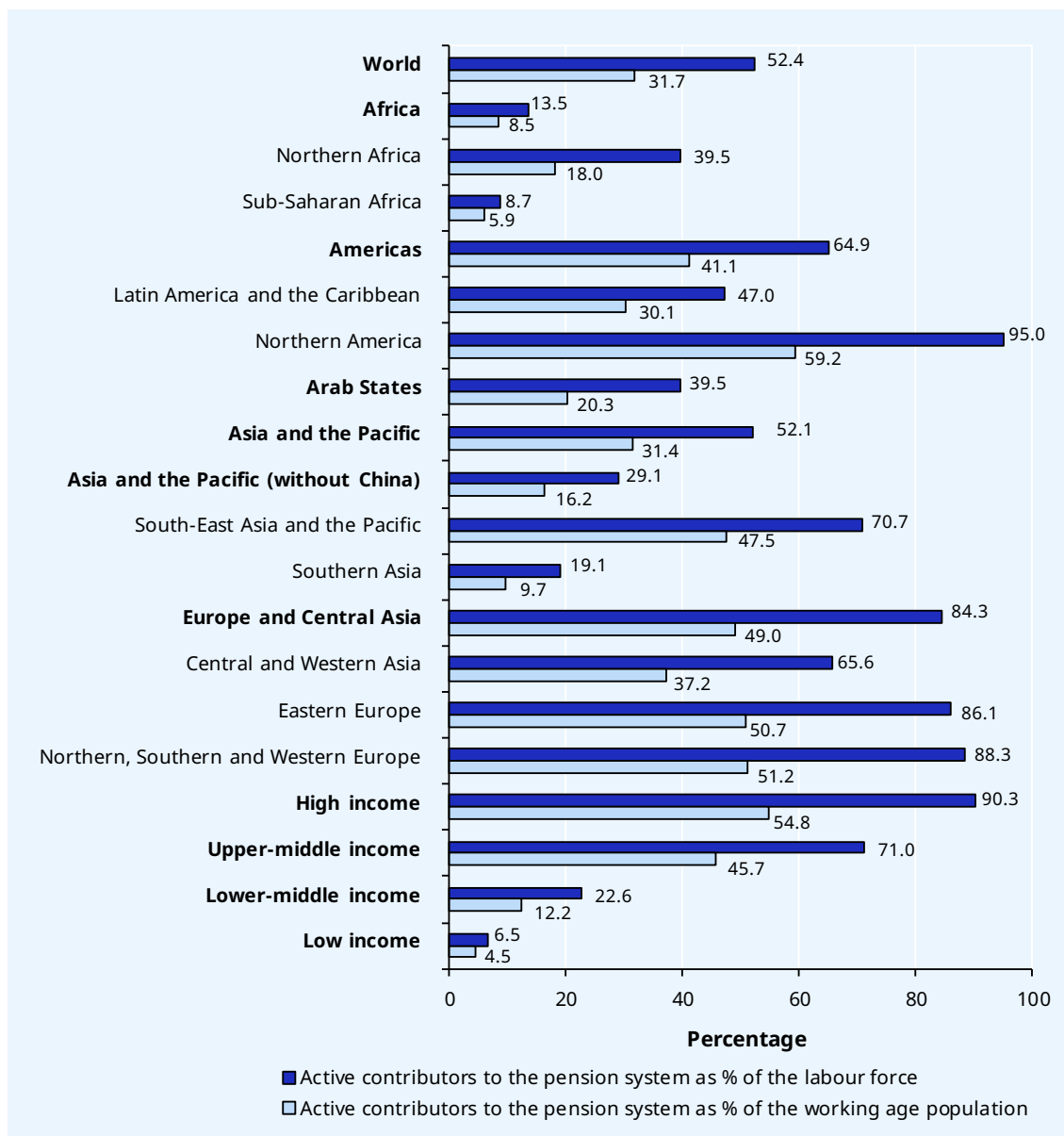
Note: Proportion of older persons receiving a pension: Ratio of persons above statutory retirement age receiving an old-age pension to the persons above statutory retirement age. Regional and global estimates weighted by population of retirement age.

Sources: ILO, [World Social Protection Database](#), based on the SSI; ILOSTAT; OECD Social Benefit Recipients Database; national sources.

<sup>27</sup> ILO, *State Practice to Address COVID-19 Infection as a Work-related Injury*, 2021.

55. Owing to a high proportion of informal employment, only half of the global labour force, or 32 per cent of the working-age population, contribute to a pension that would secure a higher level of protection than tax-financed pensions; this is the case for only 9.0 per cent of the labour force in sub-Saharan Africa, 19 per cent in Southern Asia, and considerably less than half of the labour force in Arab States, Northern Africa, and Latin America and the Caribbean (figure 2.6).

► **Figure 2.6. Old-age pensions, effective coverage: Active contributors to pension systems as a percentage of the labour force and working age, by region, latest available year**



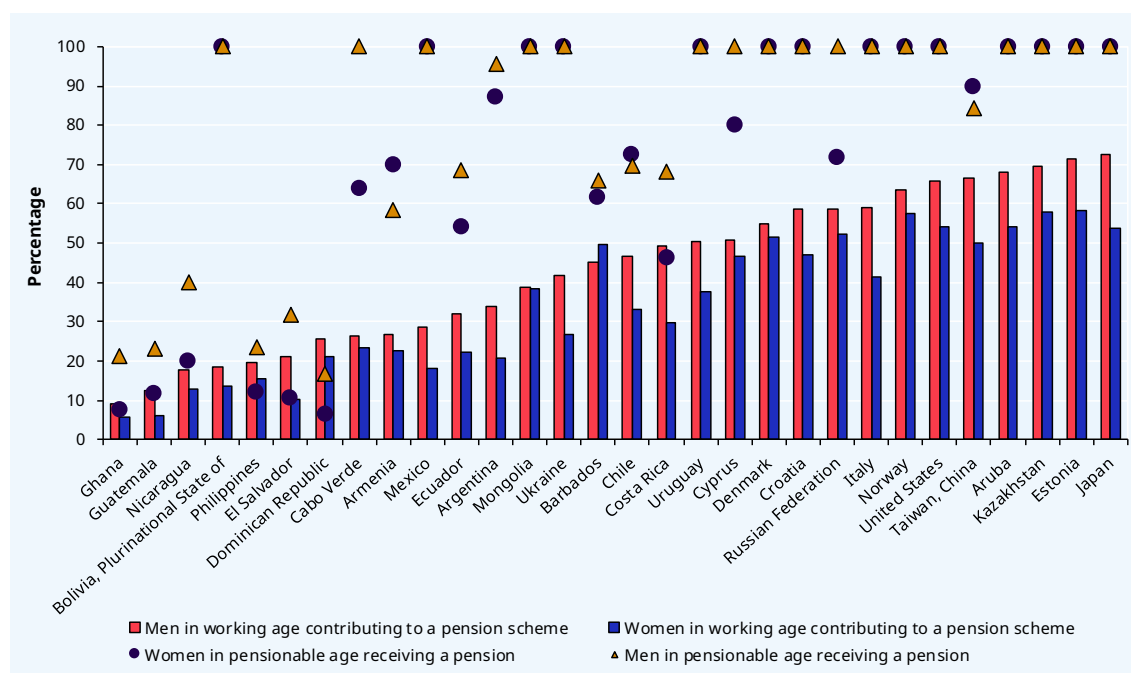
Note: Regional and global estimates weighted by working-age population.

Sources: ILO, [World Social Protection Database](#), based on the SSI; ILOSTAT; national sources.

56. Income security in old age and access to pension benefits are closely associated with the inequalities that exist in the labour market and in employment. Women tend to be under-represented in contributory arrangements, often because of lower pay, higher concentration in part-time work, greater interruptions in their careers for care-related

reasons, and over-representation in precarious and informal forms of work, including in agriculture. A total of 55 countries still have a lower pensionable age for women or lack mechanisms to credit contributions for care periods.<sup>28</sup> Non-contributory pensions can play a key role in ensuring women's access to at least a basic pension, yet benefit levels are often low and insufficient to fully meet basic needs, thereby often only partially compensating for the lack of contributory coverage. Figure 2.7 shows that the share of men of working age contributing to a pension scheme is often higher than the share of women, resulting in lower pension coverage for older women.

► **Figure 2.7. Share of men and women of working age contributing to a pension scheme and share of men and women of pensionable age receiving a pension (contributory and non-contributory), selected countries, latest available data**



Sources: ILO, [World Social Protection Database](#), based on the SSI; ILOSTAT; national sources.

## Social health protection

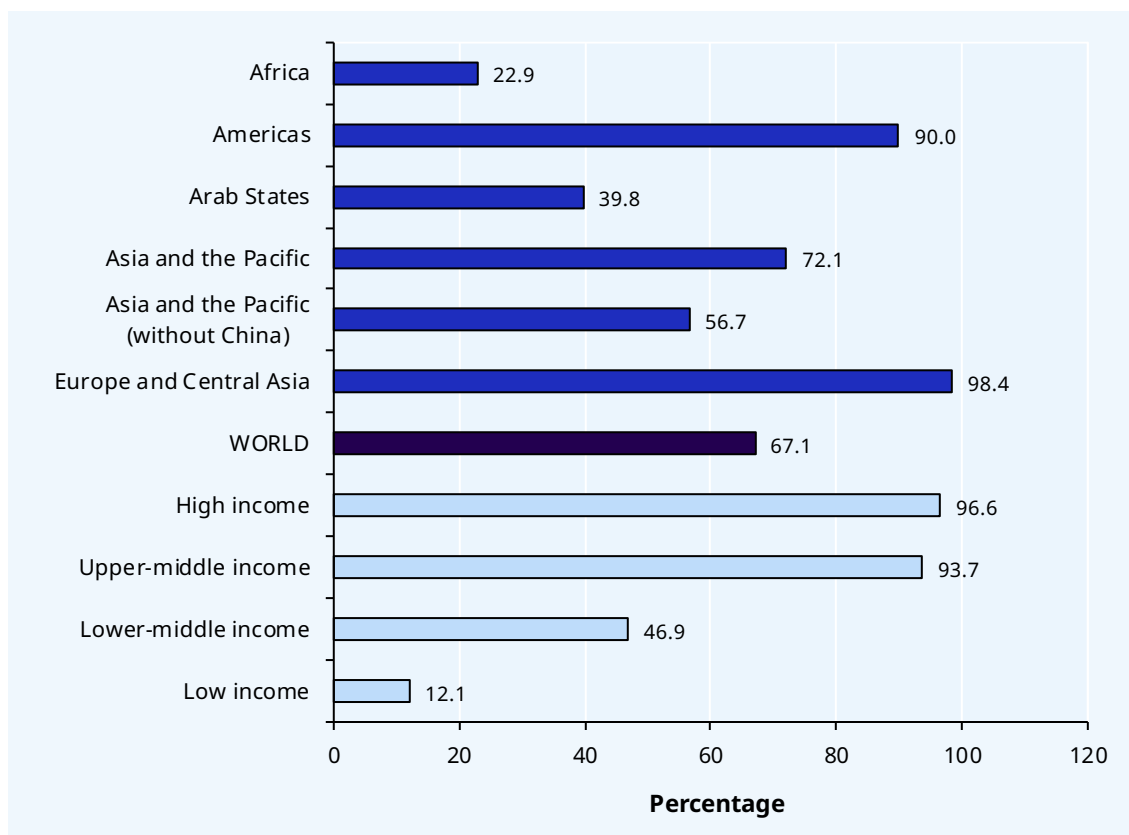
57. Striving for universal social health protection,<sup>29</sup> many countries at all income levels have made laudable progress in extending affiliation to social health protection schemes (contributory, non-contributory or a combination thereof), resulting in two thirds of the world's population being affiliated to a scheme (figure 2.8). Universal coverage of the population has been achieved in Colombia, Rwanda and Thailand, among others.
58. However, the COVID-19 pandemic has revealed important coverage gaps for sickness benefits and social health protection, and underlined the need for measures to close both coverage and adequacy gaps. In response to the crisis, 104 countries adopted urgent short-term measures in the areas of health protection and sickness benefits.<sup>30</sup>

<sup>28</sup> Estimates based on ISSA information.

<sup>29</sup> Universal social health protection includes effective access to affordable quality healthcare and financial protection in the event of sickness. See ILO, *Social Health Protection: An ILO Strategy Towards Universal Access to Health Care*, Social Security Policy Briefings, Paper 1, 2008.

<sup>30</sup> As of February 2020 up to January 2021, estimates based on the ILO's *Social Protection Monitor*.

► **Figure 2.8. Social health protection coverage (protected persons affiliated to a scheme as a percentage of the total population)**



Sources: ILO, [World Social Protection Database](#), based on the SSI; ILOSTAT; national sources.

59. Long-term care is mostly needed by persons with severe disabilities, including older persons with limited ability to care for themselves due to physical or mental conditions. Only 5.6 per cent of the global population enjoys access to long-term care, while in most countries many people are excluded due to narrow means testing or absence of relevant legislation. The absence of long-term care coverage often results in family members, particularly women, carrying out unpaid care work with negative implications for their well-being and participation in paid work.<sup>31</sup>
60. COVID-19 has intensified the global care crisis, starkly revealing the chronic underinvestment in care services and the shortcomings associated with low pay and the unsatisfactory working conditions of the overstretched care workforce. Long-term care facilities, in particular, have been high-risk settings during the pandemic, both for older persons, who experienced much higher rates of severe illness and mortality, as well as for care providers, who were at great risk of infection and death.<sup>32</sup>

<sup>31</sup> ILO, *Care Work and Care Jobs for the Future of Decent Work*, 2018.

<sup>32</sup> Mary Daly, "COVID-19 and Care Homes in England: What Happened and Why?", *Social Policy and Administration*, Vol. 54(7) (2020).

## 2.3. Adequacy of social protection benefits

61. Beyond coverage, the comprehensiveness and adequacy of social protection are essential for achieving SDG 1 on ending poverty. While significant progress has been made, countries still face challenges in ensuring comprehensive and adequate protection.

### Child and family benefits

62. Despite positive trends in the expansion of coverage for children in many countries, social protection programmes struggle with inadequate benefit levels, fragmentation and weak institutionalization. A number of countries cut allowances as part of fiscal consolidation measures, leaving 385 million children in extreme poverty.<sup>33</sup> The COVID-crisis exposed the need to ensure adequate child and family benefits; 73 countries adapted the level and duration of existing benefits or introduced additional in-kind or cash benefits.<sup>34</sup>

### Maternity and paternity

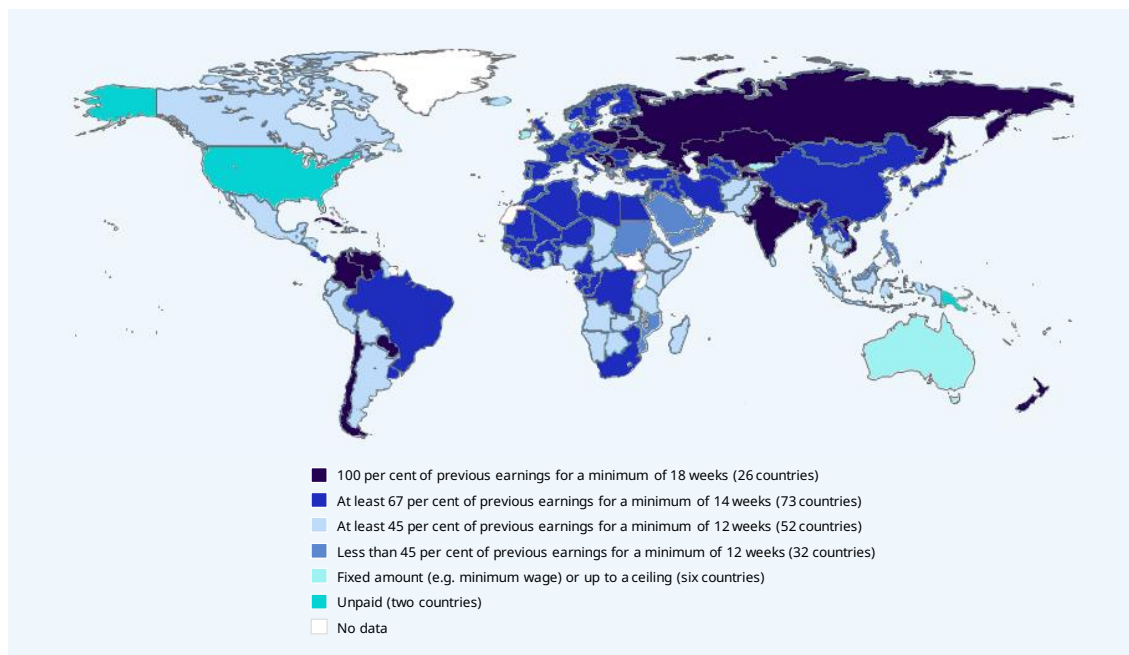
63. The adequacy of maternity cash benefits depends on their level and duration and varies widely from country to country (figure 2.9). In 26 countries, women are entitled to 100 per cent of their regular salary for at least 18 weeks, in line with the Maternity Protection Recommendation, 2000 (No. 191). In 73 of 191 countries, women are entitled to paid maternity leave of at least two thirds of their regular salary for a minimum period of 14 weeks, meeting the requirements of Convention No. 183. In 52 countries, women are entitled to benefits of at least 45 per cent of earnings for a minimum of 12 weeks, which meets the minimum requirements of Convention No. 102. However, in 32 countries, maternity cash benefits remain below this standard, providing benefits of less than 45 per cent of the previous salary for a minimum of 12 weeks. An additional 6 countries provide benefits at a fixed level (for instance, the minimum wage).

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<sup>33</sup> ILO and UNICEF, *Towards Universal Social Protection for Children: Achieving SDG 1.3*, ILO–UNICEF Joint Report on Social Protection for Children, 2019.

<sup>34</sup> As of February 2020, estimates based on ILO, “Social Protection Responses to the COVID-19 Crisis around the World”, *Social Protection Monitor*, 2020.

► **Figure 2.9. Level and duration of paid maternity leave as a percentage of previous earnings and number of weeks, latest available year**



Note: In the event of staggered benefit levels (hypothetical example: 100 per cent of the previous earnings for the first four weeks and 80 per cent thereafter), average benefit levels over the entire maternity leave are used.

Sources: ILO, [World Social Protection Database](#); ISSA/SSA, [Social Security Programs Throughout the World](#).

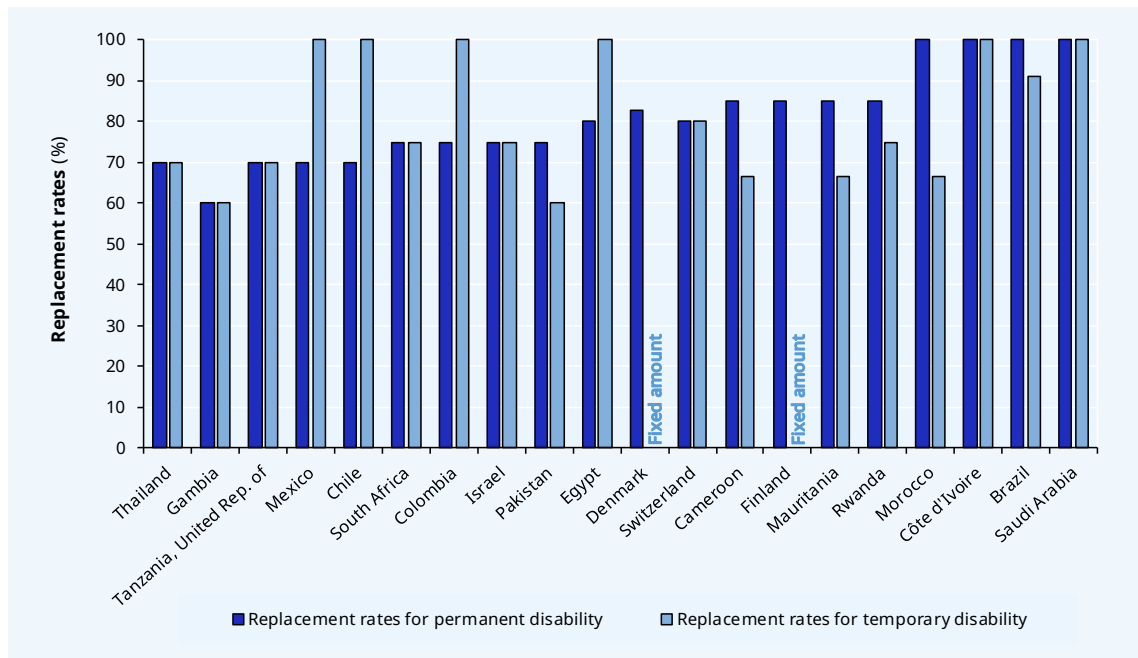
- 64.** Following the adoption of Convention No. 183 in 2000, a number of countries have extended the duration of paid maternity leave in law to comply with this Convention, including China, Colombia and Malta, which have not yet ratified it. Bangladesh, Chile, India and Viet Nam have gone even further and exceed the benchmark set by the Convention. A number of other countries (including Finland and Ireland) have increased the minimum rate of benefit levels.

### Employment injury protection

- 65.** Employment injury benefits are usually provided in the form of pensions, namely periodic payments with cost-of-living adjustments. Replacement rates, defined as a percentage of pre-disability earnings, differ considerably (figure 2.10). According to the Employment Injury Benefits Convention [Schedule I amended in 1980], 1964 (No. 121), periodic benefits should reach at least 60 per cent of previous earnings in the event of temporary or permanent incapacity for work and at least 50 per cent of previous earnings for a surviving spouse with two children in the event of the death of the breadwinner.



► **Figure 2.10. Replacement rates for permanent and temporary disability in employment injury protection schemes, selected countries, 2019 or latest available year (percentage)**



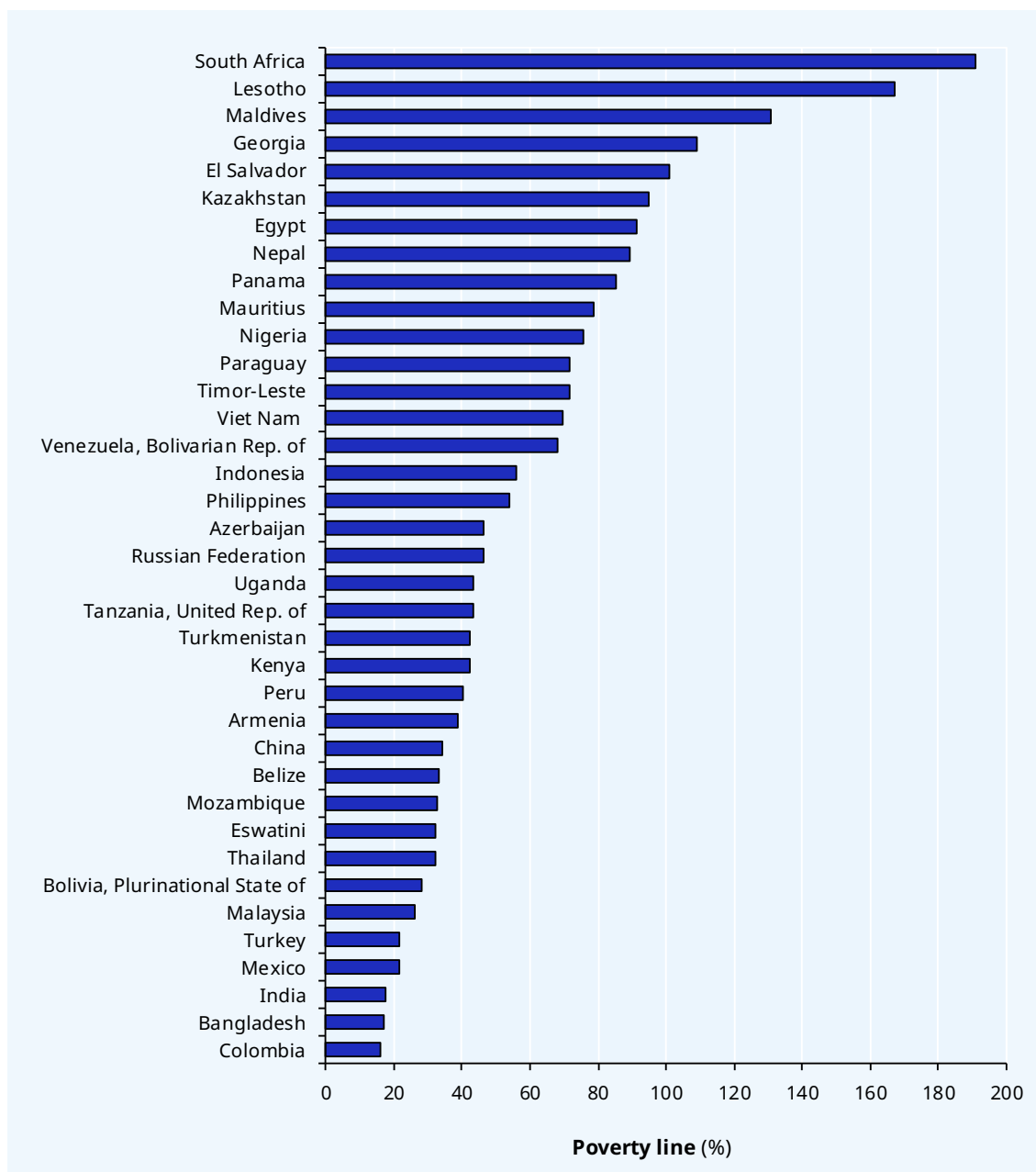
Sources: ILO, [World Social Protection Database](#); ISSA/SSA, [Social Security Programs Throughout the World](#).

- 66.** Countries are moving away from employer liability mechanisms and towards adopting and implementing employment injury insurance schemes following social security principles as set forth in Conventions Nos 102 and 121; this is expected to improve effective coverage, increase predictability and enhance levels of protection.

### Old-age pensions

- 67.** Despite global progress in the social protection coverage of older persons, adequacy of benefits remains a major challenge. In many countries the level of non-contributory pensions remains well below the national poverty line and falls short of the minimum benchmarks provided in Convention No. 102 and the Invalidity, Old-Age and Survivors' Benefits Convention, 1967 (No. 128) (figure 2.11).

► **Figure 2.11. Non-contributory pensions as a percentage of the national poverty line, single person, latest available year**



Sources: ILO, [World Social Protection Database](#), based on the SSI; HelpAge International; national sources.

68. If the levels of benefits provided by old-age pension systems are insufficient to guarantee a minimum living standard – at least at the level of the national poverty line – they do not play their role of preventing and alleviating poverty in old age. In addition, in some countries, pensions play an important poverty reduction role in households where older people live with children and grandchildren (such as in Mozambique and Uzbekistan <sup>35</sup>).
69. While there is sufficient data to assess the extent of coverage, comparative assessments of the adequacy of old-age benefits are challenging, given that it is difficult to identify a

<sup>35</sup> ILO, UNICEF and the World Bank, *An Assessment of the Social Protection System in Uzbekistan, based on the Core Diagnostic Instrument (CODI)*, 2020.

comparable methodology and benchmark that can be applied globally (see examples in box 2.3).

► **Box 2.3. Monitoring pension benefit adequacy**

In some countries pension reforms have led to an increase in benefit levels, while in others pension benefits have been reduced. It is worth noting that recent fiscal consolidation measures are having a negative impact on the adequacy of pension benefits in many countries.

With a view to improving the adequacy of pensions for low-income earners, the **United Kingdom of Great Britain and Northern Ireland** merged the flat-rate basic pension and an earnings-related additional pension into a new flat-rate basic pension that provides an enhanced minimum pension benefit.

In **Slovakia**, a new indexation formula delinked pensions from average earnings growth in 2018. Similar adjustments to the indexation formula have been introduced in **Azerbaijan, Czechia, Honduras** and **Spain** as part of broader reforms to their national pension systems.

**Belarus, China, Georgia, Ireland, Mauritius, Namibia, Nicaragua, Panama, Philippines, Portugal, Russian Federation, Seychelles, Turkey** and **Zimbabwe** recently announced upward adjustments to pension benefits. **Armenia's** national social pension system also increased pension benefits by 15 per cent in 2014 and 2015.

**Spain** introduced sustainability adjustment factors to automatically adjust the pension benefits of new pensioners, taking into account their increased life expectancy in 2019. A similar adjustment introduced to the public pension scheme in **Finland** is expected to reduce pension benefits by 21 per cent by 2060.

Source: ILO, "Social Protection Measures Throughout the World: January to June 2019", *Social Protection Monitor*, 2019.

- 70.** While in most parts of the developing world the focus is on extending coverage, discussions in high- and upper-middle-income countries focus on ensuring a balance between the adequacy of pension levels and the financial sustainability of mature pension systems in the context of ageing.<sup>36</sup> Many developed countries<sup>37</sup> have introduced cost-saving reforms with a fiscal objective, by increasing retirement age, reforming pension formulas and reducing the overall level of benefits, as well as by diversifying the sources of funding for old-age income security, including structural reforms, such as the introduction of individual accounts. Fiscal consolidation policies dominate the discussions around pension systems, often putting the emphasis on the financial sustainability of pension systems at the expense of other principles established in ILO social security standards, such as universality, solidarity, collective financing, adequacy and predictability of benefits. These other principles play an important role in ensuring that pension systems can guarantee the income security of older persons, which is and should remain the primary objective of any pension system.

**Social health protection, including maternity care**

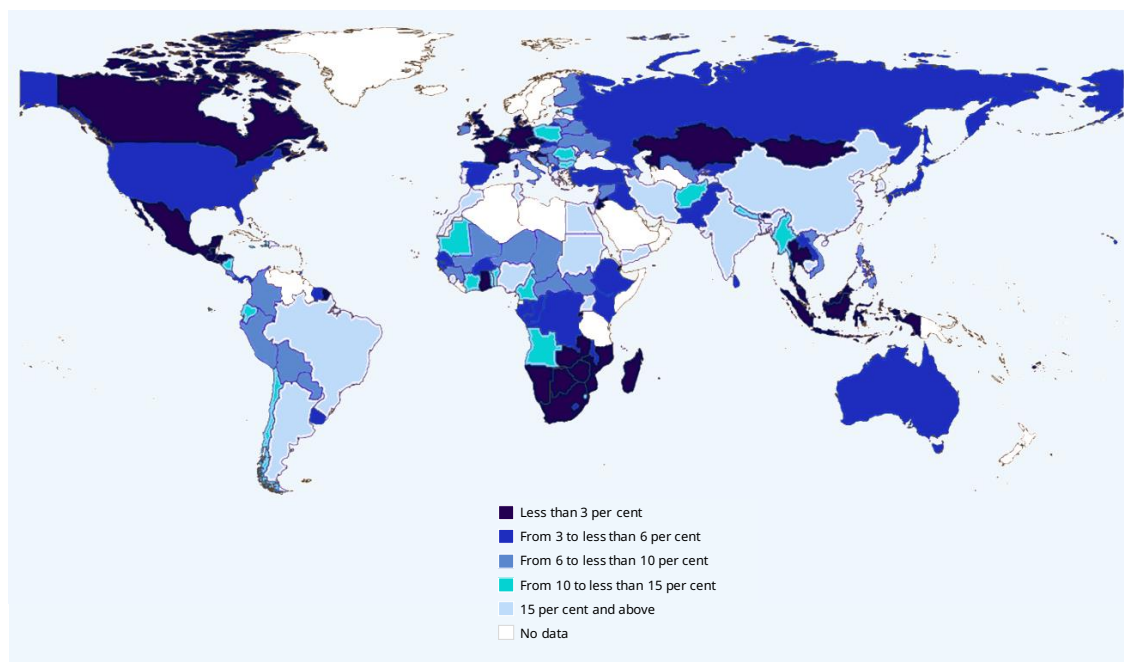
- 71.** The adequacy of healthcare benefits encompasses: (i) the extent of needed healthcare services that people can effectively access; and (ii) the proportion of the cost of healthcare services that people have to cover from their own pocket, as reflected in SDG indicators 3.8.1 and 3.8.2.

<sup>36</sup> A national pension system is mature when its demographic structure becomes stable in terms of the number of people paying contributions and the number of pensioners, in an environment of high coverage of the population in the system.

<sup>37</sup> ILO, "Social Protection Measures Throughout the World: January to June 2019", *Social Protection Monitor*, 2019.

72. Half of the world's population do not receive the essential services they need, with large disparities in effective access to essential health interventions across countries.<sup>38</sup> Most countries have made progress in terms of effective access to reproductive, maternal, newborn and child health services, as well as to treatments and prevention for infectious diseases (in particular tuberculosis, HIV/AIDS and malaria).<sup>39</sup> A central component of the availability of healthcare services is the recruitment and retention of a qualified health sector workforce. This includes the creation of decent jobs in the health sector, which today faces a deficit of 17.4 million workers (2018), projected to further increase by 2030.
73. Every year, 808 million people (2018 estimate) worldwide incur catastrophic health spending, defined as out-of-pocket expenditures exceeding 10 per cent of total yearly household consumption or income, creating a major poverty risk (figure 2.12). Recent analysis has shown that even non-catastrophic health expenditure has a significant impoverishing effect, especially in rural areas.<sup>40</sup> The present situation provides both challenges and opportunities for the advancement of social health protection embedded in the principles of equity and solidarity. In particular, people in the lowest income quintile and in rural areas are still left behind, and reaching them should be a priority. Advancing social health protection within social protection systems, and in coordination and articulation with other social protection guarantees along the life cycle, creates the opportunity to further address key determinants of health.

► **Figure 2.12. Incidence of catastrophic health spending, percentage of population (SDG indicator 3.8.2), latest available year**



Note: Catastrophic health spending: Health spending of more than 10 per cent of household consumption or income.

Source: WHO and World Bank Group, *Tracking Universal Health Coverage: 2017 Global Monitoring Report*, 2017.

<sup>38</sup> Daniel R. Hogan et al., "Monitoring Universal Health Coverage within the Sustainable Development Goals: Development and Baseline Data for an Index of Essential Health Services", *Lancet Global Health* 6, No. 2 (2018), e152–e168.

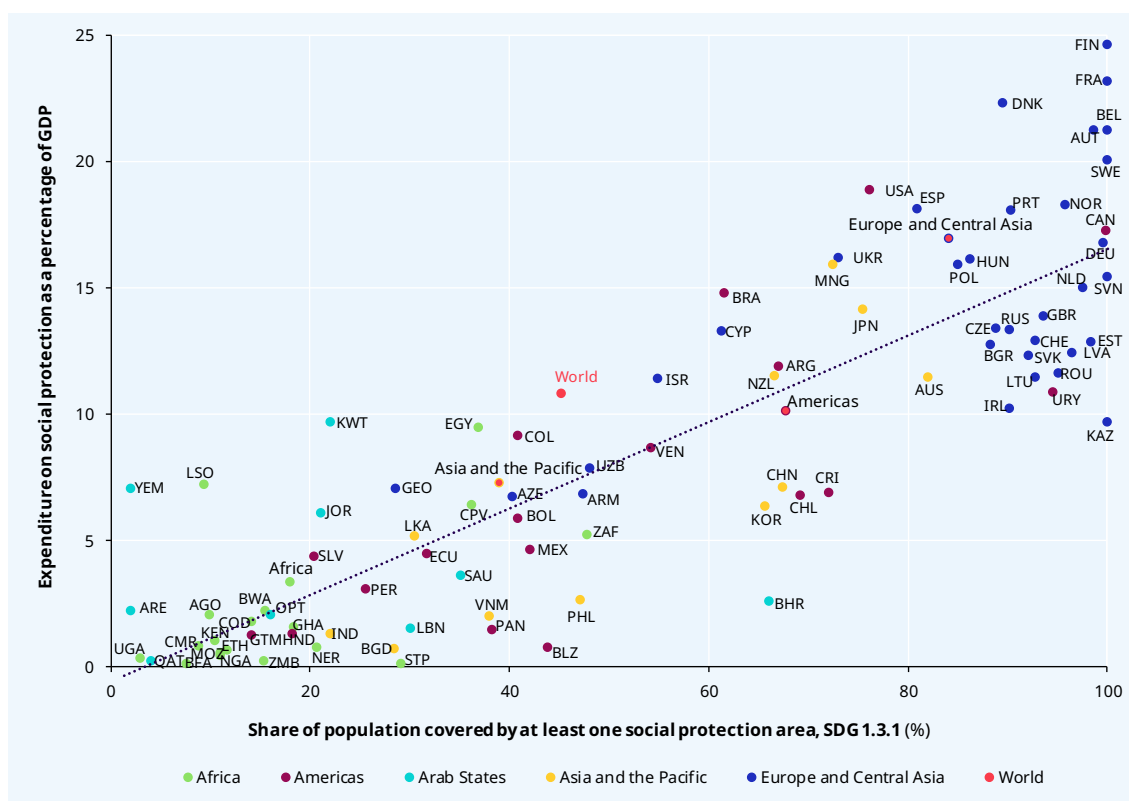
<sup>39</sup> WHO and World Bank Group, *Tracking Universal Health Coverage: 2017 Global Monitoring Report*, 2017.

<sup>40</sup> Adam Wagstaff et al., "Progress on Impoverishing Health Spending in 122 Countries: A Retrospective Observational Study", *Lancet Global Health* 6, No. 2 (2018), e180–e192.

## 2.4. Investment in social protection

74. Closing social protection coverage and adequacy gaps, while ensuring the financial sustainability of the system, requires the necessary resources (figure 2.13). Underinvestment in social protection, particularly in Africa, Asia and the Arab States, constitutes one of the obstacles to inclusive growth and the achievement of the SDGs.<sup>41</sup> The COVID-19 crisis has shown the dramatic consequences of unacceptably high coverage gaps and low investments in social protection, resulting in the need for developing countries to invest an additional US\$1.2 trillion – equivalent to 3.8 per cent of their gross domestic product (GDP) – to close the annual financing gap in achieving national SPFs in 2020. Low-income countries represent US\$77.9 billion of this total financing gap, equivalent to 15.9 per cent of their GDP.<sup>42</sup>

► **Figure 2.13. Public expenditure on social protection linked to SDG indicator 1.a.2 and social protection coverage SDG indicator 1.3.1 (both excluding health), latest available data**



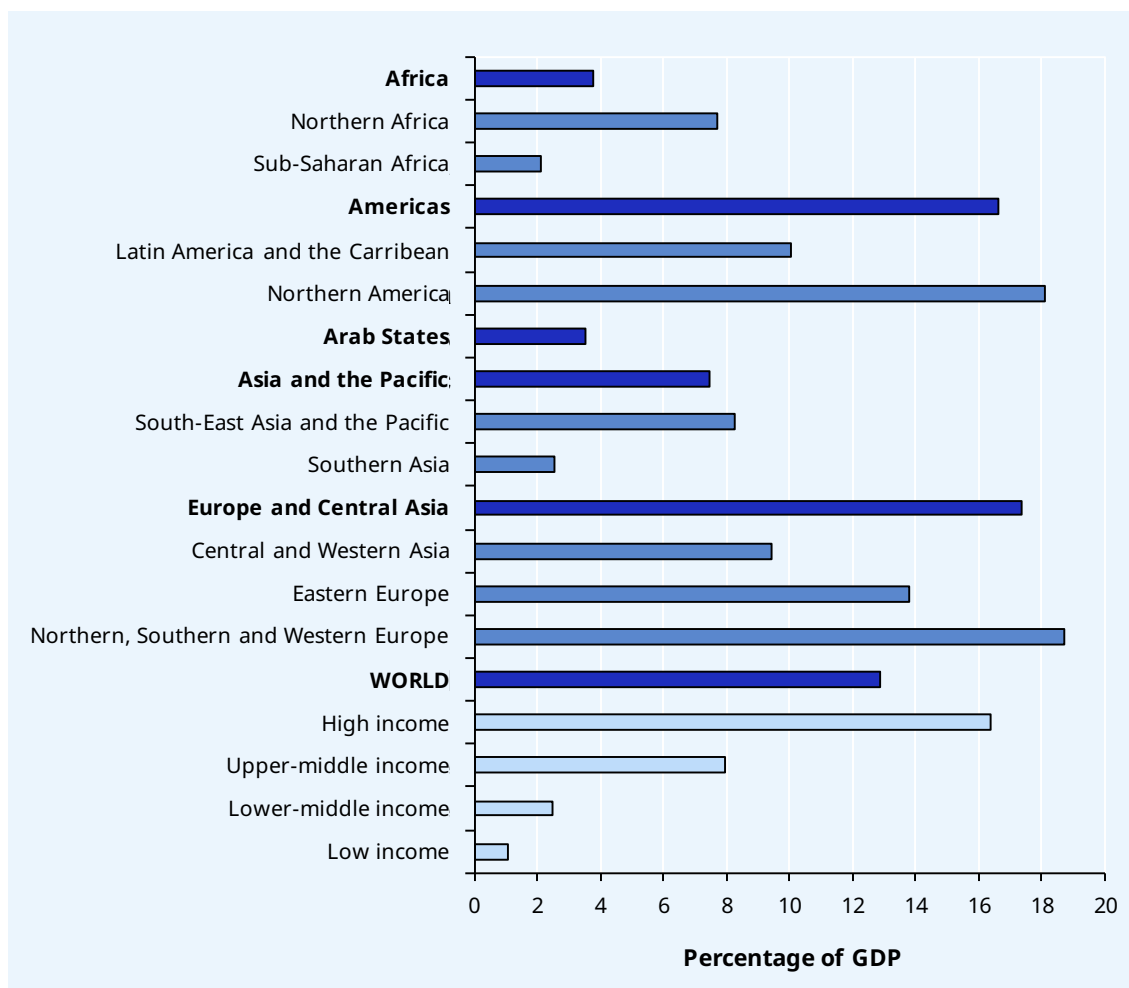
Sources: ILO, *World Social Protection Database*, based on the SSI; IMF.

75. While countries spend on average 12.8 per cent of their GDP on social protection (excluding health), the levels of spending vary greatly by region and level of economic development (figure 2.14). While high-income countries invest 16.4 per cent of GDP on average, upper-middle-income countries spend about half of this amount (8 per cent), and lower-middle-income and low-income countries only 2.5 and 1 per cent, respectively.

<sup>41</sup> ILO, *World Social Protection Report 2014/15: Building Economic Recovery, Inclusive Development and Social Justice*, 2014; ILO, *World Social Protection Report 2017–19*.

<sup>42</sup> ILO, *Financing Gaps in Social Protection: Global Estimates and Strategies for Developing Countries in Light of the COVID-19 Crisis and Beyond*, 2020.

► **Figure 2.14. Public social protection expenditure (excluding health) by region and income level, latest available year, in percentage of GDP**



Note: Regional and global estimates are weighted by GDP.

Sources: ILO, [World Social Protection Database](#), based on the SSI; IMF.

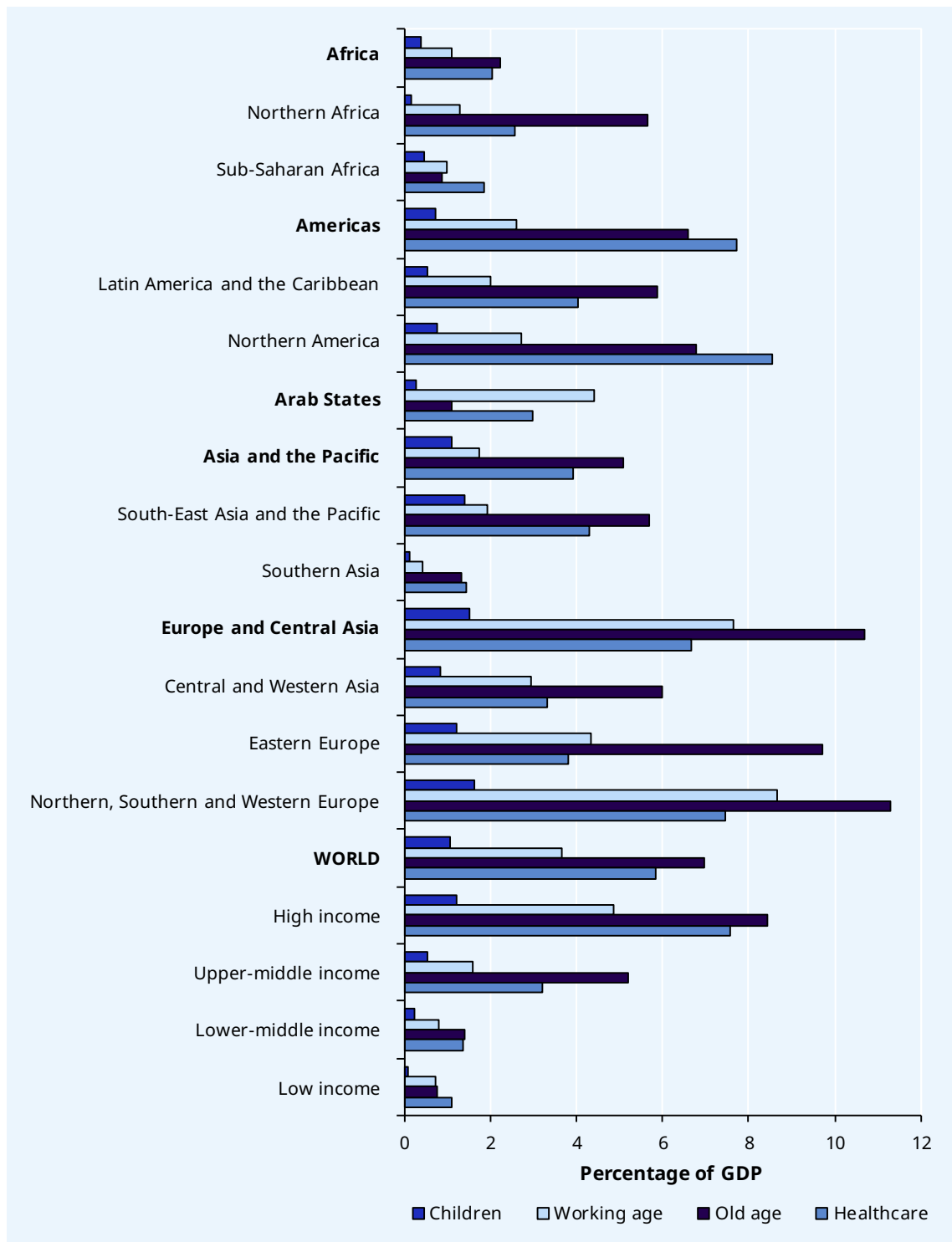
### Investing in social protection for children

**76.** On average, 1.1 per cent of GDP is spent on child and family benefits for children aged 0–14 years, pointing to a significant underinvestment in children that affects not only children’s overall well-being (one in five children are living in extreme poverty)<sup>43</sup> and long-term development, but also the future economic and social development of the countries they live in, including with regard to ending child labour.<sup>44</sup> While Northern, Southern and Western Europe and countries of the Pacific spend around 2 per cent of GDP on child benefits, expenditure ratios remain well below 1 per cent of GDP in most other parts of the world, and in particular in lower-middle-income and low-income countries, although children represent a large share of the population (figure 2.15).

<sup>43</sup> ILO and UNICEF, *Towards Universal Social Protection for Children: Achieving SDG 1.3*, 2019.

<sup>44</sup> Cash transfers for children and families are one of the drivers for the reduction of child labour. See ILO, *Ending Child Labour by 2025: A Review of Policies and Programmes*, second edition, 2018.

► Figure 2.15. Expenditure by function of social protection, latest available year



Note: Regional and global estimates are weighted by GDP.

Sources: ILO, [World Social Protection Database](#), based on the SSI; WHO, [Global Health Expenditure Database](#).

### Investing in social protection for the working-age population

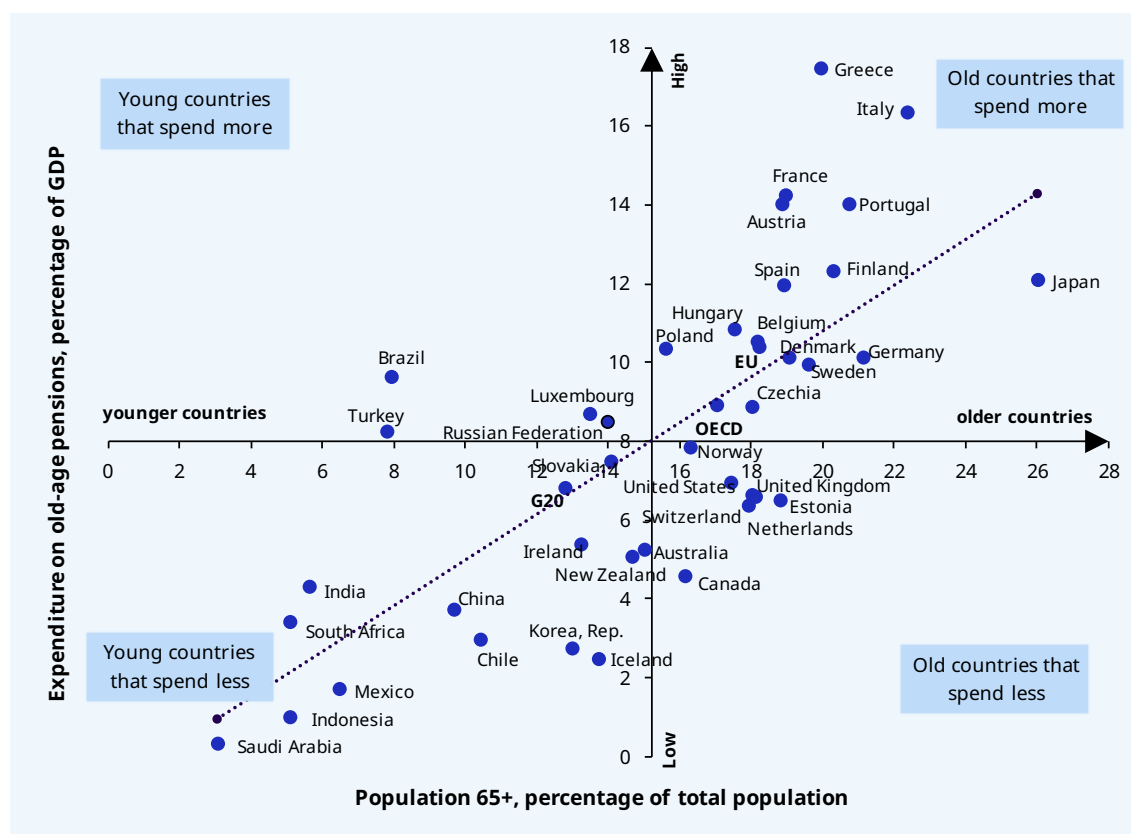
77. Worldwide, less than one third of total non-health public social protection expenditure, amounting to 3.6 per cent of GDP, is spent on benefits for people of working age (figure 2.15). These include maternity benefits, unemployment benefits, employment injury

benefits, disability benefits, and general social assistance.<sup>45</sup> Within this overall figure regional variations are significant, ranging from 0.4 per cent in Southern Asia to 8.7 per cent in Northern, Southern and Western Europe. Social protection expenditure for people of working age accounts for between one quarter of non-health social protection expenditures in Africa and half in Latin America and the Middle East.

### Investing in social protection for older persons

- 78.** Public social security expenditure on pensions and other non-health benefits earmarked for older persons amounts on average to 6.9 per cent of GDP globally (figure 2.15), varying from less than 1 per cent in low-income countries to more than 8 per cent in high-income countries. National public pension expenditure levels are influenced by complex factors including demographic structure, effective coverage, adequacy of benefits, relative size to GDP and variations in the policy mix between public and private provision for pensions and social services.<sup>46</sup>
- 79.** Pension expenditure and the proportion of older people in the population are strongly correlated (figure 2.16). In some cases, relatively low levels of expenditure point to coverage and adequacy gaps, which are likely to become even more pressing in the context of population ageing.

► **Figure 2.16. Public expenditure on old-age pensions as a percentage of GDP and older persons as a percentage of total population, latest available year**



Sources: ILO, [World Social Protection Database](#), based on the SSI; OECD; IMF; UN, World Population Prospects.

<sup>45</sup> Data on expenditure for sickness benefit is not available.

<sup>46</sup> The data include pensions and, as far as possible, other cash and in-kind benefits for older persons, but not expenditure on long-term care.



## Investing in social health protection

- 80.** Insufficient funding is the main cause of essential healthcare deficits. It results in increased risk of financial hardship and lack of effective access to adequate healthcare services.
- 81.** Social health protection is achieved through the use of two main financing mechanisms: social health insurance contributions (Bulgaria, Japan and Suriname) and taxes (New Zealand, Uzbekistan and Bolivarian Republic of Venezuela). In practice, countries that have successfully reached universal or near-universal coverage have often used a mix of funding sources, combining social contributions and taxes (Philippines, Rwanda, Thailand, Viet Nam and countries in Western Europe).
- 82.** Public domestic financing is the largest source of health financing in developing countries. Its share has increased as a percentage of total health expenditure. As a consequence, the relative share of out-of-pocket payments made by households at the point of service decreased between 2000 and 2016, with the largest decline in the South-East Asian region, followed by the African region. However, out-of-pocket payments are still relatively high (at 44 per cent of the current health expenditure on average), which illustrates the need to further invest in public and domestic health financing. During the same period, the share of health in overall public spending decreased, reinforcing the need to advocate for more fiscal space for social health protection and to find innovative ways to mobilize domestic resources.<sup>47</sup> Domestic financing remains particularly low in lower-middle-income and low-income countries, at less than 1.5 per cent of GDP (figure 2.14).
- 83.** Although the share of out-of-pocket payments in total health expenditure is decreasing, its value in monetary terms is increasing, and this is linked to an increase in healthcare costs. This trend demonstrates improvements in the healthcare supply of many countries and the need to adapt the purchasing policies of social health protection schemes, with due consideration for equity in accessing quality healthcare.<sup>48</sup>

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<sup>47</sup> Ke Xu et al., *Public Spending on Health: A Closer Look at Global Trends* (WHO, 2018).

<sup>48</sup> Xu et al., *Public Spending on Health; Global Health Expenditure Database* (WHO, 2020).

## ► Chapter 3

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### Challenges, opportunities and policy responses for achieving universal social protection

84. Based on the review of recent trends, this chapter assesses policy responses and action taken by Members, and identifies the main challenges, opportunities, gaps and needs of tripartite constituents with respect to reinforcing their social protection systems and achieving universal social protection. The chapter focuses on three major challenges: (1) closing coverage and adequacy gaps; (2) strengthening national social protection systems; and (3) ensuring the sustainability of national social protection systems.
85. Building on the results of the 2019 General Survey and the monitoring of responses to the COVID-19 crisis, this chapter reviews in particular how countries have applied the guidance provided by Recommendation No. 202, Convention No. 102 and other international social security standards in their national policies and legal frameworks, and also discusses the challenges that countries face in ensuring the application of these standards. In doing so, the chapter places particular emphasis on the role of social dialogue and the involvement of the social partners in the development and implementation of social protection systems, including floors.
86. In the light of the Centenary Declaration, this chapter emphasizes the important role that national social security systems play in a human-centred recovery and in responding to persistent challenges, such as facilitating structural transformations associated with demographic change, climate change, globalization, technological advances, and resulting transformations in the world of work. This includes the key role of social protection in supporting people in navigating life and work transitions and in realizing a human-centred approach to the future of work and sustainable development, ensuring no one is left behind.

#### 3.1. Closing coverage and adequacy gaps and realizing universal social protection

87. Despite progress, COVID-19 has exposed the harmful consequences of persistent coverage and adequacy gaps in many social protection systems, owing to high and sometimes growing levels of informality and inequality, limited fiscal space, institutional fragmentation, competing priorities and new challenges, such as climate change, digital transformations and demographic shifts. Changing work and employment relationships, alongside weakening labour market institutions, had contributed to growing levels of inequality and insecurity in many parts of the world and weakened the implicit social contract in many societies. At the same time, the powerful social protection response to COVID-19 underscored the essential role of social protection in safeguarding public health, reducing and preventing poverty, and addressing inequality, which remains as relevant as ever (SDG targets 1.3, 5.4 and 10.4).

##### 3.1.1. Closing coverage gaps

88. Many countries have closed coverage gaps by building national SPFs, focusing on the extension of coverage to workers in the informal and rural economies, ensuring social

security for migrant workers, closing gender gaps, and ensuring the coverage of workers in all types of employment, including work mediated by digital platforms.

### Extending coverage to workers in the informal and rural economies

- 89.** COVID-19 served as a powerful reminder of how social security benefits both workers and employers, as well as society in general, in times of crisis and beyond. Workers benefit from effective access to healthcare and income security, which contribute to breaking the vicious cycle of vulnerability, poverty and social exclusion, and to promoting their human rights, dignity and well-being. Employers benefit from higher labour productivity and competitiveness, through improved worker health, lower absentee rates, higher job retention and higher motivation. For small and medium-sized enterprises (SMEs) and the self-employed who are struggling to keep their businesses alive, and for farmers – especially smallholders – adapted social protection can help to better manage risks, build resilience and make productive investments.<sup>49</sup> For employers, social insurance also reduces the financial risks associated with employer liability in the event of work injury and sickness, as seen during the COVID-19 crisis,<sup>50</sup> as well as maternity and dismissal.<sup>51</sup> For society at large, extending social security coverage helps to facilitate transition from the informal to the formal economy, supports the structural transformation of the economy towards higher levels of productivity, allows for the creation of more and better jobs, and supports a just transition to a sustainable economy.
- 90.** The support provided during the COVID-19 crisis demonstrated that informal economy workers can and should be reached to provide the necessary protection and facilitate their transition from the informal to the formal economy.<sup>52</sup> Moving from emergency measures to a sustainable extension of coverage to those workers requires an effective strategy to address the various barriers that prevent them from being protected, including exclusion from legal coverage, weak compliance, limited contributory capacities, low and volatile earnings, lack of incentives to join and complex administrative procedures. For rural workers, finding solutions that accommodate the seasonality of their income, remote location and subsistence farming are necessary to ensure their access to social security.<sup>53</sup> Indigenous and tribal workers may additionally face cultural barriers.<sup>54</sup> Strategies need to take into account the diversity of situations in the informal economy and the limited contributory capacity of some categories of workers.
- 91.** Successful examples of the extension of social protection coverage to workers in the informal economy have focused on two complementary policy approaches:<sup>55</sup>

<sup>49</sup> The majority of employees (around 70 per cent) work in micro and small enterprises (MSEs), many of which are not, or are insufficiently, covered by laws or formal arrangements, see ILO, *Small Matters: Global Evidence on the Contribution to Employment by the Self-employed, Micro-enterprises and SMEs*, 2019.

<sup>50</sup> ILO, *Sickness Benefits during Sick Leave and Quarantine: Country Responses and Policy Considerations in the Context of COVID-19*, 2020.

<sup>51</sup> ILO, *World Social Protection Report 2017–19*; Arvo Kuddo et al., *Balancing Regulations to Promote Jobs: From Employment Contracts to Unemployment Benefits* (Washington, DC, World Bank Group, 2015).

<sup>52</sup> ILO, *Extending Social Protection to Informal Workers in the COVID-19 Crisis: Country Responses and Policy Considerations*, 2020.

<sup>53</sup> FAO and ILO, *Extending Social Protection to Rural Populations: Perspectives for a Common FAO and ILO Approach*, 2021; ILO, *Extending Social Protection to the Rural Economy*, 2019.

<sup>54</sup> ILO, *Social Protection for Indigenous Peoples*, 2018.

<sup>55</sup> ILO, *Extending Social Security to Workers in the Informal Economy: Lessons from International Experience*, 2019.

### Extension of coverage through social insurance and other contributory mechanisms

- Many countries have extended social insurance coverage to previously unprotected workers by progressively bringing additional categories of workers under the purview of labour and social security legislation, promoting compliance, and adapting registration processes, contribution collection mechanisms and other administrative procedures to their specific circumstances.
- Examples include measures to take into account seasonality in designing contribution modalities for rural workers and producers in Brazil's rural pension scheme; partnerships with cooperatives and professional associations in Costa Rica and in the Philippines; the introduction of contribution categories to facilitate social insurance coverage of the self-employed in Cabo Verde and Mongolia; the establishment of a scheme for non-salaried workers in Algeria; measures to facilitate the coverage of domestic workers in maternity and unemployment insurance in South Africa; the extension of health protection through adapted contributions in Rwanda; and the facilitation of microenterprise registration and tax/contribution collection through monotax mechanisms in Argentina, Brazil and Uruguay.
- While these examples prioritize mandatory coverage, other countries have opened social insurance to informal economy workers and micro-entrepreneurs on a voluntary basis, yet with more limited success.
- One of the key elements of an extension strategy is raising awareness about the importance of social security and related rights and obligations. For example, in Uruguay, social security education is mainstreamed in school curricula in primary, secondary and tertiary education, as well as in vocational training and entrepreneurship programmes. Partnerships with workers' and employers' organizations, including rural workers' organizations, are also essential.
- Extending social insurance mechanisms to larger groups of previously uncovered workers contributes to more sustainable and equitable financing of the social protection system by sharing the financing burden in line with contributory capacities and by supporting the progressive broadening of the tax base through the formalization of the economy in the long run. In the short run, however, it might be necessary to allocate fiscal resources to support the inclusion of workers with more limited contributory capacity.

### Extension of coverage through tax-financed schemes and other mechanisms

- Many countries have extended coverage through tax-financed benefits, largely through government revenue stemming from taxation, mineral resource revenue and external grants. While many informal economy workers are not eligible for narrowly poverty-targeted programmes, more inclusive schemes that are anchored in national legislation and cover large categories of the population can provide much needed income support and access to healthcare.
- Examples include child and family benefits in Argentina, Brazil and Mongolia; social pensions in Lesotho, Mauritius, Namibia, Nepal, South Africa and Timor-Leste; the extension of health protection funded through a combination of taxes and contributions in Colombia, Gabon, Ghana, Mexico, Rwanda and Thailand; and public employment

programmes in Ethiopia and India. In addition, many countries provided support to informal workers as part of their COVID-19 response.<sup>56</sup>

- Such approaches recognize that investing in people through social protection contributes to social and economic development and enables workers and entrepreneurs to benefit from the opportunities of a changing world of work.

**92.** In line with Recommendation No. 202 and the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204), most countries that have succeeded in significantly extending coverage to those in the informal economy have combined both approaches, as part of dedicated social protection policies and embedded in broader strategies of facilitating transitions from the informal to the formal economy.<sup>57</sup> Such broader strategies are essential for an enabling environment for the formalization of enterprises and employment; promoting productivity gains; skills development; technological change; inclusive patterns of rural transformation; better access to markets and value chains, especially for small enterprises and the self-employed; and for enhancing the policy coherence between social protection, rural development and sectoral policies.

### Ensuring social security for migrant workers

**93.** Migrant workers and their families face specific challenges with respect to access to social protection, due to restrictive legal frameworks and administrative regulations, and a lack of coordination between and within countries of origin and destination. In addition, many migrants, especially women, work in economic sectors that tend to be characterized by relatively weak social security coverage, such as domestic work or agriculture, where part-time, temporary or seasonal work is very common, which contributed to them being disproportionately affected by the COVID-19 crisis.<sup>58</sup>

**94.** Ensuring the equality of treatment of migrant workers with nationals in social security systems is essential to protect their right to social security and avoid adverse labour market effects. ILO standards provide an international legal framework for the protection of the social security rights of migrant workers according to basic principles.<sup>59</sup> While many countries have concluded bilateral or multilateral social security agreements between host countries and countries of origin to provide for the portability of social protection rights and benefits, the coverage of existing agreements is still relatively limited.<sup>60</sup> Recent internationally agreed documents have explicitly highlighted the importance of social protection for migrants and renewed the call for enhanced social protection access and portability.<sup>61</sup> Complementary measures aimed at addressing practical obstacles, including communication campaigns, social and legal services, the facilitation of registration,

<sup>56</sup> ILO, *Towards Solid Social Protection Floors? The Role of Non-contributory Provision during the COVID-19 Crisis and Beyond*, 2021.

<sup>57</sup> ILO, *Towards Solid Social Protection Floors?*, box 2; ILO, *Independent High-level Evaluation: ILO's Strategy and Actions towards the Formalization of the Informal Economy, 2014–2018*, Evaluation Office, 2019.

<sup>58</sup> ILO, *Social Protection for Migrant Workers: A Necessary Response to the Covid-19 Crisis*, 2020.

<sup>59</sup> These principles include: equality of treatment; maintenance of acquired rights, payment of benefits abroad (portability) and subsequent continuity of care; determination of the applicable legislation; maintenance of rights in the course of acquisition (totalization); and administrative assistance.

<sup>60</sup> Clara van Panhuys et al., *Migrant Access to Social Protection Under Bilateral Labour Agreements: A Review of 120 Countries and Nine Bilateral Arrangements*, Extension of Social Security (ESS) – Working Paper No. 57 (ILO, 2017).

<sup>61</sup> ILO, *Resolution concerning fair and effective labour migration governance*, International Labour Conference, 106th Session, Geneva (2017), *UN General Assembly resolution 71/1*, *New York Declaration for Refugees and Migrants*, A/RES/71/1 (2016), and the Addis Ababa Action Agenda: *Monitoring Commitments and Actions*, Inaugural Report, 2016.

migration-sensitive health services, pre-departure training and materials in relevant languages are also crucial.

95. Decent work deficits and economic hardship are among the key drivers of migration. Strengthening social security systems, including floors, in both countries of origin and destination will therefore not only reduce vulnerabilities and social exclusion, but will also address one of the root causes of migration. The role and impact of decent work (including social protection) and the impact of orderly, safe and regular migration on sustainable development have been widely recognized, and are reflected in SDG targets 8.8 and 10.7.
96. Although moving forward may not be easy, interregional and intraregional dialogue, tripartite consultations, strengthened institutional capacities, and better data and information technologies are required to develop and implement policies that will ultimately result in effective access to social protection for all – nationals and migrants alike.

### Closing coverage gaps for women

97. The particularly harsh impact of COVID-19 on women exposed some of the drivers of women's still significant coverage gaps in social security, including higher levels of part-time, temporary work and informal employment (especially informal self-employment) in sectors of the economy strongly exposed to the virus and characterized by low pay levels and a disproportionately high share of unpaid work, resulting in lower labour force participation, inadequate opportunities for decent employment and gender pay gaps. To a large extent, these outcomes are associated with persistent patterns of inequality, discrimination and structural disadvantages.<sup>62</sup>
98. The expansion of tax-financed pensions in many parts of the world has helped to guarantee at least a basic level of income security for many older women who did not have the opportunity to contribute when of working age (for instance in Kenya, Namibia, Nepal and South Africa). However, women who rely exclusively on tax-financed pensions often struggle with low benefit levels. In addition, where tax-financed pensions are means-tested, many older women may still not benefit from this source of income because of narrow eligibility criteria or fear of stigmatization.<sup>63</sup> Gender-responsive contributory pensions that are based on collective financing and solidarity play a key role in providing adequate pension coverage for women, particularly if they include care credits to recognize and reward periods spent caring for children or other family members, and guarantee minimum pensions in line with international social security standards.<sup>64</sup>
99. Extending maternity cash benefits and healthcare to as yet uncovered women is of key importance for ensuring women's and their babies' health and well-being, yet many women, particularly those in self-employment and in vulnerable forms of employment, are not sufficiently covered. Several countries made progress in closing coverage and adequacy gaps and promoting gender equality in employment, for example through the replacement

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<sup>62</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, para. 28; ILO, *A Quantum Leap for Gender Equality: For a Better Future of Work for All*, 2019; UN Economic and Social Council, *Social Protection Systems, Access to Public Services and Sustainable Infrastructure for Gender Equality and the Empowerment of Women and Girls*, agreed conclusions of the sixty-third session of the Commission on the Status of Women (E/CN.6/2019/L.3), 2019.

<sup>63</sup> ILO, *World Social Protection Report 2017–19*, 85–88; ILO, *Women at Work: Trends 2016*, 2016.

<sup>64</sup> Elaine Fultz, *Pension Crediting for Caregivers: Policies in Finland, France, Germany, Sweden, the United Kingdom, Canada, and Japan* (Washington, DC, Institute for Women's Policy Research, 2011); Christina Behrendt and John Woodall, "Pensions and Other Social Security Income Transfers", Janine Berg (ed.), *Labour Markets, Institutions and Inequality: Building Just Societies in the 21st Century* (Edward Elgar, 2015), 242–262.

of employer liability mechanisms by social insurance in Jordan, the extension of social insurance coverage to additional categories of workers in South Africa and Viet Nam, and the strengthening of social assistance benefits for those who are not covered by social insurance in Mozambique.<sup>65</sup> In addition, the introduction of paternity leave and gender-equitable parental leave also contributes to a greater involvement of fathers in child-rearing and a more equal sharing of family responsibilities.

100. Laudable progress has been made in the area of social health protection, with a number of countries prioritizing the provision of free or affordable quality prenatal and postnatal care. Still, women face barriers in effectively accessing healthcare, especially where insufficient provision is made to guarantee coverage irrespective of employment status and to include people with limited contributory capacity, and where social norms do not allow them to make decisions about their own health.
101. In addition, coverage gaps in long-term care tend to disproportionately affect women in two ways: women make up a larger share of those who need care given their greater longevity and they assume a larger share of additional unpaid care work, which further thwarts their participation in paid employment and social security coverage.

### Ensuring protection for workers in all types of employment

102. The discussion on the future of work and COVID-19 has spurred a debate about the urgent need to close coverage and adequacy gaps for workers, including in work mediated by digital platforms, and more generally in temporary employment, part-time work, temporary agency work and other multi-party employment relationships, as well as in self-employment. While such forms of employment may provide greater flexibility to enterprises and workers, they are often associated with lower and volatile earnings and higher levels of income insecurity, inadequate working conditions, and a lack of or limited social security entitlements. Differentials in labour cost between different types of employment can create adverse incentives to engage workers in seemingly cheaper forms of employment, which can also undermine fair competition between enterprises. Gaps in social insurance coverage also create a higher burden on the current and future expenditure of social assistance and poverty alleviation programmes that may become unsustainable in the long run.
103. Various policy options are being discussed regarding how social protection systems and policies can adapt to the changing nature of work and close coverage and adequacy gaps. Some observers argue that social protection should be “decoupled” from employment, limited to safety nets for the poor, replaced by a universal basic income and/or by health and pension plans or other individualized arrangements.<sup>66</sup> Yet, it is questionable whether such decoupling would provide a viable alternative.<sup>67</sup> While tax-financed schemes play an important role in providing poverty relief, they usually offer modest benefit levels that have a limited capacity for allowing workers to maintain their standard of living, contributing to income smoothing and to stabilizing aggregate demand. Weakening existing forms of

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<sup>65</sup> ILO, *World Social Protection Report 2017–19*, Ch. 3.2; ILO, *Maternity Cash Benefits for Workers in the Informal Economy*, Social Protection for All Issue Brief, 2016; ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, paras 441–444.

<sup>66</sup> See, for example, World Bank Group, *World Development Report 2019: The Changing Nature of Work*, 2019.

<sup>67</sup> ILO, *Work for a Brighter Future*, ILO Global Commission on the Future of Work, 2019; ILO, *Innovative Approaches for Ensuring Universal Social Protection for the Future of Work*, Issue Brief No. 12 prepared for the 2nd Meeting of the ILO Global Commission on the Future of Work, Geneva, 2018.

protection in favour of individualized arrangements (individual accounts, private insurance), with their limited potential for risk pooling and redistribution, tends to result in exacerbated inequality, including gender gaps, and increased poverty risks. Thus, in order to fully meet people's social security needs, and achieve SDG targets 1.3, 3.8, 5.4, 8.5 and 10.4, inclusive social insurance schemes, based on the principles of risk pooling, solidarity in financing and equity, should continue to play a key role, together with tax-financed benefits, in guaranteeing adequate protection and coverage.

**104.** The recovery from COVID-19 and the future of work require fair, inclusive and sustainable social protection systems, including floors, to build an economy that is more inclusive and stronger to withstand future shocks. Many countries have committed themselves, and taken measures, to adapt their systems to changing forms of work and employment, ensuring adequate protection for workers in all types of employment, facilitating the portability of entitlements, and safeguarding sustainability and a sufficiently large degree of redistribution through a mix of taxes and contributions, and COVID-19 has added urgency to stepping up such efforts.<sup>68</sup> For example, the G20 jointly committed to promoting adequate social protection and social security coverage for all workers, including those in diverse forms of employment, and to correctly classifying employment relationships.<sup>69</sup> The European Union's Council Recommendation of 8 November 2019 recommends that Member States should "provide access to adequate social protection to all workers and self-employed persons", reflecting commitments under the European Pillar of Social Rights.<sup>70</sup> As part of the COVID-19 response, many countries temporarily extended sickness benefits, unemployment benefits and other income support to previously excluded workers, including those on digital platforms,<sup>71</sup> and are exploring more permanent solutions. Already prior to COVID-19, several countries, including Algeria, China, France, Indonesia, Slovakia and Uruguay, had introduced adapted mechanisms to extend coverage to self-employed workers and other categories of vulnerable workers, through, for example:

- simplified tax and contribution collection mechanisms, with a view to ensuring the protection of all workers and fair competition for enterprises;
- measures to prevent the misclassification of employment relationships to afford adequate labour and social protection to workers;<sup>72</sup>
- measures to adapt registration, contribution collection and benefit payment mechanisms to the circumstances and needs of specific categories of workers;

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<sup>68</sup> See, for example, OECD, *OECD Employment Outlook, 2019: The Future of Work*, 2019; ILO, *Extending Social Security to Workers in the Informal Economy*.

<sup>69</sup> G20, *Towards an Inclusive Future: Shaping the World of Work*, Ministerial Declaration by the G20 at the Labour and Employment Ministers Meeting 2017; G20 Labour and Employment Ministers, *Ministerial Declaration*, 2020.

<sup>70</sup> European Union, "Council Recommendation of 8 November 2019 on access to social protection for workers and the self-employed (2019/C 387/01)", *Official Journal of the European Union*; European Commission, *The European Pillar of Social Rights in 20 Principles*, principle 12.

<sup>71</sup> ILO, "Social Protection Responses to the COVID-19 Crisis around the World", *Social Protection Monitor*, 2020. ILO, *Sickness Benefits during Sick Leave and Quarantine: Country Responses and Policy Considerations in the Context of COVID-19*, 2020; ILO, *Unemployment Protection in the COVID-19 Crisis: Country Responses and Policy Considerations*, 2020.

<sup>72</sup> ILO, *Promoting Employment and Decent Work in a Changing Landscape*, Report of the Committee of Experts on the Application of Conventions and Recommendations (articles 19, 22 and 35 of the Constitution), 2020.



- measures to enhance coordination and reduce fragmentation in their social security systems to also ensure the portability and transferability of entitlements for geographically or occupationally mobile workers;
  - measures to ensure coverage of workers with multiple employers and workers on digital platforms through adapted solutions.
- 105.** The Centenary Declaration, building on existing ILO social security standards, offers a strong framework for ILO Member States to develop and implement such coordinated policy responses to reinforce their social security systems for a human-centred recovery and the future of work. The following principles are particularly relevant for building more inclusive and resilient social security systems, including floors:
- **Universality of protection, coverage and effective access:** ensuring effective access for workers in all types of employment, adapted to their situation and needs while reaffirming that social security is an integral component of the cost of labour and does not represent a tax thereon.
  - **Adequacy:** ensuring that social protection systems do not only effectively prevent poverty, but also provide appropriate income replacement and financial protection in respect of health, in an equitable and sustainable way.
  - **Transferability/portability:** ensuring that social protection systems positively support labour market mobility and account for the structural transformation of the labour market and the economy.
  - **Transparency:** ensuring that all actors are fully aware of their rights and responsibilities; that legal frameworks provide for clear eligibility criteria and predictable entitlements; and that administrative procedures are as simple and clear as possible, fully harnessing the potential of digital technologies while protecting personal data and respecting privacy.
  - **Risk-sharing:** ensuring that there is an appropriate level of risk-sharing in the social protection system, including with regard to solidarity in financing through collective financing mechanisms, that avoids individual workers having to bear an undue level of financial and economic risk.
  - **Gender equality:** ensuring that social protection systems are sensitive to the realities that women and men face in the labour market, employment and society, and that they promote gender equality.
  - **Financial sustainability and good governance:** ensuring that social protection systems are financed in a sustainable and equitable way, and also ensuring efficient management and administration.
- 106.** Lessons learned from COVID-19 underscore the need to urgently reinforce a coordinated policy response to ensure that protection mechanisms are well adapted to the circumstances and needs of workers, and that coverage and adequacy gaps are closed. At the same time, the impact of such measures also depends on the effectiveness of overall labour regulation, particularly with respect to preventing the misclassification of employment relationships, minimum wages and working conditions.

### 3.1.2. Ensuring adequate protection

- 107.** While many countries have achieved significant progress towards the extension of coverage, ensuring the adequacy of benefits remains a major challenge. Achieving the SDGs by 2030, in particular SDGs 1.3 and 3.8, will only be possible if social security benefits are adequate and meet people's needs in line with ILO standards. This concerns not only the level and quality of benefits, but also the capacity of social protection systems to respond to newly emerging needs and challenges in a sustainable way.
- 108.** Social protection systems should guarantee at least a basic level of social security – an SPF – to ensure income security and effective access to healthcare without hardship, and should progressively achieve higher levels of protection so as to fully realize the human right to social security for all, based on a regular review, with tripartite participation and consultation, with other representative organizations of persons concerned. Many countries have yet to reach levels of benefits that could be considered adequate in terms of ILO standards.<sup>73</sup> Some low-income countries remain hesitant to improve the coverage and adequacy of benefits, in view of global competition. In some cases, fiscal consolidation policies or the failure to regularly adjust benefit levels to changes in the cost of living have led to an erosion of benefit levels, meaning that they are no longer sufficient to prevent poverty, and in many cases the predictability of benefit levels is compromised. For example, discussions around pension systems have often been dominated by fiscal consolidation objectives, putting the emphasis on the financial sustainability of pension systems at the expense of other principles established in ILO social security standards, such as universality, solidarity, collective financing, adequacy and predictability of benefits. These other principles play an important role in ensuring that pension systems can guarantee the income security of older persons, which is, and should remain, the primary objective of any pension system. As was underlined in the Tripartite round table on pension trends and reforms in December 2020, it is important that all ILO principles are given due consideration, as leaving one of them behind may jeopardize the fiscal, social, economic and political sustainability of the entire pension system.<sup>74</sup>
- 109.** While it is essential for social protection systems to respond to the full range of social protection needs and to offer comprehensive protection, in many countries social security systems are incomplete; they may provide access to healthcare and old-age pensions, but leave the working-age population without protection in respect of maternity, sickness and unemployment, as painfully exposed by the COVID-19 crisis.
- 110.** Even in comparatively rich countries, many people feel that social protection systems fail to respond to their needs. A recent survey in Organisation for Economic Co-operation and Development (OECD) countries showed that, across 21 countries surveyed, less than one in four respondents thought they could easily receive public benefits if needed, and only a minority felt that access was easy.<sup>75</sup> However, the results of the survey also showed that, overall, countries with relatively high levels of investment in social protection tend to reach

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<sup>73</sup> This includes minimum standards for the level of periodic cash benefits for the various types of schemes (including social insurance and social assistance) as well as for the range of health services to be covered without or with low co-payments, complemented by other ILO Conventions and Recommendations that establish higher benchmarks. See ILO, *World Social Protection Report 2017–19*, Annex III.

<sup>74</sup> ILO, *Report on the Tripartite Round Table on Pension Trends and Reforms*, 30 November to 4 December 2020, forthcoming.

<sup>75</sup> OECD, *Risks that Matter: Main Findings from the 2018 OECD Risks that Matter Survey*, 2019; and online [Annex 2 – A2.1.1 and A2.1.3](#).

higher levels of satisfaction than countries with relatively low expenditure, yet there is a significant degree of variation in this respect.

- 111.** While the range and scope of social protection provisions and the minimum considered socially acceptable can vary across societies, ensuring adequate and comprehensive protection in line with ILO standards is indispensable to eliminate poverty and reduce inequality in a sustainable way, to promote intergenerational solidarity and to reinvigorate the social contract.

### 3.1.3. Supporting life and work transitions

- 112.** In view of rising demands on social security systems in the future, policies and systems need to be more responsive to people's needs and enable them to better navigate life and work transitions, including in the context of structural transformations, economic shocks and disasters.
- 113.** In the context of ageing populations, addressing long-term care needs is one key challenge for many countries that has become particularly evident during COVID-19. While in some countries (for example Costa Rica and Sweden), long-term care is part of national health and care systems, other countries have established long-term care as an additional social insurance branch (for example Germany, Japan and the Republic of Korea) or are currently developing such policy solutions (for example China).<sup>76</sup> Better access to adequate long-term care benefits and services is critical to meet people's needs and has broader implications for both the healthcare system and decent work. Better provision for long-term care promotes higher quality services by shifting the responsibility from unpaid family carers (mostly women) to skilled workers. It also avoids unnecessary hospitalization in secondary and tertiary healthcare facilities for those who lack other options. At the same time, the care sector offers significant potential for the creation of decent employment, in particular for women, in the years ahead. The ILO estimates that 30 million additional jobs could be created in the long-term care sector if countries were to sufficiently invest in the sector.<sup>77</sup>
- 114.** Greater investment in child and family benefits is essential to give children a good start in life.<sup>78</sup> Social protection leads to better outcomes in children's education and nutrition, and was instrumental in contributing to a decline in child labour by 38 per cent between 2000 and 2016. Nevertheless, with 152 million children still in child labour, there is an urgent need for increased investment in social protection for children, especially in regions where low investment coincides with a high prevalence of child labour.<sup>79</sup>
- 115.** Quality childcare services are an important complement to child or family cash benefits, facilitating access to early childhood education for children and removing barriers to parents' engagement in decent and productive employment in the formal economy, especially for women. Moreover, the introduction of paternity benefits (for example the Islamic Republic of Iran) and well-designed parental benefits that encourage take-up by fathers (for example Germany, Sweden) also contribute to a more equal sharing of care responsibilities between parents, recognizing that both mothers and fathers have

<sup>76</sup> ILO, *World Social Protection Report 2017–19*, Ch. 5; and ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*.

<sup>77</sup> ILO, *Care Work and Care Jobs for the Future of Decent Work*, 2018.

<sup>78</sup> ILO and UNICEF, *Towards Universal Social Protection for Children: Achieving SDG 1.3*.

<sup>79</sup> ILO, *Global Estimates of Child Labour: Results and Trends, 2012–2016*, 2017.

responsibilities as breadwinners and caregivers, in line with SDG target 5.4 on gender equality and the Workers with Family Responsibilities Recommendation, 1981 (No. 165).

116. Supporting life and work transitions and facilitating a just transition of the economy in the light of technological progress and climate change requires the effective coordination of social protection and employment policies. For example, unemployment protection provides much needed income security and enables workers to reskill, if necessary, and transition to another job if coupled with employment services, skills development and other labour market policies.<sup>80</sup> Many countries have strengthened their unemployment protection schemes (for example the Republic of Korea, Viet Nam), or introduced such schemes (for example Malaysia, Philippines) and linked them with employment services.<sup>81</sup>
117. Disability-inclusive social protection systems can enable persons with disabilities to participate more fully in labour markets, support living in the community and compensate for disability-related costs in an appropriate way.<sup>82</sup>
118. Adapting old-age pension systems to the transformation of the world of work and population ageing requires facilitating the portability of rights and entitlements in the context of labour mobility, for example by harmonizing pension schemes, guaranteeing their financial sustainability while ensuring the adequacy of pensions, and accompanying necessary increases in pensionable age by measures to facilitate active ageing, so as to avoid negative repercussions for workers and the wider economy.
119. Gender-responsive employment and social protection policies need to work in tandem to create a more robust recovery from the crisis and ensure a human-centred future of work, including for young women and men entering the labour market. Confronted with more frequent life and work transitions, people need a holistic package of social protection benefits, skills, employment opportunities and labour market programmes and measures, such as job matching, training and reskilling, career counselling and entrepreneurship support, as well as access to quality care and other social services that also provide an important source of decent employment.

## 3.2. Strengthening social protection systems

120. Strengthening national social protection systems is essential for ensuring that all people benefit from universal access to comprehensive and sustainable social protection in the context of a changing world of work. As a direct interface between States and their citizens, social protection systems constitute an important element of effective, accountable and inclusive institutional frameworks that deserve people's trust and promote peaceful and inclusive societies for sustainable development (SDG 16). The effective implementation of national social protection policies and strategies, based on clear and coherent legal frameworks, is essential for ensuring their effectiveness.
121. Reinforcing social protection systems and adapting them to new requirements calls for effective national social protection policies and strategies based on social dialogue, strengthening their governance and administration, enhancing coordination with other

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<sup>80</sup> ILO, *Guidelines for a Just Transition towards Environmentally Sustainable Economies and Societies for All*, 2015; ILO, *World Employment and Social Outlook 2018: Greening with Jobs*, 2018.

<sup>81</sup> ILO, *World Social Protection Report 2017–19*; C. Peyron Bista and John Carter, *Unemployment Protection: A Good Practices Guide and Training Package: Experiences from ASEAN* (ILO, 2017).

<sup>82</sup> ILO and the International Disability Alliance (IDA), *Joint Statement: Towards Inclusive Social Protection Systems Supporting the Full and Effective Participation of Persons with Disabilities*, 2019.

economic and social policies, and improving their resilience and capacity to respond to crises.

### 3.2.1. Formulating, implementing and monitoring national social protection policies and strategies based on national social dialogue

- 122.** The ILO's two-dimensional strategy on the extension of social protection emphasizes the importance of formulating national social protection policies and strategies based on national social dialogue. Many Member States have formulated and implemented such strategies in recent years, with the participation of social partners and other stakeholders, providing a clear road map to extend social protection (both horizontally and vertically) and increase the coherence and comprehensiveness of national social protection systems.<sup>83</sup> Compared to more limited safety net or poverty reduction strategies, such comprehensive and systemic social protection policies that consider the full range of social security schemes contribute to a more strategic approach to reducing coverage and adequacy gaps, ensure policy coherence by enhancing coordination and avoiding overlaps, and develop synergies with other economic and social policies.<sup>84</sup>
- 123.** The participation of social partners in the formulation, implementation and monitoring of national social protection policies is essential to ensure that the policies respond to people's needs and situations and enjoy a high level of ownership and consensus.<sup>85</sup> The quality of social dialogue is a determining factor in this regard, as the country experiences of Australia, Germany and South Africa show, and its absence is an impediment for the development of inclusive, equitable and sustainable social protection systems.<sup>86</sup> A recent review of national social protection policies and strategies shows that only 9 out of 52 surveyed documents acknowledged the participation of social partners.<sup>87</sup> Noting an often inadequate institutional framework for sufficiently representative and effective national dialogue processes, the Committee of Experts on the Application of Conventions and Recommendations (CEACR) has emphasized that "the efforts made to organize and implement participatory, inclusive and meaningful social dialogue represent a worthy investment resulting in broad social and political support and consensus on the resulting policy choices, and that they accordingly also generate substantial positive economic outcomes".<sup>88</sup> The experience of assessment-based national dialogues (ABNDs) in several countries, including Belize, Kyrgyzstan, Mongolia, Myanmar, Senegal, Tajikistan, Thailand, Togo and Viet Nam, has demonstrated that the participation of social partners, as well as of other relevant and representative organizations of persons concerned, has made implementation smoother and ensured greater success in the achievement of policy objectives.<sup>89</sup>

<sup>83</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, para. 573.

<sup>84</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, para. 581.

<sup>85</sup> ILO, *A Synthesis Review*.

<sup>86</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, para. 566.

<sup>87</sup> ILO and UN Women, *Towards Universal, Gender-Responsive Social Protection? A Global Review of National Social Protection Policies*, 2019.

<sup>88</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, paras 568–569.

<sup>89</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, para. 566.

## 3.2.2. Governance and administration of social protection systems

### Enhancing governance and administration of social protection systems

- 124.** Good governance and an efficient administration constitute an essential condition for the effective implementation of social protection systems and their extension to previously uncovered groups.<sup>90</sup> Promoting accountability and transparency contributes to increasing public support and trust in the system. Many Member States have enhanced their legal frameworks in recent years, including by creating a legal basis for tax-financed benefits, strengthening and extending social insurance benefits and ensuring their sustainability, and enhancing coordination between social insurance and tax-financed schemes, and benefits in cash and in kind.<sup>91</sup>
- 125.** Good governance and an efficient administration have been greatly facilitated by the use of digital technologies for the administration of social protection systems, including management and information systems and new service delivery models, for which COVID-19 has provided an additional boost. Technological improvements, such as digital communication and automated procedures, can contribute greatly to optimizing administrative procedures, facilitating access and bringing services closer to the people. In doing so, however, it is important to protect personal data and ensure privacy, especially in countries where legal frameworks on data protection are not yet fully developed, and to maintain a non-digital delivery option so that persons with limited or no internet access and those with few digital skills are not excluded.<sup>92</sup>

### Reducing fragmentation, enhancing coordination and ensuring more effective delivery

- 126.** One of the key challenges for social protection systems in many countries is a high level of fragmentation, with multiple social insurance and social assistance schemes administered by different institutions, and often weak coordination mechanisms. Ensuring effective coordination between those mechanisms and institutions is essential to guarantee internal coherence and a systemic approach for effective delivery, facilitate the portability and transferability of entitlements across schemes, and avoid duplication and gaps in coverage.<sup>93</sup> Many countries, including Bangladesh, Canada, Croatia and Ghana, have made efforts to reduce fragmentation, strengthen internal coordination mechanisms between different institutions and between central and local levels of government, and ensure a more integrated and comprehensive approach. For example, in Ghana, recipients of the Livelihood Empowerment Against Poverty (LEAP) cash transfer programme are automatically registered in the National Health Insurance scheme, so as to facilitate their access to healthcare. Azerbaijan, China, India, Mongolia, South Africa and Tajikistan, among others, have established integrated delivery mechanisms, such as “single window services” or “one-stop-shops”, to facilitate access, especially for rural populations, provide a more complete range of social protection benefits and services at reduced cost, and channel beneficiaries to complementary employment and other services. The CEACR highlighted the

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<sup>90</sup> ILO, *World Social Protection Report 2017–19*; ISSA, *ISSA Guidelines: Good Governance*, 2013.

<sup>91</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, para. 173.

<sup>92</sup> Magdalena Sepúlveda Carmona, *Is Biometric Technology in Social Protection Programmes Illegal or Arbitrary? An Analysis of Privacy and Data Protection*, ESS – Working Paper No. 59 (ILO, 2018).

<sup>93</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, section 11.2; United Nations, *Report of the Special Rapporteur on Extreme Poverty and Human Rights: Digital Welfare States and Human Rights (A/74/493)*, 2019.

important role of a coordinating entity that should “have the ability to set priorities for the social protection system, and also to participate in the integration of social protection policies and practices within the broader development planning framework, as suggested in Paragraph 15 of the Recommendation”.<sup>94</sup>

### Monitoring progress in building comprehensive social security systems

127. Building comprehensive social security systems requires effective mechanisms to monitor progress in extending coverage and ensuring the adequacy of social protection benefits in line with Recommendation No. 202 (Part IV), including with respect to the participation of social partners and other stakeholders, the need for data disaggregation by sex, as well as to the establishment of a legal framework to secure and protect private individual information contained in social security data systems, and supported by the exchange of information among ILO Member States and with the Office.
128. While there has been significant progress in many ILO Member States with respect to strengthening monitoring frameworks for social protection systems, there are still challenges with respect to the limited availability of comparable data for certain schemes and programmes (especially non-contributory schemes), a high level of fragmentation of data and limited comparability, and the absence of coordination mechanisms and standardized methodologies.<sup>95</sup> In addition, relatively few countries have adequate analytical capacities to systematically assess the capacity of the social security system to meet national policy objectives and the needs of the population, as well as its social and economic impact, for example on reducing poverty, vulnerability and social exclusion. Such challenges reduce the ability of Member States to track progress over time in a systematic way, with a view to identifying gaps, formulating adequate policy options for social protection and assessing the impact of policy reforms.
129. One of the challenges for many Member States is the availability of disaggregated data on contributors and beneficiaries by sex, age group, and rural and urban area of residence, and of expenditure data disaggregated by function and type of expenditure. Such disaggregation is essential for providing a detailed knowledge base for policymaking at the national level, as well as for providing the necessary database for the SDG monitoring framework. The resolution concerning the development of social security statistics adopted by the Ninth International Conference of Labour Statisticians in 1957 provides useful detailed guidance on data classification and data disaggregation that can be better used for this purpose.<sup>96</sup>
130. The progressive harmonization of social protection data and the standardization of related concepts and definitions are essential, especially in view of the changes in the international monitoring framework following the adoption of the SDGs. This requires the development of common standards for the collection of data, the systematization and classification of data, and a common statistical framework to ensure the comparability of data and facilitate the use of statistics by governments, social partners and other stakeholders.<sup>97</sup> Taking into account the important role of the ILO as the custodian international organization for SDG target 1.3, the CEACR proposed that “ILO constituents may consider it necessary and timely

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<sup>94</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, para. 661.

<sup>95</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, section 11.2.

<sup>96</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, section 12.3.

<sup>97</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, para. 694.

to start reflecting on the possible means by which the ILO could continue to guide the development of social security statistics in the future”, pointing to the “high potential of an updated and harmonized international statistical framework in terms of pursuing the objective of building universal and more comprehensive and adequate social protection systems”.<sup>98</sup>

### 3.2.3. Coordination with economic and social policies

- 131.** The COVID-19 response has demonstrated the importance of coordination between social protection and other economic and social policies, including employment and sectoral policies, especially in times of change, for greater policy coherence, synergies and impact. Prior to COVID-19, notable progress had been achieved in Belgium, Cambodia, the Philippines and Portugal to ensure that economic and social policies are mutually supportive to respond to the transformation of economies and societies.<sup>99</sup> The CEACR highlights in particular the importance of including clear coordination mechanisms from the policy design stage, embedded in legal and institutional frameworks, and the key role of tripartite participation and consultation with other relevant and representative organizations of persons concerned.
- 132.** Better coordination can contribute to better results, yet countries should make sure that linkages do not lead to discrimination, exclusion or other unintended side effects. For example, in the case of conditional cash transfer programmes, there have been concerns about behavioural conditions with respect to school attendance that can undermine the right to social security, particularly for the poorest members of society, and reinforce traditional gender roles.<sup>100</sup> As a result of such concerns, many countries prefer unconditional programmes that are nonetheless well coordinated with complementary measures to facilitate access to services.
- 133.** Active labour market policies, including public employment programmes, play a key role in facilitating the entry or return to the labour market for jobseekers. However, there have been concerns in some cases about undue restrictions on effective access to benefits that infringe on acquired social security rights and are not consistent with the principles set out in international social security standards. Effective social protection and employment policies need to strike a good balance between ensuring income security and facilitating return to employment, while complying with the principles embodied in human rights and international labour standards. These include, in particular, the freedom of choice of employment and the concept of suitable employment, ensuring that the human right to social security is not subject to the requirement to perform work.<sup>101</sup>
- 134.** While better coordination and coherence between cash benefits, active labour market policies and access to services can help to ensure that people’s needs are better met, policy design and delivery mechanisms should be carefully developed to ensure that they contribute to the full enjoyment of the human right to social security and are in line with international labour standards.

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<sup>98</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, para. 696.

<sup>99</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, section 11.3.

<sup>100</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, section 11.3.3; see also ILO, *World Social Protection Report 2014/15*, and ILO, *World Social Protection Report 2017–19*.

<sup>101</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*, section 11.3.



### 3.2.4. Enhancing resilience

- 135.** As the COVID-19 pandemic has demonstrated, comprehensive social protection systems, including SPFs, constitute an important element of national disaster risk management strategies, contributing to preventing crises, enabling recovery and building resilience in the wake of shocks.<sup>102</sup> The important role of social protection in this respect is reflected in the Employment and Decent Work for Peace and Resilience Recommendation, 2017 (No. 205), that sets out that “In responding to crisis situations, Members should, as quickly as possible: (a) seek to ensure basic income security, in particular for persons whose jobs or livelihoods have been disrupted by the crisis; (b) develop, restore or enhance comprehensive social security schemes and other social protection mechanisms, taking into account national legislation and international agreements; and (c) seek to ensure effective access to essential healthcare and other basic social services, in particular for population groups and individuals who have been made particularly vulnerable by the crisis.” (Paragraph 21). Recommendation No. 205 also calls upon Members to “establish, re-establish or maintain” SPFs, “as well as seek to close the gaps in their coverage”, taking into account Convention No. 102, Recommendation No. 202 and other relevant international labour standards (Paragraph 22).
- 136.** In crisis and fragility situations, strategic linkages between short-term relief interventions, including humanitarian assistance, and long-term development efforts are essential to promote a continuous phased multi-track approach that better uses resources and institutional mechanisms to cope with the risks and effects of disasters. Social protection systems are now widely recognized as a constitutive element of this continuity of approaches:<sup>103</sup>
- **Adapting existing social protection systems to increase their capacity and resilience to respond quickly and adequately to future shocks.** The development and use of business continuity planning and contingency plans is crucial to ensure that social protection systems can respond quickly and adequately to adverse events and increases in demand, reducing delays and increasing the efficiency of domestically driven responses. Mexico and Mozambique have enhanced their capacity to provide additional and complementary benefits in the case of shocks and efficiently extend coverage to new beneficiaries. As a result, the budgets allocated to social protection may need to increase and administrative capacities may need to be updated, as was the case in Nepal, for instance, in the aftermath of the 2015 earthquake.
  - **Leveraging existing social protection systems in post-shock relief efforts.** In countries with an existing social protection system, the available schemes and programmes can be adapted to distribute cash and in-kind relief to affected populations. External support channelled through the existing system can also be used to transfer new technologies and upgrade capacities, as is the case, for example, in El Salvador where the *Estrategia de Erradicación de la Pobreza* has expanded vertically and horizontally during droughts.
  - **Supporting the development of a sustainable national social protection system progressively institutionalized by government.** Following a sudden-onset crisis, relief efforts may result in disparate programmes sponsored by several international donors.

<sup>102</sup> ILO, *World Social Protection Report 2017–19*; ILO, *ILO Standards and COVID-19 (Coronavirus) FAQ*, 2020.

<sup>103</sup> European Union, *Social Protection across the Humanitarian-Development Nexus: A Game Changer in Supporting People through Crises*, European Commission Tools and Methods Series – Reference Document No. 26, 2019.

Better coordination can create the foundations of a sustainable, nationally owned social protection system, possibly operated by the government. For example, in Somalia, short-term cash assistance is evolving into longer-term social protection mechanisms owned by the Government.

- **Extending social protection or services to forcibly displaced populations.** In 2015, more than 65 million people were either refugees or seeking asylum abroad, or else displaced within their own countries. Humanitarian assistance to displaced populations addresses the most immediate needs, but, when coupled with other forms of support, it may also yield more sustainable solutions. There is a need for longer-term policy responses that complement emergency services with other forms of support, including skills development and participation in selected national social protection programmes. Furthermore, extending social protection systems in respect of refugees is in line with the 1951 Convention Relating to the Status of Refugees and the 1967 Protocol Relating to the Status of Refugees,<sup>104</sup> which entrust States with the responsibility to extend protection and assistance so that refugees enjoy access to health services and social security on a par with the host population.

### 3.3. Ensuring sustainable social protection systems

137. When designing or reforming social security systems it is important to carefully consider coverage, benefits adequacy, financial sustainability and solidarity. Solidarity in financing is not only an ethical imperative, but the most efficient way to simultaneously achieve universality of coverage, adequacy of benefits and financial sustainability of the social protection system.

#### 3.3.1. Sustainable financing

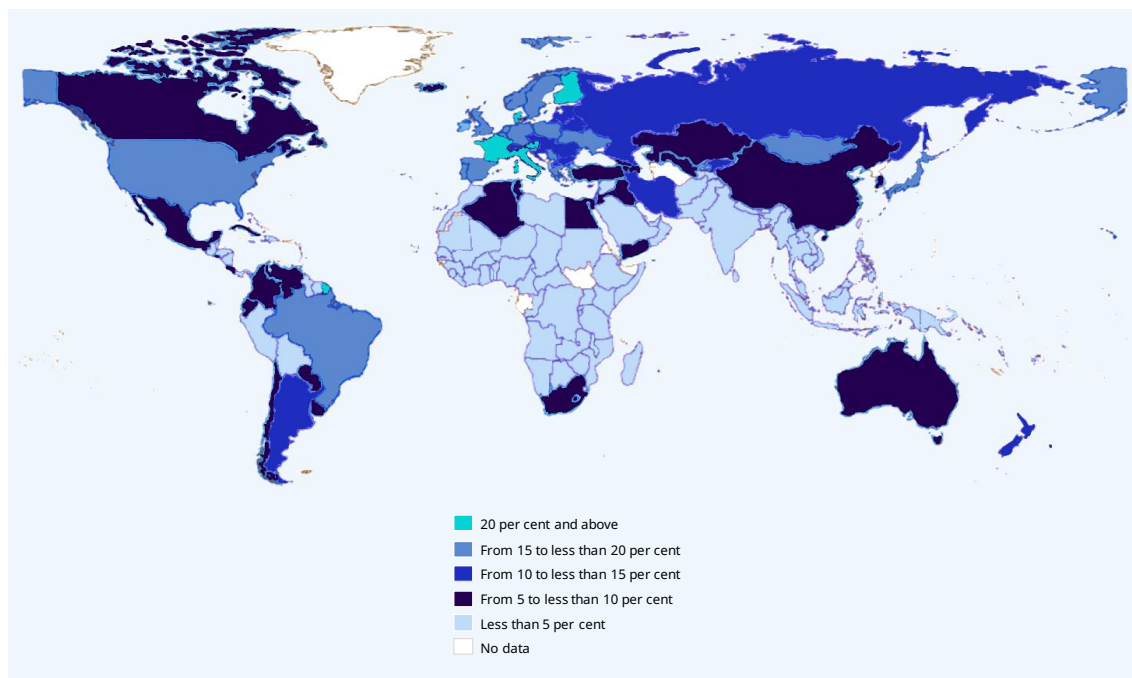
138. Spending on social protection systems is a long-term investment in people, and the lack of such investment can undermine economic and social progress, resulting in the lack of a healthy and productive workforce, social unrest, social exclusion and economic insecurity as the COVID-19 crisis has reminded the world. Investing in people through social protection systems requires resources that must be provided by enterprises, workers, households and others as contributors and taxpayers. ILO Recommendation No. 202 urges Member States to “consider using a variety of different methods to mobilize the necessary resources to ensure financial, fiscal and economic sustainability” of national social protection systems; these financing methods may include, individually or in combination, effective enforcement of tax and social contribution obligations, or a broader and sufficiently progressive revenue base,<sup>105</sup> as well as reprioritizing or increasing the quality of expenditure.

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<sup>104</sup> Office of the United Nations High Commissioner for Refugees (UNHCR), [Convention and Protocol Relating to the Status of Refugees](#).

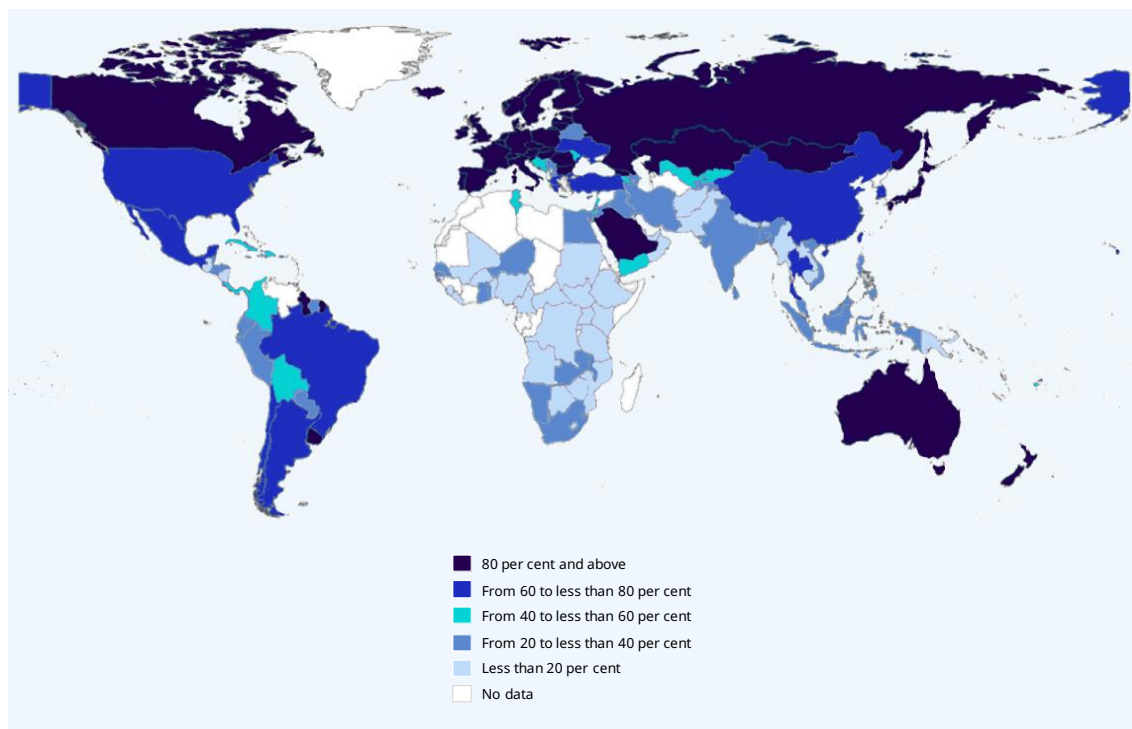
<sup>105</sup> Recommendation No. 202, Para. 11. This provision embodies State Parties' obligation under the [International Covenant on Economic, Social and Cultural Rights](#) to achieve progressively the full realization of the right to social security by all appropriate means and to the maximum of available resources, and, if necessary, through international cooperation (Art. 2).

► **Figure 3.1(a). Government expenditure on social protection (excluding health) as a percentage of GDP (latest available data)**



Sources: ILO, [World Social Protection Database](#), based on the SSI; OECD; ILOSTAT, IMF.

► **Figure 3.1(b). Share of population covered by at least one social protection cash benefit (percentage, latest available year)**



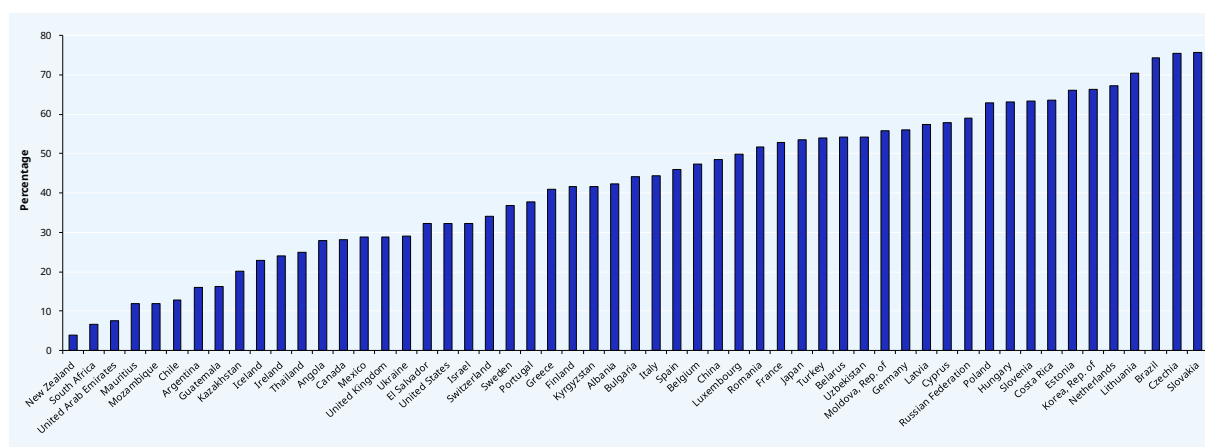
Sources: ILO, [World Social Protection Database](#), based on the SSI; OECD; ILOSTAT, IMF.

**139.** Despite some progress, significant gaps in both the financing and coverage of social protection still remain, and these are closely linked (figures 3.1(a) and 3.1(b)). In order to

overcome this challenge, greater attention should be paid to creating fiscal space in developing countries to finance social protection systems, and in particular to guarantee an SPF.

- 140.** Countries have used several approaches to create fiscal space for social protection, as described below.
- 141. Increasing tax revenues** by broadening the tax base, focusing on more efficient tax collection methods and enhancing compliance, ensuring the fair taxation of different types of revenues (corporate profits, financial activities, property, imports/exports and natural resources) and ensuring the progressivity of the tax system. The Plurinational State of Bolivia, Mongolia and Zambia finance universal pensions, child benefits and other schemes from mining and gas taxes; Liberia and the Maldives introduced taxes on tourism to support social programmes; Gabon used revenues from corporate profit tax of mobile communication companies to finance its healthcare system for the poor and vulnerable; Algeria, Mauritius and Panama, among others, complemented social security revenues with high taxes on tobacco; similarly, Ghana, the Philippines and Thailand mobilized earmarked taxes on tobacco and alcohol to subsidize the extension of social health insurance; and Brazil introduced a temporary tax on financial transactions to expand social protection coverage. Other countries, such as China and Spain, use revenue from lotteries to supplement social security spending. However, regressive taxes, such as value added tax (VAT), may place an extra burden on the population, including poor and vulnerable groups that may not always benefit from social protection programmes (in the case of ultra-targeted cash transfers, for instance).
- 142. Expanding social security coverage** and contributory revenues is a reliable way to finance social protection. Many countries finance national social protection systems primarily from contributions (figure 3.2), demonstrating the importance of this option for creating fiscal space, regardless of their level of national income. In many countries, such as Brazil, Costa Rica, Cyprus, Germany, Japan, Netherlands, Republic of Korea, Russian Federation, Slovakia and Turkey, social security contributions provide more than half of the total resources allocated to social protection.

► **Figure 3.2. Social contributions as a percentage of public social protection expenditure (including healthcare), 2016, selected countries**



Sources: ILO, [World Social Protection Database](#); IMF, [Government Finance Statistics](#); OECD.

- 143.** Among countries that rely less on contributions, some follow a tradition of dominant tax financing (such as Canada, Sweden and the United Kingdom), while others (such as

Guatemala or Mozambique) are still at a relatively early stage of development, so that contributory social security only reaches workers in formal employment. The adaptation and extension of contributory mechanisms to the informal economy (as in Argentina, Brazil and Uruguay) liberate resources from social assistance and contribute to formalizing workers and enterprises and broadening the tax base, thereby having a double effect on creating fiscal space for social protection.<sup>106</sup>

144. **Eliminating illicit financial flows.** Estimated at more than ten times the size of all official development assistance received, a colossal amount of resources illegally escape developing countries each year. There is a growing effort, particularly within the United Nations, the OECD and other international forums (such as the G20 and G24), to devote greater attention to cracking down on money laundering, bribery, tax evasion, trade mispricing and other financial crimes that are both illegal and deprive governments of revenue needed for social protection and achieving the SDGs.
145. **Reallocating public expenditure,** based on: public expenditure reviews, social budgeting and other types of budget analyses; replacing high-cost, low-impact investments with those with larger socio-economic impacts; enhancing public finance management frameworks, improving financial governance of social protection schemes to generate savings and eliminate spending inefficiencies; tackling fraud and corruption. Costa Rica and Thailand reallocated military expenditure to social health protection; Egypt, Ghana and Indonesia and many other developing countries reduced or eliminated fuel subsidies and used the proceeds totally or partially to extend social protection programmes.
146. **Using fiscal and central bank foreign exchange reserves,** for example by drawing down fiscal savings and other state revenues stored in sovereign wealth funds, and/or using excess foreign exchange reserves in the central bank for domestic and regional development. Chile and Norway, among others, are tapping into fiscal reserves for social investments; Norway's Government Pension Fund Global is perhaps the best known case.
147. **Managing sovereign debt: Borrowing and restructuring existing debt** by actively exploring domestic and foreign borrowing options at low cost, including concessional loans, following careful assessment of debt sustainability, including renegotiating/reducing debt service. In 2017, Colombia launched the first Social Impact Bond in a developing country, and South Africa issued municipal bonds to finance basic services and urban infrastructure. In recent years, more than 60 countries have successfully renegotiated debt and over 20 (including Ecuador and Iceland) have defaulted on or repudiated public debt, directing debt servicing savings to social protection.
148. **Adopting a more accommodating pro-employment macroeconomic framework.** This entails permitting higher budget deficit paths and/or higher levels of inflation without jeopardizing macroeconomic stability, and promoting decent and productive employment, including through public investment policies with a clear employment objective. A significant number of developing countries used deficit spending and a more accommodating macroeconomic framework during the global recession to attend to pressing demands at a time of low growth and to support socio-economic recovery.
149. **Increasing international financial support to complement domestic resources** where these are not yet sufficient to meet the social protection needs of the population. Recommendation No. 202 suggests that countries "whose economic and fiscal capacities

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<sup>106</sup> ILO, *Extending Social Security to Workers in the Informal Economy*; and ILO, *Simple National: Monotax Regime for Own-Account Workers, Micro and Small Entrepreneurs: Experiences from Brazil*, 2019.

are insufficient to implement the guarantees may seek international cooperation and support that complement their own efforts".<sup>107</sup> Madagascar, Namibia, Pakistan, Tajikistan and Zimbabwe have received support from international partners through official development assistance and other means to finance their social protection systems. Moreover, the Government of Burkina Faso counts on international cooperation for its national SPF strategy. In Czechia, the implementation of national plans has been partly based on resources from the European Social Fund.<sup>108</sup> The national and international resource mobilization to mitigate the COVID-19 crisis is far from sufficient to close the social protection financing gap in developing countries. In order to build resilient SPFs, such efforts need to be further increased and safeguarded against the austerity measures that are already emerging as the crisis recedes. A recent ILO study on the costs and financing gaps for SDG targets 1.3 and 3.8 shows that for low-income countries an additional annual investment of US\$77.9 billion, equivalent to 15.9 per cent of their GDP, would be required to establish an SPF in those countries.<sup>109</sup> For countries with insufficient fiscal capacities, domestic resource mobilization efforts would need to be complemented by international resources, including by honouring currently unmet official development assistance commitments and considering further global and solidarity-based financing mechanisms.<sup>110</sup>

- 150.** The International Monetary Fund's (IMF) strategy to guide its engagement on social spending<sup>111</sup> acknowledges the important role of social protection in promoting sustained and inclusive growth. It is crucial that the implementation of this strategic framework safeguards and expands domestic spending on social protection as the main source of resources for social protection in both developed and developing countries. Particularly in times of crisis, countercyclical economic measures act as an economic and social stabilizer and help maintain domestic consumption. Yet, even in the midst of the current crisis, fiscal consolidation policies and other short-term budgetary measures to reduce social expenditure are discussed as a response to fiscal pressures. However, experience shows that such policies often lead to lower levels of economic activity and employment, further aggravating the situation by reducing the number of persons able to contribute, while increasing the number of persons in need of protection.
- 151.** In view of the demographic changes, the financing of social protection systems will need to adapt to growing populations in the developing world, including older people. By 2050, three quarters of the world's old-age population will live in developing countries, and many of them will be women, but at the same time cohorts of the young working-age population are large and will continue to grow. This creates a window of opportunity for the development and financing of contributory social protection. High-income countries will need to be prepared for ageing populations, including meeting the needs of the "oldest old" aged 80 and above, whose numbers will quadruple in the next four decades, while at the same time ensuring the necessary investments for children and young people.

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<sup>107</sup> Recommendation No. 202, Para. 12.

<sup>108</sup> ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development*.

<sup>109</sup> ILO, *Financing Gaps in Social Protection: Global Estimates and Strategies for Developing Countries in Light of COVID-19 and Beyond*, 2020.

<sup>110</sup> ILO, *Financing Gaps in Social Protection*, 2020.

<sup>111</sup> IMF, *Policy Paper: A Strategy for IMF Engagement on Social Spending*, 2019.

### 3.3.2. Solidarity in financing

152. Effective realization of the right to social security depends on the availability of the necessary financial resources to cover the cost of benefits for all population groups, including for persons with inadequate or no earning capacity. ILO social security standards recommend a fair division of social security contributions between employers and workers in the case of contributory schemes, limiting workers' contributions to no more than 50 per cent of total contributions, as well as adequate social protection guarantees for those who are unable to pay sufficient contributions.
153. While there are broad variations in the configuration of social protection systems worldwide, the overwhelming majority of systems are based on the principle of "solidarity in financing". Many countries combine a range of different instruments to achieve redistributive objectives, such as social insurance, tax-financed universal or means-tested benefits, employment guarantee schemes and negative income tax policies. For example, countries that provide tax-financed social protection benefits to broad categories of the population (such as universal child benefits or pensions) usually rely on progressive taxation, including by "clawing back" transfers through income tax as part of their redistributive policies.

### 3.3.3. Good financial governance under the responsibility of the State

154. Governments are responsible for ensuring the solvency, viability and sustainability of social protection systems, as well as for achieving coherence between the various components of the social protection system at both the normative and operational levels, and for coherence with other economic and social policies. The overall and primary responsibility of the State includes ensuring sufficient financial resources to finance the implementation of the basic social security guarantees through adequate and predictable statutory benefits and schemes; setting contribution and tax rates at levels sufficient to finance the cost of benefits, without placing too heavy a burden on vulnerable persons; ensuring that costs are shared fairly between employees, employers and the State so as "to achieve an optimal balance between the responsibilities and interests among those who finance and benefit from social security schemes"; establishing "transparent, accountable and sound financial management and administration" to maintain the system in a fairly stable financial equilibrium; and ensuring that systems are in place to "enhance compliance with national legal frameworks" so as to minimize the possibility of social security funds being misused, lost or stolen.<sup>112</sup>
155. While most countries ensure good financial governance through various mechanisms, many social security schemes, mainly in developing countries, suffer from poor governance and management that undermines the trust of both employers and protected persons, often resulting in low levels of compliance, including the evasion of contributions. This in turn limits the capacity of schemes to function efficiently and to extend coverage to those who are not yet covered. There is therefore an urgent need to improve financial governance to ensure transparency and compliance with the legal and regulatory requirements for the resources to be sufficient to meet all benefit entitlements.
156. Measures to improve financial governance include: centralized database systems to cross-check information from labour inspection, social security contributions and other information (such as energy consumption); automatic payment of social security

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<sup>112</sup> Recommendation No. 202, Paras 3 and 7.

contributions; requesting certificates of fiscal compliance and social security obligations in public procurement; informing workers about contributions paid on their behalf; awareness campaigns to create a culture of social protection; and facilitating access to services, including through online and mobile services. For example, the one-stop-shop facility (*guichet unique*) established in the Employees' Social Security Fund in Algeria facilitates access to social benefits and improves financial management. In Jordan and Saudi Arabia, electronic applications have been introduced to facilitate access to information and the collection of contributions. Governance reforms in the National Pension Fund in Morocco include the creation of regulatory committees. The Public Authority for Social Insurance in Oman has introduced a smart inspection system, while in Tunisia the National Social Security Fund is using technology to improve data exchange with social security users.

- 157.** Parametric adjustments need to be introduced in a timely manner so as to ensure the long-term stability and sustainability of the system and its ability to guarantee adequate levels of protection. In the case of tax-financed social assistance benefits, measures are required to secure the right to predictable and adequate benefits over time. Countries have used various strategies to reduce social protection deficits. On the one hand, for instance, by increasing public budget allocations (Latvia and Sri Lanka), improving financial governance (Belgium) and reviewing the balance between contributions and benefits (Latvia and Switzerland) and, on the other, by reducing benefits, for example by raising the retirement age (Belarus, Brazil, Latvia, Senegal and Viet Nam) and contribution rates (Morocco), and cutting expenditure (Lithuania).
- 158.** Good practices illustrating the principle of tripartite participation and its relevance to solidarity in financing are also evident. For example, at the round table for social dialogue to promote sustainability in pension insurance in the Costa Rica Social Security Fund, the stakeholders put forward 33 proposals to improve the sustainability of the national public pension system.



## ► Chapter 4

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### The ILO's support to constituents to turn aspirations into reality

- 159.** In line with the resolution concerning efforts to make social protection floors a national reality worldwide and the Follow-up to the discussion on social security at the 100th Session (2011) of the Conference: Plan of action, endorsed by the Governing Body in 2012,<sup>113</sup> by the resolution and conclusions adopted by the 100th Session (2011) of the Conference concerning the recurrent discussion on social protection (social security), and by the Social Security Plan of Action 2011–19 adopted by the Governing Body in 2011,<sup>114</sup> the Office has focused on supporting countries to develop and strengthen sustainable social protection systems, including national SPFs. With the endorsement by the Governing Body in 2015 of the Flagship Programme, the Office also has a coherent structure to deliver technical advisory support and to mobilize and channel resources.<sup>115</sup>
- 160.** In 2017, an independent high-level evaluation of the ILO's strategy and actions for creating and extending SPFs covering 2012–17 (2017 high-level evaluation)<sup>116</sup> helped to guide the further improvement of Office support to constituents (box 4.1).
- 161.** This chapter is organized according to the six interlinked areas of action<sup>117</sup> endorsed by the Governing Body, and thus responds to the priorities set by the Conference for ILO action in 2011.<sup>118</sup> The Office provides support on the nine branches of social protection as defined in Convention No. 102, through support to policy development, legal frameworks, financing, statistics, actuarial analysis, governance and administration. The chapter presents selected examples to give an indication of ILO support to constituents in the framework of Decent Work Country Programmes (DWCPs).
- 162.** This chapter also highlights how the ILO responded to the COVID-19 pandemic and crisis. As a cross-cutting policy action of the ILO's four-pillar policy response framework,<sup>119</sup> and a pillar of the UN framework for the immediate socio-economic response to COVID-19, social protection is at the centre of national response measures and recovery efforts. The ILO has provided support to its constituents through its Global Technical Team, working in consultation with social partners and in collaboration with UN agencies.

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<sup>113</sup> GB.312/POL/2 and outcome.

<sup>114</sup> GB.316/INS/5/1(&Corr.) and decision.

<sup>115</sup> GB.325/POL/7.

<sup>116</sup> ILO, *Independent Evaluation of the ILO's Strategy and Actions for Creating and Extending Social Protection Floors, 2012–2017*, Evaluation Office, 2017.

<sup>117</sup> National social dialogue is fundamental for building sustainable social protection systems, and is therefore included as a core area of ILO action.

<sup>118</sup> Activities set out in Appendix I: Social Security Plan of Action – Activity matrix 2011–19 in GB.312/POL/2 refer to the headings therein, e.g. PAI.1 refers to Plan of Action, Category of activities I, Activity 1.

<sup>119</sup> ILO, *A Policy Framework for Tackling the Economic and Social Impact of the COVID-19 Crisis*, 2020.

► **Box 4.1. Some highlights from the high-level evaluation of the ILO's strategy and actions for creating and extending social protection floors, 2012–17**

Main findings:

- relevance of the ILO's work at global, regional and country levels, in line with the ILO's global outcomes, national priorities and the needs expressed by constituents;
- broad acceptance of SPFs following the adoption of Recommendation No. 202, and inclusion of universal social protection on the development agenda, including the 2030 Agenda;
- expanded geographical focus through the Flagship Programme and recognition of the SPF concept based on strategic and evidence-based frameworks;
- strategic relevance, leadership and added value of the ILO in advocacy and partnerships;
- the ILO's comparative advantages based on its international labour standards, tripartism, cross-country knowledge-sharing and specialized technical advisory services embracing a comprehensive, integrated and long-term perspective; and
- sustainability of results of the ILO work, in particular through social dialogue, institutional capacity-building and knowledge transfer.

Main recommendations:

- developing a long-term capacity-building approach to support constituents;
- increasing continuity of country engagement over a longer time frame;
- expanding support towards integrated social protection systems;
- further strengthening partnerships;
- systematically reinforcing the ILO's comparative advantages through policy development, adoption and implementation;
- enhancing ILO services' delivery through innovative models; and
- continuing efforts to strengthen and disseminate knowledge.

## 4.1. Policy development and standards-related activities

- 163.** While the ILO's policy support in previous decades focused largely on the development of social insurance for workers in the formal economy and explored innovative ways to extend coverage to workers in the informal economy, the launch of the UN SPF Initiative in 2009, and the adoption of the ILO's two-dimensional extension strategy in 2011 and Recommendation No. 202 in 2012, marked a turning point in the priority given to the extension of coverage through the development of nationally defined SPFs (PAI.1).
- 164.** The UN SPF Initiative also gave the ILO a new responsibility within the UN system. As a co-lead of the UN SPF Initiative, the ILO developed a One UN approach, including new methodologies and tools, to assess social protection situations, increase fiscal space for social protection and support SPF implementation. This also gave the ILO a new convening power and entry points to promote its vision and principles among its constituents, ministries of planning and finance, and prime ministers' offices.
- 165.** At the same time, the Office has continued to encourage the ratification and application of Convention No. 102 (PAI.4) and higher-level standards by raising awareness and facilitating comparative assessments of national social protection laws and systems with relevant ILO standards (box 2.1).
- 166.** Recognizing that building national social protection systems, including floors, requires coherence with social, economic, sectoral, skills and employment policies, the Office's

actions have aimed to strengthen their interlinkage, for example by ensuring that SPF guarantees are accessible for all, regardless of labour market status, while encouraging the formalization of employment. The development of coordinated approaches (for example, linkages between unemployment protection, skills development and employment services, single window services) is particularly relevant to support life and work transitions in the context of the future of work.

167. The inclusion of social protection into five of the international labour standards adopted by the International Labour Conference since 2011, namely the Domestic Workers Convention, 2011 (No. 189), and its accompanying Recommendation (No. 201), the Forced Labour (Supplementary Measures) Recommendation, 2014 (No. 203), and Recommendations Nos 204 and 205, reinforced policy coherence, in particular in addressing new social protection challenges in the context of the future of work.
168. Furthermore, the 2013 Conference discussion on employment and social protection in the new demographic context highlighted the interdependency between current and future demographic shifts, employment, labour migration, social protection and economic development. To this end, the Office continues to promote increased coherence between social protection and employment policies, for example in Burkina Faso, Cambodia and Honduras.<sup>120</sup>
169. To standardize its policy and technical support, share knowledge and foster South–South learning, the Office has developed a series of modular guides (box 4.2) (PAI.3). These were developed on the basis of country experiences, and their utilization by ILO experts and constituents informs new policy developments. The guides are living documents that are enriched with new examples and methodologies developed in the field. They form part of a comprehensive package that also includes training within the context of various International Training Centre of the ILO (ITC–ILO) academies and courses (PAIV.2(ii)).

#### ► Box 4.2. Good practices guides for social security

- *Social protection assessment-based national dialogue: A global guide.*<sup>1</sup>
- *Unemployment protection: A good practices guide and training package.*<sup>2</sup>
- The guide and electronic platform *Extending social security to workers in the informal economy: Lessons from international experience.*<sup>3</sup>
- *Fiscal space for social protection handbook.*<sup>4</sup>
- The guide *Extending social protection to migrant workers, refugees and their families* (forthcoming in 2021).
- *Legal drafting guide* (forthcoming in 2021) and the online *Toolkit on ILO Social Security Standards.*<sup>5</sup>
- *UNDG Social Protection Coordination Toolkit.*<sup>6</sup>
- *Handbook on social health protection for refugees: Approaches, lessons learned and practical tools to assess coverage options.*<sup>7</sup>

<sup>1</sup> ILO, *Social protection assessment-based national dialogue: A global guide*, 2015. <sup>2</sup> ILO, *Unemployment protection: A good practices guide and training package – Experiences from ASEAN*, 2017. <sup>3</sup> ILO, *Extending Social Security to Workers in the Informal Economy: Lessons from International Experience*, 2019. <sup>4</sup> ILO, *Fiscal Space for Social Protection: A Handbook for Assessing Financing Options*, 2019. <sup>5</sup> ILO, *Toolkit on ILO Social Security Standards: Learn, Ratify and Apply*, 2019. <sup>6</sup> ILO and UN, *UNDG Social Protection Coordination Toolkit*, 2016. <sup>7</sup> ILO and UNHCR: *Handbook on social health protection for refugees: Approaches, lessons learned and practical tools to assess coverage options*, 2020.

<sup>120</sup> ILO, *ILO/EC Project: Improving Social Protection and Promoting Employment: Final Independent Evaluation*, 2013.

## Lessons learned

170. Since the last recurrent discussion in 2011, social protection has become firmly established on the international development agenda and, as a result, many countries have embarked on the formulation or revision of their national social protection policies, strategies and systems. The launch of the UN SPF Initiative and the adoption of Recommendation No. 202 were timely and allowed the ILO to play a decisive role in supporting policy developments informed by a strong evidence base and through tripartite participatory processes.<sup>121</sup>
171. As co-lead of the UN SPF Initiative, the ILO was also able to mainstream its rights-based approach to social protection embedded in Recommendation No. 202 into the policy and technical work of many UN agencies. This resulted in social protection being a priority pillar of UN Development Assistance Frameworks (UNDAFs) and it is expected to be similarly prioritized in the new UNSDCF. A number of agencies reflected it in their strategic frameworks (for example the Food and Agriculture Organization (FAO), the United Nations Children's Fund (UNICEF) and others). More efforts at global and country levels are needed to further mainstream the ILO standards, including social dialogue, into the work and approach of other UN agencies, and to ensure that the IFIs' guidance to countries does not contradict the provisions of international labour standards.
172. COVID-19 required immediate action for relief and support to workers and their families, as well as to enterprises, requiring the Office to strengthen its response to shocks. This has been done by ensuring that the emergency measures taken by countries reflected the ILO guiding principles, particularly Recommendations Nos 202 and 205, and would lead to the development of long-term social protection systems. For instance, the Office supported the implementation of new benefits and schemes in countries such as Cabo Verde, Peru, Timor-Leste and Zambia, the extension of existing schemes, including unemployment insurance benefits, in countries such as Cambodia, Ecuador and Nigeria, and the linking of wage subsidies to the development of unemployment protection schemes in countries like Bangladesh and Ethiopia.
173. The Centenary Declaration promotes the ILO two-dimensional strategy in the context of the future of work, where an increase in the number of workers in unprotected forms of employment may further challenge the achievement of universal, comprehensive and adequate social protection. This strategy, based on a combination of tax-financed benefits and social insurance, has been affirmed by the Global Commission on the Future of Work.

## 4.2. Knowledge development and sharing

174. In line with its Knowledge Strategy 2010–15 and 2018–21, the Office has strategically developed its empirical knowledge base to support policy and technical advice to constituents. This contributed to reinforcing the ILO's position as global knowledge leader on social protection, empowering constituents and stakeholders to advance social justice, and promoting social protection for all. Its hallmark knowledge products, such as the flagship *World Social Protection Report* (box 4.3) and regional reports,<sup>122</sup> inform upstream policy advice and ensure the promotion of ILO values and principles worldwide.

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<sup>121</sup> ILO, *A Synthesis Review*, Ch. 3.

<sup>122</sup> For example, UN Economic and Social Commission for Asia and the Pacific (ESCAP) and ILO, *The Protection We Want: Social Outlook for Asia and the Pacific* (2020).

### ► Box 4.3. The ILO's flagship *World Social Protection Report* and Database

The *World Social Protection Report* is a global reference on the state of social protection systems. It is the most comprehensive source of comparable social protection statistics, and highlights progress and gaps, the organization of social protection systems and their coverage and benefits, and public expenditures. Since 2010, three editions of the flagship report have been published. The latest edition (2017–19), focusing on universal social protection to achieve the SDGs, has been translated into five languages and downloaded almost 70,000 times (December 2020) (PAII.2(iii)).

The World Social Protection Database is fed by the regularly conducted SSI (PAII.2(iv)) and is the source for monitoring and reporting on achievements of SDG indicator 1.3.1 for which the ILO is the custodian, including for the UN Secretary-General's report on the monitoring of the SDGs. \* However, despite its importance, the work on the World Social Protection Database is hampered by the insufficient allocation of funding to ensure its continuous updating and improvement. Another challenge is that many countries still face difficulties in producing accurate, reliable and high-quality data on social protection, including data disaggregated by sex, mainly due to limited resources and technical capacities of national statistical systems.

\* See for example: UN, *The Sustainable Development Goals Report*, 2019 (New York, NY).

175. During the last ten years, the Office has developed a broad base of resource materials to support the implementation of Recommendation No. 202 and to respond to new and emerging needs for policy development – such as designing, costing and financing SPFs, long-term care, social protection and climate change, social protection for workers in new forms of employment, and social protection for refugees and host communities. This included good practices guides (box 4.2), as well as a number of working papers, policy briefs and country briefs listed below.
176. As a follow-up to the 102nd Session (2013) of the Conference, the Office examined the trends and impact of ageing on social protection systems with a study on long-term care protection in 46 countries covering 80 per cent of the world's population.<sup>123</sup> This work also contributed to the outcome of the UN High-Level Commission on Health Employment and Economic Growth in 2016,<sup>124</sup> and informed the ILO/OECD paper for the G20 Employment Working Group<sup>125</sup> and the UN Decade of Healthy Ageing, starting in 2020.
177. To respond to the challenges faced by constituents, resulting from the transformations in the world of work, the ILO developed policy-oriented research on social protection<sup>126</sup> that helped to inform the human-centred response for the future of work promoted by the Global Commission on the Future of Work,<sup>127</sup> and the deliberations of the G20 and the

<sup>123</sup> Xenia Scheil-Adlung, *Long-term Care Protection for Older Persons: A Review of Coverage Deficits in 46 Countries*, ESS – Working Paper No. 50, xi (ILO, 2015).

<sup>124</sup> WHO, *Working for Health and Growth: Investing in the Health Workforce*, Report of High-Level Commission on Health Employment and Economic Growth, 2016.

<sup>125</sup> ILO and OECD, *New Job Opportunities in an Ageing Society*, prepared for the 1st Meeting of the G20 Employment Working Group, February 2019.

<sup>126</sup> Christina Behrendt and Quynh Anh Nguyen, *Innovative Approaches for Ensuring Universal Social Protection for the Future of Work* (ILO, 2018); Isabel Ortiz et al., *Universal Basic Income Proposals in Light of ILO Standards: Key Issues and Global Costing*, ESS – Working Paper No. 62 (ILO, 2018); Behrendt et al., “Social Contract and the Future of Work: Inequality, Income Security, Labour Relations and Social Dialogue”, *The Future of Work Centenary Initiative*, Issue Note Series 4 (ILO, 2016).

<sup>127</sup> ILO, *Work for a Brighter Future*.

BRICS countries (Brazil, the Russian Federation, India, China and South Africa).<sup>128</sup> This research is the basis for further policy support at country level.

- 178.** To respond to the pressing needs of constituents to protect their populations and to safeguard their national social protection systems against climate-related shocks, the ILO developed knowledge on the role of social protection in addressing climate change and ensuring a just transition.<sup>129</sup> This work includes the documentation of country experiences, developed in collaboration with the French Development Agency (AFD), based on which further policy support is under way.<sup>130</sup>
- 179.** To respond swiftly to the COVID-19 crisis and the urgent challenges faced by constituents, the ILO produced a range of publications documenting how countries responded to the crisis with social protection measures and proposing policy considerations to improve the resilience of economies and people to future shocks. A dedicated COVID-19 online portal disseminates these publications together with other practical tools.<sup>131</sup>
- 180.** In the context of the UN Financing for Development discussions, the ILO published the first ever estimate on the financing gap for achieving SDG target 1.3 in 2019 and updated these estimates in 2020 to include the impact of COVID-19. Bridging the financing gap for SDG targets 1.3 and 3.8 would require mobilizing an additional US\$707.4 billion and US\$484.2 billion per year, equivalent to 2.2 and 1.5 per cent of the GDP of developing countries on average.<sup>132</sup> This evidence supports a global call to create the necessary fiscal space for social protection through national efforts complemented by international solidarity (see paragraph 232) where necessary, and to protect existing social protection systems from cuts in expenditure in the context of fiscal consolidation measures.<sup>133</sup>
- 181.** The Office has also recently upgraded and extended its set of comprehensive generic quantitative models for policy analysis (PAII.2(i)). These are being used to provide advice to constituents, and also by national experts who benefit from the appropriate transfer of knowledge. For example, the ILO's pensions and health models are being applied in many national social security schemes, including in Ecuador, Eswatini, Mozambique and Peru. The Office also developed a rapid social protection cost calculator for COVID-19 to support constituents in evaluating social protection response options to the crisis. The tool has been translated into Russian and presented to over 60 constituents from the central Asia subregion.<sup>134</sup> These tools are available online<sup>135</sup> and a dedicated online quantitative platform will be launched in 2021 to increase the outreach of actuarial and other quantitative tools.
- 182.** Since the launch of the UN SPF Initiative, and to support coordinated policy advice, the ILO has actively contributed to Inter-Agency Social Protection Assessment (ISPA) tools (table 4.1) to develop common analytical frameworks for the performance of social protection

<sup>128</sup> For example, ILO and OECD, *Promoting Adequate Social Protection and Social Security Coverage for All Workers, Including Those in Non-standard Forms of Employment*, paper presented at the 1st Meeting of the G20 Employment Working Group, 2018.

<sup>129</sup> ILO, *World Employment and Social Outlook 2018*.

<sup>130</sup> ILO, "Social Protection and Climate Change: Greener Economies and Just Societies", n.d.

<sup>131</sup> Visit "Social Protection Response to the COVID-19 Crisis".

<sup>132</sup> ILO, *Financing Gaps in Social Protection*, 2020.

<sup>133</sup> ILO, *Global Social Protection Week: A Call to Achieving SDG 1.3 and Universal Social Protection in the Context of the Future of Work*, 2019.

<sup>134</sup> ILO, *Subregional Webinar "Social Protection Response to Impact of COVID-19 Crisis"*, 2020.

<sup>135</sup> ILO, *Quantitative Platform on Social Security (QPSS)*.

systems; it has also contributed to UN issue-based coalitions on social protection to develop joint policy and regional approaches (United Nations Development Group (UNDG) issues briefs <sup>136</sup> and coordination toolkit <sup>137</sup>). The ILO's leading role in their development has allowed ILO standards and principles, including tripartite social dialogue, to be mainstreamed in these tools and One UN work, which is particularly important in the context of the ongoing UN reform. In a recent review of ISPA tools, of 83 respondents, 87 per cent of users stated that they would use the tools again. Users of the tools are UN agencies, development actors (including the World Bank) and national stakeholders.

► **Table 4.1. ISPA tools and other UN tools**

Tool	Status
Core Diagnostic Instrument (CODI)	Published
Social protection payments	Published
Social protection public works programmes	Published
Identification systems for social protection	Published
Social protection coordination toolkit	Published
Food security and nutrition	Published
Social Protection Policy Options Tool (SPPOT)	Zero draft available
Social assistance cash transfers	In progress
Social information systems	In progress
Social protection financing	In progress
Gender-responsive social protection	In progress
Disability-inclusive social protection	In progress

**183.** To support knowledge-sharing and learning among countries and inspire new policy developments, the Office has also been documenting country experiences through South-South events. <sup>138</sup> These country studies cover universal schemes, SPF innovations to extend coverage, and SPF governance and financing (in 2017), including on universal social protection in partnership with the World Bank and other partners. <sup>139</sup> One volume of 50 case studies was published on the occasion of the ILO Centenary and a second volume is forthcoming in 2021. <sup>140</sup>

**184.** The Office is also raising awareness about reform trends and their impacts, including austerity measures, through the ILO's Social Protection Monitor. <sup>141</sup> In the context of COVID, a new monitor was developed to track national social protection responses to COVID-19, which has been the most consulted page on social-protection.org since its launch in March 2020. <sup>142</sup>

<sup>136</sup> UNDG Europe and Central Asia, *Issue-based Coalition on Social Protection: UNDG Europe and Central Asia: Joint Advocacy Messages*, 2018; UNDG and ILO, *UNDG Asia-Pacific: Social Protection Issues Brief*, 2014; and UNDG, *UNDG Eastern and Southern Africa: Social Protection Issues Brief*, 2016.

<sup>137</sup> ILO and UNDG Asia-Pacific, *UNDG Social Protection Coordination Toolkit: Coordinating the Design and Implementation of Nationally Defined Social Protection Floors*, 2016.

<sup>138</sup> ILO, *ILO-China-ASEAN South-South Cooperation for the Promotion of Social Protection Floors*, 2016.

<sup>139</sup> ILO and World Bank Group, *Universal Social Protection: Country Cases*, Global Partnership for Universal Social Protection (USP2030), 2016.

<sup>140</sup> Isabel Ortiz et al., *100 Years of Social Protection: The Road to Universal Social Protection Systems and Floors, Volume I: 50 Country Cases* (ILO, 2019).

<sup>141</sup> ILO, "Social Protection Measures Throughout the World: January to December 2019", *Social Protection Monitor*, 2019.

<sup>142</sup> ILO, "Social Protection Responses to the COVID-19 Crisis Around the World", *Social Protection Monitor*, 2020.

- 185.** A tripartite round table on pension trends and reforms, facilitated by the Office, took place in December 2020 and enabled tripartite representatives from 13 countries to discuss pension trends, systems and reforms based on ILO guiding principles. The deliberations highlighted once again that the principles embodied in the international social security standards provide a key reference as regards national policy design and implementation of social security systems, underscoring that there is no one-size-fits-all approach to social protection.
- 186.** Office knowledge and publications are regularly shared through the ILO Social Protection Platform,<sup>143</sup> as well as through other platforms, including the ITC–ILO, the joint UN platform on Social Protection and Human Rights, the USP2030 website and the UNDG website. South–South and triangular exchanges have also been facilitated through those platforms, and the socialprotection.org platform (PAII.3). The online transmission of ILO Global Social Protection Week in 2019 multiplied its outreach by ten. Policymakers, social partners and stakeholders are informed of the latest publications through the “Social Protection Outlook” newsletter, with more than 6,000 subscribers, and social media. Knowledge development and sharing and South–South learning are further intensified through partnerships, for example the Regional Facility on Social Health Protection in Asia, which involves research institutes, governments and universities. In 2020, many events were held entirely online due to COVID-19, including an e-coaching course on social protection by the ITC–ILO, a series of webinars on COVID-19 in collaboration with socialprotection.org and other partners, and the Fourth meeting of the Social Protection, Freedom and Justice for Workers’ Network.
- 187.** Overall, since 2011, the Office has published 106 development cooperation reports for submission to governments; 55 documents in the *Extension of Social Security* series; two editions of the *World Social Protection Report*; 36 reports and policy papers; 25 issue briefs; 95 country briefs, as well as a variety of articles (PAII.2(vi)). The social protection publication database has on average 133,000 downloads of documents per year. A survey conducted for the 2017 high-level evaluation showed that over 96 per cent of UN partners and donors surveyed were aware of the ILO’s global products and 90 per cent of UN agencies and donors and ILO staff, constituents and other partners rated the quality of the ILO’s global products on social protection (for example websites, manuals, guidelines, policy briefs and other publications) between good and very high.<sup>144</sup>

### Lessons learned

- 188.** A strong evidence base and relevant knowledge products and technical tools are key to inform policy development, provide sound technical advisory services and build the capacities of constituents. Disseminating research findings and country experiences widely raises awareness among policymakers, workers’ and employers’ representatives and the general public.
- 189.** Evaluation evidence has highlighted how the work of the ILO to support South-South exchanges and networks has led to strengthened partnerships, knowledge exchange and improved training experiences related to the development or extension of social protection.<sup>145</sup> Country briefs were used in South–South exchanges, disseminated at the

<sup>143</sup> Previously known as the Global Extension of Social Security (GESS) platform.

<sup>144</sup> ILO, *Independent Evaluation of the ILO’s Strategy and Actions for Creating and Extending Social Protection Floors*, 48 and figure 13.

<sup>145</sup> ILO, *A Synthesis Review*, section 4.4.



ITC–ILO and have allowed the Office to strengthen its evidence-based advisory services. Universal social protection briefs were used to demonstrate that the right to social security can become a reality.

190. Further collection of country experiences and research is required to support the development of adequate strategies to close the coverage and financing gaps for achieving universal social protection and to adapt social protection to changes in the world of work, economies and societies. The Office needs to maintain its knowledge excellence, build evidence on social protection as an investment and make the case for more and better investments in social protection through national and international financing. The ILO's guiding principles should be further promoted as ways to assess social protection systems, build universal social protection, and guide the adaptation of social protection systems to emerging realities, such as the future of work, including in the context of climate change, environmental shocks and pandemics, to pave the way for just transitions.

### 4.3. National social dialogue

191. The conclusions adopted by the 100th Session (2011) of the Conference concerning the recurrent discussion on social protection (social security) and Recommendation No. 202 call on the Office to promote social dialogue in the design, governance and implementation of social security systems, including SPFs<sup>146</sup> (PAI.5). To this end, the Office has prioritized the mainstreaming of social dialogue throughout its activities. In the past five biennia, national social dialogue has been a key component of the programme and budget results framework.
192. The Office has promoted national dialogue (box 4.4) to facilitate national consensus for the development of sustainable social protection systems, involving various ministries, workers' and employers' organizations, and civil society, with participation from other UN agencies and development partners.

#### ► Box 4.4. Mainstreaming effective national social dialogue in social protection policy development

The assessment-based national dialogue (ABND) methodology,<sup>1</sup> developed by the ILO and endorsed by UN agencies and members of the UN SPF Initiative, supports the development, costing and financing of national social protection strategies, including floors, through tripartite participation. The methodology has subsequently been mainstreamed in the set of ISPA tools and offers a unique opportunity for UN agencies to build on synergies as One UN for more efficiency and greater impact. Over 25 UNCTs have used the methodology. The synthesis review found that the ABND was “a useful tool in promoting tripartism”, and “a positive component of different projects”.<sup>2</sup>

In **Tajikistan**, the ABND was a driving force to enhance participatory multi-stakeholder national dialogue for determining the main national priorities on social protection with mid/long-term perspectives, and it was found to be useful for mobilizing and consolidating efforts of stakeholders around social protection issues. Comparable findings in **Kyrgyzstan** identified that dialogue and cooperation were strengthened between governments, employers and workers at the national level.<sup>3</sup>

<sup>1</sup> See the online resource package at ILO, “Social protection assessment based national dialogue: A good practices guide”, n.d.; and ILO, *Social protection assessment-based national dialogue: A global guide*, 2015. <sup>2</sup> ILO, *A Synthesis Review*, 5. <sup>3</sup> ILO, *A Synthesis Review*, 5.

<sup>146</sup> ILO, *Conclusions concerning the recurrent discussion on social protection (social security)*, International Labour Conference, 100th Session, Geneva, 2011, subpara. 35(h).

- 193.** With a view to promoting social dialogue for the extension of social security with relevant national stakeholders, the ILO has strengthened its partnership with the International Association of Economic and Social Councils and Similar Institutions (AICESIS), including through capacity-building, leading to the reinforced commitment of the AICESIS to promote SPFs through the Seoul Declaration on the promotion of national social protection floors for all by Economic and Social Councils and Similar Institutions, adopted in 2014.<sup>147</sup> In the Declaration, partners worldwide agree to give priority to engagement in the field of social protection in line with Recommendation No. 202, and to promote consultation processes when social security reforms and fiscal adjustments are introduced to ensure adequate benefits and the safeguard of fair social protection systems.
- 194.** Taking into account the institutional landscape of each country context, the Office worked on equipping the social partners to effectively participate in national social protection policies and reforms (box 4.5). Office support has also focused on strengthening the capacities of constituents through tailor-made courses designed in collaboration with the ITC-ILO (see also section 4.5). A module on social dialogue in the context of social protection design and reforms has been incorporated into the ITC-ILO Academy on Social Security and its programmes, and is being adapted to respond to new challenges (such as transformations in the world of work, the COVID-19 crisis). Similarly, a module on social protection was included in the Academy on Social Dialogue and Industrial Relations, highlighting the critical role of social dialogue in promoting sustainable social security policies and in fostering sound governance of social security schemes.
- 195.** The Office has also been working to ensure that the development and implementation of emergency responses to COVID-19 rely on consultations with social partners. Through a project financed by the Government of Germany the ILO is providing income support to over 260,000 garment sector workers in Bangladesh, Cambodia, Ethiopia, Indonesia and the Lao People's Democratic Republic. The ILO ensured that tripartite partners played a central role in the design and implementation of fund disbursements.

► **Box 4.5. Examples of support to social partners in strengthening social protection**

**Argentina:** The ILO supported the creation, through tripartite agreement, of the Coordination Committee and Monitoring Group for the development of the DWCP and to ensure alignment of the Strategic Plan of the Ministry of Labour, Employment and Social Security with the DWCP. This platform was a determining factor in achieving social protection results such as the extension of social protection to vulnerable groups, the signature of a binational agreement on migrant domestic workers with Paraguay, and the ratification of Conventions Nos 102 and 189, among others.<sup>1</sup>

**Cambodia:** The ILO supported the implementation of mandatory health insurance by facilitating continuous dialogue between the Government, the Cambodian Federation of Employers and Business Associations, and the Cambodia Confederation of Trade Unions and other workers' representatives. This process enabled the progressive building of consensus on the design of the scheme during a pilot stage that lasted seven years (2009–16), followed by its full launch in 2016 by sub-decree. As of 2020, 2.6 million workers, including the self-employed, have health insurance. The process was also applied for pensions and the scheme is expected to be launched in early 2021.<sup>2</sup>

**Cameroon:** In collaboration with the employers' organizations – the Groupement Inter-Patronal du Cameroun – a guide on social security for SMEs was developed, distributed and used in training courses. The guide is also being used and disseminated by workers' organizations and the Ministry of Labour and Social Security. Similar guides involving employers' organizations are foreseen in other neighbouring countries. Also as part of the implementation of the universal health coverage

<sup>147</sup> See the press release and Seoul Declaration [here](#).

system, workers' organizations were supported to make recommendations to the Government on the functioning of the system and on a 2018 draft law on health insurance; this allowed them to be represented on the governing board of the Universal Health Coverage Fund.

**Democratic Republic of the Congo:** Responding to a request by the Federation of Enterprises of Congo (FEC) and the workers' organization (*Intersyndicale des travailleurs*) channelled through the Tripartite National Labour Council, the ILO contributed to the resolution of the divergence between the National Social Security Institute (INSS) and the social partners on the calculation method for pensions. The ILO response included a tripartite meeting in May 2016 and an actuarial study of the INSS. The reforms proposed by the ILO were adopted by the tripartite National Labour Council in July 2018 and the recommendations came into force in January 2019 to the satisfaction of all parties.

**Ecuador:** In 2017, Ecuadorian trade unions Frente Único de Trabajadores (FUT), Unión Nacional de Educadores (UNE) and the Internacional de Servicios Públicos (ISP), concerned about the financial and actuarial sustainability of the Instituto Ecuatoriano de Seguridad Social (IESS), requested the Office to provide technical support. This enabled the social partners to participate in the dialogue with a strong evidence base and recommendations from the Office, which contributed to remedial decisions taken by the IESS Board to improve the financial sustainability of the schemes managed by the IESS.

**Mexico:** In 2016, the capacity for social dialogue was strengthened through a series of nine courses on social security and formalization of employment, delivered in collaboration with the Ministry of Labour and Social Security and the trade union Confederación Revolucionaria de Obreros y Campesinos (CROC) to 470 trade union leaders from 27 states. A second cycle of eight courses was held with CROC in 2017 covering approximately 400 additional section leaders. These training courses helped trade union leaders to act as champions to improve workers' registration compliance, contributing to an increase in the number of workers affiliated to the Mexican Social Security Institute (IMSS) from 17.6 million (December 2016) to 20.4 million (July 2019).

<sup>1</sup> ILO, *A Synthesis Review*, 25. <sup>2</sup> ILO, *100 Years of Social Protection: The Road to Universal Social Protection Systems and Floors*, Geneva, 2018.

## Lessons learned

196. The synthesis review has evidenced the positive results of social dialogue as an essential element in developing social protection policies and programmes. Furthermore, social dialogues have allowed members to build consensus and combine efforts and resources to extend social security coverage.<sup>148</sup> ILO-facilitated dialogue processes have strongly influenced national priority setting for social protection policies. Tripartite representation should, however, be further developed, through the effective participation of workers' and employers' representatives in the governance of social protection systems, including floors.
197. While Office action to promote social dialogue on social protection yielded results in some countries, as shown above, it proved to be relatively challenging in other instances. National institutions for social dialogue established or revitalized with the support of the Office still face difficulties in facilitating tripartite discussions and consultations on social protection, especially on reforms of pension and health schemes, on the design and implementation of SPFs and on the monitoring of the extension of social protection. The whole-of-government approach initiated through ABNDs would need to be strengthened when conducting pension reforms or discussing fiscal space for social protection, which are still considered in some countries to be the exclusive prerogative of ministries of finance, without involving social partners. A similar tendency was evident when managing emergency responses to COVID-19, where inputs from social partners were often bypassed for reasons of expediency.<sup>149</sup> It is vital to ensure the consultation of social partners and to build their

<sup>148</sup> ILO, *A Synthesis Review*, section 4.3.

<sup>149</sup> ILO, "The Role of Social Dialogue in Formulating Social Protection Responses to the COVID-19 Crisis", 2020.

capacities in order to link short-term measures with the longer-term development of sustainable social protection systems.

#### 4.4. Technical advisory services: Support to constituents in the framework of DWCPs

- 198.** Technical advisory services provided by the Office upon request are a key service to address the needs of constituents, including those identified in the 2019 General Survey, and take into account recommendations of the supervisory bodies (notably the CEACR and the Committee on the Application of Standards). The Office has aimed to deliver timely and high-quality technical support to constituents in line with DWCPs and UNDAFs/UNSDCFs for comprehensive reviews of their social security systems, specific reforms to strengthen existing schemes or programmes, and/or the introduction of new ones.
- 199.** In response to the need to adopt a coherent and focused approach to development cooperation in social protection, in 2016 the ILO launched its Flagship Programme.<sup>150</sup> The Programme is based on four axes: (1) in-country support to build national social protection strategies, design and reform schemes, implement them or enhance their operations; (2) thematic support through specific “on demand” technical and policy advisory services; (3) development of practical knowledge to enhance the capacities of constituents, standardize the Office’s approach and increase impact; and (4) building strategic partnerships to multiply ILO action. The Flagship Programme successfully raised US\$100 million in less than five years, through global and decentralized partnerships with traditional and emerging donors (44 per cent), the European Union (16 per cent), UN joint funds (31 per cent), and the private sector, domestic funding and development banks (3 per cent each). This resulted in the expansion of technical expertise in the field through the Global Technical Team providing direct support to constituents, and the development of a technical support facility with various areas of expertise: actuarial services, social health protection, public finance management, policy and legal development, extension to the informal economy, management information systems and others. A hub of expertise on social health protection and a Regional Actuarial Service Unit were established in 2019 in Asia and the Pacific to support Member States of ASEAN.
- 200.** Through its Flagship Programme, the ILO has contributed to institutional changes that have increased the coverage of people in Programme countries, measured and consolidated through an online Results Measurement Tool that can demonstrate the ILO’s contribution to the achievement of the SDGs on social protection. The Programme also enabled the mobilization of resources beyond its priority countries; this includes One UN Country Programmes in 30 countries.
- 201.** In 2016, the ILO Global Programme on Employment Injury Insurance and Protection was created to support constituents in the aftermath of the Rana Plaza tragedy in Bangladesh, which highlighted the labour conditions faced by workers and the lack of access to adequate benefits, both financial and medical, and other relevant care.

##### 4.4.1. Social security extension strategies

- 202.** The development of social protection strategies is an iterative process involving technical work on analysing legal and effective coverage as well as the adequacy of benefits,

<sup>150</sup> ILO, “Building Social Protection Floors for All: ILO Global Flagship Programme”, n.d.

identifying policy gaps and implementation issues, reaching consensus on scenarios for the design or reform of schemes, assessing their costs and impact, identifying financing options, adjusting the scenarios and ultimately adopting the strategy. The ILO singled itself out among development partners by promoting its two-dimensional strategy (see figure 1.1), based on mixed approaches and financing mechanisms (contributory and tax-funded measures) for tangible results in extending coverage and ensuring that more people have access to comprehensive and adequate protection. To this end, the Office has supported national efforts to develop national social protection strategies and road maps.

### Gender equality and responsiveness to special needs

- 203.** To help address the challenges faced by women, who very often comprise a disproportionate share of informal economy workers, receive lower wages than men, and have more interrupted careers due to their greater share of unpaid care work, social protection systems need to be gender responsive both in design and delivery. The Office has supported countries in enhancing both tax-financed and social insurance schemes, including through changes in pension formulas, the inclusion of care credits and minimum benefits, extending maternity protection, introducing paternity and parental leave, and strengthening SPF guarantees.<sup>151</sup>
- 204.** Office contributions have included: developing maternity protection policies, for example in Ghana (2015) and Zambia (2015); developing maternity benefit schemes, such as in Nepal through the Contributions-Based Social Security Act, 2074, passed in 2017, or in Lesotho (2012), with the creation of the Lesotho Social Security Organization; extending maternity benefit schemes through policy and legal advice on regulations, such as in Argentina to domestic workers (Act No. 26.844, adopted in 2014); enhancing maternity benefit scheme provisions, such as in Viet Nam through the extension of maternity leave to six months and the introduction of paternity leave; converting employer liability schemes to social insurance, such as in Jordan (2016–17) and Rwanda (2015); establishing scheme regulations that support gender equality, such as the equalization of the retirement age for pensions, which increases women's contributory periods, such as in Poland (2012); and the introduction of a paternity allowance, such as in Cyprus (2017).

### Extension to informal economy workers and rural workers

- 205.** ILO country-level interventions provided specialized support to extend coverage to workers and employers in the informal economy, including in SMEs, and to facilitate their transition to the formal economy in line with Recommendation No. 204. In doing so, interventions are bringing employers and workers in the informal economy under the scope of application of legislation and adapting the schemes to their circumstances, taking into account in particular their limited contributory and administrative capacities (box 4.6).

#### ► Box 4.6. ILO support for the extension of social protection in Zambia

The ILO has a long-standing history of supporting the Government of Zambia in extending social protection coverage, including to workers in the informal economy. In 2014 and 2015, working with the Ministry of Labour and Social Security and the Zambia Federation of Employers' and Workers' Organizations, and within the broader scope of the UN, civil society organizations and other stakeholders, the ILO contributed to the formulation of the National Social Protection Policy,

<sup>151</sup> Elaine Fultz, *Strengthening Gender Mainstreaming in the International Labour Organization's Social Protection Advisory Services* (2017), mimeo.

in line with the principles embedded in international labour standards, including Recommendations Nos 202 and 204. In 2017, a draft National Social Protection Policy Bill was finalized with support from the ILO. It provides for the introduction and institutional reforms of non-contributory basic social protection and a mandatory contributory national social security system, including pensions, maternity income protection, employment injury protection and social health insurance, as well as the extension of coverage to informal economy workers, including domestic workers. The ILO also supported communication activities, specifically targeting employers of domestic workers. These interventions have resulted in the extension of pension coverage under the revised framework of the National Pension Scheme Authority (NAPSA), to 850,000 formal sector workers and 30,000 workers in the informal economy.

Furthermore, the ILO has provided legal drafting support to the development of the National Health Insurance Act, culminating in its enactment in 2018. The National Health Insurance Act aims to extend health coverage, including to workers in the informal economy.

The ILO also facilitated the formulation of the Integrated Framework of Basic Social Protection Programmes (IFBSPP). Launched in 2019, it serves as the first government policy for the extension and coordination of government-operated social assistance programmes in Zambia.

As a response to the COVID-19 crisis, the Government, with support from the ILO and the UN, has implemented an Emergency Cash Transfer programme targeting 249,200 households (approximately 1.2 million people), focusing on orphaned and vulnerable children, the elderly, disabled persons and workers in the informal economy.

- 206.** Bringing workers and SMEs under social security and labour legislation is one critical step in extending coverage. Additional measures to simplify administrative processes, adapt contribution collection and raise awareness are also part of the comprehensive support provided. Supporting the coordination of employment, tax and social protection policies, the Office promoted the creation of pro-employment macroeconomic policy frameworks to stimulate the creation of formal jobs, facilitate the transition to formality, and enhance the financial sustainability of contributory social security schemes (box 4.7).<sup>152</sup>
- 207.** The COVID-19 pandemic has highlighted the urgent need to close social protection coverage gaps and to design, extend and strengthen social protection schemes. In particular, many countries are taking measures to create or extend unemployment protection coordinated with active labour market policies and employment services that support job promotion. The Office has received 23 requests to support countries in these efforts, providing the opportunity to combine short-term measures with longer-term development of social protection. Examples of current ILO actions include: supporting Mexico to develop an integrated approach that combines short-term emergency social protection measures with long-term solutions to facilitate a just transition; assisting Armenia to develop an integrated employment and social protection policy response to address the impact of COVID-19; supporting Tajikistan to combine and articulate employment, social protection and formalization; supporting Uzbekistan, which is scaling up its public works programme and linking it with the registration of workers in the social protection system; and developing unemployment insurance in Eswatini.

<sup>152</sup> ILO, *A Synthesis Review*, revealed the positive results of the Office's work in extending SPFs – "ILO products provided useful insights on various instruments, practices, norms and laws that had the potential to contribute to the extension of social protection floors in project countries as well as beyond."

► **Box 4.7. Some examples of ILO support for social protection extension**

In **Peru**, the Ministry of Labour adopted the 2014–16 Labour Formalization Sectoral Strategy aiming to reduce labour informality for salaried workers in the private sector. The ILO contributed to the definition of the strategy. In parallel, the ILO contributed to the National Social Security Policy (2015) that highlighted the need to promote the conditions for the creation of productive employment with social security. Furthermore, the capacities of constituents, in particular tripartite actors from the National Labour and Employment Promotion Council, were strengthened.

In **Mexico**, in 2017 and 2018, the ILO contributed to the strategies adopted by tripartite constituents regarding the formalization of SMEs in retail commerce. Lessons gathered from fieldwork conducted with 1,000 SMEs highlighted the importance of coordination among business registration, tax authorities and social security schemes.

In **Cameroon**, ILO contributions enabled the simplification of administrative procedures for enrolment and premium payment, and the establishment of linkages between the Social Security Scheme and informal sector workers' organizations and cooperatives to facilitate enrolment of informal economy and rural workers. More than 200,000 informal sector workers are now covered by this scheme.

In **Thailand**, the ILO contributed to the revision of the Social Security Act (2015), which extended the coverage of benefits for sickness and injury, maternity, death, invalidity, old age and unemployment to 3 million self-employed and informal economy workers.

In **Viet Nam**, a study was developed in 2019 to analyse the reasons for the lower likelihood of social insurance coverage of workers in SMEs. Studies were also carried in Viet Nam and Indonesia to understand the impact of social security on the productivity of SMEs. These studies are informing the policy debate in Viet Nam on extending coverage.

- 208.** Achieving universal health coverage, and closing health coverage deficits, especially in the informal economy, is high on the agenda of many Member States. The urgency of addressing the coverage gaps has been further reinforced by the COVID-19 pandemic. Technical assistance by the ILO has included country-level reviews of the current social health protection situation, the design of universal health insurance schemes, advocacy and training of constituents. For example, in Cameroon the ILO has been leading the efforts of a group of partners (the WHO, the World Bank, the German Agency for International Cooperation (GIZ), the French Development Agency and the United States Agency for International Development (USAID)) on health coverage. Within a wider range of technical support, the Office facilitated tripartite consultations throughout the process, which contributed to increasing national ownership. The adoption by the Government of the new system and its effective implementation as of January 2021 will be a huge step forward towards achieving SDG targets 1.3 and 3.8.
- 209.** In the Lao People's Democratic Republic, the ILO supported the development of the National Health Insurance system through feasibility studies, awareness-raising, legal inputs to the Decree on National Health Insurance adopted in 2012 and the development of guidelines for the implementation of a pilot scheme. Based on this and other successful developments, the ILO created a regional technical facility with the objective of providing technical and policy advisory services to ASEAN countries committed to achieving universal health coverage. It provides in-country support and South–South learning to build the institutional capacity and financial sustainability of social health protection schemes in the Lao People's Democratic Republic, Myanmar and Viet Nam. It also develops a regional knowledge base on social health protection. Following full implementation in the ASEAN region, the goal is to replicate it in Africa and other regions.

- 210.** ILO support has prioritized access to HIV-sensitive social protection based on its extensive resource package, including its code of practice on HIV/AIDS and the world of work (2011) and its VCT@WORK initiative (2013). In Kenya, for example, the Federation of Kenya Employers and the Central Organization of Trade Unions, in collaboration with the Joint United Nations Programme on HIV/AIDS (UNAIDS), implemented an innovative programme between 2013 and 2019 to enhance access to HIV testing in the informal economy and facilitate access to national social protection schemes, including sensitization on HIV and raising awareness of the importance of enrolling with the National Health Insurance Fund and the National Social Security Fund. Facilitation of onsite/online registration reached over 100,000 workers and has been key to increasing access to care and treatment for persons who tested HIV positive.<sup>153</sup>

### Extension to migrant workers

- 211.** Ensuring equality of treatment between migrant workers and nationals, and promoting the extension of coverage and effective access through social security coordination and measures facilitating portability of social protection rights and benefits has been a focus of ILO policy support.
- 212.** Support has included the promotion of the ratification and implementation of relevant ILO Conventions that contributed to the ratification by Morocco of the Migration for Employment Convention (Revised), 1949 (No. 97), in 2019, and by Madagascar and Mauritania of the Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143), also in 2019.
- 213.** The Office provided support for the development of bilateral/multilateral social security agreements between countries of origin and destination to ensure equality of treatment and portability of social security entitlements and benefits (PAIII.2). In the Republic of Moldova, for example, the ILO contributed to the development, negotiation and implementation of agreements with Germany, Hungary, Latvia and Lithuania, including through awareness-raising campaigns and training. To ensure regional-level commitments that spearhead country-level action, in 2018 and 2019 the Office contributed to the development of a road map for the finalization of the East African Community (EAC) Draft Council Directive on the coordination of social security benefits within the EAC Common Market (an EAC social security coordination and portability instrument) to be adopted by EAC Partner States; and to the drafting of the Guidelines on Portability of Social Security Benefits in the South African Development Community (SADC) adopted by Employment and Labour Ministers and social partners in March 2020. Recommendations for improving the social protection of migrant workers in ASEAN countries were developed jointly with ASEAN in 2017 and will serve as a basis for negotiations for bilateral social security agreements. In the Gulf countries, alternative options for the extension of coverage to migrant workers were discussed with countries of origin and destination in the context of the Abu Dhabi Dialogue process. Proposals were formulated for the establishment of an international social security clearing house to ensure the preservation of social security rights across countries and overcome limitations of current end-of-service indemnity arrangements. Similarly, Office inputs ensured that the Global Compact for Migration (2018)<sup>154</sup> includes among its objectives access to social protection for migrants under bilateral labour

<sup>153</sup> UNAIDS and ILO, [VCT@WORK: Voluntary Confidential Counselling and HIV Testing for Workers](#), 2016.

<sup>154</sup> UN Global Compact for Migration, [Global Compact for Safe, Orderly and Regular Migration](#), 2018.



agreements. It is also contributing to UN guidance on bilateral labour migration agreements regarding social protection for migrant workers.

- 214.** Furthermore, the Office continues to support the extension of coverage to migrant workers and their families. In El Salvador, the Office contributed to the development of the Régimen de Salvadoreños en el Exterior (SALEX) in 2017, providing coverage to the families of workers in foreign countries, with a view to progressively ensuring the coverage of 2 million Salvadorians living and working abroad under the Social Security Institute of El Salvador. In Malaysia, following recommendations by the CEACR, the Office provided support to the Social Security Organization in respect of the Equality of Treatment (Accident Compensation) Convention, 1925 (No. 19). A law was adopted in 2019 extending coverage for work injury benefits to documented migrant workers, which can serve as a model for other countries.
- 215.** COVID-19 underscored the glaring gaps in social protection for migrant workers and the adverse consequences of inadequate protection. In Honduras, for example, through a mapping exercise of the inclusion (or lack thereof) of returning migrants and internally displaced persons in the social protection system, a plan to strengthen the national integrated social protection response is being developed. As part of the activities of the European Commission-funded Southern Africa Migration Management Project, and in collaboration with trade unions and non-governmental organizations, the ILO provided cash and food support to around 1,000 migrant domestic workers in Botswana and South Africa.<sup>155</sup>
- 216.** Through joint advisory work on health protection, the ILO and the Office of the United Nations High Commissioner for Refugees (UNHCR) identified pathways for the inclusion of refugees in national social health protection systems in nine countries in Africa: Burkina Faso, Cameroon, Democratic Republic of the Congo, Djibouti, Guinea, Mauritania, Rwanda, Senegal and Sudan. Feasibility assessments have led to the development of proposals for the integration of refugees into national social health protection schemes and to the publication of an updated ILO/UNHCR handbook on social health protection for refugees.

### **Social protection systems that are inclusive of persons with disabilities**

- 217.** A joint statement was facilitated by the ILO and the International Disability Alliance with a view to making social protection systems disability-inclusive in line with the UN Convention on the Rights of Persons with Disabilities.<sup>156</sup> A joint project by the International Disability Alliance (IDA), the ILO and UNICEF, funded by the UN Partnership on the Rights of Persons with Disabilities, is promoting the development of a comprehensive set of practice-oriented guidance notes and training materials, based on country experiences. These materials are being piloted in seven countries, and will also be incorporated into ISPA tools.

### **Extension in the context of crises and fragility**

- 218.** The ILO works in an increasing number of humanitarian contexts where state-organized social security and assistance is under strain due to weakened administrative capacity and increased demand resulting from conflict and other shocks. The ILO's approach aims to work with relevant national and international institutions to leverage – and not replace – existing systems to deliver benefits and services and to orient humanitarian interventions

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<sup>155</sup> In South Africa, the ILO collaborated with the Izwi Domestic Workers Alliance and the Disabled Migrants Rights Networking Organization (DMRN), and in Botswana with Botswana Domestic and Allied Workers Union (BODAU).

<sup>156</sup> ILO and IDA, *Joint Statement: Towards Inclusive Social Protection Systems*.

towards the longer-term objectives of creating rights-based social protection and employment entitlements, building up local and institutional capacities, and strengthening the resilience of social protection systems against future shocks. This is highlighted in various training and guidance tools, including the social protection module in the ILO's massive open online course (MOOC) on Recommendation No. 205.

- 219.** The Office has also been reactive in responding to unexpected emergencies. Following the Ebola outbreak in West Africa in 2014, the ILO and UNICEF co-led the Infrastructure and Basic Services working group. The development of the Ebola Recovery Assessment on infrastructure and basic services served as evidence to build national SPFs as a sustainable way to avoid such crises, especially in countries affected by fragility. Following Typhoon Haiyan in the Philippines in 2013, the ILO supported an integrated response – as part of the Integrated Livelihood and Emergency Employment Programme (DILEEP) – providing social protection coverage through the country's Social Security System and the Philippine Health Insurance Corporation to beneficiaries of the emergency employment programme.<sup>157</sup> The COVID-19 crisis has demonstrated the ILO's capacity to adapt its technical support to constituents' needs. In countries where social protection systems were already in place, the ILO has supported social security institutions in adapting/upscaling policies and schemes to extend coverage or increase levels or durations of benefits. In Sri Lanka, the ILO is leading a UN COVID-19 Multi-Partner Trust Fund project aimed at protecting jobs and incomes in micro, small and medium-sized enterprises.
- 220.** The COVID-19 crisis has highlighted the importance of coordinated action with other UN agencies and development partners to provide effective support to countries. The ILO successfully responded to the UN SDG Fund 2019 and 2020 calls for proposals, securing 31 new ILO social protection projects, co-implemented with other UN agencies, and facilitating the ILO's contribution to the COVID-19 socio-economic response at country level (see box 4.8). At the regional level, the ILO has led two regional reports in Asia and the Pacific on COVID-19 and social protection, in the context of the UN Issue-based Coalition for Inclusion and Empowerment: one at the outset of the crisis, mapping emergency responses in the region, and another forward-looking to the policies required beyond the emergency response. These reports have provided guidance to UNCTs for their COVID-19 interventions.

► **Box 4.8. ILO support to constituents responding to COVID-19**

**Timor-Leste** introduced a cash transfer programme, providing US\$100 a month for three months to over 214,000 households. This programme was ten times larger than any previous programme, and was successfully rolled out with the support and coordination of development partners. The ILO played a leading role, managing coordination between agencies and supporting the roll-out of the programme.

In **Cabo Verde**, a solidarity grant was established for 30,000 informal economy workers and workers earning under 200 euros a month, providing a one-time payment of 90 euros. The ILO supported its implementation through specifying identification criteria for beneficiaries and selecting the appropriate management information system. The Government was able to respond quickly to the effects of COVID-19, largely due to the previous work done in partnership with UN agencies to create the Single Social Registry and improve the delivery methods of all social assistance programmes.

In countries with no comprehensive social protection system in place, support was provided to implement ad hoc mechanisms to deliver emergency cash transfer programmes. In **Cambodia**,

<sup>157</sup> ILO, *A Review of Social Protection Practices Through Health Insurance and Social Security Enrolment under the Emergency Employment and Livelihood Recovery Project for Typhoon Haiyan of the ILO*, 2015.

the ILO, through the project on social protection and public finance management, funded by the European Commission Directorate-General for International Partnerships (DG INTPA) and as part of the UN SPF Initiative, supported the design of the COVID-19 Cash Transfer Programme for ID Poor Households. The programme was launched in June 2020 and provided support to over half a million Cambodian households holding IDPoor cards.

In **Malawi**, the ILO contributed to the design of the COVID-19 Urban Cash Intervention (CUCI), particularly the definition of caseloads and the design of selection criteria, targeting mechanisms and the coordination structures. CUCI will benefit 185,000 households in the main urban centres of the country. Moreover, with a view to strengthening the longer-term delivery of social protection, the ILO, in collaboration with GIZ, is improving the capacity of district officers and officials to manage social protection programmes using the TRANSFORM South-South peer learning package.

In **Pakistan**, the analysis carried out by the ILO on the impact of the pandemic on employment and the labour market was used by the Government to design and implement an emergency cash transfer programme that distributed PKR144 billion to 12 million workers in vulnerable jobs (daily-wage, informal economy).

#### 4.4.2. Ensuring the affordability and the sustainable financing of social security

- 221.** Determining the cost of extending social protection benefits, finding options to finance them and ensuring their sustainable, efficient and well-coordinated implementation are fundamental to achieving universal social protection coverage. To enable countries to carry out this analysis, the ILO has developed and makes available tools for expenditure analysis, actuarial assessment and the identification of financing strategies for sustainable social protection systems (table 4.2). In addition, the ILO has contributed to developing and applying inter-agency tools on costing and financing social protection.
- 222.** An important step of the ABND process consists of estimating the financial commitment required to implement the recommendations for SPF extension. The Rapid Assessment Protocol cost estimation tool and a framework to analyse fiscal space were developed to identify financing options for countries to scale up social protection systems and implement Recommendation No. 202.

► **Table 4.2. Examples of key results following ILO technical support for sustainable financing of social protection interventions**

Country	ILO technical advisory services	Key results of ILO support
Cambodia	ABND including costing	Inclusion of SPF in the national budget for the period until 2020
Egypt	Costing and fiscal space analysis	Informs government measures on extending social protection as part of the Social Protection Initiative launched in 2017
Mongolia	ABND including costing study	The demonstration of affordability of an SPF resulted in tripartite commitment to its establishment
Thailand	ABND including a costing study and preliminary fiscal space analysis	Support to implement the recommendations of the ABND report in collaboration with the UNCT. A second round of the ABND to assess progress and persisting gaps is planned

Source: Various ILO reports.

- 223.** The ILO's social budgeting methodology, including the Social Protection Expenditure and Performance Reviews (SPERs), have helped improve the management of social protection public finances in many Member States (PAII.1). In Burkina Faso, a SPER analysis conducted in 2011 identified opportunities for the development of a National Social Protection Programme, including the development of an SPF for young people and a programme for the improvement and extension of social security coverage for workers in the formal and informal economies.
- 224.** To further facilitate costing analysis, the ILO developed the SPF Cost Calculator in 2015 (PAII.2(i)). The online SPF Calculator <sup>158</sup> was the source for an ILO 2017 policy paper <sup>159</sup> highlighting the feasibility of SPFs in the majority of developing countries. Simulation results can be used for further in-depth financial, actuarial and policy analysis.
- 225.** The Office developed a fiscal space handbook to support Member States with a framework for fiscal space analysis (box 4.2), as well as various publications. <sup>160</sup> In Mozambique, the annual "budget briefs" that target parliamentarians, political parties, the Ministry of Finance and the media, and that have been undertaken jointly with UNICEF since 2013, have been a key tool for enhancing debate around fiscal space for social protection. <sup>161</sup> Furthermore, in the context of the global debate on achieving progress towards the SDGs, the Office has made regular contributions to the *Financing for Sustainable Development Report* of the Inter-agency Task Force on Financing for Development. The new global estimates of the financing gaps for social protection, mentioned above, will support global advocacy for increasing national and international solidarity for social protection and achieving SDGs 1.3 and 3.8.
- 226.** Regarding sound financial governance and planning, the ILO assisted Member States by providing actuarial support and strengthening the capacity of governments and/or social security institutions. Since 2011, the ILO has supported 52 projects in 32 countries for contributory schemes, pensions in particular (table 4.3). All ILO actuarial reports include recommendations on parametric modifications to the schemes and, very often, on investment policies and administration or governance, in line with principles laid down in relevant standards. Many reports include cost and design options, as well as recommendations and advice for extending coverage to the self-employed. These projects have in many cases resulted in legislative changes that have improved the long-term financial sustainability of the schemes, and led to the adoption of new schemes. In Nepal, for example, the Office contributed to the development of the Contributions-Based Social Security Act, 2074, passed in 2017, which set up eight social security schemes. The ILO supported awareness-raising among stakeholders; informed social dialogues; contributed to the drafting of the Act; and conducted the actuarial valuation of five new schemes, including the contributory pension scheme for private sector workers for the Employees' Provident Fund, having also supported the drafting of the regulations of the scheme.

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<sup>158</sup> For the SPF calculator, see [here](#).

<sup>159</sup> Isabel Ortiz et al., *Universal Social Protection Floors: Costing Estimates and Affordability in 57 Lower Income Countries*, ESS – Working Paper No. 58 (ILO, 2017), xi, para. 1.

<sup>160</sup> Isabel Ortiz et al., *Fiscal Space for Social Protection and the SDGs: Options to Expand Social Investments in 187 Countries*, ESS – Working Paper No. 48 (ILO, 2017).

<sup>161</sup> UNICEF et al., *Mozambique – Budget Brief 2018: Social Action*, 2018.

► **Table 4.3. Examples of some key results of ILO actuarial services for contributory social security schemes**

Country and year	Key result to which the ILO contributed
<b>Arab States</b>	
Jordan (2012–14)	Reform of the Jordanian pension system leading to the adoption of the new Jordanian Social Security Law No.1 of 2014
Saudi Arabia (2014)	Adoption of unemployment insurance legislation covering the private sector and creation of a new unemployment assistance scheme
<b>Asia</b>	
Timor-Leste (2016)	Creation of the first national pension scheme for public servants
Thailand (2016)	Reforms leading to increased sustainability of the system (for example, increase of retirement age)
<b>Africa</b>	
Egypt (2018–19)	Adoption in 2019 of a pension reform ensuring the long-term financial sustainability of the pension scheme while maintaining an adequate level of defined benefits
Lesotho (2013)	Establishment of a social security scheme to administer contributory social security benefits for private sector workers and their families
Malawi (2018)	Conversion of employer liability employment injury scheme to an insurance-based scheme
<b>Latin America</b>	
Costa Rica (2017)	Adoption of reform of pension system to improve the financial and actuarial sustainability of the system for a period of 25 years impacting nearly 1.6 million active contributors and their families
Mexico (2019)	Creation of a universal non-contributory pension scheme with 8 million beneficiaries as of July 2019

Source: ILO, "Reporting on Results: Programme Implementation Reports", n.d.

**227.** Amid fiscal pressures to drastically reduce benefits or even abolish social insurance schemes and replace them with guaranteed minimum income combined with defined contribution schemes, ILO support to governments and social partners has helped countries to maintain financially and socially sustainable defined benefits pension schemes, respecting the State's obligation to grant benefits in line with acquired entitlements.

#### 4.4.3. Social security governance

**228.** Good governance is paramount to ensuring that the social protection system is sustainable and delivers its social and economic objectives. Governance includes the design of the institutional arrangements, the legal framework underpinning the system, the financial management and administration, including awareness-raising and education on social protection, the implementation, monitoring and complaints management of schemes and programmes, and the system as a whole. The ILO's work in this area is based on close

cooperation with ISSA and draws on a combination of ILO standards and related ISSA guidelines.<sup>162</sup> The ILO's support has made it possible to strengthen the administration of social protection through an integrated approach which includes: (i) improving affiliation and payment of contributions if any; (ii) improving coordination, for example through single window services or integrated referral systems; (iii) improving management information systems; (iv) strengthening delivery mechanisms; and (v) strengthening monitoring.

- 229.** In Indonesia, since 2011, the Office has supported the development of the integrated referral system, with an integrated database on beneficiaries and programmes, and a management information system to facilitate registration, individual case management, access to existing social and employment programmes, and system monitoring. The phased national roll-out began in January 2015. In Timor-Leste, the ILO supported the business process design and institutional set-up of the newly created National Social Security Institute, which is implementing the social security system established in 2016. In Mozambique, between 2012 and 2019 the ILO provided technical assistance for the conceptualization, design, development and roll-out of the management information system for National Institute of Social Action (INAS) programmes. This “e-INAS” has been fully operational at the central and decentralized levels since July 2019.<sup>163</sup> The ILO also participated in setting up an integrated and comprehensive monitoring and evaluation system for all INAS programmes in 2019, including providing related training. These systems have proved critical for the efficient delivery of benefits during the COVID-19 crisis.

### Lessons learned on the ILO's technical advisory services

- 230.** The ILO's Flagship Programme has helped structure technical support to countries around a three-step approach: the tripartite design of national social protection strategies and policies; the development and reform of social protection schemes and their anchoring in law; and the implementation of social protection systems, including the improvement of governance mechanisms. Major resource mobilization efforts enabled projects to provide in-country technical and policy support. On-demand technical assistance for legal, health and management information systems, actuarial work, financing and communication is provided through a technical facility staffed by dedicated specialists. The ILO has also used its experience to develop practical knowledge that can serve many more countries, increasing its impact. Building strategic partnerships with the United Nations and other actors at national and global levels has also been useful to amplify impact.
- 231.** ILO experience has helped to build the universal right to social security into national policies, laws, governance and institutional structures, and global and regional frameworks. The inclusion of social protection as a target for the achievement of the 2030 Agenda has further reinforced the commitment of ILO constituents to make this right a reality for all. More evidence, however, needs to be built – including through practical research attached to development cooperation projects – to demonstrate that social protection is also a sound investment with considerable social and economic pay-offs.
- 232.** Coverage gaps are linked to financing gaps. Through the project on social protection and public finance management funded by the DG INTPA and other projects, the ILO needs to further support its constituents in engaging with ministries of finance and IFIs on increasing fiscal space for social protection, and devising financing and policy options that are based

<sup>162</sup> ISSA, “The ISSA Guidelines”, n.d.

<sup>163</sup> Victoria Arboleda et al., *Best Practices: The Case of e-INAS in Mozambique: Development of Management Information System for Social Protection* (ILO, 2019).

on the principle of solidarity. It needs to further promote the allocation of additional international financial assistance for social protection and its utilization to strengthen sustainable domestic resource mobilization. The ILO also needs to further advocate for the application of international guiding principles on social security to guide coordinated financial and technical support to countries in building nationally defined and owned social protection systems that protect the whole population and leave no one behind, are financially sustainable and socially just, and rely on sound management and governance. The ILO's technical support to countries on social protection and public finance management is providing useful evidence for the ongoing debates on the need for a Global Fund for Social Protection.

- 233.** A key challenge for countries to ensure sustainable and adequate financing is the push by some international actors for fiscal consolidation and reduction of public debt, sometimes leading to cuts in social protection expenditures. Sound costing and fiscal space analysis should thus inform policy and reform decisions. Furthermore, it would be valuable if the ILO could also interact with ministries of finance – for example, during negotiations with the IMF in the context of consultations in the framework of Article IV of its Articles of Agreement, or at the stage when programmes are negotiated – to provide evidence on the macroeconomic and socio-economic impacts of safeguarding, and expanding, investments in social protection. Development cooperation programmes on social protection and public finance management will help the Office to achieve results in this regard.
- 234.** National political and economic contexts, national commitment and the capacities of stakeholders directly impact the results of ILO interventions, reflecting the need for more systematic risk assessments at the design stage of projects and the systematic development of hands-on capacities for governments and workers' and employers' organizations in policy design and the implementation of social protection systems, including floors.<sup>164</sup>
- 235.** Strengthening social protection systems is also a matter of institution-building, which may take decades and requires long-term engagement. A challenge for the Office lies in the fact that the long planning horizons of typically 10 to 15 years of social protection strategies do not coincide with the planning and reporting cycle for producing results within ILO biennia. The Results Monitoring Tool, developed by the ILO through its Flagship Programme, provides evidence over longer periods of the ILO's contributions to the achievement of social protection strategies and policies, and the implementation of schemes that ultimately have an impact on people's lives.

## 4.5. Capacity development

- 236.** Initiatives aimed at enhancing the capacities of constituents and other relevant stakeholders are mainstreamed throughout the interventions of the Office.
- 237.** Addressing the recommendation of the 2017 high-level evaluation regarding the need to develop "comprehensive long-term capacity-building approaches that respond to constituents' needs at the country level", the ITC-ILO reviewed the ILO's strategy in the area.<sup>165</sup> The ILO's three-pronged approach to capacity development<sup>166</sup> aims to offer a systemic response to the skills development needs of social security institutions, tripartite

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<sup>164</sup> ILO, *A Synthesis Review*, 40.

<sup>165</sup> ITC-ILO, *ILO Social Protection Capacity Building Strategy* (2018).

<sup>166</sup> ITC-ILO, *ILO Social Protection Capacity Building Strategy*.

constituents and development partners, as well as to educate the broader public. The approach includes self-learning, face-to-face learning and on-the-job training.

- 238.** To ensure the widest possible outreach and accessibility at low cost, the Office facilitates self-learning through knowledge-sharing and other self-learning tools disseminated on various platforms. These include a toolbox developed by the Office that provides key learning materials, such as the pension primer; the ratification toolkit; and the ILO World Social Protection Database. The ILO is also developing a series of online courses to accompany the modular good practices guides (box 4.2).
- 239.** There is also a need to train our partners, including staff from UN agencies and other development partners, on labour standards and principles that should guide country support. Through the UN SPF Initiative in 2009, the ILO contributed to raising awareness on SPFs and Recommendation No. 202. This became all the more critical in the context of UN reform. Consequently, in 2018 the ILO collaborated with the UN System Staff College Knowledge Centre for Sustainable Development and developed an online tutored course for UN staff members on social protection for sustainable development within the context of the 2030 Agenda. In addition, the Office is collaborating with the SDG Academy of the UN Sustainable Development Solutions Network to develop a massive open online course (MOOC) with wide outreach (4,000 participants) on SDG 8, including a chapter on social protection.
- 240.** For more in-depth skills development, in collaboration with ITC-ILO, various face-to-face learning courses were developed in response to demand by constituents for specialized training, including on social security policy, governance and financing (PAIV.1(ii)). A health protection course was developed in partnership with the P4H Social Health Protection Network. The annual two-week Social Security Academy provides a diversified training package, in English and French, on the governance, financing, reform and extension of social protection systems. Since 2016, over 4,700 constituents and partners have attended over 190 training activities carried out by ITC-ILO, including 400 participating in the Social Security Academy. The new ITC-ILO Diploma for Social Protection Analysts, launched in 2019, aims to provide cohorts of quantitative specialists every year with expertise on necessary analytical aspects of the design, financial planning and governance of social protection systems to enable alignment of resources with national priorities. It has already trained 412 specialists since its launch. During the COVID-19 pandemic, 47 activities targeting over 1,300 participants, including e-coaching and diploma courses, have been delivered virtually.
- 241.** Specifically addressing the needs of social partners (PAIV.2(i)), particular courses have been designed in collaboration with ITC-ILO, such as the annual training on the role of workers' organizations in the development and implementation of social security systems,<sup>167</sup> in English and Spanish, based on the programme developed in 2012. Since 2015, in partnership with ITC-ILO and the International Organisation of Employers (IOE), an annual course entitled "Enhancing employers' involvement in social protection policy debates" provides training for employers' organizations. This training package is being replicated by Sanya University in China and a generic resource package is being developed.
- 242.** Developing training packages to address specific regional needs has been a launching pad for replication to other regional contexts. The TRANSFORM learning package on managing SPFs in Africa, an inter-agency initiative of the ILO, UNICEF and the UN Development

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<sup>167</sup> ITC-ILO, "Trade Union Training on Social Security", n.d.



Programme (UNDP), was launched in March 2017. It has also been adapted to an e-course offered through the International Policy Centre for Inclusive Growth (IPC-IG).<sup>168</sup> So far, TRANSFORM has conducted 50 training courses in 12 countries and online with over 1,250 participants, with over 80 per cent of participants very likely to recommend the course to others. TRANSFORM now has a network of over 40 English and Portuguese accredited master trainers from 13 countries in Africa that will contribute to building capacities for the longer term. It is available in Arabic, English, French and Portuguese. The TRANSFORM training package is being adapted to the West African and Asian regions.

- 243.** To cater for Member States' needs for skilled national professionals, the Office has supported the development and implementation of university-level programmes in various countries through its QUATRRAIN initiative since early 2000. The programmes are providing master's level degrees in social protection policy, financing and governance, as well as more specialized programmes for actuaries (PAIV.1(i)) (box 4.9). Experience has shown that graduates from these courses have been strong advocates of ILO principles and values in their national social security institutions (including in Ecuador, Ghana, Oman, Thailand, United Republic of Tanzania, Zambia and Zimbabwe) and at the global level (such as HelpAge International, GIZ and UNICEF). Many of them held key roles during the International Labour Conference discussions on social protection in 2011, 2012 and 2013. Building on the success of these master's programmes and experience gained over the years, the Office is developing a core curriculum for a master's on social protection for accreditation by national universities.

► **Box 4.9. *Ecole supérieure de la sécurité sociale in Algeria***

In April 2012, the Government of Algeria created the Ecole supérieure de la sécurité sociale (ESSS), with the objective of servicing regional demands for academic degree programmes in social protection. The academic year 2015–16 saw the implementation of certification programmes and four two-year master's degree programmes. The master's programmes built on the joint ILO/University of Maastricht and ILO/University of Lausanne programmes. ILO support included the development of the ESSS's plan of operation, the design of master's programmes, training for teachers and students, and the provision of books to equip the ESSS library. Proving the growing demand for expertise, the first cohort of 56 ESSS master's graduates were all hired by national social security schemes.

- 244.** The enhancement of long-term national institutional capacity through on-the-job-training is a component of all technical advisory services. Through a project with the National Social Security Fund (NSSF) of the United Republic of Tanzania, the ILO conducted two actuarial valuations of the NSSF, in 2013 and in 2016, in collaboration with the NSSF actuarial and statistical team. This strengthened the capacities of the NSSF staff on collection and validation of data for actuarial valuations. NSSF staff are currently conducting the actuarial valuation of the scheme, as of 30 June 2018 with the assistance and support of the ILO. Similarly, the establishment, with Office support, of the Regional Actuarial Service Unit within Thailand's Social Security Office (SSO) in 2019 has provided SSO staff with knowledge and expertise.

<sup>168</sup> socialprotection.org, "The Knowledge-sharing Platform on Social Protection", n.d.

## Lessons learned

- 245.** High demand for training shows the continued gaps in the capacity to plan and implement social protection systems worldwide. Resource constraints limit the Office's ability to respond to this overwhelming demand. Further strengthening local expertise could enhance impact and national ownership of ILO technical assistance and country analytical work,<sup>169</sup> and is currently being addressed through on-the-job training, the creation of regional hubs of expertise hosted by national institutions, the development of an accreditation programme, partnerships with national schools of social security, and the ITC–ILO specialized courses. However, a more systematic approach is needed to ensure and measure longer-term impact.
- 246.** Public administrations that have invested in building the capacities of their staff face difficulties in retaining experts. National social protection institutions therefore need to adopt a long-term vision for their human resource management.
- 247.** As the 2017 high-level evaluation highlighted, while there is evidence of the impact of ILO capacity development efforts, the Office should enhance mechanisms to monitor those activities and to measure evidence-based impact and effectiveness, ideally as part of an Office strategy to strengthen capacities in respect of social protection.
- 248.** Including the staff of development partners and UN agencies in ILO training courses helps to disseminate ILO values and principles to other agencies and to mainstream a One UN approach towards social protection.

## 4.6. Building and strengthening partnerships for universal social protection and the role of the ILO

- 249.** Building comprehensive, adequate and sustainable social protection systems to achieve the 2030 Agenda requires a concerted effort at national and international levels. Partnerships are also an efficient way to increase the ILO's influence and amplify its impact at the national and global levels by mainstreaming its principles. Thus, efforts have focused on building partnerships at all levels, bringing them under the umbrella of the multi-stakeholder partnership for SDG target 1.3. The 2017 high-level evaluation noted "an overall appreciation of the ILO's effectiveness in multi-stakeholder partnerships [that] contributed to the ILO's outreach at global and national levels" and recognized the role of the ILO in improving the coordination of donors, yet coordination at country level was noted to still be uneven.<sup>170</sup>
- 250.** Strategic partnerships are a core strategy to expand ILO action, at national, regional and global levels with the UN, development banks, workers' and employers' organizations, development partners and academia. The annual development partners' meeting of the Flagship Programme allows all partners to meet with national constituents and ILO staff, and to exchange on progress made and future priorities.
- 251.** Key in rallying One UN momentum to reinforce joint coordinated work of UNCTs on SPFs, the UN SPF Initiative triggered the development of joint programmes that prioritize social protection as a key area of intervention. The UN SPF Initiative, co-led by the ILO and the WHO, was instrumental in developing strategic alliances with the other UN agencies and the Bretton Woods institutions, including the IMF. At the joint ILO-IMF Oslo Conference in

<sup>169</sup> ILO, *A Synthesis Review*, 7.

<sup>170</sup> ILO, *Independent Evaluation of the ILO's Strategy and Actions for Creating and Extending Social Protection Floors*, 50 and 53.

2010, the ILO and the IMF agreed to “explore the concept of a social protection floor ... within the context of a medium- to long-term framework of sustainable macroeconomic policies and strategies for development”,<sup>171</sup> in particular in El Salvador, Mozambique and Viet Nam. In Mozambique, this collaboration supported the progressive development of a national SPF with domestic financing.<sup>172</sup> In Viet Nam, collaboration enabled the alignment of SPF costing scenarios and projections with IMF forecasts and recommendations in the context of consultations in the framework of Article IV of its Articles of Agreement. Efforts are currently being made to re-establish this collaboration in the context of the recent “Strategy for IMF Engagement on Social Spending”, which recognizes the importance of social spending (defined as public spending on social protection, health and education) for inclusive growth, achieving the SDGs and tackling the new challenges of the world of work.

- 252.** The UN SPF Initiative is currently instrumental in mainstreaming social protection as a key issue in the framework of UNDAFs/UNSDCFs. Guidelines by the UNDG, as well as a call launched in 2014 by the UNDG Chairperson and the ILO Director-General,<sup>173</sup> instructed UNCTs to step up efforts in providing support for building national SPFs<sup>174</sup> (PAV.3). The UN SPF Initiative also led to a strong response at the regional level, where UN agencies collaborated for advocacy and production of guidance and issue briefs to inform UNCTs as part of issue-based coalitions on social protection in Asia and the Pacific, Arab States and Europe-Central Asia.<sup>175</sup> As a direct consequence of the One UN work on SPFs, the first allocation of the Joint SDG Fund launched by the United Nations in March 2019, amounting to US\$70 million, focused on leaving no one behind through effective social protection. The ILO is involved in 27 of the 35 country proposals accepted. This presents an opportunity to mainstream the ILO’s standards, social dialogue and the Decent Work Agenda into the work of agencies across the UN system, leverage additional funding and increase field presence. Specific bilateral partnerships on social protection have been developed with the UN Development Programme (UNDP) (on social protection governance, extension to the informal economy, and linking social protection and climate change), the Food and Agriculture Organization (FAO) (on extension to rural workers) and UNICEF (on social protection and public finance management).
- 253.** With an increasing number of development partners working on social protection, the need to improve coordination became more pressing and was addressed through the creation of SPIAC-B in 2012 (PAV.1). Co-chaired by the ILO and the World Bank, the Board provides a forum for debating trends in social protection, work on joint advocacy (for example the 2030 Agenda, financing for development strategy), harmonization of datasets and indicators, and development of ISPA tools. While these platforms have contributed to better coordination and policy coherence,<sup>176</sup> two recent World Bank publications<sup>177</sup> have raised concerns about

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<sup>171</sup> IMF, “Press Release: Oslo Conference Calls for Commitment to Recovery Focused on Jobs”, 13 September 2010.

<sup>172</sup> Nuno Cunha et al., *Towards a Mozambican Social Protection Floor – Consolidating a Comprehensive Social Protection System in Mozambique: Analysis of Policy Alternatives and Costs*, ESS – Paper No. 41 (ILO, 2013).

<sup>173</sup> For the letter from the UNDG signed by Helen Clark and Guy Ryder, see [here](#).

<sup>174</sup> UNDG, “The Social Protection Floor Initiative (SPF-I)”, n.d.

<sup>175</sup> UNDG, *Issue-based Coalition on Social Protection*; UNDG and ILO, *UNDG Asia-Pacific*; UNDG, *UNDG Eastern and Southern Africa*; United Nations, *Social Protection Responses to the COVID-19 Crisis in the MENA/Arab States Region* (2020); UNDG Europe and Central Asia, *Issue-based Coalition on Social Protection*; and UNDG Europe and Central Asia, *COVID-19 and Social Protection in Europe and Central Asia* (2020).

<sup>176</sup> ILO, *Independent Evaluation of the ILO’s Strategy and Actions for Creating and Extending Social Protection Floors*, 54.

<sup>177</sup> World Bank Group, *World Development Report 2019*; and Truman Packard et al., *Protecting All: Risk Sharing for a Diverse and Diversifying World of Work* (2019).

the recognition of international labour standards and principles, and about contradictory policy advice. This highlights the need for continued dialogue, evidence-based research and strategic partnerships, at both the global and national levels.

- 254.** Recognizing the importance of bringing country representatives around the table and building a global movement focusing more specifically on advocacy for universal social protection, in 2016 the ILO and the World Bank launched USP2030. The partnership's Call to Action (2019) urges countries and international partners to support the global commitment to implement nationally appropriate social protection systems and measures for all, including floors (SDG target 1.3) by 2030, through five actions: (1) protection throughout the life cycle; (2) universal coverage; (3) national ownership; (4) sustainable and equitable financing; and (5) participation and social dialogue. USP2030 held its first membership assembly during the ILO Global Social Protection Week in November 2019, and the number of developing country members is increasing.
- 255.** Alliances and strategic partnerships with regional banks, the G20, the BRICS countries, ASEAN and the African Union are being strengthened and dialogue with the IMF and the OECD pursued to keep the extension of social protection, including floors, high on global, regional and national agendas. Among the key partnerships is the partnership with the ISSA that was reinforced through a memorandum of understanding signed in 2012, with a view to strengthening the services provided by the ILO and ISSA to their respective members through better coordination (PAV.2). For example, the ISSA and the ILO jointly support the BRICS Social Security Cooperation Framework Virtual Liaison Office,<sup>178</sup> providing for the exchange of information between the BRICS countries.
- 256.** Since 2007, the ILO has co-chaired the P4H Social Health Protection Network alongside the WHO and the World Bank, with a view to combining efforts for the extension of social health protection coverage within integrated social protection systems. In this framework, the ILO has been coordinating policy advice at the subregional and country levels. It has supported UN-wide efforts to build international consensus on universal health coverage (UHC) through its technical contributions to the global partnership on UHC2030 and two main high-level processes: (i) the UHC2030 multi-stakeholder platform in preparation for the High-Level Meeting on Universal Health Coverage at the UN General Assembly on 23 September 2019; and (ii) the High-Level Commission on Health Employment and Economic Growth and the formulation of a five-year action plan, as well as the establishment of the joint ILO–OECD–WHO Working for Health Programme to support Member States in the implementation of the Commission's recommendations. In 2020, the ILO joined the Global Action Plan for Healthy Lives and Well-being for All and is contributing to several of its accelerators.
- 257.** The ILO, together with the International Trade Union Confederation (ITUC) and the IOE, has created dedicated networks for employers and workers. The Global Business Network for Social Protection Floors was launched in 2015 to increase the engagement of the private sector in the extension of social protection. Its work areas cover developing social protection guarantees for employees, building a business case for social protection through research, and developing national social protection systems. It has held five annual meetings, bringing together over 50 multinational enterprises and employers' organizations, and established the Francophone and Pakistan Networks. Results include the Francophone Network publishing two good practice guides in 2018 and 2019 on how to develop corporate SPFs across different countries, and the Global Business Network

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<sup>178</sup> ISSA, *BRICS Social Security Cooperation Framework, Virtual Liaison Office*, n.d.

participant Auchan partnering with the ILO through their Weave Our Future Foundation in 2017–18 to help develop a public information campaign on the extension of social protection in Cambodia, helping to double beneficiaries. Going forward, the Global Business Network needs to move towards a structure that formalizes its membership and governance. It also needs to learn from the first five years of operations and prepare a new strategy for increasing private sector engagement in the realization of the SDGs on social protection.

- 258.** The Social Protection, Freedom and Justice for Workers Network, initiated in 2017 in collaboration with ITUC and members of the Global Coalition for Social Protection Floors, acts as a knowledge exchange platform and supports workers' organizations by strengthening their capacities to promote the right to social security and fight against fiscal consolidation measures and structural reforms aimed at reducing benefits. To that end, a dedicated web page and newsletter have been created to share policy documents, training materials, tools and news on social protection that are of particular relevance for workers' organizations.<sup>179</sup> Since its creation, the network has held four annual meetings, which brought together dozens of trade union representatives from around the world interested in sharing and learning from each other's experiences and strategies for advancing and defending social protection. More country experiences should be documented and shared where trade unions have played a decisive role in shaping or reforming social protection policies. Through its project with the DG INTPA, the ILO will closely work with trade unions and civil society organizations on social protection and public finance management in four countries.
- 259.** As part of the Centenary celebrations, the ILO Global Social Protection Week was organized between 25 and 28 November 2019 in Geneva; more than 600 participants attended the event and it was followed by around 6,000 participants online. The conclusions of the high-level and technical discussions could serve as a reference for future discussions on social protection.<sup>180</sup>

## Lessons learned

- 260.** The ILO's Flagship Programme has been successful in facilitating inputs from development partners, including emerging partners, the United Nations, governments, workers' and employers' organizations, and civil society into the design, implementation and funding of a coherent and coordinated approach for the development of national social protection systems, including floors. It has also increased the ILO's field presence and capacity to influence UNCTs in the area of social protection, and to lead the One UN portfolio in many instances.<sup>181</sup> While resource mobilization needs to continue, the ILO must also dedicate more effort to the recruitment and training of international and local staff in the field of social protection and project backstopping to achieve results and impact. Regular capacity-building and exchanges of the Global Technical Team on social protection contribute to this effort.
- 261.** Leveraging strategic alliances has been key to ensuring that the right to social security is understood and becomes a reality through joint efforts at the global, regional and national levels. ILO leadership in the related partnerships makes a difference in moving a rights-based agenda forward, and the inclusion of social protection in the 2030 Agenda is a key

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<sup>179</sup> ILO, *Social Protection, Freedom and Justice for Workers Network*, n.d.

<sup>180</sup> ILO, *Global Social Protection Week: A Call to Achieving SDG 1.3*.

<sup>181</sup> ILO, *A Synthesis Review*, 29.

result of this joint effort. However, more advocacy efforts, collaboration and evidence building are needed to mainstream the ILO's standards – which provide guidance on how to substantiate human rights provisions related to the world of work – in the strategies and development cooperation frameworks of UN agencies and IFIs.

- 262.** Consensus at the global level is often essential in order to build the political commitments at national level for extending social protection. However, the strong ILO position and robust inter-agency collaboration at the global level do not automatically translate into equally strong inter-agency dynamics at the national level. This is a challenge, especially in countries where an ILO presence on social protection is lacking.
- 263.** At the national and global levels, strengthening partnerships with ministries of finance and IFIs is particularly important to ensure that the results achieved by countries in extending their systems are not reversed by austerity measures imposed by these institutions, but that, on the contrary, countries identify and create fiscal space to progressively achieve universal social protection.

## 4.7. Conclusions

- 264.** The Office has been able to provide important support to constituents to achieve progress in building social protection systems, including floors, through its six areas of work identified above. As demonstrated, the Office responded in an agile and timely manner to support national social protection efforts to respond to the socio-economic consequences of the COVID-19 crisis. These have had an impact at the national and global levels, yet more consistent evidence is lacking.<sup>182</sup> The Office will need to more systematically monitor the impact of its interventions that result in institutional changes and also in positive changes in peoples' lives.
- 265.** The ILO's social security standards provide clear and systematic guidance based on tripartite agreement. Furthermore, the ILO, as the UN agency with the mandate for social protection, is the only agency that works on the building and strengthening of social protection systems, including both contributory and non-contributory schemes, and on interlinkages between them, and which has the capacity to work on all branches of social security and for all target groups. It also brings a unique labour market perspective to social protection and can effectively link access to social protection and formalization. Finally, as the only tripartite international organization, the ILO promotes political decision-making and implementation through participatory processes and social dialogue. These are the key comparative advantages of the ILO's work on social protection compared to other actors.

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<sup>182</sup> ILO, *Independent Evaluation of the ILO's Strategy and Actions for Creating and Extending Social Protection Floors*, 59.

## ► Chapter 5

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### Social protection systems for all: Nine years to make change happen in the context of the 2030 Agenda and recovery from COVID-19

#### Conclusions and possible ways forward

- 266.** The ILO needs to act with urgency to enable all people to access comprehensive and sustainable social protection in the context of a changing and crisis-ridden world. This will contribute to achieving the vision set out in the Centenary Declaration and the SDGs, and ensure an inclusive recovery from the COVID-19 pandemic. In today's world of uncertainties and profound transformations, the ILO's mandate and approach to social protection is ever more relevant to pave the way towards the future that we want.
- 267.** A human-centred approach to the future of work calls for universal access to comprehensive, adapted and sustainable social protection systems that provide adequate levels of benefits for all, during the entire life course, and in response to covariate shocks. Only nine years remain to achieve the 2030 Agenda, including target 1.3. In a world where the majority of the population has no, or insufficient, access to social protection and is locked in a vicious cycle of vulnerability, poverty and social exclusion, it is imperative for the ILO to step up its efforts to make the right to social security a reality for all. Today, societies at large are faced with profound transformations. In tandem with the other main public policies, social protection is a lubricant of change, and investments made therein help navigate life and work transitions and structural change, protect workers and enterprises and enable them to overcome the adverse socio-economic impacts of the COVID-19 crisis. In this context, it is crucial to adapt national social protection policies and systems to the new global realities, to uphold and enhance their protective function and support these transformations. Achieving these objectives by 2030 requires strong political will and social dialogue, translated into effective policies and corresponding implementation strategies, comprehensive legal frameworks and sustainable financing mechanisms.<sup>183</sup>
- 268.** Firmly anchored in its normative mandate and in tripartism, the ILO's two-dimensional approach for the extension of social security is solid and fit for purpose. Many countries build SPFs that guarantee a basic level of social security for all as a springboard towards higher levels of formality, productivity and protection. At the same time, many countries have defended and further expanded higher levels of protection to as many people as possible and are adapting their social security systems to new challenges, guided by ILO social security standards. However, these efforts have so far been held back by insufficient capacities to implement comprehensive national social protection policies on par with economic and employment policies, insufficient fiscal space for social protection exacerbated by fiscal consolidation measures, institutional fragmentation, insufficient involvement of workers' and employers' organizations, and sometimes contradictory policy advice, including by international development partners. The COVID-19 pandemic has underscored the need for stronger social protection systems. This means that the

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<sup>183</sup> ILO, *Global Social Protection Week: A Call to Achieving SDG 1.3*.

temporary measures adopted in this crisis to close coverage gaps are utilized as building blocks for establishing rights-based national social protection systems.

**269.** Overall, the lessons learned from this review demonstrate that we need concerted efforts to:

- formulate and effectively implement comprehensive social protection policies based on a shared understanding of social protection as an investment with high returns to end poverty, reduce inequalities and be a cornerstone of a reinvigorated social contract;
- make universal social protection a policy priority and accelerate efforts to achieve SDG targets 1.3 and 3.8 by 2030 as well as other SDGs;
- close the coverage gaps and the corresponding financing gaps by creating the necessary fiscal space for social protection;
- generate a better understanding of the importance of solidarity in closing coverage and financing gaps, and enhancing the financial sustainability of social protection systems;
- adapt social protection systems to respond to new and rapidly changing realities, shocks and major transformations in national economies and societies;
- enhance policy coherence at the national, regional and global levels and strengthen partnerships to deliver coordinated and coherent global and country support;
- reduce institutional fragmentation that leads to the inefficient use of scarce resources, coverage gaps and overlaps while promoting and strengthening good governance;
- promote the application of international labour standards among and beyond the ILO tripartite constituents, and ensure appropriate follow-up to the recommendations of supervisory bodies;
- strengthen social dialogue and representation of workers and employers while strengthening their institutional capacities; and
- achieve a firm commitment to a human-centred approach that prioritizes sustainable long-term solutions to new and persisting challenges, founded on human rights values and principles, over short-term responses that risk jeopardizing the social contract.

**270.** These policy objectives can create a bridge towards the future that we want, one of lasting peace and social justice. Sound social protection systems contribute to formalizing the economy, revitalizing rural economies, implementing a green and just transition, recovering from natural disasters, pandemics and conflicts, and stabilizing aggregate demand in times of crisis. The Organization's values and standards provide the blueprint for charting socially just and economically sustainable transitions and recovery from systemic crises. As solutions to these current challenges require the combined action of several actors, ensuring policy coherence and building strong national, regional and global partnerships in the pursuit of building and strengthening social protection systems for the next century has become a necessary condition for success.



- 271.** Based on lessons learned, challenges and opportunities, and reflecting the priorities identified in the Programme and Budget for 2020–21 under outcome 8,<sup>184</sup> the following eight key actions could orient the Organization’s path towards 2030.<sup>185</sup>
- 272. Action 1: Enhance coverage and adequacy through strong national social protection policies and legal frameworks.** As the COVID-19 crisis made clear, the ILO two-dimensional strategy for the extension of coverage is of particular relevance in the context of current and future crises, the future of work and the achievement of the SDGs on social protection by 2030, notably SDG target 1.3. The ILO will strive to provide more support to Member States in the design and implementation of social protection policies coordinated with economic and employment policies and anchored in legal frameworks that are gender responsive and disability inclusive, that are based on social dialogue, and take into account the recommendations of the ILO supervisory bodies. This includes support to tripartite constituents in their efforts to extend coverage to workers not yet adequately protected, including rural workers, workers in SMEs, own-account workers and migrant workers, to improve adequacy of benefits and services, and to better address child and long-term care needs. This also includes participating or leading One UN assessments of social protection situations and strategic recommendations to countries in the context of the UNSDCF.
- 273. Action 2: Close financing gaps by ensuring adequate and sustainable financing,** based on the principles of solidarity, collective financing and broad risk pooling, with due regard to social justice and equity. In view of the challenges ahead, and the estimated financing gaps for achieving SDG target 1.3 of US\$1.2 trillion per year, the Office will intensify its work on ensuring sufficient resources are invested into building sustainable and equitable social protection systems, including floors – primarily from domestic resources, but also through international financing, including development cooperation. This will include supporting constituents to engage with ministries of finance and IFIs to create fiscal space in an equitable manner in order to invest in universal, comprehensive and sustainable social protection systems, especially as countries emerge from the COVID-19 crisis. Such measures could also include developing a common policy framework with the United Nations and IFIs, or the analysis of innovative sources of financing for social protection. The Office will also develop evidence on the importance of solidarity for the sustainability of social protection systems, in particular in the context of the future of work.
- 274. Action 3: Strengthen the governance and sustainability of national social protection systems.** The Office will support its constituents in strengthening the governance and administration of social protection systems in line with ILO principles and standards and based on social dialogue. This includes support to build effective monitoring systems, including periodic actuarial reviews, comprehensive management information systems and meaningful statistics, to track progress towards achieving universal social protection and relevant SDG targets, and to improve policy design and implementation. This also includes making clear to people the value of social protection measures, thereby building trust in the system and nurturing a culture of social protection. The Office will provide technical

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<sup>184</sup> Increased capacity of member States to develop new or reformed sustainable national social protection strategies, policies or legal frameworks to extend coverage and enhance benefit adequacy (output 8.1); increased capacity of member States to improve the governance and sustainability of social protection systems (output 8.2); and increased capacity of member States to integrate social protection in comprehensive policy responses to support and protect workers and employers during their life and work transitions (output 8.3).

<sup>185</sup> These actions are in line with previous Governing Body discussions on outcome 8: Comprehensive and sustainable social protection for all, and with the 2017 recommendations of the *Independent Evaluation of the ILO’s Strategy and Actions for Creating and Extending Social Protection Floors*.

cooperation to improve national capacities for administrative and financial governance of social protection systems, including through the use of digital technologies and an online actuarial platform, as well as institutional coordination, for example, with ministries of finance, tax authorities and labour inspectorates. Moreover, the Office will provide support to improve the financial management and fiscal, financial and economic sustainability of social security schemes, including pension reforms, so that they are adequate and adapted to developments in the world of work and contribute to the achievement of other policies (for example active ageing, just transition, formalization).

- 275. Action 4: Reinforce effective social dialogue** as a key element for the design, implementation, monitoring and reform of social protection policies, and their adaptation to emerging challenges. The Office will continue to strengthen the capacity of tripartite constituents to engage in national social dialogues on social protection and tripartite governance mechanisms. The capacities of tripartite constituents should be strengthened to enable them to participate in discussions with ministries of finance and IFIs on the fiscal, financial, economic and social sustainability of social protection systems and reforms. National dialogues should also include consultations with other relevant and representative organizations of persons concerned, including those outside formal employment. Tripartite reviews of national social protection systems should also assess their compliance with ILO standards and principles and guide policy advice for addressing recommendations from the ILO supervisory bodies and their adaptation to new challenges. Building on existing capacity-building and advocacy activities through the Global Business Network for Social Protection Floors, and the Social Protection, Freedom and Justice for Workers Network, additional efforts in promoting national social dialogue and tripartite representation in policymaking and governance, as well as among the United Nations and other development partners, would further enhance social protection policies at the national, regional and global levels.
- 276. Action 5: Enhance the knowledge base on social protection systems.** This includes strengthening national monitoring capacities to track progress in strengthening national social protection systems, including SDG indicator 1.3.1 and other relevant SDG indicators, based on harmonized definitions, concepts and sources, and in compliance with ILO social security standards. In this context, the ILO World Social Protection Database, as well as the results monitoring tool developed by the Office to measure the impact of ILO support, provide important additional information to the SDG framework. The results monitoring tool will be mainstreamed to identify good practices in development cooperation and provide evidence of the ILO's contribution to the achievement of the 2030 Agenda. The Office will continue to maintain its knowledge excellence by producing its periodic ILO flagship *World Social Protection Report* and other relevant policy-oriented research, including on the role of social dialogue in the design, financing and implementation of sustainable social protection systems, the performance and sustainability of national pension systems, the economic and social impacts of investing in gender-responsive social protection systems, closing the coverage and financing gaps for achieving the SDGs, and ways to adapt social protection systems to the changing world of work. The Office will continue to disseminate its experience and policy advice through South–South exchanges, policy briefs, good practices guides and joint inter-agency tools, and to document good practices through the country briefs series.
- 277. Action 6: Amplify the impact of international social security standards** as a core element of the ILO's added value by fully exploiting their potential. The Office will continue to promote the ratification and application of Convention No. 102 and other up-to-date ILO

social security standards as the backbone of building rights-based social security systems, including support to Member States that have ratified outdated Conventions to transition to up-to-date Conventions in the context of the Standards Review Mechanism and to address the recommendations of the supervisory bodies. The Office will conduct research to demonstrate how the policy guidelines for building and maintaining social protection systems established by Recommendation No. 202 are observed by both national and international stakeholders. The Office will also seek to amplify the impact of international social security standards at the global, regional and national levels through engagement beyond the tripartite constituents, such as other ministries and development partners. While the existing up-to-date social security standards, notably Convention No. 102 and Recommendation No. 202, have proven their continued relevance and impact, the ILO should ensure that its body of standards is well equipped to respond to new challenges and foster policy coherence in a changing environment.

- 278. Action 7: Adapt social protection systems in the aftermath of the crisis and in the context of the future of work** to support and protect workers and employers during their life and work transitions, and enable them to seize new opportunities while facilitating recovery from the COVID-19 crisis. Particular attention will be given to transitions from school to work and from work to retirement, labour market transitions and labour mobility, labour migration, parenting and caring, rehabilitation and return to work, just transitions to environmentally sustainable economies, and transitions from the informal to the formal economy. In addition, the Office will also support constituents in achieving greater coherence with other policy areas, such as employment, labour market, sectoral, skills, wage, fiscal and other social policies. This could involve: the transformation of ad hoc emergency social protection measures into sustainable social protection systems; the development of guidance to ensure the compliance of digital platforms with national social security legislation of the countries of residence or employment of the workers; support for enterprises in ensuring access to social protection for workers in their supply chains; policies and measures that protect workers and their families affected by economic, natural, public health and other shocks, including climate change and environmental degradation; social protection policies and measures to facilitate just transition towards environmentally sustainable economies and societies; developing and implementing bilateral and multilateral social security agreements, reinforcing unilateral measures, and incorporating social protection provisions into bilateral labour agreements.
- 279. Action 8: Reinforce the ILO's leadership role on social protection in the multilateral system**, based on its constitutional mandate in the context of UN reform and the United Nations response to COVID-19, with a view to strengthening policy coherence in pursuit of the ILO's human-centred approach to the future of work.<sup>186</sup> In view of a multiplication of actors in the field of social protection, the ILO should further reinforce its efforts to promote ILO principles and standards, including tripartism, in the design and implementation of social protection policies, strategies and schemes and their equitable and sustainable financing, including with relevant ministries, the United Nations and IFIs. The ILO will continue to expand its partnerships and collaboration at the national, regional and global levels with other UN organizations, IFIs and other partners, including through USP2030 and SPIAC-B, to promote universal social protection based on ILO standards, principles and social dialogue. This could include developing a common operational framework at the level

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<sup>186</sup> ILO, *ILO Centenary Declaration for the Future of Work*, adopted by the Conference at its 108th Session, Part IV(D); and ILO, *Resolution on advancing social justice through decent work*, International Labour Conference, 105th Session, 2016.

of the UN, anchored in the principles recognized in internationally agreed social security standards, to promote comprehensive, sustainable and rights-based social protection systems, including floors, in order to accelerate progress towards achieving the Organization's objectives and the SDGs by 2030.

280. To deliver on these actions, the ILO will reinforce its means of action at the global, regional and country levels. It will further develop and adapt its **Global Flagship Programme on Building Social Protection Floors for All** to the new action agenda, increase resource mobilization efforts, and improve the quality and responsiveness of its support to constituents through in-country support, on-demand advisory services, practical knowledge development and sharing, and strategic partnerships. It will implement a comprehensive long-term capacity-building approach.