



# Evaluation of EU support to social protection in external action

## 2007-2013

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Final Report  
Volume II – Country Reports  
January 2018

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*Evaluation carried out on behalf of the European Commission*



The evaluation was carried out by:  
Landis MacKellar – Team Leader

Contributions from:

Ana Maria Femenia Garcia – Team Member

Zehra Kacapor-Dzihic – Team Member

Tino Smail – Team Member

Lena Zezulin – Team Member

Georg Ladj – Quality Control

Ana Vilar – Backstopping

Dominika Socha & Jana Bobokova – Evaluation  
Managers

The evaluation is being implemented by Particip GmbH (leader) and AETS and managed by the DG NEAR A4 Multi-annual Financing Framework, programming and evaluation unit.

The author accepts sole responsibility for this report, drawn up on behalf of the Commission of the European Union. The report does not necessarily reflect the views of the Commission.



# **Evaluation of EU support to social protection in external action 2007-2013**

## **Final Report**

**The report consists of three volumes:**

### **VOLUME I: MAIN REPORT**

- 1. Introduction**
- 2. Overall methodological approach**
- 3. Answers to the Evaluation Questions**
- 4. Conclusions**
- 5. Recommendations**

### **VOLUME II – EVIDENCE MATRIX WITH FIELD PHASE ANALYSIS – COUNTRY REPORTS**

- 1. Synthesis Note presenting findings and conclusions of the field Country Reports**
- 2. Bosnia and Herzegovina**
- 3. El Salvador**
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### **VOLUME III – CONTEXT AND METHODOLOGY – ELECTRONIC DATA**

- 1. Terms of Reference**
- 2. List of documents consulted**
- 3. List of people interviewed**
- 4. Overview of EU-funded key interventions**
- 5. Survey results**





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Volume II

Synthesis note of country reports

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## Synthesis Note presenting findings and conclusions of the field Country Reports

### Purpose of the country reports

This synthesis note and country reports are framed within the field phase of the evaluation. Prior to this phase, an inception phase, aiming at developing the evaluation framework (reconstruction of the EU's intended intervention logic of its support to social protection and definition of the Evaluation questions (EQs)), and a desk phase, aiming at giving a preliminary answer to the EQs and at proposing the list of countries to be visited, were carried out.

The field visits have the following objectives:

- To complete the data collection in order to answer the agreed evaluation questions;
- To validate or revise the preliminary findings and hypotheses formulated in the desk report;
- To assess whether there is need for further research and interviews to prepare the synthesis report, and in particular the conclusions and recommendation chapter.

The present country note and country reports are simply aimed at providing country specific examples on a set of issues and hypotheses that are relevant for the worldwide evaluation exercise. Therefore, it cannot be considered as a country evaluation in itself but rather as one of the inputs for the elaboration of the final synthesis report.

### Selection of country case studies

Out of a wide sample of 36 countries with relevant EU-funded social protection interventions initially considered for the inception and desk phase<sup>1</sup>, 14 were selected for desk phase case studies and, of these, 11 for field study analysis. The selection process was carried out in consultation with ISG members and based on a set of criteria that included:

- Geographic financing instruments used to support SP (IPA, ENI, DCI, EDF) and diversity of contexts;<sup>2</sup>
- Reference to SP in EU country programming documents and level of EU committed amounts in SP-related support;
- Thematic focus of the support to represent as much as possible the variety of support reflected in the six focus areas of support;
- Type of support (implementation modality and channel used).

The size of the field phase sample was in line with the ToR, which foresaw 8 to 12 field cases. It has been kept large to maximise the diversity of cases covered during this phase. The table below presents the final list of countries covered by the field phase.

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<sup>1</sup> 33 countries were already listed in the ToR. Three countries (Swaziland, Togo and Yemen) with relevant EU interventions in the area of SP were added to the overall sample during the desk phase.

<sup>2</sup> The final sample contains 5 countries covered by IPA, 4 countries by ENI, 3 by DCI and 2 by EDF.

Table 1 *Field study countries*

<i>IPA</i>	<i>ENI</i>	<i>DCI/EDF</i>
Bosnia and Herzegovina	Morocco	El Salvador
Turkey	Moldova	Kyrgyzstan
former Yugoslav Republic of Macedonia	Palestine <sup>*</sup>	Ethiopia
Montenegro		Malawi

## Synthesis Note

This section summarizes the main findings from the field phase, which will be combined with findings from desk review during the closing synthesis phase. The section is organized around the evaluation questions addressed in each field mission country.

There has been no question that EU support to social protection has been **relevant** to country needs in all countries studied. It has been targeted towards the most vulnerable and socially excluded including children with special needs, the disabled, the elderly, the Roma population, etc. Due attention has been paid to institution strengthening and capacity building needs given the context in all partner countries. Alignment with government priorities has been assured through budget support in some countries (e.g., Morocco, El Salvador, Moldova, Palestine, Kyrgyzstan) and, where budget support was not used, though projects discussed with government to identify priority target populations (e.g., Malawi or the IPA beneficiaries). In the Western Balkans where EU support was implemented through projects, the EU engaged local authorities and NGOs to identify priorities, elaborate policies, and deliver needed services. While sometimes impaired by politics (e.g., Bosnia and Herzegovina), the quality of policy dialogue on SP has generally been good.

The EU has been committed to **broadened coverage** in the sense of ensuring that all in need are covered (as opposed to, e.g., the concept of universal social pensions regardless of need, an approach in which the EU has shown no interest apart from the exception of El Salvador). In a number of countries (e.g., Turkey, Kyrgyzstan, Bosnia and Herzegovina, Palestine, Moldova) this has involved ongoing work to improve targeting, i.e. to reduce both exclusion and inclusion errors; the latter to utilize available resources more effectively to tackle the needs of the poorest segments of the population. The EU has, throughout the IPA beneficiaries, and in Kyrgyzstan and Moldova as well, worked to promote availability of social services to marginalized and vulnerable populations – children with special needs, the Roma population, the elderly, the disabled, etc. This has often involved working with local authorities and NGOs to build capacity and improve service delivery. In Turkey and Palestine, it has worked to ensure that conditional cash transfers supported by the EU are available to refugees, as well.

**European values and international principles** have been promoted throughout the EU's involvement with SP cooperation. In part, this is due to the EU's close engagement with international partners such as UNICEF; in the case of IPA beneficiaries, it owes something to the accession process (although social protection is not one of the hard acquis, limiting the EU's leverage in policy dialogue). All supported interventions have promoted human rights-based approaches to the social inclusion of marginalized and vulnerable groups, including refugees. While EU support was consistent with the Social Protection Floor approach promoted by ILO and endorsed in the EU's 2012 Communication, by no means all EU partner countries have committed to it. A special case is Palestine, where, EU support to social protection is part of a broader effort to support the Palestinian Authority as the peace process hopefully leading to the EU-supported two-state solution proceeds.

<sup>\*</sup> This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.

The European social welfare model, based in human rights, rests on an institutional foundation: the **social dialogue**, strictly defined in tripartite terms, between government, workers' representatives, and employers' organisations; and the full involvement of **civil society** organisations in policy formulation and monitoring. The EU, in its support for social protection, has strongly supported civil society engagement. It has been far less involved in formal tripartite dialogue, in part because this is weak and / or politically driven in partner countries (e.g., for the latter, Turkey, Palestine; the Western Balkans where political considerations continue to weaken the dialogue). Even in El Salvador, with an institutionally deep tripartite tradition, EU support did little to add. It is informative that EU collaboration with UNICEF has been far deeper than its collaboration with the ILO. An EU effort to strengthen social dialogue in Bosnia and Herzegovina foundered on political shoals; however, the EU contributed to some tripartite progress in the former Yugoslav Republic of Macedonia. Civil society involvement and capacity building has been a strong dimension in EU support to SP in all countries. The EU has consistently supported NGO involvement in policy setting, priority setting, and service delivery. All of this support has been more effective at the local than the national level.

Social protection – the combination of social insurance, social assistance and social welfare services – is best viewed as an integrated **system**. Underpinning that system is financial **sustainability**. The EU has not been involved in social insurance, a double-edged sword since it promotes complementarity with the work of the World Bank but also suggests missed opportunities for cooperation with the ILO, with deep expertise and institutional ties to promote the European social welfare model. Results from the field phase hold out only occasional evidence for the financial sustainability of actions that have been financed by the EU -- e.g., at local level for child protection in Bosnia and Herzegovina (yet at national level, bloated social assistance benefits are broadly considered to be fiscally unsustainable); in child protection in Montenegro). This is despite reasonable fiscal space analyses underlying EU interventions, whether at national or local levels. A bright spot is El Salvador, where the expansion of social assistance benefits has been match by tax measures. Health care reform in Morocco appears moderately sustainable, but has led to unanticipated consequences, the shortage of primary care facilities leading to large hospitals being flooded with patients demanding services. In the Palestine and Ethiopia, widely praised comprehensive social protection strategies, promulgated with EU support, have little likelihood that the necessary financial (or, at local level, logistical and human) resources will be at hand for implementation. There are concerns about the sustainability of EU-supported conditional cash transfers in Malawi. There is in some country strategies a laudable policy of merging social assistance with economic empowerment (Palestine, El Salvador), but this is a slippery slope – the role of social protection policy is to complement employment and incomes policy; not to make or implement either one.

Sustainability also has an institutional dimension, and the EU in all countries reviewed has contributed significantly to capacity building at all levels and in all aspects. While capacity limitations remain important in both governments (at all levels) and civil society, the EU cannot be faulted for not having paid attention to the issue. Institutional sustainability depends on continuing political will, but between genuine political engagement to better serve populations (particularly children and the disabled; in the case of Palestine, the striving for state legitimacy) and the power of civil society, EU support will likely continue to reap dividends.

The EU has made major contributions to the fight against **social exclusion**, through tightly targeted projects aimed at children, the elderly, the disabled, the Roma population, etc.; as well as more generally through its support to conditional cash transfers to the very poorest. Recipients of conditional cash transfers are largely women, lending a significant **gender** dimension to EU support. The result has been tangible improvement in the lives of ultimate beneficiaries – perhaps most tangible in the case of improved delivery of social services to

marginalized and vulnerable populations and de-institutionalization of children with special needs. In Turkey, persons with mental health problems have been de-institutionalized and placed in small group homes; in Gaza, the EU has trained school counsellors and social workers to put in place primary health care-based mental health services. In El Salvador, there is credible evidence that social exclusion has been reduced through programmes supported by the EU. At the same time (and despite data gaps) it must be admitted that exclusion remains serious in most partner countries (e.g., the Western Balkans the former Yugoslav Republic of Macedonia, Moldova, Turkey, Kyrgyzstan, Palestine) and that fiscal constraints mean that the social assistance benefits supported by the EU are **inadequate** to lift families out of poverty (e.g., Palestine, Malawi, the former Yugoslav Republic of Macedonia, Kyrgyzstan). What can be said with confidence is that, absent EU support, the situation would be worse. The extreme case is Palestine, where EU support in multiple dimensions has been a lifeline to the poor, despite increasing poverty resulting from occupation and the ongoing political crisis. In a number of countries (e.g., Bosnia and Herzegovina, Turkey, Palestine) the EU's support to basic income support has been more directed at improving targeting than improving adequacy. The same fiscal constraints impose stringent targeting mechanisms that prevent basic income support from reaching beyond the poorest of the poor, although in some countries (e.g., El Salvador) EU support has contributed to broadening social assistance and in Ethiopia, it has been possible to steadily extend and increase cash and in-kind transfers through the PSNP programme. The emphasis on targeting is best understood as an effort to fight exclusion error while reducing the budgetary drain of inclusion error: all evidence is that EU-supported cash transfer programmes do, in fact, reach the very poorest (e.g., Malawi, Ethiopia) even where inclusion error is significant (e.g., Kyrgyzstan). Where there is concern that they do not reach individuals – not households - most in need (e.g., Palestine, Ethiopia) – the EU is attempting to put in place European community social worker approaches where persons with special needs (the disabled, victims of domestic violence, the infirm elderly) can be identified within households that do not pass the poverty test.

The EU essentially used two **modalities** in SP – projects and budget support. The value added by the latter is also discussed below. As illustrated by the Morocco case, budget support was particularly useful to engage in policy dialogue and facilitate inter-ministerial cooperation at national level. Where the EU tackled broad reform processes (Morocco, El Salvador, Moldova, Kyrgyzstan), budget support has played a catalytic role, contributing (through increased dialogue and technical inputs) to accelerating the reform processes. Budget support is particularly well suited for the provision of high-quality TA, an area in which the EU has a comparative advantage in social protection, where the tradition of the European welfare state has led to an abundance of expertise. When dissatisfaction has been expressed with TA, it usually has to do with the speed of contracting, which, in turn, is as likely to result from bottlenecks in government as from admittedly heavy EU procedures (e.g., Turkey, the former Yugoslav Republic of Macedonia). The project modality was appropriate when the main concern was with social exclusion and well-identified marginalized groups, e.g. in the Western Balkans. Such projects were implemented either by agencies with specialized skills (e.g., UNICEF, UNWRA, WFP) or international NGOs in partnership with national partners (e.g., Bosnia and Herzegovina). Both budget support and projects contained substantial capacity building and institution building components, mostly at national level in the first case and at both national and local level in the second. The complementarity between budget support and projects was mixed – sometimes strong (e.g., Moldova) and sometimes weak (e.g., El Salvador). As described above, EU support to social protection had capacity building at its centre – legislative reform, strengthening local priority-setting institutions, training social workers, improving case management and referral systems, improved targeting of social

assistance, etc. While a range of **instruments** was deployed, in all of the countries reviewed, bilateral aid, whether through DCI, EDF, ENI, or IPA dominated although there was some utilization of DCI thematic, CBC, IcSP, and EIDHR. SOCIEUX technical assistance appears to have been under-utilised and the EU-SPS project is relatively recent and is targeting a limited number of countries (including Kyrgyzstan and Ethiopia).

EU support to social protection has been **coherent** with its commitment to fight poverty, tackle social exclusion, and protect the vulnerable. In all countries studied, EU support to social inclusion has been coherent with EU commitments to the rights of children, women, the disabled, the right to decent work, etc. and has helped countries to meet their relevant international commitments. In some settings (e.g., Turkey and Palestine) it has been possible to achieve synergies with programmes (including ECHO) to provide assistance to refugees. In Turkey, the EU was able (with some difficulty) to mobilise Member States (MS) support for the Trust Fund for Syrian Refugees. Given the EU's focus on social inclusion and basic income support to fight poverty, the need for high-level strategic coherence with sectors such as trade, environment, etc. has not been pressing. An area where there has been an effort in a number of countries to ensure coherence is migration, e.g. in Moldova and Kyrgyzstan (wellbeing of children left behind) and Ethiopia (social protection as a means of reintegrating returned migrants and discouraging illegal emigration). Moreover, there is a degree of coordination between DG NEAR and DG EMPL in IPA beneficiaries (e.g. Montenegro, former Yugoslav Republic of Macedonia).

Coordination has often been limited by the fact that MSs are not greatly involved in social protection, although in some cases (e.g., Bosnia and Herzegovina, Montenegro), EU support for social inclusion, mostly implemented via NGOs, has supplemented MSs efforts to do the same. In cases such as Bosnia and Herzegovina, the potential for coordination is limited by lack of government interest, a danger that is exacerbated in settings where there is a proliferation of small NGO projects.

In some cases, the EU has **added value** by the substantial sums it can provide and, through budget support, the predictability of its support in addition to the high-quality policy dialogue and TA that usually complements it (e.g., Palestine, Moldova, Kyrgyzstan, El Salvador, Morocco). Budget support was generally associated with closer alignment with government policies, but was of course limited to countries where there was a well-formed policy framework to align to. In El Salvador, budget support permitted a partnership with MSs that resulted in better coordination, enhanced policy dialogue and leverage in promoting European approaches. In other cases (e.g. Turkey) it is not the quantum of aid but the European expertise that adds value. By specialising in basic income support, i.e. conditional cash transfers, and social inclusion, there has been created a de facto division of labour between the World Bank, which focuses mostly on social insurance, and the EU (e.g., Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Moldova). However, the World Bank is also involved in social safety nets (in large part social assistance) and has the expertise and resources to develop comprehensive national identification and monitoring systems (e.g., Morocco, Malawi). This suggests the existence of significant potential for EU-Bank collaboration in future.





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Final Report

Volume II

Country Report – Bosnia and Herzegovina

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Landis MacKellar – Team Leader

Contributions from:

Ana Maria Femenia Garcia – Team Member

Zehra Kacapor-Dzihic – Team Member

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## Country Report – Bosnia and Herzegovina

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EU support to social protection in Enlargement countries includes both technical and financial support provided through the IPA instrument and continuous dialogue and exchange of information in the context of accession negotiations. Although the team has tried to capture some of the complex processes taking place in relation to accession negotiations and social protection-related legal and policy reforms, most of the information available concerns IPA financial and technical assistance. Despite the emphasis on IPA financial and technical assistance in the analysis, it is important to see IPA assistance only as one part of the broader cooperation between the EU and the beneficiary.

## List of acronyms

ACP	African, Caribbean and Pacific Group of States
ASB	Arbeiter Samariter Bund
BD	Brcko District
BiH	Bosnia and Herzegovina
CBC	Cross-Border Cooperation
CSF	Civil Society Facility
CSO	Civil Society organisation
CSW	Center for Social Work
DEI	Directorate for EU Integration
ECD	Early Childhood Development
EIDHR	European Instrument for Democracy and Human Rights
EQ	Evaluation Question
EU	European Union
EUD	European Union Delegation
FBIH	Federation BiH
IDP	Internally Displaced persons
ILO	International Labour Organisation
IMF	International Monetary Fund
IPA	Instrument for Pre-Accession
MDG	Millennium Development Goals
MDTF	Multi-donor Trust Fund
MIPD	Multi-indicative Programme Document
MoCA	Ministry of Civil Affairs
MoF(T)	Ministry of Finance and Treasury
MoHRR	Ministry of Human Rights and Refugees
MS	Member State
NGO	Non-Governmental Organisation
ROM	Results oriented monitoring
RS	Republika Srpska
SAA	Stabilisation and Association Agreement
SDG	Sustainable Development Goals
SOCEM	Support to social service providers and enhancement of the monitoring capacities in BiH
SP	Social Protection
SPIS	Social Protection and Inclusion System
TACSO	Technical Assistance to civil society organisations
TAIB	Technical Assistance for Institution Building
UNHCR	UN Refugee Agency
UNICEF	United Nations Children's Fund
WHO	World Health Organisation



# 1 Introduction

## 1.1 Purpose of the country report

This report is framed within the field phase of the evaluation. During the inception phase, the evaluation framework was developed, i.e. the EU's intended intervention logics of its support to social protection (SP) in partner countries were reconstructed and the Evaluation questions (EQs) were designed. During the desk phase, overall strategy and policy documents and selected project documentation were reviewed, an online survey to the EUDs was conducted and several stakeholders were consulted. The desk report outlined preliminary answers to the EQs and it proposed a list of countries to be visited in the field phase. From a long list of 45 countries and a shortlist of 14 desk case countries, 11 countries were selected for the field phase. The overall objective of the field visits is to verify preliminary findings to the EQs.

The field cases have the main focus on the bilateral support provided in a given country, but also assess the complementarity and coherence with the major social protection (SP) programmes taking place in this country.

The outline of the country report follows the structure of the evaluation matrix to ensure a consistent and harmonised data collection approach. However, as EU interventions implemented under major SP programmes cover a variety of different topics, not every intervention is relevant for all the evaluation questions. This tailored case study approach ensures that resources are spent in an efficient way.

Therefore, the present country report cannot be considered a country evaluation but rather one of the inputs for the elaboration of the final report. The field cases allow for a detailed examination of certain elements at the Indicator and Judgement Criterion level and provide a picture of the EU support in different contexts. The report aims at providing country specific examples on a set of issues that are relevant for the worldwide exercise.

## 1.2 Reasons for selection of the country

The *Bosnia and Herzegovina* country case study has been selected for the following reasons:

- Regional and sub-regional representation: the case illustrates the specific context of the Western Balkans region.
- EU Enlargement context: Bosnia and Herzegovina's "potential candidate" status determines a precise framework for the provision of assistance in the context of EU Enlargement.
- Partners: EU support built on a strong partnership with UNICEF (three subsequent projects).
- Amount of aid: *Bosnia and Herzegovina* is one of the top recipient countries of EU financial contributions in the area of SP in the Western Balkans.

The table below provides an overview of the main SP interventions implemented by the EU in the period 2007-2017.

Table 1 Selection of projects for the field visit

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>	<i>Implementing partner(s)</i>
<b>2007-2013</b>				
IPA Comp I	Enhancing the Social Protection and Inclusion System (SPIS) for vulnerable groups/children - Phase III	2010-2012	1,246,212	UNICEF
IPA Comp I	Strengthening social protection system at all levels of governance	2011-2014	7,500,000	UNICEF
IPA Comp I	Enhancing the Social Protection and Inclusion System (SPIS) for vulnerable groups/children - extension	2013-2014	1,319,629	UNICEF
IPA Comp I	Support to social service providers and enhancement of monitoring capacities (SOCEM Project)	2015-2017	1,758,000	EPRD
<b>2014-2017</b>				
IPA Comp I	Support to implementation of Roma Action Plans	2014-2015	2,500,000	Hilfswerk Austria

Source: CRIS and Particip analysis.

### 1.3 Context of the EU support

#### **Country context and overview of the national social protection system**

The Constitution of Bosnia and Herzegovina, as an integral part of the General Framework Agreement for Peace in Bosnia and Herzegovina, allowed the country to move out of instability and enter a calmer period of development, but has also resulted in the establishment of a complex constitutional and highly fragmented system of government, with an asymmetric system of governance. As the EU Progress Report 2015 put it, “The country’s Constitution established a complex institutional architecture that remains inefficient and is subject to different interpretations.” The state level in Bosnia and Herzegovina has a mandate to define basic principles and coordinate entity policies concerning *inter alia* the areas of social protection, inclusion, health, education, etc. It is tasked, as well, with reporting and follow up on international treaties to which Bosnia and Herzegovina is signatory. The two entities (Republic Srpska and Federation BiH) have different composition: while the Republic of Srpska is centralised, the Federation BiH is further decentralised into ten cantons, with legal and executive powers for a number of social policies and their implementation vested in them.<sup>1</sup> The Brčko District (BD) has full authority over the social inclusion and protection development within the District. There are 141 municipalities within the entities, of which 79 are in the FBiH cantons and 62 in the RS.

Administrative role and functions of the State of BiH in a number of social sectors are not foreseen in the Dayton Constitution. The Ministry of Civil Affairs at the state level is tasked with defining coordination and harmonisation of social policies, while the BiH Ministry of Human Rights and Refugees has a task to implement international human rights documents, and report on their implementation. Social protection is the competence of the entity government as stipulated by the BiH Constitution, so the state level government does not have any relevant legislation dealing with these issues. Mandates for relevant subsectors within social protection

<sup>1</sup> There are ten cantons in the FBiH: Una-Sana, Posavina, Tuzla, Zenica-Doboj, Bosnia-Podrinje, Central-Bosnia, Herzegovina-Neretva, Western-Herzegovina, Sarajevo, Canton 10.

and inclusion at entity and cantonal levels lay within relevant Ministries. The structural composition of the Ministries differs between the Republic of Srpska and the Federation BiH. In RS, the Ministry of Education, Ministry of Health and Social Welfare lead the work in these areas. In the Federation BiH and in the ten cantons, Ministries of Health, Ministries of Education and Science and Ministries of Labour and Social Policy deal with social protection and inclusion.

The performance of service providers at the local level, as the first instance for provision of social protection and inclusion, is affected by significant challenges in terms of human, financial and technical capacities. Particularly visible are weaknesses of targeting social assistance, with lack of competencies and resources of the Centres for Social Work (CSW) to respond to the needs of vulnerable families.<sup>2</sup>

Spending on social protection is around 3.3% of GDP, however, allocations for those with very low incomes, for child benefits, and for people with non-war related disabilities are small or non-existent and vary considerably depending on where the person lives. In both entities, over 27% of the budget allocations is “captured” by the richest 20% of the population and only 5% of the poorest quintile receive some kind of cash assistance provided by the CSWs.<sup>3</sup>

Due to the global economic crisis and slow post-war rehabilitation and development, Bosnia and Herzegovina faces difficult economic conditions. The high level of public expenditures on one side and weak industrial output, both exacerbated by economic crisis, are the most important challenges. At the end of 2013, BiH recorded a public debt of around 10,423 billion BAM, out of which 71.04% was external and 28.96% was internal debt. The crisis had a severe negative impact on the Bosnian economy, which has still not recovered to the GDP level attained in 2008, while real GDP fell further in 2012 by about three quarters of one per cent. The terms set up for the Stand-by Agreement with the IMF, aiming to reduce the overall general government deficit to two per cent of GDP, and to reduce the structural fiscal deficit to 0.75% of GDP in order to reduce public debt, provide additional burden on the expenditure on social protection.

The country is facing high and rising unemployment and subsequently increased risk of poverty with recorded 24.3% poverty rate among unemployed population and 13.9% of so-called working poverty.<sup>4</sup> Children are disproportionately hit by poverty and deprivation: the absolute poverty rate for children is 30.5%<sup>5</sup> compared to 23.4% for the overall population. Persons at elevated risk of social exclusion include children, persons with disabilities, displaced persons, Roma, families with two or more children, the elderly, unemployed and unskilled.<sup>6</sup> People in rural areas are at greater risk of social exclusion and denied equal access to services.

BiH expenditure on health is 9.5% of GDP<sup>7</sup>, which is similar to neighbouring countries.<sup>8</sup> Malnutrition remains a concern (moderate and severe stunting: 8.9% for mainstream and 21.1% for Roma; underweight: 1.9% for mainstream and 8.8% for Roma; overweight: 17.4% for

<sup>2</sup> UNICEF (2010); Situational Analysis of Social Protection and Inclusion system in Bosnia and Herzegovina; Sarajevo.

<sup>3</sup> UNICEF (2012); UNICEF Annual Report 2012 for Bosnia and Herzegovina; [https://www.unicef.org/about/annualreport/files/Bosnia\\_and\\_Herzegovina\\_COAR\\_2012.pdf](https://www.unicef.org/about/annualreport/files/Bosnia_and_Herzegovina_COAR_2012.pdf).

<sup>4</sup> “DRAFT Strategy for Social Inclusion of Bosnia and Herzegovina” (2010), [http://www.dep.gov.ba/razvojni\\_dokumenti/socijalne\\_ukljucenosti/Archive.aspx?langTag=bs-A&template\\_id=140&pageIndex=1](http://www.dep.gov.ba/razvojni_dokumenti/socijalne_ukljucenosti/Archive.aspx?langTag=bs-A&template_id=140&pageIndex=1), accessed 22.09.2014.

<sup>5</sup> Bruckauf, Z. (2014), “Child Poverty and Deprivation in Bosnia and Herzegovina. Analysis of Bosnia and Herzegovina Household Budget Survey 2011”, UNICEF BiH.

<sup>6</sup> UNICEF (2013), “Country Office Annual Report for 2013 for Bosnia and Herzegovina”, CEE/CIS Status Finalized

<sup>7</sup> WHO: Health Expenditure, 2009.

<sup>8</sup> 8.2%, in Croatia and Serbia.

mainstream). Under-5 and infant mortality rates have decreased to 8 per thousand<sup>9</sup>, while they are still very high for the Roma population at 25 and 28 respectively.

Persons with disabilities<sup>10</sup> constitute one of the most vulnerable groups in Bosnia and Herzegovina (BiH). The country has ratified the Convention on the Rights of Persons with Disabilities (CRPD) and its Optional Protocol but many of the rights set out in the Convention are not applied in practice.

### **EU cooperation**

Bosnia and Herzegovina - along with other Western Balkans countries – was identified as a potential candidate for EU membership during the Thessaloniki European Council summit in June 2003. Since then, several agreements between the EU and Bosnia and Herzegovina have entered force - visa facilitation and readmission agreements (2008), Interim Agreement on Trade and Trade-related issues (2008). The Stabilisation and Association Agreement (SAA) has been ratified and entered force on 1 June 2015. In December 2014, the EU initiated a new approach to Bosnia and Herzegovina, which provides for the re-sequencing of the conditionalities for the country to progress towards the EU and address the outstanding socio-economic challenges it faces. This led to the entry into force of the Stabilisation and Association Agreement (SAA) between Bosnia and Herzegovina and the EU on 1 June 2015. Bosnian Parliamentary Assembly adopted political and economic reform plan on 23 February 2015. The political and economic reform plan includes commitments for reforms needed to establish institutional functionality and efficiency at all levels of authority in BiH, which will enable the country to prepare for future EU membership. Following adoption on the plan, the Council of the European Union (Council), in its meeting of 21 April 2015, adopted a decision concluding the Stabilisation and Association Agreement (SAA) with BiH.<sup>11</sup>

EU IPA assistance in Bosnia and Herzegovina is focused primarily on institution building through the Component I of the IPA entitled Technical Assistance and Institution Building (IPA TAIB) and IPA Component II entitled Cross Border Cooperation. There are other supporting frameworks as well, such as EIDHR and Western Balkans Investment Framework. EIDHR supports regional and country-specific measures, including social inclusion measures such as empowerment of marginalised and minority groups and small local actions. WBIF is a joint blending facility of the European Commission, participating Financial Institutions (FIs), bilateral donors and Western Balkans countries to deliver funding for strategic investment projects in beneficiary countries, supporting infrastructure development within the environment, energy, transport and social sectors as well as private sector development.

The European Union supported social protection and inclusion programmes throughout the IPA I programming. Multi-indicative planning documents include projections of EU support for programming periods of three years, including social protection and inclusion. For example, sector objective of the MIPD 2011-2013 was to “Improve the social protection system at all levels of governance and address the specific needs of vulnerable groups.” Indicators for MIPD included “Capacities of social service providers strengthened, in particular to apply a needs-based approach for social services” and “Targeted interventions in support of e.g. Roma, refugees and internally displaced people, children and youth, women, people with disabilities,

<sup>9</sup> UN Child Mortality Report 2011.

<sup>10</sup> The Convention on the Rights of Persons with Disability identifies persons with disabilities as those who suffer from “long-term physical, mental, intellectual, or sensory impairments, which, in interaction with various barriers, may hinder their full and effective participation in society on an equal basis with others”.

<sup>11</sup> Stabilisation and Association Agreement (SAA) is the third generation of European agreements offered exclusively to the Western Balkans countries, in the framework of the Stabilisation and Association Process. The Agreement is signed for an undefined period of time with a view to contributing to economic and political stabilisation of Bosnia and Herzegovina. SAA is available on web site:

[http://www.dei.gov.ba/dei/bih\\_eu/sporazum/glavni\\_text/default.aspx?id=1172&langTag=en-US](http://www.dei.gov.ba/dei/bih_eu/sporazum/glavni_text/default.aspx?id=1172&langTag=en-US).

or elderly people implemented, in cooperation with civil society organizations." The MIPD 2009-2011 states that "Community assistance will support Bosnia and Herzegovina to fulfil its obligations towards returnees, minorities and vulnerable groups, including children", and the main areas of intervention, priorities and objectives refer to "Support to the economic and social inclusion of minorities and vulnerable groups."<sup>12</sup>

The EU Indicative Strategy Paper for Bosnia And Herzegovina (2014-2017) envisages that IPA II will focus on the reform of labour and employment institutions, the development of active labour market measures, the reform of the education system and the further development of a coordinated needs-based approach for social services. In the social sector, EU assistance aims to support a countrywide harmonised and standardised needs-based approach for the social protection system and to reform the financing of social services. Its objective is to also support development of care services to support the social inclusion of persons at risk, including the transition from institutional to family based care. The Strategy Paper envisages IPA II support for the further development of a coordinated needs-based approach in the social protection system and for the reform of the financing of social services. The targets are a countrywide harmonised and standardised needs-based approach to social services and social benefits and development of care services to support the social inclusion of persons at risk, with a focus on the needs of the target groups (e.g. children, Roma, disabled, unemployed), including transition from institutional to family-based care for children deprived of parental care and children and adults with disabilities.

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<sup>12</sup> Instrument For Pre-Accession Assistance (IPA), Multi-annual Indicative Planning Document (MIPD) 2011-2013. Bosnia and Herzegovina; <http://www.delbih.ec.europa.eu/files/docs/en/ipa/BiHMIPD2011-2013AnnexMainEN.pdf>

## 2 Findings

### 2.1 EQ1: Relevance

*To what extent has EU support to social protection responded to clear overall strategic objectives on social protection and to specific needs of partner countries, including problems of poverty, vulnerability and social exclusion?*

#### *Summary answer*

While there is no overall national SP strategy in Bosnia and Herzegovina, EU support was aligned to priorities, particularly improving policies for and services delivered to vulnerable groups – notably children, the elderly, the disabled, and Roma. This was done in the context of the EU Partnership Agreement and SAA. Alignment was complicated by the complex governance structure, with responsibilities for SP fragmented between different agencies and levels of government, not all of which share the same interests. This required the EU to take a lowest common denominator approach; responding to the maximum extent possible to themes of common concern. A strong point of the EU's engagement was its focus on locally identified needs. At state level, DEI played an increasingly important role in programme design. While there was the possibility for civil society to participate in programming, actual input was disappointingly low. The programming of EU assistance was evidence-based to the extent possible, but this was hampered by the lack of any census since 1991, the result of the politically fraught nature of the exercise.

#### **2.1.1 JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.**

EU support to the sector in Bosnia and Herzegovina was aligned with the overall EU objectives in social protection, and particularly EU Partnership and SAA, while responding to strengthening Bosnia's structures to fulfil obligations stemming from international treaties and agreements. As social protection is not a hard acquis, EU's support to social protection is provided within wider notion of social inclusion. There is no overarching SP strategy in BiH. However, in line with government priorities, there was a strong focus on vulnerable groups such as children, the elderly, the disabled, and the Roma population. Complicating the task of alignment is the complex context of BiH's governance. The fragmentation of institutional and policy frameworks for social protection make it difficult to find common interests and activities that can satisfy needs of the different actors. In this context, projects supported by the EU were the ones that responded to the most relevant common needs of actors at different governance levels and themes that were important for all of them. The programming process is steered by the EU with DEI having an increasingly important coordinating role. Civil society engagement is facilitated through online tools for consultation as well as through partnerships in project implementation or forums with civil society where they can provide inputs, but is reported to be disappointingly low. Civil society participated in consultations and preparations of the EU progress reports, but there is no structured dialogue with CSOs.

#### **2.1.2 JC 12 Needs and target groups clearly identified in the design of EU support.**

The programming of EU assistance is evidence-based, taking into account data derived from surveys, statistical and demographic analysis, situation analyses, policy analyses, etc. conducted by actors including the UN, World Bank, IMF and government statistics agencies. In this process, groups at risk of social exclusion have been identified for purposes of programme design -- children, Roma, IDPs, etc. However, a serious constraint to effective policy making and intervention design is that, due to its politically contested nature, while the census was conducted in 2013, the data are still not fully available. This leads the EU, like most other

donors, to depend on data estimated by other international institutions. The institutionally fragmented nature of statistical data collection makes EU support to improved data difficult. The strategic and programming documents for EU assistance to Bosnia and Herzegovina include a comprehensive analysis of institutional capacities and fiscal constraints.

## 2.2 EQ2: Basic social protection

*To what extent has EU support to social protection helped to improve access to adequate social services and basic income for all and in particular for those in need of protection?*

### *Summary answer*

EU support to social protection has helped to improve access to adequate social services for all and in particular for those in need of protection, such as children, Roma, elderly, persons with disability, IDPs and refugees, etc. New types of services were modelled for elderly and for early childhood development, while local governments and CSO service providers had their capacity to deliver quality services strengthened. While the EU contributed to institutional strengthening and reform at all levels, it was most successful at the local level. The EU did not finance programmes related to income security or health in Bosnia and Herzegovina; these areas were addressed by the World Bank. While EU projects contain references to gender equality and the gender dimension was respected in project implementation, there was little systematic analysis of gender equality issues in SP.

### **2.2.1 JC 21 Social protection coverage and uptake extended / broadened with EU support.**

There is no evidence that EU support broadened or extended social insurance coverage. However, it made a significant contribution to extending the reach of social inclusion programmes, particularly those for vulnerable children and the Roma population. This included institutional strengthening and reform at all levels, with most significant success at the local level.

### **2.2.2 JC 22 Universal access to adequate health services put in place / strengthened with EU support.**

Access to health services is enshrined in legislation of Bosnia and Herzegovina, at entity and in Federation BiH at cantonal levels. The EU did not have projects in Bosnia and Herzegovina supporting health services. Health sector reform was supported mainly by the World Bank.

### **2.2.3 JC 23 Access to basic income security strengthened with EU support.**

EU had no programmes to support access to basic income security in Bosnia and Herzegovina. The World Bank implemented various projects focusing on social safety nets.

### **2.2.4 JC 24 Gender inequalities in social protection coverage reduced.**

The EU did not finance SP projects specifically aiming to reduce gender inequalities in coverage. EU programming documents and Progress Reports do contain strong evidence on and reference to gender equality. Projects also contain references to gender equality, with active efforts to ensure that the gender dimension is respected in terms of participation in capacity building and service delivery, as well as collection of gender disaggregated data. Nevertheless, there has been little analysis of gender-related outcomes.

## 2.3 EQ3: European approaches and policy dialogues

*To what extent has EU cooperation with partner countries and participation in policy dialogues in the social protection field promoted European and international principles and values in that area?*

### *Summary answer*

European and international principles and values in social protection are promoted in the policy dialogue, and supported interventions have promoted human rights- based approaches to the social inclusion of marginalized and vulnerable groups. However, policy dialogue in the social protection field between EU and the government, and also between and within the different governance levels, is hampered by often differing opinions and views on the reform process and the roles of different stakeholders. EU support to social protection is coordinated with specialized UN agencies such as UNICEF, as well as the UNDP and the World Bank. Coordination with MSs on social protection is ad hoc, in part because of weak government political interest in systematic aid coordination. While there is one example of co-financing, there is no evidence of joint programming in SP, and there were no MDTFs in operation.

### **2.3.1 JC 31 EU support to social protection coordinated with MSs**

EU support to social protection was coordinated with multilateral institutions such as UNICEF and the World Bank, strengthening adherence to international principles and values. EU support to social inclusion was coordinated with MS-supported interventions, mostly implemented by CSOs, and there was joint financing (with DfID and Norway) of the first phase of the SPIS project. However, attempts to improve coordination with MS in this area were largely unsuccessful because of a lack of government will. No MDTF operated in the area and there is no evidence of joint programming.

### **2.3.2 JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection**

The EU promotes a range of European and international principles in policy dialogue: non-discrimination, gender equality, entitlement to benefits prescribed by national law, adequacy and predictability of benefits, responsiveness to special needs, social inclusion, respect for the rights and dignity of groups targeted by supported interventions, etc. The effectiveness of this dialogue in promoting rights-based social protection and inclusion policies is, however, weakened by institutional fragmentation between the entities and levels. The most important obstacle to increased participation by all actors is the complex governance and political context in Bosnia and Herzegovina, giving rise to differing incentives and hence political interests. It is difficult to ensure buy-in and support to dialogue on issues of common interest for all levels and all actors.

### **2.3.3 JC 33 EU effectively participates in global policy dialogues on social protection**

*JC not covered by the analysis at case study level.*

## 2.4 EQ4: Social partners and civil society

*To what extent has EU support contributed to successfully involving the social partners and civil society, including the private sector and local authorities, in policy development in the social protection field?*

### *Summary answer*

Under IPA 2007, the EU supported a project to strengthen dialogue between trade unions, employers' organisations, and government by forming an Economic and Social Council at the state level, but this failed due to the political complexities of Bosnia and Herzegovina. There was also a regional project to build capacity of employers' organisations, supported through the Civil Society Facility. EU-supported projects have enabled increased participation of civil society and governments from different levels in national dialogue on social protection. However, civil society input to programming at the state level was disappointingly low. There has been more success at local level, where EU support and capacity building has encouraged use of NGO and local authority expertise in both policy design and service delivery to vulnerable groups. No evidence of reaching out to the private sector has been found.

### **2.4.1 JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection.**

Under IPA 2007, the EU supported a project to strengthen dialogue between trade unions, employers' organisations, and government by forming an Economic and Social Council at the state level, but this failed due to the political complexities of Bosnia and Herzegovina. EU-supported projects, particularly the SPIS project, have to some extent enabled increased participation of civil society and governments from different levels in national dialogue on social protection. The EU supported development of an online consultation mechanism for civil society, coordinated by the Department of European Integration; however, the degree of CSO input was held to be disappointing.

### **2.4.2 JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms.**

EU support has encouraged use of NGO and local authority expertise in both policy design and service delivery. Local authorities play the key role in the process of creating evidence-based local policies for social protection and inclusion with mentoring provided by EU-supported projects. Local civil society organizations and community groups are increasingly involved in direct service delivery as a result of EU-supported capacity building activities but also increasing recognition by local governments of the role of CSOs in service delivery. There is no evidence of EU support to private sector expertise in policy aspects of service design and delivery under supported reforms.

### **2.4.3 JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU.**

Regional exchanges and learning among social partners is encouraged by the Project "Stronger Social Dialogue in Western Balkan Countries" led by the Employers Federation of Montenegro in partnership with RS Employers Federation and funded by EU, through the Civil Society Facility (CSF).

## 2.5 EQ5: Social protection systems

*To what extent has the EU supported the putting in place of sustainable social protection systems?*

### *Summary answer*

EU support did not address the social protection in a system-wide sense, but did make a significant contribution to improving social inclusion of children, the elderly, the disabled, and Roma at local level through policy development, improved coordination and referral between agencies, and capacity development for services delivery. There was less success at higher levels of government, especially the state level, due to political factors. In most of the targeted communities, budgetary constraints were taken into account in intervention design and local financial support has been mobilised, suggesting a good degree of ownership and moderate prospects for sustainability. The EU has not addressed higher-level issues of sustainability, such as the elevated and fiscally unsustainable level of social assistance cash benefits.

### **2.5.1 JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially.**

EU support contributed to institutional improvements in social protection and inclusion of children, and strengthening services for the elderly, persons with a disability, and Roma. By supporting the preparation of analytical documents and manuals on social protection and inclusion, the EU contributed to addressing gaps and weaknesses in provision of social services while also supporting local SP planning. This support resulted in establishment of municipal level mechanisms and policies including local social protection medium-term plans, local Commissions for social protection and inclusion of children, and local social services and referral models. Less success in social protection reform was recorded at higher levels of government, particularly at state level, due to political and governance factors beyond the control of projects.

### **2.5.2 JC 52 Nationally defined social protection floors promoted.**

Bosnia and Herzegovina is not committed to the Social Protection Floor approach and the EUD did not actively promote it.

### **2.5.3 JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered.**

Fiscal implications of EU-supported social protection schemes, including transition to sustainable national financing, as well as redistributive effects, were considered. The fiscal aspects of SP in Bosnia and Herzegovina were analysed in the 2008 country situation report that formed the basis for EU interventions in the sector. No evidence of other EU supported interventions for analysis of the fiscal implications of the SP schemes was found. However, in supporting the design of designing local SPI solutions (establishment or advancement of services, local social protection and inclusion policies and plans, referral mechanisms. etc.), the EU gave particular attention to sustainability in the form of municipal ownership and budgetary feasibility. Evaluations of subsequent cycles of the SPIS Project show that services in many, albeit not all, targeted municipalities continue to be funded through local budgets.

### **2.5.4 JC 54 Government social protection programmes consolidated and rationalized where necessary.**

EU support had little effect on the consolidating and rationalizing the confusing and fragmented multi-agency and multi-level nature of SP in Bosnia and Herzegovina. However, particularly at

municipal level, it helped to rationalize the social protection of children, the elderly, and Roma. This included improved referral mechanisms between agencies to ensure that persons in need do not fall through the cracks. EU-financed interventions provided support to establishment of local commissions for social protection and inclusion; enhancing capacities of Community Social Workers and other local relevant institutions; and improving co-operation between (municipal) actors in charge of social protection and inclusion.

## 2.6 EQ6: Social exclusion

*To what extent has EU support to social protection contributed to reducing social exclusion and, finally, poverty?*

### *Summary answer*

The EU did not support programmes to improve the adequacy of social benefits with the aim of reducing poverty, nor are available data adequate to credibly establish trends in the level of benefits (social assistance, pensions, etc.). However, EU support contributed to reducing social exclusion by improving policies and services available to excluded and vulnerable populations. This was most successful at local level through close involvement of local authorities and civil society groups, including improving the capacity of the latter to advocate for the rights of the groups they serve.

### 2.6.1 JC 61 Social protection as a human right promoted at all levels

EU, through its progress reports, programming and policy documents, promotes human rights of different groups and offers insight into the context and challenges, also identifying ways to work towards addressing human rights. While the EU promotes European and international principles at all levels of policy dialogue, including a human rights-based approach, the effectiveness of this advocacy is limited by the complexity of the political landscape and governance system. Financial assistance, through targeted interventions, promotes social protection and inclusion applying a human rights-based approach (e.g. SPIS, the SOCEM project, projects for IDPs, Roma, elderly, etc.). Projects tackle important human rights issues through support to policies and institution building as well as direct service provision to vulnerable groups.

### 2.6.2 JC 62 EU support addresses concerns about excluded populations.

EU support addresses concerns about excluded populations, particularly ethnic minorities (Roma), children (particularly children with disability), the elderly and persons with disabilities for whom specific interventions and activities are planned and implemented. EU works with UNICEF and local and international CSOs on addressing concerns of vulnerable groups, applying a human rights-based approach. Besides direct support through IPA, there are multiple projects addressing socially excluded groups (children, minorities, returnees, IDPs, etc.) supported through CBC, CSF and EIDHR instruments. Such projects have focus on strengthening and empowering CSOs to advocate for rights as well as providing better quality services to excluded groups.

### 2.6.3 JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage).

Few data are available and the EU was not directly involved in programmes to improve the adequacy of social protection benefits. The most distinctive feature of Bosnia and Herzegovina is the high and fiscally unsustainable level of non-contributory social assistance benefits.

## 2.7 EQ7: Modalities

*To what extent has the approach (financing instruments, modalities and channels) employed by the EU been appropriate and efficient for strengthening social protection in partner countries?*

### *Summary answer*

The main modality used, projects, was appropriate given the absence of budget support, the lack of an overarching national SP sector policy, and the nature of government priorities (social inclusion of marginalised and vulnerable groups). At the same time, the often isolated operational nature of projects (as well as weak government interest in coordination) made it difficult to achieve synergies. Projects were backed up by TA for institution building at higher levels of government and rationalisation and strengthening of SP services at municipal level, which resulted in a good level of local ownership. There was a reasonably wide range of implementing partners that reflected comparative advantage – e.g., UNICEF in the case of children, a prominent consulting firm in the case of social protection institution strengthening, and a respected international NGO for promoting improved social inclusion of the Roma population. EU support was generally delivered in a timely fashion, although some delays were occasioned by government indecision or low absorption capacity. Project implementation was satisfactory. While some projects received ROM review, very few were evaluated according to EU procedures.

### **2.7.1 JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context.**

Given the absence of budget support and the fact that social protection is not a hard acquis which would encourage stronger support within the EU integration process, the project modality was essentially the only option for EU engagement in social protection and inclusion. The EU's focus on vulnerable and excluded groups also argued in favour of small, targeted actions, although opportunities for systematic operational linkages between projects were limited. Projects were backed up by TA for institution building at higher levels of government and rationalisation and strengthening of SP services at municipal level, which resulted in a good level of local ownership. A range of implementing partners – UN agencies (UNICEF), consulting companies (EPRD), international NGOs (Hilfswerk Austria) and national NGOs were used. Coordination between multiple entities and levels of government was challenging and time consuming, especially in the context of a fraught political environment between the entities. However, through policy dialogue and programming at the state and entity level, the EU succeeded in maintaining a limited, focused portfolio of interventions, which in turn contributed to the good level of local ownership attained.

### **2.7.2 JC 72 EU financed interventions in the social protection field are mutually reinforcing.**

EU support for SP in Bosnia and Herzegovina consisted of projects, mostly financed through IPA but with a scattering of CSF, EIDHR, and CBC projects as well. Projects reinforced each other across the advocacy dimension. In terms of capacity building, institution strengthening, and policy development, projects tend to operate in isolation, making the achievement of synergies that would be potentially available under a sector approach unattainable. This is particularly the case when aid is fragmented, as in Bosnia and Herzegovina.

### **2.7.3 JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored.**

EU support has generally been delivered in a timely fashion, although available ROM, evaluation and progress reports record some delays in implementation, usually caused by slow response or uptake of the government institutions and low absorption capacity. Project implementation was up to international standard and implementing partners had the capacity

and experience necessary to achieve the objectives of the support. While some projects were ROM-ed, this was only a subset, and an even smaller group was evaluated by EU. While this is consistent with EU rules, it represents a weakness as there is no strategic approach to adjustments at project level and learning at institution level.

## 2.8 EQ8: Coherence, coordination, added value

*To what extent has EU support to social protection been coherent with other EU sector policies and to what extent has it added value to the EU Member States' and other donors' interventions?*

### *Summary answer*

EU support supplemented the contributions of other donors (e.g., MSs) to social inclusion and complemented World Bank support to social insurance and social safety net reform. While the EU participated in ad hoc coordination processes in the sector, its potential value added in the form of coordinating SP support was limited by the scattered nature of project interventions and limited political will to see aid closely coordinated. Given the focus on social inclusion, the need for high-level strategic coordination with sector policies such as trade and migration was limited, although programming documents identify linkages with country sector strategies, etc.

### **2.8.1 JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs.**

EU policy and interventions in social protection support and supplement policies / interventions of other donors and MSs. An example of complementarity implying EU value added is the division of labour between the World Bank, supporting social insurance reforms, and the EU (and MSs) implementing social inclusion projects. Coordination in social protection is steered by Directorate of European Integration (DEI) for EU donors, and the Ministry of Finance and Treasury (MoFT) for other donors and IFIs, with the EU Delegation leading coordination in Education, Roma, and Return. Coordination in social protection is hampered by a general lack of will on the part of government – better coordination often results in fewer (but more effective) projects. However, through policy dialogue and programming discussions at entity and state level, the EU has succeeded in limiting its SP interventions to a small number of focused actions.

### **2.8.2 JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment).**

As EU support to SP in Bosnia is strictly limited to projects fighting social exclusion of vulnerable populations, the potential for incoherence with other policies, e.g. trade and migration, is low. However, EU programming documents identify linkages with EU-level and country sector strategies, policies, and guidelines.

### 3 Key overall findings

EU provided support to social protection, and particularly to social inclusion of marginalised and excluded groups, in Bosnia and Herzegovina. Due to the complexity of the governance structure, the EU invested significant efforts to **align with priorities at multiple levels**, from municipality to entity to state, in a political situation where there was not necessarily a shared vision – nor was there an overarching SP sector strategy, making budget support inappropriate. Interventions were all consistent with promoting European, which is to say human rights-based, approaches to social protection. In relevance, as in the other criteria considered, EU support was most successful at the local level, where the **involvement of local authorities and civil society** organisations promoted good alignment and ultimately ownership. While higher-level support promoted policy formulation, legislative reform, etc., the political difficulties were greater than at municipality level.

The main challenge for projects to achieve their results in Bosnia and Herzegovina is the **level of political** will and commitment of government counterparts to support project implementation, particularly at state level. EU supported interventions have achieved their most significant results working at the local level, where a number of social protection and inclusion policies and commissions were established, capacity was built, inter-sector cooperation and referral mechanisms were put in place, and social services for children, the elderly, the disabled, and the Roma population were provided. These resulted in **more effective and coordinated development and modernisation of local policy and institutional frameworks**, with a focus on the rights and equity. **Access to and quality of services was increased**, while local level work practices and approaches were modernised. It is noted a sound choice of implementing partners. Also thanks in part to the quality of implementing partners, EU supported projects were reasonably efficient. When there were delays in implementation, these were generally due to government indecision or low absorption capacity.

EU-supported projects contributed to increasing the number of vulnerable groups benefiting from **access to basic social services** and the improved quality of those services. Local ownership is strong in targeted municipalities, there has been rationalization and **strengthening of institutional structures, and local capacity to design policies** and deliver improved services has been strengthened. The project approach, with limited operational linkages between interventions, was not favourable to achieving synergies. As EU support was essentially limited to social inclusion projects, the need for high-level strategic coherence with other sector policies, e.g. trade and migration, was limited.

EU support to social inclusion **added value** by supplementing MS interventions, also implemented for the most part by NGOs. EU support also **complemented** the World Bank's work on social insurance and social safety nets. While the EU participated in all relevant donor coordination processes, these were ad hoc in the case of SP and the potential for EU value added in the form of coordination was weakened by the fact that there is little political enthusiasm for effective coordination in the area.

## 4 Annexes

### 4.1 Evaluation Matrix: Indicator level information

#### 4.1.1 EQ1

#	Indicators	Evidence
<b>JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.</b>		
I-111	Objectives of EU support respond to clear overall strategic orientations on social protection	<i>See the analysis carried out at the global level in the main report of the evaluation.</i>
I-112	Objectives of EU support aligned to national SP policy framework	<p>EU support in social protection in Bosnia and Herzegovina is aligned with the European Partnership, which obliges Bosnia and Herzegovina to take measures to ensure full compatibility of national legislation with the European Convention on Human Rights and to "Implement the international conventions ratified by Bosnia and Herzegovina, including reporting requirements." It is also aligned with the Stabilisation and Association agreement (SAA), which in its Article 2 stipulates: Respect for democratic principles and human rights as proclaimed in the Universal Declaration of Human Rights and as defined in the Convention for the Protection of Human Rights and Fundamental Freedoms; and in Article 5: International and regional peace and stability, the development of good neighbourly relations, human rights and the respect and protection of minorities are central to the Stabilisation and Association process. Increased labour market participation and promoting social inclusion and fighting poverty link to the Europe 2020 agenda.</p> <p><i>Source: European Partnership; SAA; Europe 2020 Agenda; Field mission interviews</i></p> <p>Objectives of EU support in the SP area are aligned with policies at the different governance levels in Bosnia and Herzegovina<sup>13</sup>, adopted strategies and framework policies. For example, the EU support to Early childhood development supports objectives of the FBIH Strategic plan for early childhood development. EU support to Roma is aligned with the Roma Action Plan and commitments Bosnia and Herzegovina had within the Roma Decade.</p> <p><i>Source: Government policies and legislation, EU project documentation</i></p>
I-113	Design of EU support based on participatory approaches involving partner key national institutions (MoF, Central Banks), social partners and civil society	All programmes supported were proposed as a part of the joint consultation and policy dialogue in line with agreed Programming methodology for IPA assistance and EU Integration process policy dialogue. The IPA programming methodology and process involves BiH institutions in all steps related to priority definition and development of the programmes to be supported. The EU and the Directorate for EU integration (DEI) made efforts to engage different stakeholders (different governance levels; civil society organisations) in consultation within the programming phase. A specific website ( <a href="http://ipa-ekonsultacije.dei.gov.ba/consultations">http://ipa-ekonsultacije.dei.gov.ba/consultations</a> ) was created with EU support (financed by the Civil Society Facility) for consultation with civil society in programming (but also other issues) and coordinated by DEI. However, feedback from DEI is that not many organisations use this tool, and that input from civil society is disappointingly low. Civil society participated in consultations and preparations

<sup>13</sup> Main laws relating to social protection in FBIH are: Framework Law on Social Protection; Law on the Protection of Families with Children; Family Law. In Republika Srpska, the main laws relating to social protection are: Law on Social Protection; Law on Child Protection; Family Law. In Brcko District, the main laws relating to social protection are: Law on Social Protection; Law on Child Protection; Family Law. Main strategies are Strategic Plan for Improvement of Early Childhood Development in the Federation of Bosnia and Herzegovina 2013-2017; Revised Action Plan on Roma Educational Needs (2010); Framework Policy for Early Childhood Development, adopted by the Council of Ministers in March 2012; Action Plan for the Children of Bosnia and Herzegovina 2011 – 2014; FBIH the Action Plan for Deinstitutionalisation and Transformation of Institutions (2016-2020) and the RS the Strategy for Improving Social Protection of Children without Parental Care (2015-2020)).

#	Indicators	Evidence
		<p>of the EU progress reports. Mechanisms for consultation with CSOs for programming of IPA II assistance were initiated by CSOs with the aim to establish SECO (Sector Consultative Mechanisms) ETE (Energy, Transport, Environment); albeit not in social protection sector.</p> <p><i>Source: Interviews; TACSO Project</i>  <a href="http://www.tacso.org/documents/reports/?id=11440">http://www.tacso.org/documents/reports/?id=11440</a>.</p> <p>Engagement of Ministry of Civil Affairs (MoCA); The Ministry of Human Rights and refugees, and related institutions as well as MoF in coordination on support to social protection (and inclusion) played an important role in development of subsequent project fiches.</p> <p><i>Source: Field mission interviews; Project Fiches for IPA National Programme 2010, 2011, Action Programme for Bosnia and Herzegovina for the year 2014.</i></p> <p>As per IPA guidelines, Governments candidate projects for institution building that are discussed and approved in close co-operation between EUD and NIPAC office (NIPAC: National IPA coordinator).</p> <p><i>Source: Field mission interviews</i></p> <p>The role of UNICEF was important in the process of facilitation of dialogue between the actors to find common needs and interests regarding social protection and inclusion of children by the governments with support of EU, resulting in continued support to the programming of the SPIS. Similarly, programming of Roma Action Plan implementation project and the support to social service providers was done in inclusive manner. Inclusive programming process ensured high relevance of interventions and alignment of objectives to the governments' strategic priorities.</p> <p><i>Source: Field mission interviews</i>  <i>See also I-321 and I-712 for further information on policy dialogue in SP.</i></p>
I-114	EU support to SP addresses emerging EU policy concerns such as migration, refugees, and security	<p>EU has been traditionally supporting social inclusion of refugees, IDPs and returnees in Bosnia and Herzegovina. Most recently, it funded a project lead by UNHCR (in which UNICEF implemented its SPIS model as a component in targeted communities) focusing on implementation of Annex 7 of the BIH Constitution (Annex VII: Sustainable return and solving IDP issues).</p> <p><i>Source: Project documentation, Interviews.</i></p>
<b>JC 12 Needs and target groups clearly identified in the design of EU support</b>		
I-121	EU-supported interventions based on sound analyses of opportunities (including fiscal space), and problems and barriers (including in terms of institutional environment) to achieving universal access to social protection	<p>Bosnia and Herzegovina does not have an overall strategic framework for social protection at the state level despite the fact that draft Strategy for Social Inclusion was developed by country actors. MIPDs provide for programmatic objectives based on analysis of institutional capacity needs and fiscal constraints.</p> <p><i>Source: Interviews; EU Progress reports; MIPDs.</i></p> <p>"Implementation of the legislative framework on social protection remains low. Due to the financial constraints at all levels of government, the social protection benefits prescribed by social protection laws are not implemented in practice, with some benefits not being paid or amounts reduced according to available funding."</p> <p><i>EU Progress Report 2015</i></p> <p>Country Strategy Papers, MIPDs, Project Fiches, and EU Progress Reports incorporate analysis of institutional capacity needs and fiscal space. For example, EU Progress Reports analyse the state of affairs in Bosnia and Herzegovina; political challenges, institutional and policy capacities, as well as overall social economic context as per criteria that are set by the EU accession process (political criteria, economic criteria, European standards). EU Progress report 2015 and 2016 provide an overview of different sectoral challenges.</p> <p><i>Source: EU Progress Reports 2015, 2016.</i></p> <p>Available MIPDs, Progress Reports and Project Fiches focusing on social protection show good analyses of contextual problems and challenges, with separate sections elaborating on social, economic and political challenges. Most documents, particularly relevant project fiches, provide an overview of problems</p>

#	Indicators	Evidence
		<p>and barriers to achieving universal access to social protection.</p> <p><i>Source: MIPD documents; EU progress reports, Project fiches for social protection and inclusion.</i></p>
I-122	EU-supported interventions based on correctly identified uncovered and underserved groups	<p>As detailed in EQ6, EU support addresses concerns about excluded populations. There are multiple projects addressing governance and human rights, particularly of socially excluded groups (minorities, returnees, IDPs, etc.) not only from the IPA scheme but also CBC, CSF and EIDHR.</p> <p>EU supported projects have been instrumental for moving social protection reforms forward , particularly at the local level and focusing on children and Roma. SPIS project components have achieved results in strengthening policy making, particularly at the local level, through support to local Social protection and inclusion strategies and also strengthening social services for children and other vulnerable groups (e.g. early childhood development; day care centres; etc.). New types of services were also modelled for elderly (e.g. Home care) through the SOCEM Project. The legislative and strategic framework was also supported albeit with varying success at different levels. Most important progress was recorded at local level and entity levels, while at the state and cantonal level, there was less success.</p> <p><i>Source: Field mission interviews</i></p> <p>A system for monitoring the access to rights of vulnerable groups in BiH was also supported through investment in data bases, monitoring capacities and tools.</p> <p><i>Source: Field mission interviews</i></p>
I-123	EU-supported interventions utilise census, economic and social data	<p>Bosnia and Herzegovina still has not published full census data from Census conducted in 2013. The last census data that is still in use is from 1991. However, the EU bases its programming on available economic and social data from different sources, including UN, World Bank, IMF and statistics produced by the three Statistics Agencies in Bosnia and Herzegovina (state level Statistics agency, RS and FBiH Statistics agencies).</p> <p><i>Source: Field mission interviews, Statistics agencies data</i></p> <p>The main challenge for programming any assistance in Bosnia and Herzegovina is the fact that a comprehensive census data set is still not available, even though the first post-war census was held in 2013. Census process and data collected is very disputed at all levels of governance due to disagreement on census indicators, particularly those linked to ethnic data. Officially, 1991 census data is still applied, but practically only for governments, while international community uses data derived from surveys and demographic analyses provided by UN Agencies (mainly UNDP and UNICEF), World Bank, IMF.</p> <p>Data collected and published by Bosnian statistics agencies are also used, though the issue is that the data is sometimes fragmented due to different data collection approaches and indicators at the state, entity and Brcko District levels. The lack of reliable data hampers effective policy-making, as the data is not systematised at the state level. This is due to issues with fragmentation of Bosnian governance, which results in having three statistics agencies – one at the state level and two Statistics Agencies in the two entities. The main problem here is the lack of cooperation and unified indicators across the three levels, and the inability of the state level Agency to coordinate and receive entity statistics from the entity agencies. The main consequence of this is the fact that Bosnia and Herzegovina still largely suffers from unreliable data.</p> <p><i>Source: Field mission interviews, Progress Report 2015</i></p>
I-124	Data gaps identified and adequately mitigated in design of EU support	<p>Data gaps are identified and mitigated. For example, EU projects are tackling the issue of data gaps by producing a number of analytical studies contributing to systematising data on various social protection and inclusion issues. For example, UNICEF has commissioned a number of situational analyses of social protection systems with focus on different groups of children (e.g. children with special needs, children without parental care; etc.). These studies offer a good insight into the overall system of social protection at different governance levels.</p>

#	Indicators	Evidence
		Further, SPIS project introduced data collection systems in cooperation with local municipalities and statistics agencies. <i>Source: Interviews; Project documentation</i>

#### 4.1.2 EQ2

#	Indicators	Evidence
<b>JC 21 Social protection coverage and uptake extended / broadened with EU support</b>		
I-211	Trends in social insurance (old-age pension, disability, unemployment, etc.) coverage rates, 2007-2013, e.g. Proportion of work force actively contributing to a pension scheme Proportion of active workforce with qualifying for unemployment benefit Proportion of elderly receiving a pension, etc.	Social insurance measures covering various life contingencies (sickness, maternity, old age, employment injury, invalidity, survivors, family allowance, and unemployment) are anchored in national legislation, as confirmed by the ILO 2014 World Social Protection Report. The ILO report shows trends for unemployment showing that coverage trends from contributory and non-contributory schemes raised from 1.6% in 2008 to 2.4% in 2009, and peaked to 2.6% in 2010, showing slight decrease to 2% in 2011. No gender disaggregated data are available. The proportion of older women and men (above statutory pensionable age) receiving an old-age pension was 29%, as per 2009 data. No more recent data was found. No data or estimates of legal coverage for old age as a percentage of the working-age population are available. As of 2010, there were 24.4% of active contributors to a pension scheme in the working-age population 15–64 and 44% of active contributors to a pension scheme in the labour force 15+. <i>Source: ILO 2014 World Social Protection Report, field mission interviews</i>
I-212	EU support for social protection recognizes special needs of the informal sector	<i>No evidence was found that EU support for social protection recognizes special needs of the informal sector.</i>
I-213	EU support for social protection recognizes special needs of children	EU invested in longer-term reform of social protection and inclusion of children in BiH in cooperation with UNICEF and the government (SPIS Project). This project aims to improve mechanisms for access to social protection and inclusion of children in local communities. Specific focus was placed on vulnerable and excluded groups of children (minorities, IDPs and refugees, children with special needs). <i>Source: Project documentation, field mission interviews</i> Through policy dialogue and programmes, EU aims to improve the social protection systems for children through strengthening the social protection and inclusion policy framework and service delivery for vulnerable families and children. Particular focus is placed on vulnerable groups of children such as children with disabilities; minority, IDP, and refugee children; children without parental care, etc. The EU supported IPA TAIB projects in support of Social Inclusion and Protection of Children totalling Euro 4.9 million. Support was also provided through other instrument such as CBC, EIDHR and CSF. <i>Source: Field mission interviews; EUD Survey; programming and project documentation.</i>
<b>JC 22 Universal access to adequate health services put in place / strengthened with EU support</b>		
I-221	Proportion of population with access to basic health services (e.g., living within 5 km of a health facility) <sup>14</sup>	Statistics are not available in the WHO WHOSIS database, but data from the 2013 UNDP Human Development Report indicate that there were 16.9 doctors per 10,000 population in that year. <i>Source: WHO (2014); World Health Statistics 2014.</i>
I-222	Proportion of women receiving adequate	According to the UN Human Development Report 2013, 84.2% of women received ante-natal care in 2011-2012.

<sup>14</sup> E.g. [http://www.who.int/healthinfo/indicators/2015/chi\\_2015\\_110\\_health\\_service\\_access.pdf?ua=1](http://www.who.int/healthinfo/indicators/2015/chi_2015_110_health_service_access.pdf?ua=1).

#	Indicators	Evidence
	ante-natal care. 2007-2013 <sup>15</sup>	
I-223	Proportion of health costs paid out of pocket	WHO data from 2014 shows this proportion is 27.9% <i>Source: WHO (2014); World Health Statistics 2014.</i>
<b>JC 23 Access to basic income security strengthened with EU support</b>		
I-231	Programmes related to basic income security (e.g., unconditional cash transfers, non-contributory social pension, social assistance) in place with EU support	The EU did not support such programmes in Bosna and Herzegovina. The World Bank supported projects focusing on Social Safety Nets and Employment support; Health Sector Enhancement; Social Insurance Technical Assistance; credits for Social Sector Adjustment and respective technical assistance; Public Finance adjustment; as well as Integrated Safeguards Data Sheet (Concept Stage) - EU-SILC Survey for BiH. <i>Source: World Bank, Field mission interviews.</i>
I-232	In-kind transfers (e.g., food and in-kind transfers for work) in place with EU support	<i>Such programmes were not supported by EU or other donors in Bosnia and Herzegovina.</i>
<b>JC 24 Gender inequalities in social protection coverage reduced</b>		
I-241	Conditional and unconditional cash transfer programmes for mothers and children in place with EU support	<i>Such programmes were not supported by the EU in Bosnia and Herzegovina.</i>
I-242	Maternity programmes in place, offer adequate coverage, and operational with EU support	Maternity programmes were not supported by the EU in BiH. In Bosnia and Herzegovina maternity benefit is generally a recognised right with one year coverage at 50-100% of wage. But the replacement rate varies depending upon the various cantonal regulations: 50-80% (Federation of Bosnia and Herzegovina); 100% (Republic of Srpska). The employer is reimbursed for initial payment.
I-243	Social assistance coverage of the elderly, disaggregated male/female if possible	No data available.
Other relevant information		EU supported projects do contain gender elements, integrated in project documents. The evaluation of SPIS project concludes that, while gender was addressed, there was no planning for project-specific gender mainstreaming. Nevertheless, all interventions reviewed ensured that gender dimensions were taken into account in project implementation - e.g., participation in capacity building activities, access to services, etc.). There has not been consistent analysis of gender-related outcomes. <i>Source: Field mission interviews; Final Evaluation of SPIS Project, 2016.</i>

### 4.1.3 EQ3

#	Indicators	Evidence
<b>JC 31 EU support to social protection coordinated with MSs</b>		
I-311	Evidence for regular coordination efforts between EU and MSs in field of social protection at global level	<i>Indicator not relevant at country level</i>
I-312	EU participates in /	There is no MDTF operating in the social protection sector. EU works closely

<sup>15</sup> E.g. [http://www.who.int/healthinfo/indicators/2015/chi\\_2015\\_76\\_antenatal\\_care.pdf?ua=1](http://www.who.int/healthinfo/indicators/2015/chi_2015_76_antenatal_care.pdf?ua=1).

	manages joined –up approaches (e.g., joint programming, MDTFs, joint monitoring, etc.) including social protection components	with UNICEF and other UN agencies strategic areas such as social protection and inclusion and support to IDPs, refugees, and minorities. While there is no evidence of joint programming strictly speaking, the first phase of SPIS was also supported by DfID and Norway. <i>Source: Field mission interviews</i>
I-313	EU strategy, programming and programme documents related to SP refer to EU Member States' policies and support and inversely	Document reviews reveals no evidence of this. Social protection in its narrow definition is not supported by MSs; however, some CSO projects addressed issues of service provision or social inclusion of vulnerable groups (e.g., the Hilfswerk Austria project targeting the Roma community).
<b>JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection</b>		
I-321	Evidence of suitably qualified staff formally designated and actually deployed to support social protection at country level	EUD in BiH has deployed staff who, among other portfolios, also deals with social protection and inclusion projects (including also projects for returnees and IDPs, housing, etc.) <i>Source: Field mission interviews; EUD Survey.</i>
I-322	Evidence of EU active engagement in regional fora on social protection.	<i>Indicator not relevant at country level</i>
	Other relevant information	The EU and the Bosnian government had a dialogue on social protection (and inclusion) within IPA-II programming of assistance to the sector. Partnership and dialogue with national stakeholders and key social partners on various issues (including child poverty, inclusion and the requested responses) resulted in development of subsequent project fiches for support to social protection and inclusion. <i>Source: Field mission interviews Action Programme for Bosnia and Herzegovina for the year 2014.</i>  However, dialogue between the EU and government is characterised by issues pertaining to the difficult Bosnian decision-making system and the lack of a unified voice on the side of Bosnian government. This is the single most important challenge for EU programming, particularly for sectors which are under jurisdiction of entities and cantons, and not the state level. <i>Source: Field mission interviews; EU Progress Report 2015.</i> <i>See also I-611 on the challenges to promoting European values.</i>
<b>JC33 EU effectively participates in global policy dialogues on social protection</b>		
<i>JC not covered by the analysis at case study level</i>		

#### 4.1.4 EQ4

#	Indicators	Evidence
<b>JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection</b>		
I-411	EU promotes and facilitates social dialogue (government, trade unions, employers' organisations) and dialogue with civil society through its social protection programmes.	Social dialogue takes place through the Economic and Social Councils, which are formed at the entity level and the level of BD BiH. These tripartite bodies are composed of representatives of the government, trade unions and association of employers. They discuss and take positions on the issues of development and improvement of collective bargaining, the impact of economic policies and measures for its implementation; social development and stability of employment policy, wages and prices; education and professional training; health and social protection and security; demographic trends and other issues relevant for the achievement and improvement of economic and social policy.  Through IPA 2007 the EU supported the project "Improving the development and

#	Indicators	Evidence
		<p>capacity of Social Dialogue and Social Partners,” which sought to establish the Economic and Social Council at state level. However, no political support and agreement on the Law on Representation recognizing social partners at the state level was achieved due to political complexities in the country, and the project did not achieve its objectives.</p> <p><i>Source: Progress Report 2015 pp. 47-48; Field mission interviews</i></p> <p>See I-113 on efforts to implicate civil society in the programming phase.</p>
I-412	Evidence for strengthened capacity of social partners (trade unions and employers’ organisations) to participate in social protection policy dialogue.	See I-411.
I-413	SP mainstreamed in other policy dialogues where relevant, e.g. trade and migration	<i>No evidence of this has been found.</i>
<b>JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms</b>		
I-421	In policy dialogue, EU advocates for LA involvement in design, delivery, and monitoring of social protection services under supported reforms	<p>UNICEF’s model for strengthening Social Protection and Inclusion in BiH (SPIS model) which was supported by the EU, is based on the philosophy of creating sound capacities, knowledge, motivation and potential to continue with reforms and to strengthen policies and services to improve and develop local communities. As municipalities in BiH oversee service delivery, the focus of the SPI model is placed precisely on municipalities, i.e. on the promotion of the local-municipal system for SPI. Its focus is on the promotion of the local-municipal system for SPI and on enhancing inter-sectoral responses at the community level to meet children’s needs. The Model is generally defined as an “Integrated approach to strengthening the social protection and inclusion systems in local communities, through strengthening skills, evidence-based policy processes, and improvement of an integrated approach to social protection and inclusion services to children and their families at local level.”</p> <p><i>Source: Field mission interviews, SPIS Project documents; UNICEF Manual for SPIS Model</i></p> <p>The SOCEM project works closely with the two target municipalities’ (Odzak and Mrkonjic Grad) CSW personnel in elaborating medium-term social protection plans. It also provides trainings and field support in order to establish, on sustainable terms, services for home care assistance as new organizational units within the CSWs in these two municipalities.</p> <p><i>Source: Interviews; SOCEM Project reports.</i></p>
I-422	In policy dialogue, EU advocates for NGO and private sector involvement in design, delivery, and monitoring of social protection services under supported reforms	<p>EU sees the important the role of NGOs in design, delivery, and monitoring of social protection services under supported reforms. SPIS project had direct measures for NGOs to deliver social services and also to monitor service provision. For example, the CSO EDUS is a partner of SPIS project in development, implementation and innovation in early childhood development services in the country. At local level, civil society organisations are main partners in delivery of social services and work closely with local governments in sustaining them upon expiry of funds.</p> <p><i>Source: SPIS Project documentation; Evaluation of SPIS project</i></p> <p>No information has been found on EU advocacy for private sector involvement in SP.</p>
I-423	National and international NGOs and private sector firms with specialist expertise	<p>NGOs were contracted under EU supported projects for service delivery (e.g. SPIS Project, Roma action, etc.). For example, the SPIS Project was complemented by UNICEF in co-operation with local CSOs (e.g. Vasa prava, Genesis, EDUS, etc.) while the service delivery in local communities was</p>

#	Indicators	Evidence
	contracted for service design and delivery under supported reforms	organised in co-operation with local associations and community groups. Project supporting Roma was implemented in partnership between two international NGOs and one Roma CSO from Bosnia and Herzegovina. <i>Source: SPIS Project documentation; Evaluation of SPIS project</i>
<b>JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU</b>		
I-431	Evidence of social partners and civil society organisations (e.g., advocacy NGOs, research organisations) involved in EU-supported policy development events on SP including international for a	The project "Stronger Social Dialogue in Western Balkan Countries" funded by EU, through the Civil Society Facility (CSF), has components of regional exchanges and regional events (e.g. regional conference is planned as part of the project) directly focusing on social dialogue. <i>Source: Project Documentation</i>
I-432	Regional and global networks of social protection stakeholders supported	<i>Not relevant at country level.</i>

#### 4.1.5 EQ5

#	Indicators	Evidence
<b>JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially</b>		
I-511	Appropriate capacity development measures supported by EU	The SPIS project and Roma support projects have had substantial capacity building components. The SPIS project included extensive capacity building of local institutions of relevance to social protection and inclusion (police, Centres for Social Work, educational institutions, health institutions, municipal authorities, etc.) in the areas of inclusion of children with special needs, new methodologies and approaches to early childhood development, juvenile justice, etc. The Roma Project worked closely with government, providing capacity building for implementation of the Roma Action Plan, as well as capacity building of Roma organisations. <i>Source: Field mission interviews; evaluations of UNICEF SPIS Projects; Roma Project documentation.</i>  Support through the SOCEM project strengthened monitoring capacities of the MOCA and MoHRR. At local level, Local Social Protection Plans provided a framework for further development of SP mechanisms. At the level of services, different services for children, persons with disability and elderly (e.g. home care; day care centres, early childhood development, etc.) were promoted and supported. Services such speech therapy, special education, day care centres, home care received institutional funding. <i>Source: Interviews; SPIS project evaluations; SOCEM Project report</i>
I-512	Weaknesses in SP legal frameworks, identification, registration, payment, etc. systems analysed, appraised, and addressed with EU support	Multiple Situational Analysis documents have been produced within the SPIS project assessing the weaknesses in SP legal frameworks with particular focus on children. These documents served as evidence for development of subsequent cycles of EU-funded support to SPI of children. <i>Source: SPIS Project documentation; Situational analyses produced by the project.</i>  Social inclusion policies are still not harmonised across the Entities and neither are provisions for individuals. <i>Source: EU Progress Report 2015.</i>
I-513	EU support takes SP governance issues into account and addresses	The EU invested significant efforts to ensure participation and agreement of all levels of government around interventions to be financed through IPA. EU support takes SP governance issues into account by ensuring that all

	gaps and deficiencies	governance levels in Bosnia and Herzegovina benefit from support when projects are implemented. For example, the SPIS Project worked with the state, entity and local levels of government: with state and entity level, work was more on advocacy and policy support (state and entity government representatives were in the Project Board), and with local authorities on local SPI Action Plans and service delivery. <i>Source: UNICEF SPIS Evaluation Reports</i>
<b>JC 52 Nationally defined social protection floors promoted</b>		
I-521	Evidence that the EU advocates in policy dialogue with government to adopt the national social protection floor approach	Bosnia and Herzegovina is not officially committed to the SPF approach and EUD has not had strong advocacy explicitly devoted to the approach. <i>Source: interviews, Project documentation</i>
I-522	EU support to SP coordinated with ILO country and regional offices	ILO is present in Bosnia and Herzegovina and currently implements a project Support to Local Employment Partnerships in Bosnia and Herzegovina funded through IPA II. ILO did not implement projects relating to social protection during IPA I.
<b>JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered</b>		
I-531	EU supported social protection schemes designed / administered on the basis of sound financial and actuarial analysis	In 2008, EU supported analyses of Social Protection and Social Inclusion in each Western Balkans country, including Bosnia and Herzegovina. Each of these documents, which formed the analytical base for subsequent SP interventions, contains chapters on Economic, Financial and Demographic Background; Social Protection and Social Welfare system; poverty and social exclusion; institutional framework; Health care system and long term care; the pension system. EU support to SPIS project was based on comprehensive analysis provided by the Government and UNICEF in coordination with EU. The project provided Situational Analyses on financial, social, and economic aspects of social protection schemes, focusing on children at all levels of governance, including municipal level in targeted municipalities. Evidence was not found of analysis of fiscal impacts, financial soundness, and sources of resources, with support of EU. <i>Source: Interviews, Project documentation</i>
I-532	Evidence of EU supporting the transition to sustainable national financing for social protection	Supported interventions have had strong emphasis on advocacy and support to (local) governments to institutionalise social protection mechanisms and services developed and/or enhanced through the support. This was done through ensuring that supported local SPI policies and social protection medium-term plans are adopted by local authorities, which then in majority of cases means some form of financing for activities envisaged within plans. SPIS project also ensured services to be financed from local budgets. <i>Source: Interviews, Project documentation</i>
I-533	Evidence of poverty impacts and redistributive effects analysed and monitored in EU support to SP	Some projects (those implemented by UN Agencies) funded by EU around social protection and inclusion were monitored (ROM) and evaluated. ROMs and evaluations assess impact prospects. Also, UN Agencies conduct ongoing monitoring of a variety of indicators (previously MDG and now SDG) and collection of such data was also enabled through EU supported projects. <i>Source: interviews, UN agencies projects documentation</i>
I-534	Evidence of intergenerational equity issues considered in the design of the EU support to SP.	<i>No evidence of this was found in the programming of EU support.</i> <i>Source: interviews, programming documentation</i>
<b>JC 54 Government social protection programmes consolidated and rationalized where necessary</b>		
I-541	Evidence for improved institutional structure and	EU support was important for improving institutional structures and procedures at agencies responsible for social protection, particularly at local level. Important results of EU supported interventions implemented by UNICEF have been the

	procedures of agencies responsible for social protection with EU support	establishment of local Commissions for Social Protection and Inclusion and also the referral mechanisms. Evaluations of the SPIS Project show that investments in capacity building and strengthening of institutions such as Centres for Social Work, Local Authority's departments for social protection and entity (as well as to some extent cantonal) governments resulted in better knowledge and recognition of evidence-based policy making. Support through the SOCEM project strengthened monitoring capacities of the MOCA and MoHRR. It also established and enhanced referral mechanisms for social protection in municipalities ensure better coordination between institutions and improved case handling, particularly in emergencies. <i>Source: Interviews; SPIS project evaluations; SOCEM Project report</i>
I-542	Evidence for established / improved coordination mechanisms across all public agencies with SP responsibility	SPIS project steered work on improvement and/or establishment of coordination mechanisms across public agencies with SP responsibility, albeit with varying success, depending on the governance level (at local, Brcko District and to some extent entity level it worked better than at state level). <i>Source: Interviews; SPIS project evaluations</i>
I-543	Universal approaches favoured over targeted ones where appropriate (in EU support)	<i>No evidence on this was found.</i>

#### 4.1.6 EQ6

#	Indicators	Evidence
<b>JC 61 Social protection as a human right promoted at all levels</b>		
I-611	Thematic, regional and country strategies and interventions incorporate rights-based approach to SP	EU programming documents and EU progress reports have a strong focus on human rights. For example, the EU Indicative Country Strategy Paper contains a section of fundamental rights, while it also elaborates on human rights in sections relating to social development. MIPD documents provide analysis of Bosnian context from human rights perspective, and lay out the EU requirements for tackling human rights by the government. Programming, especially within the social development sector, incorporates rights based approach. <i>Source: Interviews, EU programming documents.</i> "Bosnia and Herzegovina faces many challenges regarding human rights and the protection of minorities. The legal and institutional framework for the observance of human rights requires substantial improvements and the adopted legislation needs to be effectively implemented, notably regarding anti-discrimination aspects. The conditions for the exercise of the freedom of expression have deteriorated over the reporting period. Although there is some level of preparation in this area with legal provisions generally in place, the institutional and political environment is not conducive to creating the conditions for full freedom of expression. The lesbian, gay, bisexual, transgender and intersex community continued to be subject to threats and attacks. Some steps were taken on the registration and housing of the Roma minority, but there was limited action on health, education and employment". <i>Source: Progress Report 2015</i> EU supported projects also have strong human rights based approach. In the SPIS project, ensuring access to rights is central to the intervention. Other projects also apply rights based approach in tackling issues of their target groups – elderly, persons with disabilities, Roma. <i>Source: Interviews, Project documentation; SPIS evaluations</i>
I-612	Evidence that EU advocates for a rights-based approach in global fora	<i>Not relevant for country level</i>
<b>JC 62 EU support addresses concerns about excluded populations</b>		

#	Indicators	Evidence
I-621	Gender, disability, ethnic minority, children's, etc. issues mainstreamed in EU SP support	<p>Programming documents and projects contain an overview of context and measures to address different concerns, including gender, disability, ethnic minority, children's, etc. issues wherever relevant. Gender is usually presented as a cross-cutting issue, but further analysis shows that at times not enough elaboration (or mainstreaming) is provided in EU programming and project documents on gender. Projects supported by EU have disability, ethnic minority, children's, etc. issues as focus, and in such cases the issues are well elaborated. For example, evaluation of the first phase of the SPIS project concluded that "the project has supported the structural reform of social protection and inclusion systems at all levels of governance with success, and particularly to the promotion of multi sectorial approach to SPI through establishment of services, local governance mechanisms, protocols of co-operation and referral mechanisms in targeted municipalities. These mechanisms, if and when implemented have positive effects of children's lives." The report also states that children with special needs, from ethnic minorities were benefiting from the services provided by the project.</p> <p><i>Source: Programming documents; Interviews, Evaluation of UNICEF SPIS Project, 2015.</i></p> <p>Project supporting Roma had primary focus on housing and social inclusion of Roma groups through support to policy making and direct housing support. Importantly, relevant support to children, Roma and other vulnerable groups was also provided through other instruments, such as CBC, CSF and EIDHR.</p> <p><i>Source: Interviews; Project documentation.</i></p>
I-622	NGO/CSO capacity to advocate in for SP needs of excluded populations strengthened	<p>Analysis of projects (e.g. SPIS, SOCEM projects, Roma, Technical Assistance to CSO - TACSO Project) show that IPA I assistance included measures to strengthen NGO/CSO capacity to advocate in for SP needs of excluded populations. Also, CBC, CSF and EIDHR supported CSO projects that, inter alia, supported CSO advocacy for SP needs of excluded groups.</p> <p><i>Source: Project documentation, Interviews</i></p>
<b>JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage)</b>		
I-631	Trend in non-contributory pension as percentage of average wage	<p><i>No evidence of this was found.</i></p> <p><i>Source: interviews, programming documentation</i></p>
I-632	Trend in adequacy of social assistance benefits	<p>Spending on social assistance remains at the low end compared to elsewhere in the region, although this masks significant underlying differences. While total spending on social benefits as a whole in BiH is at the low end relative to other Western Balkan states, spending on non-contributory social assistance is higher than the regional average. Spending on non-contributory social assistance has long reached fiscally unsustainable levels in BiH, while spending on non-contributory benefits is also poorly targeted.</p> <p><i>Source: Interviews, IMF Country Report No. 15/299, <a href="https://www.imf.org/external/pubs/ft/scr/2015/cr15299.pdf">https://www.imf.org/external/pubs/ft/scr/2015/cr15299.pdf</a>.</i></p>
I-633	Trend in adequacy of unemployment benefit	<p><i>No data have been found..</i></p>
I-634	Social protection expenditure as proportion of GDP: Spending on working age population. Spending on the elderly. Spending on children	<p>Overall, the social protection expenditure as proportion of GDP last estimate is from 2009 and amounts to 3,8%</p> <p><i>Source: study of IMF: <a href="https://www.imf.org/external/pubs/ft/wp/2014/wp1416.pdf">https://www.imf.org/external/pubs/ft/wp/2014/wp1416.pdf</a></i></p> <p><i>Disaggregated data on different groups were not found.</i></p>

#### 4.1.7 EQ7

#	Indicators	Evidence
<b>JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context</b>		
I-711	The choice of modalities and implementing partners reflects clearly identified comparative advantages and institutional capacity needs and constraints	<p>Given the absence of budget support, EU strategy was essentially implemented through projects. IPA assistance supported technical assistance for institution building with direct service delivery to final beneficiaries in projects supported by IPA assistance.</p> <p>There was also a reasonable choice of implementing partners. For example, SPIS Project was implemented by UNICEF, with clear comparative advantage in aspects of SPI relevant to children and ability to work well with national and local NGOs.. The Project for Roma was implemented by International NGO Hilfswerk, which was able to form a partnership with a Bosnian Roma association. The SOCEM Project was implemented through Service Contract to company EPRD.</p> <p><i>Source: Field mission interviews</i></p>
	The approach employed by the EU fosters high quality dialogue between the EU and national stakeholders	<p>All programmes supported were proposed resulting from joint consultation and policy dialogue in line with agreed Programming methodology for IPA assistance and future EU Integration process policy dialogue. See also EQ1.</p> <p>The main topics of EU policy dialogue with the government related to social protection building systems that will ensure adequate social protection policies, deliver modern social protection services, and specifically support vulnerable and excluded populations. Through the dialogue fostered with local authorities, major outcomes achieved were standards for service delivery developed for Centres for Social Work, Commissions on Social Protection and Inclusion developed, and local Social Protection Plans elaborated and adopted at municipal level.</p> <p><i>Source: Interviews; EUD Survey</i></p> <p>Policy dialogue in the field of social protection and inclusion has deteriorated since the 2006 elections, when the political landscape in Bosnia changed for the worse, reducing willingness for cooperation among entities. This further weakened the role of the state level, particularly regarding SPI, which is primarily under entity/Brcko District/cantonal level. With adoption of Reform Agenda for Bosnia and Herzegovina 2015-2018, as the first country wide programme for some time, positive tendencies are expected, but policy dialogue among main government actors is still affected by the political interests of elites.</p> <p><i>Source: EU programming documents; Interviews; Project documents</i></p> <p>As detailed in EQ3, there is high- quality dialogue between UNICEF, World Bank, IMF and EUD at country level.</p>
I-713	The aid delivery methods and channels used promote ownership of SP by national stakeholders	<p>EU supported projects enjoy good local-level ownership. Interviews and review of project documentation of SOCEM and SPIS Projects, as well as SPIS evaluations point to high level of ownership of targeted local authorities and institutions (particularly CSWs). The EUD's engagement with state and entity level governments actively in policy dialogue and programming has resulted in a small, focused, well-targeted set of interventions.</p> <p><i>Source: Field mission interviews; Project documentation; SPIS Project evaluations</i></p> <p>EU through its projects in the field of social protection and inclusion has supported policy dialogue through a number of channels, of which Inter-sectoral Working Groups and a Steering Board established through the SPIS project are most important. All projects have the Project Steering Boards whose members are government and EU representatives. EU-supported projects invest significant efforts in coordination of activities among state, entity, Brcko district and often cantonal governments. This coordination consumes a considerable amount of time and efforts on the parts of both project and EUD staff. This is due to the complexities of Bosnian governance and decision-making processes, whereby EU ensures that everyone is involved.</p> <p><i>Source: Field mission interviews</i></p>
<b>JC 72 EU financed interventions in the social protection field are mutually reinforcing</b>		
I-721	Financing instruments (bilateral vs.	The main tool used was bilateral IPA, but other instruments were particularly important for strengthening CSOs in service delivery and protection of rights of their constituencies and vulnerable groups. For example, CSF supports the development

#	Indicators	Evidence
	regional, geographic vs. thematic) are combined to exploit complementarities and promote synergies	of an active civil society that is capable of participating in public debate on democracy, human rights, social inclusion and the rule of law. CSF supported projects in Bosnia and Herzegovina have had elements of policy making for children, with projects supporting CSOs' role in defining and implementation of the Action Plan for children as well as advocacy on social protection and rights of vulnerable groups. EIDHR financed human rights projects in which elements of social inclusion and social protection are included. CBC is another instrument that contributes to the SP sector, through enhancing cross-border cooperation. Evaluation of CBC shows that across the Western Balkans, 2,881,308.82 EUR was invested in social inclusion projects (through CBC and P2P) <sup>16</sup> . Most projects were focusing on support to vulnerable groups and social services. Interviews reveal that these instruments cumulatively contribute to reforms of the sector, both from the side of government and civil society. However, interviews reveal that systematic operational linkages between projects/ programmes are not usually found. <i>Source: Interviews with stakeholders, Project documentation</i>
I-722	EU support to SP in partner countries has been reinforced by the mobilisation of expertise from EU Member States (via instruments such as TAIEX/Twinning or the SOCIEUX facility)	Bosnia and Herzegovina does not participate in SOCIEUX / PROGRESS actions/activities. <i>Source: EUD Survey.</i>
<b>JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored</b>		
I-731	Frequency of delays in implemented interventions related to SP	SPIS project ROM reports and evaluations reveal some delays in implementation, but they did not affect the project significantly. Other projects also have not faced significant delays in implementation. Most important delays happen in the period from programming to contracting to implementation, which at times affects relevance of supported interventions. <i>Source: ROM reports</i>
I-732	Transaction costs are minimised for all parties involved	Implementing agencies (UNICEF, International NGOs, contractors) and other stakeholders have capacity and experience necessary to efficiently achieve the objectives of the support. Project management was up to good international standard. There is commitment from implementing partners to mitigate risks towards successful implementation and achievement of results. For example, the evaluation of the SPIS project finds that the project was efficient. Main delays happen in cases where response or support is expected from the government, particularly at higher levels. Also, local authorities are sometimes slow in adopting policies and implementing activities. This is due to the low absorptive capacity of beneficiary government institutions. <i>Source: Interviews, Project reports, Evaluation of the SPIS Project</i>
I-733	Monitoring and evaluation allows for adjustment of SP support responding to performance and context	ROM is applied as a monitoring tool but also EUD is following project activities and results in ongoing exchanges with projects and partners. ROM monitoring is not done for all projects, which creates difficulties in making any comparative analysis either within or among projects on progress, adjustments and results. Evaluations are done even less systemically and usually are commissioned by project implementers, as evaluations are not an ultimate requirement of the EU. For example, SPIS Project was evaluated as is standard procedure of UNICEF but not due to EU requirement. But, other projects in focus of this evaluations were not evaluated.

<sup>16</sup> European Commission (2017); Evaluation of IPA Cross Border Co- operation Programmes 2007-2013; AETS

#	Indicators	Evidence
		Source: Interviews, Project documentation

## 4.1.8 EQ8

#	Indicators	Evidence
<b>JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs</b>		
I-811	Institutional structures / mechanisms in place to coordinate SP policies and interventions across MSs and other international donors	<p>The responsibility for donor coordination in Bosnia and Herzegovina is split between the Directorate of European Integration (DEI) for EU donors, and the Ministry of Finance and Treasury (MoFT) for other donors and IFI. Consultations with donors take place also at lower levels of government. The MoFT regularly organises Donor Coordination Forum meetings and publishes annually donor-mapping reports showing the donors active in Bosnia and Herzegovina and setting out their contribution by sector. As per Donor Mapping report 2014, main donors in the (wider) social development sector (consisting of employment; social inclusion, education and VET) were EU, The World Bank, Switzerland, Germany, ADC, UNICEF, Norway, USA /USAID, Republic of Croatia, Slovenia, Czech Republic, Sweden / Sida, France, UNDP, The Netherlands, Italy (IC), Hungary, Japan/JICA<sup>17</sup>. Review of the donor coordination forum database shows that projects are mainly to support NGOs in developing social services for PWD, children, or for support to inclusive education.</p> <p>The EU Delegation holds regular coordination meetings with EU Member States (MS) to exchange policy views and to streamline the EU and MS assistances for Bosnia and Herzegovina to be coherent and complementary.</p> <p>The EU Delegation cooperates with other donors through its regular participation in the Donor Coordination Forum meetings, which are organised two to three times a year by the MoFT.</p> <p>Source: Interviews; European Commission (2014); Indicative Country Strategy Paper 2014-2017, p. 8.</p> <p>EUD participates in social protection donor meetings and holds joint events (e.g. UNICEF, EU and World Bank, IMF). However, coordination with government is challenged by political interest and differing views on how EU support should be implemented.</p> <p>Source: Field mission interviews</p> <p>The country has a Directorate for EU Integration (DEI) at the state level that coordinates EU donor assistance in the country. Within this structure, a position of NIPAC was established with the task to coordinate and stir EU assistance.</p> <p>Donors' involvement and coordination is different depending of the sector. Many donors support different interventions in social inclusion through CSO support. The EU delegation is very much involved in coordination of the sector in Education, and Roma, and Return. However, attempts to improve the coordination of social protection and inclusion have failed due to the lack of political will. The agreed Coordination of IPA assistance could improve the coordination overall.</p> <p>Source: Field mission interviews, EUD Survey.</p>
I-812	EU is able to leverage its support by generating funding from other sources	<p>Services supported by SPIS project in some of the targeted local communities have received some sort of financial support from local budgets. SPIS Project documentation shows that, in the last phase of the project, almost all of the 10 targeted municipalities ensured some budget support to different activities envisaged in Local Social Protection and Inclusion policies. Such data are not available for other projects.</p> <p>Source: Interviews, Project documentation</p>
<b>JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment)</b>		
I-821	DEVCO / NEAR -	Cross references and linkages to country and EU-level strategies and policies

<sup>17</sup> Donor Coordination Forum (2015); Donor Mapping Report 2014; <http://donormapping.ba/pdf/DMR%202014%20-%20Social%20Development%20Sector.pdf>.

#	Indicators	Evidence
	<p>financed SP support cross-refers to policies and strategies of other relevant DGs and avoids duplication and conflicts.</p>	<p>exist in EU programming documents. Each programming document (e.g. MIPD, Project fiche) contains sections where linkages to EU and governments strategies are elaborated.</p> <p><i>Source: EU programming documents, Interviews</i></p> <p>For example, the 2010 National Programme Project Fiche 2 “Social Protection and Inclusion III” presents the following overview of linkages:</p> <p><u>Link with the European Partnership</u></p> <p>The European Partnership obliges Bosnia and Herzegovina to take measures to ensure full compatibility of national legislation with the European Convention on Human Rights and to “Implement the international conventions ratified by Bosnia and Herzegovina, including reporting requirements.”</p> <p>Bosnia and Herzegovina is a signatory to the United Nations Convention on the Rights of the Child (UN CRC) and the Millennium Declaration. Despite considerable progress in some areas over the past decade, Bosnia and Herzegovina still faces a number of constraints to development, such as a fragmented political and administrative structure and a social agenda hampered by decentralisation, political interests and a lack of strategic and consistent approach to policy- making.</p> <p><u>Link with SAA</u></p> <p>ARTICLE 2: Respect for democratic principles and human rights as proclaimed in the Universal Declaration of Human Rights and as defined in the Convention for the Protection of Human Rights and Fundamental Freedoms.</p> <p>ARTICLE 5: International and regional peace and stability, the development of good neighbourly relations, human rights and the respect and protection of minorities are central to the Stabilisation and Association process.</p> <p><u>Link with National Development Plan</u></p> <p>Bosnia and Herzegovina has completed the drafting of the National Development Strategy 2008 -2013 and Social Inclusion Strategy that will serve as the basis for the National Development Plan. Both strategies are expected to be adopted at the beginning of 2010.</p> <p>This project takes into account Bosnia and Herzegovina's Medium Term Development Strategy's strategic priorities and objectives (Points 1.2, 2.1, 2.2.1.1 and 2.2.1.2 of MIPD 2009-2011) as well as Goals 2,3,4 and 6 defined in the draft Bosnia and Herzegovina Social Inclusion Strategy as follows:</p> <p>Goal 2 “Improve protection of families with children”</p> <p>Priority 1: Improve legal status of children and families with children and improve legislation to this end.</p> <p>Priority 2: Identify groups of families with children which are either in, or at risk of social exclusion.</p> <p>Priority 3: Strengthen cross-sectoral cooperation and systematic networking in order to improve the status and position of families with children.</p> <p>Priority 4: Develop various programmes of social and economic support to children, and families with children, in a state of social exclusion or at risk of social exclusion.</p> <p>Goal 3 “Improvement of Education “</p> <p>Priority 1: Increase access to education for the entire population.</p> <p>Goal 4 “Improvement of Health Care”</p> <p>Priority 1: Increase the health coverage of the population</p> <p>Priority 2: Secure additional sources of funding for promotion of health and prevention of diseases.</p> <p>Priority 3: Strengthen primary health care, with a focus on family and community.</p> <p>Goal 6 – “Improvement of Protection of Persons with Disabilities”</p> <p>Priority 1: Ensure PWD-sensitive policies and budgets in all sectors, especially in social and health protection, labour market and pension policies.</p> <p>Priority 2: Develop inclusive social models with harmonised criteria in the area of detection, registration and recording.</p> <p>Priority 3: Develop models of local communities that will ensure equal</p>

#	Indicators	Evidence
		<p>opportunities to persons with disability.</p> <p>Source: National Programme Project Fiche 2 “Social Protection and Inclusion III”, <a href="https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/bosnia_and_herzegovina/ipa/2010/part-1/pf_02_ipa_2010_social_inclusion_final_eud_en.pdf">https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/bosnia_and_herzegovina/ipa/2010/part-1/pf_02_ipa_2010_social_inclusion_final_eud_en.pdf</a></p>
I-822	Existence of inter-DGs coordination on SP	<i>There is no evidence Desk review does not reveal evidence on this.</i>

## 4.2 Overview of EU-funded key interventions

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>	<i>Implementing partner(s)</i>
<b>2007-2013</b>				
IPA Comp I	Improving the development and capacity of Social Dialogue and Social Partners (SP) Project	2010-2011	500,000	Information not available (n/a)
IPA Comp I	Enhancing the Social Protection and Inclusion System (SPIS) for vulnerable groups/children - Phase III	2010-2012	1,246,212	UNICEF
IPA Comp I	Strengthening social protection system at all levels of governance	2011-2014	7,500,000	UNICEF
IPA Comp I	Enhancing the Social Protection and Inclusion System (SPIS) for vulnerable groups/children - extension	2013-2014	1,319,629	UNICEF
IPA Comp I	Support to social service providers and enhancement of monitoring capacities (SOCEM Project)	2015-2017	1,758,000	EPRD
<b>2014-2017</b>				
IPA Comp I	Support to implementation of Roma Action Plans	2014-2015	2,500,000	Hilfswerk Austria

### 4.3 List of people interviewed

<i>Surname</i>	<i>First name</i>	<i>Organisation/ Unit</i>	<i>Responsibility</i>
Adrovic-Beslagic	Ajsa	EU Delegation	Task Manager
Ceric	Tarik	Directorate of EU Integration	NIPAC office M&E unit
Đuderija	Saliha	Ministry of Human Rights and Refugees	Assistant Minister for Human Rights and Refugees
Gazdic	Melisa	EPRD Office for Economic Policy and Regional Development Ltd.	EPRD Representative for Balkan
Hodzic	Dzermal	ILO	Project Manager
Jasarevic	Suzana	Hilfswerk Austria	Country Director for BiH
Jasika	Adnan	Ministry of Human Rights and Refugees	Advisor
Juresic	Miroslav	FBIH Ministry of Labour and Social Policy	Assistant Minister
Kazic	Selma	UNICEF	Social Protection Officer
Kodzaga	Muris	Hilfswerk Austria	Project Manager
Markota,	Lidija	Ministry of Civil Affairs	Assistant Minister
Maslesa	Dusko	Directorate of EU Integration	NIPAC office M&E unit
Micijevic	Muris	Hilfswerk Austria	Project Manager
Pozder	Adela	UNDP	Task Manager
Sladojevic	Branka	RS Ministry of Health and Social Protection	Assistant Minister
Terko	Ermin	Ministry of Civil Affairs	Advisor
Tica	Sanja	EU Delegation	Task Manager
Vannini	Gianluca	EU Delegation	Task Manager
Zecevic	Nebojsa	Directorate of EU Integration	NIPAC office M&E unit

## 4.4 Bibliography

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National Programme - Bosnia and Herzegovina – IPA 2008, 2010, 2011 (incl. Addendum), 2012, 2013.

Multi-annual Indicative Planning Document (MIPD) 2007-2009, 2008-2010, 2009-2011, 2012-2013 for Bosnia and Herzegovina.

Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and Bosnia and Herzegovina, of the other part.

### 4.4.2 Project documentation

The team reviewed the available project documentation (action fiches/TAPs, grant contracts, implementation and monitoring reports, evaluations, etc.) of the following interventions (see also details in the list presented in Annex 2):

- Improving the development and capacity of Social Dialogue and Social Partners (SP) Project
- Enhancing the Social Protection and Inclusion System (SPIS) for vulnerable groups/children - Phase III.
- Strengthening social protection system at all levels of governance
- Enhancing the Social Protection and Inclusion System (SPIS) for vulnerable groups/children – extension.
- Support to social service providers and enhancement of monitoring capacities (SOCEM Project) 2014-2017
- Support to implementation of Roma Action Plans.
- Support to Local Employment Partnerships in Bosnia and Herzegovina Project.

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#### **4.4.4 Other**

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External Assistance Management Report (EAMR) Delegation: Bosnia & Herzegovina – for 2011, 2012, 2013 and 2014.

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#### **4.4.5 Web links**

ILO-International Social Security Inquiry: <http://www.ilo.org/dyn/ilossi/ssimain.home>

ISSA / US Social Security Administration Social Security Programmes Around the World annual report: <https://www.ssa.gov/policy/docs/progdesc/ssptw/>



# Evaluation of EU support to social protection in external action 2007-2013

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Final Report

Volume II

Country Report – El Salvador

January 2018

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*Evaluation carried out on behalf of the European Commission*



The evaluation was carried out by:  
Landis MacKellar – Team Leader

Contributions from:

Ana Maria Femenia Garcia – Team Member

Zehra Kacapor-Dzihic – Team Member

Tino Smail – Team Member

Lena Zezulin – Team Member

Georg Ladj – Quality Control

Ana Vilar – Backstopping

Dominika Socha & Jana Bobokova – Evaluation  
Managers

The evaluation is being implemented by Particip GmbH (leader) and AETS and managed by the DG NEAR A4 Multi-annual Financing Framework, programming and evaluation unit.

The author accepts sole responsibility for this report, drawn up on behalf of the Commission of the European Union. The report does not necessarily reflect the views of the Commission.



## Country Report – El Salvador

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## List of acronyms

ACP	African, Caribbean and Pacific Group of States
AECID	Agencia Española de Cooperación para el Desarrollo (Spanish Agency for International Development Cooperation)
ASPIRE	The Atlas of Social Protection: Indicators of Resilience and Equity
AUP	Asentamientos Urbanos Precarios
AWSPR	Annual World Social Protection Report
BS	Budget Support
CONAMYPE	Comisión Nacional de la Micro y Pequeña Empresa
CS	Comunidades Solidarias
CSR	Comunidades Solidarias Rurales (Rural Solidarity Communities)
CSU	Comunidades Solidarias Urbanas (Urban Solidarity Communities)
DCI	Development Cooperation Instrument
DWCP	Decent Work Country Programm
EC	European Commission
ECLAC	Economic Commission for Latin America and the Caribbean
ECOS	Equipos Comunitarios de Salud Familiar y Especilizados
EEP	Estrategia de Erradicación de la Pobreza
ESC	Economic and Social Council
EU	European Union
EUROSOCIAL	Social Cohesion in Latin America Programm
FISDL	Fondo de Inversión Social para el Desarrollo Local (Social Investment Fund for Local Development)
FOCAP	Fund for program support for the solidarity communities program
FUSADES	Fundación Salvadoreña Para El Desarrollo Economico y Social (Salvadoran Foundation for Social and Economic Development)
GoES	Government of El Salvador
IADB	Inter-American Development Bank
ICEFI	Instituto Centroamericano de Estudios Fiscales (Central American Institute of Fiscal Studies)
IFPRI	International Food Policy Research Institute
IMF	International Monetary Fund
ISSI	International Social Security Inquiry
ISSS	Instituto Salvadoreño de Seguridad Social
Lux / LuxDev	Luxembourg Development Agency
MF	Ministry of Finance
MTR	Mid Term Review
PACSES	Programa de Apoyo a Comunidades Solidarias de El Salvador (Programme for the support of Solidarity Communities in el Salvador)
PAIRCA	Program to support the Central American Region integration
PAPES	Poverty Alleviation Programme in El Salvador
PATI	Programa de Apoyo Temporal al Ingreso (Temporal Support for Income Programme)
PBU	Pensión Básica Universal
PCS	Programa Comunidades Solidarias
PGA	Global Anti-Crisis Plan
PQD	Plan Quinquenal de Desarrollo (Five-Year Development Plan)

RS	Redes Solidarias
RUP	Registro Unico de Participantes (Single Record of Participants)
SPSP	Sector Policy Support Programme
SPSU	Sistema de Protección Social Universal (Universal Social Protection System)
STP	Secretaría Técnica de Presidencia (Technical Secretariat of the Presidency)
STPP	Secretaría Técnica y de Planificación de la Presidencia (Technical and Planning Secretariat of the Presidency)
VMCD	Vice-Ministro de Cooperación para el Desarrollo (Vice-Ministry for Development Cooperation)
WB	World Bank
WHO	World Health Organization



# 1 Introduction

## 1.1 Purpose of the country report

This report is framed within the field phase of the evaluation. During the inception phase, the evaluation framework was developed, i.e. the EU's intended intervention logics of its support to social protection (SP) in partner countries were reconstructed and the Evaluation questions (EQs) were designed. During the desk phase, overall strategy and policy documents and selected project documentation were reviewed, an online survey to the EUDs was conducted and several stakeholders were consulted. The desk report outlined preliminary answers to the EQs and it proposed a list of countries to be visited in the field phase. From a long list of 45 countries and a shortlist of 14 desk case countries, 11 countries were selected for the field phase. The overall objective of the field visits is to verify preliminary findings to the EQs.

The outline of the country report follows the structure of the evaluation matrix to ensure a consistent and harmonised data collection approach. However, as EU interventions implemented under major SP programmes cover a variety of different topics, not every intervention is relevant for all the evaluation questions. This tailored case study approach ensures that resources are spent in an efficient way.

Therefore, the present country report cannot be considered a country evaluation but rather one of the inputs for the elaboration of the final report. The field cases allow for a detailed examination of certain elements at the Indicator and Judgement Criterion level and provide a picture of the EU support in different contexts. The report aims at providing country specific examples on a set of issues that are relevant for the worldwide exercise.

## 1.2 Reasons for selection of the country

*El Salvador* has been selected for the following reasons:

- Regional and sub-regional representation: the case illustrates the specific context of the Latin America and the Caribbean region.
- El Salvador is one of the top recipient countries of EU financial contributions in the area of SP in the Latin America and the Caribbean region; EU assistance was mainly provided in the form of budget support.
- Strong donor coordination (joint formulation process) with MS (mainly Spain and Luxembourg), and to lesser extent development banks, mainly WB and IADB.
- El Salvador has experienced an evolution towards a more universal approach in SP.
- Equity, social inclusion and poverty reduction were given the highest priority on the national development agenda (PQD), accounting for 44% of the plan's total implementation cost.

The table below provides an overview of the main SP interventions implemented by the EU in the period 2007-2017.

Table 1 Interventions selected for the case study analysis

Financing instrument	Title	Implementation period	EU contribution (EUR)	Implementing partner(s)
<b>2007-2013</b>				
DCI-Geo	Programa de apoyo a comunidades solidarias en El Salvador (PACSES)	2011-2015	47,400,000	Government
DCI-Geo	Promoción de los derechos de las mujeres a través del fomento de la autonomía económica y la atención a la salud integral	2014-2015	2,250,000	Government

Source: CRIS and Particip analysis (2016)

### 1.3 Context of the EU support

This section gives an overview of the partner country's context, including its social protection policies, strategies and legislative framework, and of the EU bilateral programming.

#### **Main evolutions in the economic and social context**

Since the signing of the Peace Accords in 1992 that marked the end of the 12-year civil war, El Salvador has implemented a reform agenda that led to high rates of growth (averaging about 6% per year) during the 1990s, but growth slowed in the first years of the last decade to less than 2%. The adoption of the USD as legal tender in 2001 resulted in lower inflation, reducing business uncertainty and lowering interest rates. The economic progress was accompanied by improvements in the country's social conditions, and increases in social spending contributed to improvements in basic socioeconomic indicators (life expectancy, infant and child mortality rates, child sub-nutrition, access to basic services such as safe water and sanitation and net enrolment in primary and secondary).

In 2008-2009, El Salvador was severely hit by the global financial crisis, interrupting a period of steady economic growth. The crisis reversed many of the gains in poverty reduction achieved in the preceding decade. The poverty rate reached 40% at the end of 2008 and remained relatively high at 37.8% in 2009, while extreme poverty grew to 12% in 2009. The poor, and in particular the urban poor, were severely affected by a hike in food prices of about 17% in 2008.

#### **National development and Social Protection policy frameworks**

El Salvador's development policy over the evaluation period is laid out in its *Plan Quinquenal de Desarrollo 2010-2014* (PQD), and is the first comprehensive national development plan issued in the country over the last 30 years. PQD 2010-2014 establishes as the main objectives to protect existing jobs and create new sources of employment, to protect the population in conditions of great poverty and vulnerability, and to mitigate the negative impacts of the global crisis. The government gave equity, social inclusion and poverty reduction the highest priority on the national development agenda, accounting for 44% of the plan's total implementation cost. Government ownership of the social policy is strong, as shown by the high priority given to the PQD, and to the Technical Secretariat of the Presidency (STP), the institution responsible for social policy design and coordination. Moreover, relevant line ministries have been fully engaged in the design and implementation of the recent social protection strategies.

The country's social protection strategy was first announced by former-President Funes during his Inauguration speech<sup>1</sup> as part of the Global Anti-Crisis Plan (PGA in Spanish) and was later

<sup>1</sup><http://especiales.laprensagrafica.com/2011/funes2doaniversario/wp-content/uploads/2011/05/1-Toma-de-posesi%C3%B3n-presidente-Funes.pdf>.

elaborated in the Universal Social Protection System (SPSU in Spanish). The SPSU is based on a rights-based approach and seeks to guarantee a minimum level of social services to all citizens through a gradual intervention, targeting the most impoverished and excluded population. Furthermore, it addresses vulnerabilities at different age-related and other stages of life (life-cycle approach), in order to break with intergenerational poverty cycles.

The SPSU is the cornerstone of the PQD. It gives a central place to the *Comunidades Solidarias*, one of its key social interventions to eradicate urban and rural poverty. *Comunidades Solidarias*, which began under the name of *Red Solidaria* in 2005, initially focussed on rural areas but gradually expanded its scope to include urban areas as well.

The historically low levels of public social spending in El Salvador along with the low levels of tax revenue have limited the country's capacity to finance social policies. According to the Economic Commission for Latin America and the Caribbean (ECLAC), social expenditures as a percentage of GDP in El Salvador reached 11.1% in 2007,<sup>2</sup> lagging behind the Latin American average of 17.3%. Additionally, 2007 figures also show that El Salvador maintains one of the lowest social per capita spending levels (USD 291, at 2000 constant prices), compared to Brazil (USD 1,019), Chile (USD 756), Costa Rica (USD 894) and Panamá (USD 491).<sup>3</sup>

The *Comunidades Solidarias'* implementation costs are covered by a combination of: i) increased internal resources (consistent with increases in tax revenues in the period); ii) external aid flows from an agreed disbursement schedule with the International Monetary Fund and Multilateral Banks such as Inter-American Development Bank (IADB), World Bank (WB), and the Central American Bank for Economic Integration; iii) potential debt issuance.

The Vice-Ministry for Development Cooperation (VMCD in Spanish) and the STP (Secretary of the Presidency) started a process in early 2010 to strengthen sector donor coordination efforts and created a partnership between donors and principal stakeholders of the *Comunidades Solidarias* programme. The main stakeholders involved are: the Ministry of Foreign Relations, the Technical Secretariat of the Presidency, the Ministry of Finance, the EU, AECID, Luxembourg, and the United Nations Development Programme (UNDP). Two main instances have been set up to follow up on strategy implementation: an Inter-institutional committee (represented by Heads of Line Ministries) and a Technical Committee (represented by technical staff in charge of programme implementation).

El Salvador has made important progress in implementing an effective social protection system. However, although they have been extended in the last decade, social protection interventions remain limited in scope and have levels of coverage below the levels observed in other countries of the region.

### **EU cooperation**

EU support to El Salvador was guided by Country Strategy Papers (CSPs) and multi-annual indicative programmes (MIPs). They provide a framework for EU assistance provided through the DCI financing instrument during the relevant EU financing cycles (2007-2013 and 2014-2020). The objectives of cooperation spelled out in the CSP 2007-2013 mainly relate to fostering social cohesion (through social investments in health, water and sanitation, and human capital development), human security, economic growth (sustained by job creation), regional integration and trade (the latter being also addressed through the EU Regional Strategy for Central America).

<sup>2</sup> ECLAC. Social spending as % of GDP in Latin America 1990-2008.

<sup>3</sup> ECLAC. Social spending per capita in Latin America (2,000 USD at constant prices) 1990-2008.

Social protection is not explicitly mentioned in the CSP 2007-2013. However, it implicitly appears under the social cohesion strategic umbrella in the MIP 2011-2013 and in the current MIP – see table below.

**Table 2** *References to Social Protection in EU programming documents*

<b>Cycle</b>	<b>Relevant focal sector(s)</b>	<b>Related SP objectives</b>
<b>2007-2013</b>	Support to SP systems not explicitly mentioned in the initial CSP, but MIP 2011-2013 includes a sector closely related to SP: <i>Fostering social cohesion and human security</i>	<u>MIP 2011-2013</u> : “Facilitate the social inclusion of life of people living in poverty through a better provision of basic social services, the improvement of their labour capacities and employment opportunities, and to contribute to the prevention of social violence in marginal areas.”
<b>2014-2020</b>	<u>MIP</u> : Youth and social inclusion. Other relevant focal sector: <i>Private sector development</i> <sup>4</sup>	<u>MIP</u> : “To support the implementation of inclusive and equitable public policies, mainly geared to young and vulnerable population groups.”

Source: *Particip’s analysis of EU programming documents.*

The main EU-financed intervention in the social protection area has been the PACSES programme, a Sector Policy Support Programme (SPSP) that provided support to the partner government’s *Comunidades Solidarias* strategy. It ensured continuity to the EU’s support to poverty reduction efforts in El Salvador, and built on the advances made through the EUR 37 million Poverty Alleviation Programme in El Salvador (PAPES), implemented from 2006 to 2010. While PAPES results were broadly satisfactory, it supported a strategy (*Red Solidaria*) that was not embedded within a broader social protection framework, relied mostly on cash transfers and investment in basic social infrastructure, and was limited in scope to rural areas. An important issue raised in the framework of the EU policy dialogue throughout PAPES implementation was the need to advance towards the preparation of an integral social policy and poverty reduction strategy. The agreement for PACSES was signed in February 2011 during a joint EU/Spanish International Development Cooperation Agency (AECID)/Lux Development formulation mission. A new EU BS programme focusing on social protection and social inclusion is currently being implemented under El Salvador’s 2014-2019 Social Action Plan. The current Multi annual Indicative-programme (2014-2020) has two axes: first one on youth and social inclusion and a second one on private sector (policy for a reform in the productive economy).

<sup>4</sup> The focal sector covers various themes such as inclusive economic growth, employment and corporate social responsibility in the territories with social violence.

## 2 Findings

### 2.1 EQ1: Relevance

*To what extent has EU support to social protection responded to clear overall strategic objectives on social protection and to specific needs of partner countries, including problems of poverty, vulnerability and social exclusion?*

#### *Summary answer*

EU support to El Salvador has been highly relevant to national needs and consistent with the EU's focus on poverty reduction and the fight against social exclusion. It has closely adapted to the government's strategies both in the evaluation period strictly speaking (2007-2013) and since. EU support is accompanying a process characterized by an evolution from social assistance programmes, largely using a cash transfer approach, towards a more comprehensive policy aiming at a universal social protection. The period 2007-2013 was characterized by a specific support to vulnerable targets like women, youth and the elderly, thus contributing to fight social exclusion. Poverty reduction is a major goal in the current period. By using the budget support modality, the EU ensured alignment to national policies. El Salvador's approach to social protection is widely considered to be one of the best in the region.

#### **2.1.1 JC 11 Objectives of EU support respond to clear overall strategic orientations on social protection.**

With its support to *Comunidades Solidarias* and, more broadly, to the SPSU framework, the EU has been highly responsive to the country's needs and its interventions were closely aligned to the national policy frameworks. EU support to SP reflected the country's needs to a high extent in the period 2007-2013 and to a very high extent in the current programming cycle (post 2014). This is partly explained by the fact that, before 2007, one of the focal areas of cooperation was poverty eradication, and the support gradually evolved into a comprehensive social protection and income generation sector programme. *Comunidades Solidarias* has become the basis for the construction of El Salvador's non-contributory social protection system, an effort that, at the end of 2013, is taken up by decision-makers, both political and the civil society, as a way without return in the protection of rights of the most vulnerable of the Salvadoran society.

The government was actively involved in the prioritization of EU support. This is partly explained by the fact that previous support to SP was already in place under budget support (through PAPES). The MIPs have been prepared in close dialogue with the GoES. The policy dialogue carried out under the PAPES programme already identified the need to advance towards the preparation of an integral social policy and poverty reduction strategy, which is embedded within a broader social protection framework, and goes beyond conditional cash transfers and investment in basic social infrastructure limited in scope to rural areas.

EU BS support in 2014-2020 is aligned with the GoES SP policy reflected in the Law of Social Development and Social Protection and the Social Plan. The indicators developed for the PACSES budget support programme were established after a long process of dialogue between the EU, government institutions and other donors supporting PACSES. 80% of the indicators are shared with those established jointly by AECID and LuxDev for their joint monitoring and evaluation system. Indicators were also carefully reviewed by the institutions responsible for their compliance and the targets were set in accordance to the availability of resources. The Ministry of Finance was among the stakeholders signing the agreement describing coordination mechanism for the participation and coordination between the main stakeholders in the programme. Other stakeholders involved were the Ministry of Foreign

Relations, the Technical Secretariat of the Presidency, the EU, AECID, Luxembourg, and the United Nations Development Programme (UNDP).

Civil society and development partners have been involved in the consultations on setting EU priorities in support in SP.

### 2.1.2 JC 12 Needs and target groups clearly identified in the design of EU support.

Needs and target groups clearly identified in the design of EU support was adequately informed by appropriate extensive statistical and demographic analysis. The design of the EU support was based on a Poverty Map, a census, the characterization of poverty in each household within the census and a prioritization developed together with NGOs and Local Authorities. These planning efforts revealed unexpected needs that were taken into account, such as urban poverty. *Comunidades Solidarias* targets were divided into Rural Solidarity Communities (CSR) and Urban Solidarity Communities (CSU).

With respect to institutional capacity, the authorities built on the experience gained from the implementation of *Red Solidaria* – which was confirmed as broadly positive by independent evaluations. Strategy implementation relied on the institutions that had already proven to have adequate capacity to execute the activities proposed and on some of the already established coordination mechanisms at the local level. Goals related to capacity development are still central in the EU support. In particular, PACSES has the following objectives: strengthen the capacities of Local Authorities in their role as promoters of development and social protection; maintain a stable and sustainable macroeconomic and consolidated fiscal framework; and improve transparency with regard to fiscal management and access to public information. A Public Expenditure Financial Assessment (PEFA) was completed in May 2009.

For the current period EU maintains its support to the relevant targets – mainly women and youth - through its support to the following programmes:

- Jóvenes con todo;
- Ciudad Mujer;
- Estrategia de Erradicación de la Pobreza (EEP, The continuation of PACSES).

Finally, specific country needs related to social inclusion of marginalized groups were also taken into consideration in the context of the EU support (for both periods, i.e. 2007-2013 and 2014-2020) aimed at addressing the challenge of youth delinquency.

## 2.2 EQ2: Basic social protection

*To what extent has EU support to social protection helped to improve access to adequate social services and basic income for all and in particular for those in need of protection?*

### *Summary answer*

EU support to social protection under PACSES has contributed significantly to improve access to adequate social services and basic income for those in need, especially women, in both rural and urban areas. Cash transfers conditional on attendance at health clinics (e.g., for vaccination) and keeping children in school have been overwhelmingly received by women, contributing to a reduction in gender inequality. Also contributing to gender equity, as well as reaching a vulnerable group in need of protection has been the institution of a modest universal old age pension at age 70-plus. An area in which there has been little tangible improvement (and little EU involvement, as well) is coverage by social insurance, essentially because most workers are either in agriculture or the informal sector.

### **2.2.1 JC 21 Social protection coverage and uptake extended / broadened with EU support.**

Data provided by the World Bank (through ASPIRE) show a strong increase in the percentage of coverage by social protection and labour schemes, from 34.9% in 2007 to 60.2% in 2012. This can be attributed to the funding of the EU-supported PACSES programme.

The social insurance component of EU support is however a smaller one. According again to ASPIRE, only 5-6% of the population participates in a contributory pension scheme. The characteristics of the labour market in El Salvador show that a greater number of poor people are concentrated in the informal sector, particularly those in extreme poverty. The EU has addressed the informal sector through a component of income generation under the CSU and the CSR.

Despite this, according to the EUD survey, between 2007 and 2013, the EU did not significantly address the informal sector (or agricultural workers) in either policy dialogue or programmes. The needs of children have been addressed to a high extent in policy dialogue, since their needs are covered by the policies developed under BS (access to health, education, special attention in certain geographical areas, etc.), but to a low extent in programmes. Under the current period (2014-2020) the informal sector has gained stronger emphasis under EU support. “Fondo Mujer” will reinforce the micro-credit component, and one of the 8 indicators under BS is related to the number of credits given to women.

### **2.2.2 JC 22 Universal access to adequate health services put in place / strengthened with EU support.**

Universal access to adequate health services has been promoted with EU support in the extreme poverty regions in the East and Central part of the country. One hundred small villages were selected and family health teams (ECOS- Equipos Comunitarios de Salud Familiar y Especializados) were installed. In 2017, figures reached 576 teams in 184 municipalities. The health reform has managed to cover, in a few years, most of the country's rural municipalities, including the 100 prioritized by CSR and 14 CSU.

Besides direct access to health services through the ECOS, improvements have been made regarding the proportion of health costs paid out of pocket, mainly thanks to the reduction in drug costs associated with the Ley del Medicamento approved in 2014. Overall, however, health reform in El Salvador continues to experience difficulties related to fiscal sustainability, human resources (particularly in rural areas), and the need for better coordination with other areas of social protection.

### **2.2.3 JC 23 Access to basic income security strengthened with EU support.**

Access to basic income security has been strengthened with EU support through PACSES. Both social assistance and in-kind transfers have been expanded during the period 2007-2012.

The main non-contributory programme in El Salvador is Comunidades Solidarias Rurales, which began in 2005 under the name of Red Solidaria. Since its inception, it has maintained a structure that includes: (i) monetary transfers to promote human capital formation; (ii) improving local infrastructure; and (iii) income generation and productive development through training programs and micro-credits, with a strong focus on food security. With the creation of Solidarity Communities, the programme added a new component that consists of strengthening municipalities and local communities to improve local management and its impacts (ECLAC, 2012b).

In the rural version of the programme that began in 2005, 100 municipalities belonging to the first two categories were selected. The urban version of the programme, created in June 2009,

prioritizes 412 urban settlements in a situation of precariousness in 25 municipalities. The recipients of the transfers may vary between the urban and rural version of the programme, and include, among others, children under five and those between 6-15 years old, as well as pregnant or lactating women.

In addition to these transfers, in 2008 the Universal Basic Pension was added to the programme for people aged 70 and over living in conditions of extreme poverty. The pension can be supplemented by other pension schemes and is also combined with the Comprehensive Care Program for the Elderly, which provides health care for the elderly who live in poverty.

Under the current period (2014-2010) efforts to strengthen basic coverages will pursue under the EEP that continues PACSES legacy.

#### 2.2.4 JC 24 Gender inequalities in social protection coverage reduced

Gender inequalities in social protection coverage have been reduced over the evaluation period and in subsequent years. One clear example is the Education and Health bonuses offered under the EU-supported PACSES progame. These conditional cash transfers, targeting almost exclusively at women, have encouraged better attendance at health centres (for vaccination, etc) and have contributed to keeping girls in school. The EU has also supported sexual and reproductive health programmes disproportionately benefiting women, e.g. “*Proyecto de los derechos de las mujeres a través del fomento de la autonomía económica y atención integral a la salud*”. Budget Support performance indicators agreed with El Salvador government are gender disaggregated. The institution of a basic social pension above the age of 70 can also be seen as a measure promoting gender equality, since a disproportionate share of the infirm elderly are women. However, there has been no apparent progress in improving the social insurance coverage of women, as the great majority are working either in the agricultural or the informal sector.

### 2.3 EQ3: European approaches and policy dialogues

*To what extent has EU cooperation with partner countries and participation in policy dialogues in the social protection field promoted European and international principles and values in that area?*

#### *Summary answer*

Strong EU cooperation coordinated between EU and MS has contributed to a shift from an assistance SP approach towards a more universal and rights-based approach. Policy dialogue with government has been strong (and improved in recent years) and EU-financed TA to the Technical Secretariat of the Presidency, a key policy agency, has made an important contribution to encouraging European values in SP. Budget support has strengthened internal planning capacities linking social policies with a rights approach thus resulting in a better connection between policy planning, social policies and rights. The Salvadorian government has made clear that it prefers approaches being promoted by the EU to those traditionally favoured in the region by the development banks.

#### 2.3.1 JC 31 EU support to social protection coordinated with MSs

EU support to social protection in El Salvador is coordinated with MS (mainly Spain and Luxembourg), and to a lesser extent development banks, mainly WB and IADB – which are not present in SP support nowadays due to the challenges to approve loans in the Parliament. Social protection issues have been broadly discussed in donor working groups.

PACSES and the Solidarity Communities Programme (PCS in Spanish) is an example of Development Partner alignment to public policy. Partners agreed upon a Code of Conduct and there is a willingness to participate in broader coordination processes linked to alignment and

harmonization. The adaptation by the development partners shows, on the one hand, the ownership and leadership exercised by the Government and on the other, the alignment and predisposition to move towards a programmatic approach to public policy. “Further efforts in planning seem to be needed since there is a tendency from the side of the government to require MS support for specific activities not clearly inserted in the overall intervention strategy (under BS)”.

### **2.3.2 JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection.**

In the period evaluated the EUD capacities to support social protection in the country did not correspond to the priority ranking of social protection in EU assistance, possibly reducing EUD’s capacity to promote European and international principles and values in policy dialogue. According to the survey, policy dialogue took place around poverty eradication, basic income provision and conditioned cash transfers and health services. SP was mainstreamed in poverty eradication and social policy dialogues.

In addition to participating in policy dialogue, the EUD has promoted a European rights-based perspective through TA provided to the Technical Secretariat of the Presidency. The approach is perceived to be closer to the recommendations of ECLAC (CEPAL) than to the policies promoted by World Bank and the Inter-American Development Bank.

### **2.3.3 JC 33 EU effectively participates in global policy dialogues on social protection**

*JC not covered by the analysis at case study level*

## **2.4 EQ4: Social partners and civil society**

*To what extent has EU support contributed to successfully involving the social partners and civil society, including the private sector and local authorities, in policy development in the social protection field?*

### *Summary answer*

The EU contributed to increase the participation of social partners, civil society, and private sector in national dialogue on social protection over 2009-2013 through the support to the Economic and Social Council (ESC) via the EUROsociAL instrument. The ESC played an important role in the discussions around the law on social development and social protection approved in 2014. However the ESC is not been active since then. Broadening social discussion with a richer variety of stakeholders, beyond the government, remains a challenge in the current phase of EU support to SP. There is little evidence of EU support to improving social dialogue and, while the EU aligns with the ILO’s Decent Work programme in El Salvador, formal links between the two organisations in the country are weak.

### **2.4.1 JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection.**

The EU support in SP in El Salvador contributed to increase the participation of social partners, civil society, and private sector in national dialogue on social protection – in the period 2009-2013 - through the support to the Economic and Social Council (ESC), which is a consultative body for social partners, civil society and DPs created in the framework of the PQD. UNDP acted as the Secretary of the ESC. EU has also supported the ESC in the framework of the EUROsociAL programme.

In March 2010, the first important goal of the ESC was achieved: A consensus among social partners on the priorities for the five-year period 2010-2014, which included a strategic commitment towards the SPSU and the need to develop a comprehensive social assistance policy. Its mandate included human rights and gender equity approaches as intrinsic elements to such policies. The ESC played an important role in the discussions around the law on social development and social protection approved in 2014 (Ley de Desarrollo y protección social). However, the ESC has not been active since then. There is no space for such a social dialogue in El Salvador under the current administration although several Councils exist where such a dialogue could take place – like the Council for minimum wage. At the time of the field visit, the political environment was not very favourable for such a dialogue to happen due to the polarisation existing before the upcoming elections in March 2018. It is not clear how the EU will give support for a broader dialogue with social partners in the short future.

The CSP acknowledges both the importance of migration to the USA and inside the Central American region. Migration, especially to the United States of America, has two main big social impacts in El Salvador: (1) the decrease of Salvadoran population (population in 2013 is one million smaller than it was expected to be in 2007) (2) major dependence of life quality and Salvadoran economy on remittances<sup>5</sup>. Therefore, the young population in El Salvador is mainstreamed as a target population in almost all programmes in the country. There is a big amount of youth population not in employment, education or training (ni-nis) who are susceptible to being attracted into the gang (“maras”) lifestyle. Programmes like PROJOVENES have tried to promote the employability of these young people, as a preventive measure to avoid the risk of exclusion and their possible option to migrate to other countries. Ciudad Mujer has also addressed migration concerns attending migran women coming from Guatemala, Honduras and Mexico. Issues related to the migration phenomena are present in the current period of EU support mainly through “Jovenes con todo”.

#### **2.4.2 JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms**

EU advocacy related to LA and civil society involvement in SP policy formulation and implementation has been limited, and appears to have been non-existent as far as the private sector is concerned. Some instances of NGO and enterprise involvement were found in specific components of the Rural Solidarity Communities programme. As per local authorities, EU encourages their involvement in delivery of SP services but very scarcely in design and monitoring of SP services. Ciudad Mujer, (through the EU support with “*Proyecto de los derechos de las mujeres a través del fomento de la autonomía económica y atención integral a la salud*”) can be considered as an example of strong involvement of local providers (NGOs) and authorities. This is reflected in the new name received by the programme: *Ciudad Mujer comunitaria*. It is trying to reinforce the cooperation with local NGOs, civil society entities and municipalities. Internacional NGO involvement like OXFAM or Terra Nova from Italy is foreseen to ease reaching the beneficiaries. Terra Nova is providing transport and OXFAM is supporting saving communitary groups.

Civil society involvement in SP is expected to increase under EU support in 2014-2020 since the new budget support programme provides for assistance to civil society to help them make use of the social-oversight/social-audit mechanisms foreseen by the Law on Development and Social Protection.

<sup>5</sup> (CEPAL) Sistemas de Protección Social en América Latina y el Caribe. El Salvador. Comisión Económica para América Latina y el Caribe.

### 2.4.3 JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU

According to the final evaluation of the Programme to support the Central American regional integration (PAIRCA), there have been exchanges of experiences and good practices to contribute to the strengthening of social protection systems. However, they are considered among the ones with the lowest level of ownership on the side of PAIRCA programme<sup>6</sup>.

EUROSociAL promotes exchange of South-South experiences between social programmes. In that framework, officials from the Ministry of Government and Territorial Development, the Ministry of Agriculture, and the Technical and Planning Secretariat of the Presidency of El Salvador undertook an exchange visit to Paraguay to learn about the overall functioning of the TEKOPORA Programme in Paraguay, i.e. its structure, characteristics, processes and components, especially in relation to its mechanisms of accompaniment socio-family and productive inclusion. The visit intended gathering elements that could contribute to the definition of the Operative Manual of the programme "*El Salvador Includes me*". An important visit from the former Brazilian Minister of Labour in 2015 was pointed out as very helpful from different stakeholders interviewed during the field visit. El Salvador government acknowledged to have understood the importance of decentralizing SP services at local level as it happens in Brazil. In 2015-2016 EUROSociAL also supported the design of "Jóvenes con Todo", the country's strategic intervention on employability/productive inclusion for disadvantaged youth or youth who were neither employed nor studying. This accompaniment included learning from relevant initiatives elsewhere in Latin America (e.g.: Argentina and Costa Rica).

The MTR contains the following recommendation: "*Exchange of regional experiences. Promote the exchange of regional experiences of local and territorial development programs with important components of community development linked to the fight against poverty, social exclusion and violence*". The field visit confirmed the high interest from the side of the national stakeholders for the exchange of experiences with other countries.

## 2.5 EQ5: Social protection systems

*To what extent has EU support contributed to sustainable improvements in social protection systems?*

### Summary answer

EU support contributed significantly to sustainable improvements in the overall country's social protection system. While institutional and fiscal challenges remain, the fact that the government of El Salvador was able to substantially increase SP expenditure using new tax revenues bodes well for sustainability. The new approach given in the current MIP to women and youth economic empowerment, income generation, and productivity improvements through support to private sector are coherent with the approach needed to improve SP sustainability. The EU has supported economic, demographic, and social analyses designed to identify sustainable SP programmes.

### 2.5.1 JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially

Selected types of social protection schemes have been reformed / modernized / strengthened institutionally and financially with EU support as follows: The TA provided to the Technical Secretary of the Presidency under PACSES has been instrumental in the development of the government's programmes on social protection and the fight against poverty and social exclusion. Social protection systems strongly improved with EU support, therefore EU support contributed significantly to sustainable improvements in the overall country's social protection

<sup>6</sup> Evaluación final del Segundo Programa de Apoyo a la Integración Regional Centroamericana – PAIRCA II, 2015.

system. On the basis of replies to the EUD survey, the EU contributed to a high extent to sickness and health care improvements and the fight against social exclusion. It contributed to a lesser extent to old age, disability and survivor's insurance; and to a very low extent or not at all to unemployment, parental responsibilities and work accidents/employment related injuries/disability. These EUD Survey replies are consistent with the fact that the EU's support went mostly to social assistance, not social insurance.

At the same time, PACSES remained largely driven by territorial considerations and lacked an overall strategic focus that would cut across institutions and agencies. Internal evaluations of pilot social protection programmes revealed problems regarding: the selection of participants, coordination among Local Governments, inadequate information and promotion of programmes, lack of important variables when prioritizing the participants, lack of stakeholders' participation when prioritizing projects in the communities, delays in delivering the expenditure and signing the agreements. All this information has been incorporated as lessons learnt during the programme design.

### **2.5.2 JC 52 Nationally defined social protection floors promoted**

A Nationally defined social protection floor has been promoted in El Salvador in the period under evaluation. The Universal Social Protection Systems (SUPS) seeks to guarantee social protection floor for all citizens with regard to education access, health, nutrition, food security, basic services, social security, community infrastructure and opportunities for income generation. The SUPS has been supported by the ILO through the advancements under its Decent Work Country Programme covering the period 2008-2011.

From 2009, a new poverty reduction programme was introduced and progressively developed to a comprehensive strategy to fight exclusion through the provision of a basic social floor. The ILO has supported and welcomed the shift from a situation where assistance was only based on conditional transfers towards a more structured social protection floor approach. This translated in the adoption, in 2014, of a development and Social Protection Law. From 2015, work has deepened with the preparation of a single planning and monitoring instrument for the social sector covering social protection issues (the 2014-2019 "Social Plan"<sup>7</sup>).

There is a weak relationship between the EU and the ILO in El Salvador while there are areas of potential cooperation, like strengthening the involvement of social partners through a more tripartite approach, youth employment, women entrepreneurship, etc. The government is currently working (with EU-financed TA support) on the definition of the Social Plan with a horizon of 2030. This intention to convert the Social Plan into a "State policy" – beyond the framework of the current government – would definitively need the involvement of social partners and civil society entities, as well as political parties, ingredients missing in the current EU approach under the BS framework.

### **2.5.3 JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered**

Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, have been thoroughly analysed and found to be a continuing challenge. The EU is providing TA support to the Ministry of Finance in order to support a new fiscal framework. The law on social development and social protection aims to promote the efficiency of social expenditure since it defines the population targets that need to be protected. In 2016, a new law on fiscal responsibility has been approved and includes a

<sup>7</sup> The Social Plan is the way the law on Social Development and Social protection is being put in place.

chapter for social expenditure. Some advancements have been achieved in the period under evaluation on issues like tax evasion (in 2009), on direct incomes (in 2012) and on other kinds of taxation such as financial transfers (in 2014). Another reform on active collection inspired by the Spanish tax system has been also recently introduced.

The fiscal situation is worrying due to the problem of public debt. The pensions system accumulates public debt at a rapid pace: In 2006, public debt from pensions was 0.6% of the GDP while in 2017 the figure amounted to a 15%. The Salvadorian government acknowledges the need to conduct a fiscal reform in order to advance towards the sustainability and equity in the support of social protection programmes. Challenges remain for such a reform due to the extreme disparity of opinions among the different stakeholders in the country. The continued increase of social expenditure from 2010 to 2015 is at risk due to the country's financial situation. The fact that GoES is not succeeding in involving other national stakeholders like social partners and civil society organisations in this reform may be contraproductive for the expected evolution.

#### **2.5.4 JC 54 Government social protection programmes consolidated and rationalized where necessary**

EU supported — through the Study on Social Protection Programmes in Central America by Mesa-Lago and De Franco (2010) — stock taking of the perspectives of different public agencies involved in Social Protection regarding the challenges to which the next programme design should respond: targeting, fiscal schemes, integrating marginalized population, gender, dealing with violence in urban communities, coordination efforts, dealing with the economic crisis context, sustainability of SP schemes, coordination among institutions involved, stakeholder involvement, capacity development regarding household finance, health access for mothers and children. El Salvador has experienced an evolution towards a more universal approach in SP, as opposed to the geographical targeting done that originally formed the basis. However, this shift is not sufficient since a more universal approach should still be applied in SP, something that is limited by budgetary constraints derived from the country's fiscal crisis.

Social protection had a stronger investment, greater coverage and stronger institutional development in 2014 than in 2009.

## **2.6 EQ6: Social exclusion**

*To what extent has EU support to social protection contributed to reducing social exclusion and, finally, poverty?*

### *Summary answer*

EU support has contributed to reduce social exclusion by addressing the needs of important vulnerable populations like women, youth and the elderly. Social exclusion has decreased as a result. However, further improvements could be reached in poverty reduction by addressing a more decentralized support to communities as well as reinforcing more universal policies like education, housing, health and employment creation.

### **2.6.1 JC 61 Social protection as a human right promoted at all levels**

The SPSU was conceived as an instrument of social policy based on the human rights approach to social protection. Its mainstreaming axes are the promotion of equity and equality between women and men and a specific life cycle approach. The PCS (Programa Comunidades Solidarias) first started as a Solidarity Network (Red Solidaria) in 2005, but in 2009 this approach shifted into a more human rights approach including gender equity. The

Technical Secretary of the Presidency moved from a care service approach to a rights-based approach which guarantees for all citizens a basic social floor in access to education, health, nutrition, food security, housing, basic services, social security, community infrastructure, and income-generating opportunities.

### 2.6.2 JC 62 EU support addresses concerns about excluded populations

EU support addresses concerns *about excluded populations in El Salvador by targeting women, youth, and the elderly (through Adultos Mayores Programme)* in the poorest regions of the country. Women have been targeted mainly through the Ciudad Mujer programme giving specific attention to sexual and reproductive health, economic autonomy and territorial management. The project *proyovenes* continued in the current phase by *Jovenes Con Todo* has the specific goal of providing increased quantity and quality of opportunities for 50,000 young people (10-25 years old) at social risk in the San Salvador Metropolitan Area. It created opportunities for job training and formal employment mediation; and technical support for the establishment of companies able to contribute to youth and family development at community and municipal level, including promotion and access to employment workshops and training schemes for young people. In its support to juvenile delinquency the EU adopted a pioneering approach, in focusing on prevention while Government policies were initially characterized by repressive plans.

### 2.6.3 JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage)

Data that would permit estimation of trends are not available, but coverage, as seen in EQ 2, has improved, with EU support contributing. MoF data show social protection expenditure (including subsidies) at about 10-15% of GDP; WB data show a dramatic increase in the share of the poorest quintile receiving social assistance, from about half to about three quarters. There is some indication that social expenditure has suffered since 2015 due to the financial and fiscal constraints detailed under EQ5. Adequacy of social protection and labour programmes as the total transfer amount received by the population participating in social insurance, social safety net, and unemployment benefits and active labour market programmes as a share of their total welfare (where welfare is defined as the total income or total expenditure of beneficiary households) decreased in El Salvador from 28.676% in 2007 to 24.054% in 2011. More recent data are not available.

## 2.7 EQ7: Modalities

*To what extent has the approach (financing instruments, modalities and channels) employed by the EU been appropriate and efficient for strengthening social protection in partner countries?*

### *Summary answer*

The choice of sector budget support has ensured the use of national systems and alignment to national policies and strategies. BS has fostered high quality dialogue on SP between the EU (including EU MSs like Luxembourg and Spain) and national stakeholders structured around the signed agreements and the BS indicators. Implementing partners (essentially government agencies) were selected based on their track record in past programmes. The use of BS has helped minimizing transaction / transfer costs. Particularly useful has been the coordinating role played by a committee chaired by the Ministry for Development Cooperation that brings together major stakeholders. MS support supplemented EU support through short TA missions funded by Lux and AECID in the framework of their cooperation in the country. EU support in the area of SP under the DCI geographic instrument and TA facilities and programmes like SOCIEUX did not strongly reinforce each other.

### **2.7.1 JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context**

The choice of sector budget support has ensured the use of national systems and alignment to national policies and strategies, consistent with the EU's international commitments (e.g., Paris and Busan and the Agenda for Change). The analysis of PFM (including the recent PEFA report) shows that El Salvador has established a credible reform in this area with positive trends in the implementation of the reform agenda. BS has extremely fostered high quality dialogue between the EU (including EU MSs like Luxembourg and Spain) and national stakeholders, with a focus on signed agreements and the BS indicators. Government has been the main channel of delivery for the whole social protection area except for "social exclusion," which involved civil society organisations. For 2014-2020, the Government remains the main channel for the provision of aid related to SP. Programme implementation relied on the institutions with proven capacity based on the implementation of Red Solidaria under PAPES and on some of the already established coordination mechanisms at the local level. In a country where social spending was traditionally very low, it was justified to use a cooperation modality which would support the Government in assuming responsibilities related to social justice. The fact that three donors are contributing to BS has allowed the TA at the STP to count on the support of short missions financed by the Luxemburg Cooperation Agency as well as by AECID, thus gaining in flexibility for their operations in the country.

There have been six external evaluation reports on Comunidades Solidarias Rurales carried out jointly by the International Food Policy Research Institute (IFPRI) and the Salvadoran Foundation for Social and Economic Development (FUSADES in Spanish). The reports confirm that Comunidades Solidarias Rurales is among the best targeted conditional cash transfer programmes in the region, along with Bolsa Familia in Brazil and Subsidio Único Familiar (SUF) in Chile.

### **2.7.2 JC 72 EU financed interventions in the social protection field are mutually reinforcing**

Thematic budget lines were only used for social exclusion. No explicit operational linkages between EU-financed interventions (during implementation) were identified. EU support in the area of SP under the DCI geographic instrument and TA facilities and programmes like SOCIEUX did not strongly reinforce each other. MS support contributed to a more effective and efficient cooperation through the short missions funded by Lux and AECID in the framework of their cooperation in the country that complemented EU BS; however, some MS would like to see themselves more involved in the planning process with the TAs funded by the EU.

### **2.7.3 JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored**

EU support through BS has minimised transactions costs for all parties involved. A Committee was created (FOCAP) to monitor the programme, reduce transaction costs, and improve overall effectiveness. FOCAP was formed by the STP, the Vice Ministry for Development Cooperation (VMCD), the Ministry of Health, and by some development partners. The VMCD emphasized that in their view BS is very efficient since funds arrive to the Ministry of Finance into a single bank account and therefore resources can be directly transferred to the general government budget. There have been delays, but government regards these as more or less structural and compensated for by the reliability of the EU as donor. The BS monitoring and evaluation framework (as well as the results approach) was emphasized by stakeholders in the field as a crucial element to achieve advancements in SP policy. The new Estrategy to combat poverty (EEP) was approved as a result of TA provided by the EU to the STP.

## 2.8 EQ8: Coherence, coordination, added value

*To what extent has EU support to social protection been coherent with other EU sector policies and to what extent has it added value to the EU Member States' and other donors' interventions?*

### *Summary answer*

The use of BS as an aid delivery mechanism has been particularly useful as it has permitted a reliable partnership with two EU MS: Luxembourg and Spain. EU MSs acknowledged that acting jointly as three had given them strength in the policy dialogue with Government and that it resulted in a clear added value for developing a more “European approach” in SP. National stakeholders emphasized the added value of this coordination as a source of inspiration for them in a country that needs stronger coordination and joint action from different parties.

### **2.8.1 JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs**

EU support in SP has been well leveraged. The “Comunidades Solidarias” programme is being supported by several international donors, mainly Spain and Luxembourg through BS (EUR 16 million and EUR 20 million respectively for 2011-2014). Other donors like Germany, USAID, the WB, IADB were also contributing to the programme. Development Banks, however, have reduced their presence in recent years since loans are not been approved by the Parliament. The three main partners, EU, Luxembourg, and Spain decided to support the PACSES through Sector Budget Support in line with aid effectiveness principles. The use of BS as an aid delivery mechanism has been particularly useful as it respected the existing national drive to tackle social protection and exclusion issues and provided Government reliable support and partnership. As signatories of the Code of Conduct signed in February 2011, the EU, AECID and Lux Development agreed to make all the necessary coordination efforts to adhere to the monitoring and evaluation scheme proposed by the Code of Conduct's Technical Work Group. Moreover, the EU and AECID have agreed to establish a single Matrix of performance indicators to track programme implementation and make disbursement decisions.

Despite the environment of economic crisis, transfers in social protection have increased from USD 41 million in 2008 to USD 173 million in 2012. This reflects EU and MS support as well as increased internal fiscal resources (consistent with increases in tax revenues in the period) and external funding.

### **2.8.2 JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment)**

Overall JC assessment *JC not covered at country report level.*

### 3 Key overall findings

El Salvador is an interesting case because of the three EU budget support programmes implemented since early 2000 (PAPES, PACSES and PLAN SOCIAL) and the type of sector programmes supported through this modality. El Salvador's recent experiences in expanding social protection, to which the EU contributed, are widely regarded in the region as a success story.

The evolution of the supported sector programmes shows a **shift from a cash transfer approach benefitting the most vulnerable populations towards a more universal SP approach** in the recent period. By reaching the most vulnerable groups (women, youth, elderly), EU-supported SP reform has contributed to reducing social exclusion.

Challenges remain in the current period to expand SP to the broader population through universal policies like education and employment. Those universal policies will eventually more clearly contribute to poverty reduction by generating more and better income and decent work. The current health reform's drive to strengthen primary care also goes in the direction to expand SP to broader population.

## 4 Annexes

### 4.1 Evaluation Matrix: Indicator level information

#### 4.1.1 EQ1

#	Indicators	Evidence
<b>JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.</b>		
I-111	Objectives of EU support respond to clear overall strategic orientations	<i>See the analysis carried out at the global level in the main report of the evaluation.</i>
I-112	Objectives of EU support aligned to national SP policy framework	<p>The SPSU seeks to guarantee social protection floor for all citizens with regard to education access, health, nutrition, food security, basic services, social security, community infrastructure and opportunities for income generation. The SPSU is one of the fundamental pillars of the anti-crisis Plan launched in 2009 in which the PACSES is embedded.</p> <p><i>Source: PACSES Project documentation and 'El Sistema de protección social en El Salvador. Posibilidades para la articulación de sus componentes' (CEPAL, 2016).</i></p> <p>EU policy dialogue around SP already started throughout PAPES implementation (2006-2010). In that framework it was agreed to advance towards the preparation of an integral social policy and poverty reduction strategy.</p> <p><i>Source: DEVCO (2011) 583576. Action Fiche (pp.2-3).</i></p> <p>EU budget support is developed under the coordination of the STPP, which as responsible of all public policy in place in El Salvador, is also responsible of leading PACSES, establishing financing priorities, and —under exceptional circumstances— ask EU for modifying indicators or goals established under which fulfilment funds would be released during the development of PACSES (Financing Agreement DCI-ALA/2011/022-647, pp.7-8).</p> <p>In 2007 social protection was an area of low concern for the government while in 2013 it was an area of important concern to a high extent.</p> <p><i>Source: Survey and field visit.</i></p> <p>EU support has also focussed on social inclusion of marginalized groups, by addressing the challenge of youth delinquency (via inter alia TVET).</p>
I-113	Design of EU support based on participatory approaches involving partner key national institutions (MoF, Central Banks), social partners and civil society	<p>Social partners and civil society, including development partners, were involved in the consultations on setting EU priorities in support in SP. The Economic and Social Council, an institutional body representing social partners and civil society was created in 2009 in the framework of the anti-Crisis Plan that gave also birth to the SPSU.</p> <p><i>Source: MTR of PACSES (2009-2012), DEVCO 2014.</i></p> <p>Social partners and civil society were only involved to a low extent in the consultations on setting EU priorities in support in SP.</p> <p><i>Source: EUD Survey.</i></p> <p>The indicators established for the EU budget support were established after a long process of dialogue between EU, Salvadoran Government Institutions and other donors supporting PACSES.</p> <p><i>Source: Financing Agreement DCI-ALA/2011/022-647, p. 9.</i></p> <p>The agreement describing the coordination mechanism for the stakeholders involved was signed by the Ministry of Foreign Relations, the Technical Secretariat of the Presidency, and the Ministry of Finance, the EU, AECID, Luxembourg, and the United Nations Development Programme (UNDP) on February 18, 2011 during the joint EU/Spanish International Development Cooperation Agency (AECID)/Lux Development formulation mission.</p> <p><i>Source:(DEVCO (2011) 583576. Action Fiche El Salvador, p.4.</i></p>

#	Indicators	Evidence
I-114	EU support to SP addresses emerging EU policy concerns such as migration, refugees, and security	<p><i>The EU has supported GoES with the PROJOVENES programme, addressing the risks and challenges related to youth and delinquency in the country. <a href="http://www.injuve.gob.sv/?option=com_content&amp;view=article&amp;id=938&amp;Itemid=266">http://www.injuve.gob.sv/?option=com_content&amp;view=article&amp;id=938&amp;Itemid=266</a></i></p> <p>“Education and training in conflict contexts, as a way of reintegrating society, has also received substantial consideration in countries such as El Salvador”</p> <p><i>Source: DEVCO, Thematic Global Evaluation of EC support in the sectors of ESI (Employment and Social Inclusion) in partner countries (including vocational training), 2011.</i></p> <p>A map of delinquency, insecurity and violence was done by the Ministry of Justice and Security in order to prioritize the urban areas as recipients of Social Protection Programmes. According to an evaluation carried out over one of the cash transfer programmes (PATI), some insecurity due to violent gangs was identified in the launching stage of the programme when identifying potential participants in the programme.</p> <p><i>Source: EC, Study on Social Protection in Central America, 2010.</i></p>
<b>JC 12 Needs and target groups clearly identified in the design of EU support</b>		
I-121	EU-supported interventions based on sound analyses of opportunities (including fiscal space), and problems and barriers (including in terms of institutional environment) to achieving universal access to social protection	<p>The Evaluation Department of FISDL carried out perception studies about health and education bonds within Social Protection Programmes in 2007, 2008 and 2009 (Redes Solidarias and Comunidades Solidarias Rurales) in order to inform decision making about the design of the Social Protection Programmes for the next programming period.</p> <p><i>Source: EC, Study on Social Protection in Central America, 2010.</i></p> <p>Institutional capacity needs and fiscal constraints were defined in EU strategy as follows:</p> <ul style="list-style-type: none"> <li>• To strengthen the capacities of Local Authorities in their role as promoters of development and social protection;</li> <li>• To maintain a stable and sustainable macroeconomic and consolidated fiscal framework; and;</li> <li>• To improve transparency with regard to fiscal management and access to public information.</li> </ul> <p><i>Source: Financing Agreement DCI-ALA/2011/022-647, (p.3).</i></p> <p>EU built on the previous experience of BS support. As regards institutional capacity and implementation arrangements, the authorities are building on the experience gained from the implementation of Red Solidaria confirmed as broadly positive by independent evaluations.</p> <p><i>Source: DEVCO (2011) 583576. Action Fiche (p.4).</i></p> <p>A Public Expenditure Financial Assessment (PEFA) was completed in May 2009. (DEVCO (2011) 583576. Action Fiche El Salvador, p.6). While the report findings confirmed that overall El Salvador has a solid Public Financial Management (PFM) system, the report also highlighted the need to define a new strategic framework to guide the process of PFM improvement.</p> <p><i>Source: PEFA 2009</i></p>
I-122	EU-supported interventions based on correctly identified uncovered and underserved groups	<p>The EU support to SP was based on analysis conducted in the framework of the Plan Quinquenal de Desarrollo where substantiated analysis included reference to vulnerable populations, uncovered and underserved groups.</p> <p><i>Source: EU programme documents and Plan Quinquenal de Desarrollo.</i></p> <p>Specific country needs related to social inclusion of marginalized groups have also been taken into consideration in the context of the EU support aimed at addressing the challenge of youth delinquency. Security is a major challenge in the Latin American region. In Brazil, for example EU support relates to urban social inclusion whereas in El Salvador it has targeted social integration of young people in conflict contexts via inter alia TVET.</p> <p><i>Source: DEVCO, Thematic Global Evaluation of the EU support in the sectors of ESI (Employment and Social Inclusion) in partner countries (including vocational training), 2011</i></p>

#	Indicators	Evidence
I-123	EU-supported interventions utilise census, economic and social data	Programme design was based on a Poverty Map, a census, the characterization of poverty in each household within the census and a prioritization developed together with NGOs and Local Authorities. These planning efforts revealed unexpected needs that were taken into account, such as urban poverty. <i>Source: EC, Study on Social Protection in Central America, 2010.</i>
I-124	Data gaps identified and adequately mitigated in design of EU support	EU financially supported a Longitudinal Survey of Social Protection 2013 in order to measure and evaluate the development of Social protection in El Salvador. <i>Source: Encuesta Longitudinal de Protección Social, Secretaría Técnica de Presidencia, 2013.</i> EU financially supported the Longitudinal Survey of Social Protection 2013 (also financed by IADB) within a regional initiative aiming to strengthen institutional capacities to design reforms in the Social Protection area. The field visit showed however that the survey has not been continued sinceinde then (The IADB had found no more resources for it). <i>Source: Secretaría Técnica de Presidencia, 2013</i>

#### 4.1.2 EQ2

#	Indicators	Evidence
<b>JC 21 Social protection coverage and uptake extended / broadened with EU support</b>		
I-211	Trends in social insurance (old-age pension, disability, unemployment, etc.) coverage rates, e.g. Proportion of work force actively contributing to a pension scheme Proportion of active workforce with qualifying for unemployment benefit Proportion of elderly receiving a pension, etc.	Regarding the proportion of work force actively contributing to an old age pension scheme, data from ISSI (ILO) for 2007 and 2008 show a slight decrease (from 26.3 to 24.3%). <i>Source: <a href="http://www.ilo.org/dyn/ilossi/ssimain.home">http://www.ilo.org/dyn/ilossi/ssimain.home</a>.</i> The ILO annual World Social Protection Report only provides data for 2009 (19.8%). <i>Source: <a href="http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang-en/index.htm">http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang-en/index.htm</a>.</i> According to the the Wold Bank ASPIRE database, the share in total population of contributors to social insurance pensions for 2007-2012 has remained stable around 5.5% with the highest value in 2009 (6.3%). <i>Source: <a href="http://datatopics.worldbank.org/aspire/">http://datatopics.worldbank.org/aspire/</a>.</i> Data from the ILO's AWSPR show an increase on the proportion of elderly receiving a pension for the period from 2005 (14.5%) to 2009 (18.2%). On the other hand, the ILO International Social Security Inquiry shows a decrease in the old age pension recipient ratio above retirement age when excluding mean-tested pensions (a type of non-contributory pensions). In 2007, 18.8% of people above retirement age received an old-age pension, while in 2012 the percentage lowered to 17%. If mean-tested pensions are included, the trend is reversed. There was an increase on the percentage of people above retirement age receiving an old-age pension from 18.8% in 2007 to 20.6% in 2012. According to ASPIRE (WB) trends in coverage of social insurance in El Salvador have been uneven. There was a great increase from 2007 (5.4%) to 2008 (8.6%); afterwards a steady decrease started from 6.3% (in 2009) to 5.5% (in 2012). Also according to WB, coverage by social protection and labour schemes increased from 34.9% in 2007 to 60.2% in 2012.
I-212	EU support for social protection recognizes special needs of the informal sector	The CSP states that the EU will promote decent work for all in line with the ILO agenda. Special emphasis will be given to the progressive integration of the informal sector into formal economy, on social dialogue and on corporate social responsibility. <i>Source: Country Strategy Paper (CSP).</i> Underemployment in El Salvador is very high. Nearly 37% of employed workers in 2006 were underemployed, a percentage that rises to around 50% in the rural areas, due to a traditional rural economy that performs in activities of very

#	Indicators	Evidence
		<p>low productivity and income. More than 70% of jobs are in the informal economy and small peasant activity. 83% of the employed are employed in agricultural activities and 54% develop their activities as wage earners (in the rural sector this percentage drops to 47.9%). The characteristics of the labour market in El Salvador show that the greater number of poor people are concentrated in the informal sector, particularly those in extreme poverty. The EU has addressed the informal sector through a component of income generation under the CSU and the CSR.</p> <p>In the current period (2014-2020) income generating activities will be prioritized for youth and women targets under “<i>Jóvenes con Todo</i>” and “<i>Ciudad Mujer</i>” programmes –with support from CONAMYPE- respectively.</p>
I-213	EU support for social protection recognizes special needs of children	<p>Within CSR (Rural Solidarity Communities) there are Education Bonds (up to 20 USD) for families with children (5-15 yr.) so children keep enrolled on school <i>Source: EC, Study on Social Protection in Central America, 2010. Case study for El Salvador.</i></p> <p>The needs of children have been addressed to a high extent in policy dialogue, since their needs are covered by the policies developed under BS, (access to health, education, special attention in certain geographical areas, etc., but to a low extent in programmes (although Ciudad Mujer addresses in an indirect way. However, as part of the reform of the health system, attention to children in the first level of attention is being strengthened and the new BS programme "Apoyo al Plan Social 2014-2020" includes as one of its indicators linked to disbursement the provision of "Comprehensive health care for children in their first year of life, with at least 6 medical controls".</p> <p><i>Source: Survey and interview with Desk officer and on the field.</i></p> <p>At a number of points (e.g., I-114) reference is made to the alignment of EU support to SP with its support of efforts to combat youth violence and delinquency.</p>
<b>JC 22 Universal access to adequate health services put in place / strengthened with EU support</b>		
I-221	Proportion of population with access to basic health services (e.g., living within 5 km of a health facility) <sup>8</sup>	<p>Focusing on the 32 municipalities classified as in severe poverty, there has been an increase from 65% to 77% of population with access to sanitary services according to the EC (SEC(2011) 867 final, p. 47). According to the study on Social Protection in Central America carried out by Mesa-Lago and De Franco (2010), “live births attended by skilled health staff improved in 2010” (p. 28). According to CEPAL (Martínez 2013, p.23), percentage of active population covered by health insurance increased from 22% in 2007 to 30% in 2008.</p> <p><i>Sources:</i>  <a href="http://www.countdown2015mnch.org/documents/2015Report/Countdown_to_2015_final_report.pdf">http://www.countdown2015mnch.org/documents/2015Report/Countdown_to_2015_final_report.pdf</a>,  <a href="http://www.who.int/topics/millennium_development_goals/accountability_commission/Commission_Report_advance_copy.pdf">http://www.who.int/topics/millennium_development_goals/accountability_commission/Commission_Report_advance_copy.pdf</a>,  <a href="https://www.oecd.org/derec/publicationsdocuments/all/34/">https://www.oecd.org/derec/publicationsdocuments/all/34/</a>.</p> <p>In urban areas, Solidary Communities aims to expand the social network of health, nutrition and educational services. It seeks to universalize coverage to the sixth grade for children between 5 and 14 years old and to increase the basic coverage of health services in the country through mobile units, as well as to expand the basic infrastructure of water, electricity and roads.</p>
I-222	Proportion of women receiving adequate ante-natal care. 2007-2013 <sup>9</sup>	<p>El Salvador is close to the global target of 100% coverage set by the International Conference on Population and Development regarding “at least one visit” (94%), but is further regarding “at least four visits” (78%).</p> <p><i>Sources:</i>  <a href="http://www.countdown2015mnch.org/documents/2015Report/Countdown_to_2015_final_report.pdf">http://www.countdown2015mnch.org/documents/2015Report/Countdown_to_2015_final_report.pdf</a>,</p>

<sup>8</sup> e.g. [http://www.who.int/healthinfo/indicators/2015/chi\\_2015\\_110\\_health\\_service\\_access.pdf?ua=1](http://www.who.int/healthinfo/indicators/2015/chi_2015_110_health_service_access.pdf?ua=1).

<sup>9</sup> E.g., [http://www.who.int/healthinfo/indicators/2015/chi\\_2015\\_76\\_antenatal\\_care.pdf?ua=1](http://www.who.int/healthinfo/indicators/2015/chi_2015_76_antenatal_care.pdf?ua=1).

#	Indicators	Evidence
		<p><a href="http://www.who.int/topics/millennium_development_goals/accountability_commission/Commission_Report_advance_copy.pdf">http://www.who.int/topics/millennium_development_goals/accountability_commission/Commission_Report_advance_copy.pdf</a>,  <a href="https://www.oecd.org/derec/publicationsdocuments/all/34/">https://www.oecd.org/derec/publicationsdocuments/all/34/</a>.</p>
I-223	Proportion of health costs paid out of pocket	<p>According to the ILO annual World Social Protection Report 2014/15, the proportion of health costs paid out of pocket has been reduced over the period 2007-2011 from 36.4% to 32.3%.  Source: <a href="http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm">http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm</a>.</p>
<p>Additional evidence:  According to the Study on Social Protection in Central America, 2010, in 2007 only 16% of the total population had access to public health services, a major weakness in the poverty reduction strategy. Public health spending should ensure access to this service for the entire poor population, but only covered 9% (559,151 people). Of the total poor, 17% had access to this public health services, leaving 83% (2.7 million) without access. In this service the access of the urban population was 17.8%, somewhat higher than that of the rural population, which was 16.3%.  Some of the challenges of the Health sector identified in the PACSES MTR still remain, e.g. the need to ensure fiscal sustainability, continued high staff turnover in rural areas, and the need to better articulate health care with other forms of social protection. needed</p>		
<p><b>JC 23 Access to basic income security strengthened with EU support</b></p>		
I-231	Programmes related to basic income security (e.g., unconditional cash transfers, non-contributory social pension, social assistance) in place with EU support.	<p>According to the ILO's International Social Security Inquiry, expenditure has increased from 0 USD (in 2010) to 14 million USD (in 2012). The target group corresponding to the expenditure in 2012 is 50,733 people.  Source: <a href="http://www.ilo.org/dyn/ilossi/ssimain.home">http://www.ilo.org/dyn/ilossi/ssimain.home</a>.  Data from the 2013 ILO annual World Social Protection report show that the main non-contributory scheme (Universal Basic Pension) covers 26,850 people (which represents 4.3% of population over 60 years and 5.9% over 65). The level of monthly benefit is 50 USD. Before 2010 the country lacked non-contributory pension schemes.  Source: EC, Study on Social Protection in Central America, 2010 And <a href="http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm">http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm</a>.  According to ASPIRE, the population receiving social assistance has increased from 0.7% in 2007 to 2.5% in 2012. There is a higher coverage in urban (3.1% in 2012) than in rural areas (1.4% in 2012).  Source: <a href="http://datatopics.worldbank.org/aspire/">http://datatopics.worldbank.org/aspire/</a>.</p>
I-232	In-kind transfers (e.g., food and in-kind transfers for work) in place with EU support	<p>In kind transfers take place with EU support, e.g., the education bonus, (mothers must ensure that children between 5-18 years old are registered and attend school); the health bond, for pregnant mothers and children 0-5 (they must register at the health center and receive the vaccines and periodic checks). ASPIRE data shows a great increase in in-kind coverage (from 15.8% in 2007 to 54.4% in 2012).  Source: <a href="http://datatopics.worldbank.org/aspire/">http://datatopics.worldbank.org/aspire/</a>.</p>
<p><b>JC 24 Gender inequalities in social protection coverage reduced</b></p>		
I-241	Conditional and unconditional cash transfer programmes for mothers and children in place with EU support	<p>In the period 2007-2012, there is a positive trend in the conditional transfers to mothers from 27% to 44%. In the period 2007-2010 coverage grew to more than double: from 27% to almost 56%.  To receive the education bonus, mothers must ensure that children (5-18) are registered and attend school; For the health bond, pregnant mothers and children 0-5 must register at the health centre and receive the vaccines and periodic checks. Mothers and parents should also attend training aimed at improving their knowledge and health practices.  Source: EC, Study on Social Protection in Central America, 2010. Case study for El Salvador.  "The government strategy for the development of the SP system does not only have a strong gender orientation but it successfully streamlines gender as a tangible and decisive element for policy implementation. Moreover, there are gender-specific activities"</p>

#	Indicators	Evidence
		<p><i>Source: DEVCO (2011) 583576. Action Fiche El Salvador, p. 12</i></p> <p>In programmes such as PATI (Temporal Support for Income Programme) chiefs of the household are prioritized to participate. The priority is higher if the chief of the household is a woman.</p> <p>According to an evaluation carried out in 2009, 97% of Education and Health Bonds were received by to women.</p> <p><i>Source: EC, Study on Social Protection in Central America, 2010</i></p> <p>The conditional cash transfers under the EU supported PACSES programme had a clear gender orientation under the cash transfer programmes. In rural areas, the transfers correspond to between 15% and 18% of the rural minimum wage and the objective is to stimulate the demand for health services, nutrition and basic education. The programme offers two types of transfers. The health bonus, which is only available for Solidarity Communities Rural, consists of a flat transfer of 20 dollars delivered twice a month for children under five years of age and pregnant and lactating women. The transfer is conditional on compliance with vaccination, attendance at prenatal and weight and height checks. The education bonus is valid for both Rural and Urban Solidarity Communities and consists of a flat transfer in rural areas, and a transfer conditioned by school attendance and gender of the recipient in urban areas. The transfer is given twice a month to families with children between 6 and 15 years old and is conditioned by enrolment and school attendance. In urban areas, the education bonus also includes an allowance for transportation and a monthly savings allowance for children enrolled between seventh and high school. <i>Source: ECLAC, 2012b.</i></p>
I-242	Maternity programmes in place, offer adequate coverage, and operational with EU support	<p>Maternity programme is in place mainly under the Health component of the Rural Solidarity Communities (CSR).</p> <p>The health reform has managed to cover in a few years most of the country's rural municipalities, including the 100 prioritized by CSR and 14 CSU.</p> <p><i>Source: MTR of PACSES (2009-2012), DEVCO 2014.</i></p> <p>According to the ILO annual World Social Protection Report, El Salvador has a Social Insurance programme for maternity since 1949. 75% of the wage is paid for 12 weeks.</p> <p><i>Source: <a href="http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm">http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm</a>.</i></p> <p>EU support has been addressed to vulnerable women attending the 6 locations of Ciudad Mujer spread in the country. Another specific program targeting women –with health and economic autonomy services- has been recently implemented in the country with EU support: “Proyecto de los derechos de las mujeres a través del fomento de la autonomía económica y atención integral a la salud”. All Budget Support indicators agreed with El Salvador government are gender disaggregated.</p>
I-243	Social assistance coverage of the elderly, disaggregated male/female if possible	<p>Data from Longitudinal Survey of Social Protection 2013 reveal that 21.7% of men (above 60 years) and 8.2% of women (above 55 years) were covered by old-age pensions (totalling a coverage of 12.9% of statutory pensionable age (Secretaría Técnica de Presidencia, 2013). See also I-211.</p>

#### 4.1.3 EQ3

#	Indicators	Evidence
<b>JC 31 EU support to social protection coordinated with MSs</b>		
I-311	Evidence for regular coordination efforts between EC and EU MSs in field of social protection at global level	<p>At country level, the EUD has embarked on a joint formulation process with donors of the Poverty and Budget Support Groups in El Salvador. As signatories of the Code of Conduct, the EU, AECID and Lux Development have agreed to make all the necessary coordination efforts to adhere to the monitoring and evaluation scheme agreed in the Code of Conduct's Technical Work Group.</p> <p><i>Source: DEVCO (2011) 583576. Action Fiche El Salvador, p. 9</i></p>

#	Indicators	Evidence
		<p>Spain, through AECID, signed a four-year Association Agreement with El Salvador (2010–2014) for EUR 265 million, of which EUR 16 million will be allocated to support the implementation of Comunidades Solidarias through a programmatic sector policy support programme, and EUR 100 million for a Water Fund that will contribute to implementation of Pillar 2 of the strategy (DEVCO (2011) 583576. Action Fiche El Salvador, p. 9) Luxembourg (Lux Development) designed its multi-annual cooperation programme with El Salvador and it will include a EUR 20 million allocation to support implementation of Comunidades Solidarias.</p> <p><i>Source: DEVCO (2011) 583576. Action Fiche El Salvador, p. 9.</i></p> <p>The Andalusian Agency for International Cooperation (AACID in Spanish) is also in the process of formulating a new poverty reduction support programme for EUR 15 million, implementation modality yet to be defined (DEVCO (2011) 583576. Action Fiche El Salvador, p. 9)</p> <p>Other donors contributing to the Social Protection sector in El Salvador included WB and the IADB. However field visit showed that WB and IADB are not currently involved in SP interventions due to the challenges to approve loans in the Parliament.</p> <p><i>Source: Field visit, interview with IADB.</i></p> <p>According to some key informants during the field visit, further efforts in planning are needed since there is a tendency from the side of the government to require MS support for specific activities not clearly inserted in the overall intervention strategy under BS.</p> <p><i>Source: Field mission interviews.</i></p>
I-312	EU participates in / manages joined-up approaches (e.g., joint programming, MDTFs, joint monitoring, etc.) including social protection components	<p>EU, AECID and LuxDev agreed on a joint monitoring and evaluation system for their support to Comunidades Solidarias (DEVCO (2011). Action Fiche El Salvador, p.22) “Not exactly MDTF, but a common budget support scheme using joint verification missions joint evaluations, sharing most of the performance measuring indicators, etc.”</p> <p><i>Source: EUD Survey.</i></p>
I-313	EU strategy, programming and programme documents related to SP refer to EU Member States’ policies and support	<p>EU budget support relies and advances on the support provided to Social Protection in El Salvador by MS as Spain, Luxembourg and Germany</p> <p><i>Source: DEVCO (2011) 583576. Action Fiche El Salvador.</i></p>
<b>JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection</b>		

#	Indicators	Evidence
I-321	Evidence of suitably qualified staff formally designated and actually deployed to support social protection at country, regional and HQ level	In the period 2007-2013 the capacities to support social protection in the country did not correspond to the priority ranking of social protection in EU assistance. There was no specific training to EUD staff on the issue of social protection on which there was a budget support programme. <i>Source: EUD Survey</i> Interviews with the government on the field visit however emphasized the support and guide received from previous programme officers at the DUE as well as from the current one. <i>Source: Field mission interviews</i> Government representatives interviewed generally expressed greater alignment with European rights-based approaches to social protection than with the more market-oriented reform packages associated with the World Bank and Inter-American Development Bank. <i>Source: Field mission interviews</i>
I-322	Evidence of EU active engagement in regional fora on social protection.	Not relevant at country level.
<b>JC33 EU effectively participates in global policy dialogues on social protection</b>		
<i>JC not covered by the analysis at case study level</i>		

#### 4.1.4 EQ4

#	Indicators	Evidence
<b>JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection</b>		
I-411	EU promotes and facilitates social dialogue (government, trade unions, employers' organisations) and dialogue with civil society through its social protection programmes	EU Delegation in El Salvador promoted dialogue between Salvadorian Government, entrepreneurs, and different agents to promote a fiscal reform needed to guarantee the sustainability of Social Protection Programmes <i>Source: EC, Study on Social Protection in Central America, 2010.</i> The Five Year Plan that frames the EU support in SP in El Salvador contained as one of its main axes the creation of the Economic and Social Council. <i>Source: Plan Quinquenal de Desarrollo.</i> Social dialogue was promoted by the EUD as part of its support to the ESC in the framework of the PQD lead by the government. However no specific actions have been identified during the field mission to strengthen social partners involvement in SP. <i>Source: Field mission interviews</i>
I-412	Evidence for strengthened capacity of social partners (trade unions and employers' organisations) to participate in social protection policy dialogue	EU supports the Economic and Social Council (established in 2009 under the PQD) in the framework of the EUROSOCIAL programme. <i>Source: <a href="http://eurosocial-ii.eu/es/pais/el-salvador">http://eurosocial-ii.eu/es/pais/el-salvador</a>.</i> With the new government in 2014 the ESC was dismantled. Apparently in 2009 it was created as a consultative body linked to the Presidency and particularly with some of the authorities at the STP. The new administration in 2014 decided not to continue with the work developed with the ESC. <i>Source: Field visit</i>
I-413	SP mainstreamed in other policy dialogues where relevant, e.g. trade and migration	The CSP acknowledges both the importance of migration to the USA and inside the Central American region. The young population in El Salvador is mainstreamed as a target population in almost all programs in the country. There is a big amount of youth population not in employment, education or training. Programmes like PROJOVENES have addressed the employability of the Young people being this a preventive action to fight against migration of the said young people to other countries. Ciudad Mujer addressed the migration issue in cooperation with the International Organization for Migration (IOM) since migrant women coming

#	Indicators	Evidence
		<p>from Guatemala were attended in some of the Ciudad Mujer locations in the west.</p> <p><i>Source: Field mission interviews</i></p>
<b>JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms</b>		
I-421	In policy dialogue, EU advocates for LA involvement in design, delivery, and monitoring of social protection services under supported reforms	<p>At the level of the rural municipalities where the Red Solidaria Programme was initially prioritized, as of 2005, the focal point of the intervention has been the FISDL-in coordination with the Municipal Governments and the NGOs or Support and Monitoring Consultants- and the basis for targeting has been the National Extreme Poverty Map (FLACSO, 2005), based on the 100 municipalities listed as severe and high extreme poverty. EU advocates to a low extent for LA involvement in design and monitoring of SP services and to a high extent in delivery of SP services.</p> <p><i>Source: Survey and field visit.</i></p>
I-422	In policy dialogue, EU advocates for NGO and private sector involvement in design, delivery, and monitoring of social protection services under supported reforms	<p>According to the CSP when co-financing civil society initiatives, preference should be given to supporting processes and policies rather than financing of local projects. Priority could be given to proposals supporting the focal sectors in the CSP and the main cross-cutting issues, but preserving the independence of civil society. The aim would be to back up civil society, in particular local stakeholders, in participating in designing global, sectoral and development policies and being actively involved in the consultation processes. This will be the case under the new BS programme "Apoyo al Plan Social 2014-2020, which foresees funding for a call for proposals to encourage CS oversight of the Social Plan.</p> <p>NGOs have been involved in different components of the programme, particularly in CSR.</p>
I-423	National and international NGOs and private sector firms with specialist expertise contracted for service design and delivery under supported reforms	<p>EU advocates to a low extent for civil society (NGOs) involvement in design, delivery and monitoring of SP services and to a very low extent or not at all for private sector involvement.</p> <p><i>Source: EUD Survey.</i></p> <p>NGOs and enterprises were involved in the implementation of some SP programmes such as CSR (Rural Solidarity Communities) EC, Study on Social Protection in Central America, 2010. Country case El Salvador.</p>
<b>JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU</b>		
I-431	Evidence of social partners and civil society organisations (e.g., advocacy NGOs, research organisations) involved in EU-supported policy development events on SP including international fora	<p>"Similarly, in non-ACP countries (ASIA, ENPI, Latin America) DWA is not explicitly addressed as a key issue or a priority. However, within nine programmes scrutinized, five interventions include issues relating to social protection, social empowerment and social dialogue (Bangladesh, El Salvador, Jordan, Tunisia and Vietnam)".</p> <p><i>Source: Thematic Global Evaluation of EC support in the sectors of ESI (Employment and Social Inclusion) in partner countries (including vocational training), 2011.</i></p>
I-432	Regional and global networks of social protection stakeholders supported	<p>There is no evidence in the desk analysis of a regional component of the programme at the level of Central America region. However some activities took place in the framework of EUROSOCIAL, between Paraguay and El Salvador as well as between Brazil and El Salvador.</p> <p><i>Source: <a href="http://eurosocial-ii.eu/es/noticia/el-salvador-conoce-la-experiencia-del-programa-de-proteccion-soc">http://eurosocial-ii.eu/es/noticia/el-salvador-conoce-la-experiencia-del-programa-de-proteccion-soc</a>.</i></p> <p>Several actions in the framework of EUROSOCIAL were also reported between Argentina and El Salvador (on youth employment through the ministries of labour) and the attendance to a seminar in Guatemala by a member of the STP.</p> <p><i>Source: Field visit</i></p>

## 4.1.5 EQ5

#	Indicators	Evidence
<b>JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially</b>		
I-511	Appropriate capacity development measures supported by EU	“The TA provided to the Technical Secretary of the Presidency under PACSES has been instrumental in the development of the government’s social sector in particular in what regards programmes on social protection and the fight against poverty and social exclusion”. <i>Source: Survey and Field visit.</i>
I-512	Weaknesses in SP legal frameworks, identification, registration, payment, etc. systems analysed, appraised, and addressed with EU support	Internal evaluation of pilot social protection programmes revealed problems of different sort that were incorporated as lessons learnt during the programmes design. <i>Source: EC, Study on Social Protection in Central America, 2010.</i> “The EU support has contributed to the setting up of a number of management tools for the social sector such as a monitoring system”. <i>Source: EUD Survey.</i>
I-513	EU support takes SP governance issues into account and addresses gaps and deficiencies	EU budget support includes strengthening Local Authorities, strengthening information systems, designing and implementing monitoring and evaluation tools, and promoting the interchange of experience with other countries within the region, the involvement of citizens, and the coordination among institutions. <i>Source: Financing Agreement DCI-ALA/2011/022-647, p. 4.</i>
<b>JC 52 Nationally defined social protection floors promoted</b>		
I-521	Evidence that the EU advocates in policy dialogue with government to adopt the national social protection floor approach	The Universal Social Protection Systems (SUPS) seeks to guarantee social protection floor for all citizens with regard to education access, health, nutrition, food security, basic services, social security, community infrastructure and opportunities for income generation <i>Source: EC, Study on Social Protection in Central America, 2010.</i>
I-522	EU support to SP coordinated with ILO country and regional offices	There is no coordination between the EU and the ILO in El Salvador since relationship between the institutions is very weak at country level. ILO had an office in the country in the period 2007-2013 but is not present there anymore since the projects working in El Salvador at that time have been finalized. The sub-regional Central American office –based in San Jose, Costa Rica- has approached the EUD in San Salvador to look for funds for their work. No further clear information about this potential cooperation could be found during the field mission. <i>Source: Field mission interviews.</i>
<b>JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered</b>		
I-531	EU supported social protection schemes designed / administered on the basis of sound financial and actuarial analysis	EU supported sound simulation analysis of cost and benefits for different population groups (according to income levels) of the Social Protection Programmes at the end of the first programming period (2006-2010) and before entering the next one (2010-2015). <i>Source: EC, Study on Social Protection in Central America, 2010.</i> The analysis of the macroeconomic framework made by the EU Delegation, supported by the satisfactory conclusion of the IMF Article IV Consultation and First and Second Reviews under the Stand-by Arrangement (SBA), and recent announcement of its agreement on a macroeconomic programme for 2011, indicates that the macroeconomic policy is conducive to stability and, hence, to meeting sector strategy objectives. As a result, this stability-oriented macroeconomic policy is an appropriate basis for providing sector budget support (DEVCO (2011) 583576. Action Fiche El Salvador, p.7) <i>Source: EU budget support is conditioned to the maintenance of a macroeconomic policy oriented towards stability and following the IMF programme “stand-by” among others (Financing Agreement DCI-</i>

#	Indicators	Evidence
I-532	Evidence of EU supporting the transition to sustainable national financing for social protection	<p>ALA/2011/022-647, p. 7).</p> <p>Up to 2010, social protection budget was mainly supported internally by indirect taxes such as VAT. Salvadorian government conducted a fiscal reform in order to advance towards the sustainability and equity in the support of social protection programmes.</p> <p>Source: EC, <i>Study on Social Protection in Central America, 2010</i>.</p> <p>Although reforms already conducted, need to be further developed to guarantee the sustainability of Social Protection programmes (ICEFI, 2016).</p> <p>Source:</p> <p><a href="http://icefi.org/sites/default/files/busqueda_de_acuerdo_nacional_de_sostenibilidad_fiscal.pdf">http://icefi.org/sites/default/files/busqueda_de_acuerdo_nacional_de_sostenibilidad_fiscal.pdf</a>.</p> <p>The EU has an ongoing TA programme assisting the Ministry of Finance on fiscal reform.</p> <p>Source : <i>Field visit</i></p>
I-533	Evidence of poverty impacts and redistributive effects analysed and monitored in EU support to SP	<p>According to an evaluation carried out in 2009 with regard to Education and Health bonds (conditional cash-transfers), it was found that these transfers represented 24% of family income, that 75% of families reported an increase on the family economy situation, 81% of families used these transfers to buy food, 74% reported increases in family health conditions and 70% reported an increase on child education (FISDL, 2009 cited in the <i>Study on Social Protection in Central America, 2010</i>).</p> <p>Poverty impacts and redistributive effects are analysed and monitored as part of the BS. "Poverty rates in El Salvador have decreased from 37,8 in 2009 to 31 nowadays".</p> <p>Source. <i>Fild mission interview with EUD representative</i></p>
I-534	Evidence of intergenerational equity issues considered in the design of the EU support to SP	<p><i>The intergenerational equity issues have been addressed in EU support since it included elements of old age pensions and social security.</i> At the SPSU level, the government development plan (PQD) proposes to achieve "a basic social welfare floor through the implementation of specific policies and programs" (PQD, 2010, pp. 66-67). By doing so, it intends to contribute to the interruption of the intergenerational circle of poverty - traps of poverty.</p>
<p>Additional evidence: During the field visit it was checked with the Ministry of Finance the recommendations coming from the PACSES MTR review and its follow up and the situation is as follows:</p> <ul style="list-style-type: none"> <li>• 1) <i>Recommendation from MTR</i>: For social policy, the general equilibrium of macroeconomics and the financial health of public expenditure is substantive. In this context, it is recommended that El Salvador continue its efforts to continue expanding social spending, so that it can increasingly represent a greater proportion of the fiscal budget, within the framework of prudence and good fiscal practices, for which it must continue efforts to improve its public finances linked to broadening the tax burden, improve the efficiency of the state apparatus, reduce the fiscal deficit, and control public debt.</li> <li>• <i>Response from MoF at the field visit</i>: From 2010 to 2015 social expenditure increased but no more increases are foreseen in the absence of fiscal agreement due to the challenges caused by the public dept.</li> <li>• 2) <i>Recommendation from MTR</i>: To promote the fiscal covenant foreseen in the PQD, under the premise that a 20% reduction in the cost of generalized subsidies could allow a fivefold increase in the number of participants in education and health conditional cash transfers bonds and benefits to elderly person (USD 25 millions). Given the distortion of generalized transfers to gas, electricity, water and transportation that exceed USD 500 million, it would seem opportune that the growth targets of social spending isolate this expenditure when analysing it, so that there is a double incentive to improve the performance of social spending focused on vulnerable population to the detriment of the population at large. This argument makes sense, starting from the regressivity analysis of the subsidies and their concentration in the middle strata.</li> <li>• <i>Response from MF at the field visit</i>: No advancements on the fiscal covenant.</li> <li>• 3) <i>Recommendation from MTR</i>: Along these lines and in relation to the Programme and the SPSU, it seems appropriate that the GoES should continue to promote the reforms related to reducing generalized subsidies and increasing the tax burden, knowing that these reforms can decisively promote the social policies undertaken by the Government Including the PCS.</li> <li>• <i>Response from MF at the field visit</i>: Some reforms were undertaken in 2009 against tax evasion, in 2012 on direct incomes and in 2014 on other kinds of taxation such as financial transfers. Another reform on active collection inspired by the Spanish tax system has been introduced. However other reforms on taxation on</li> </ul>		

#	Indicators	Evidence
leisure and non productive activities have not been possible to achieve.		
<b>JC 54 Government social protection programmes consolidated and rationalized where necessary</b>		
I-541	Evidence for improved institutional structure and procedures of agencies responsible for social protection with EU support	In terms of institutional structure the MTR acknowledges the advancements experienced with the <i>Registro Unico de Participantes</i> (Single Record of Participants) and the Information System for Social Programmes and the Social Policies.
I-542	Evidence for established / improved coordination mechanisms across all public agencies with SP responsibility	A Single Registration System for participants of all Social Protection Programmes coordinated by the different institutions was launched in order to “optimize the existing resources, guarantee transparency, as well as prioritize, order and ensure that social programs reach families in greater poverty and finally monitor the evolution of their living conditions” <i>Source: <a href="http://proteccionsocial.egob.sv/?page_id=933">http://proteccionsocial.egob.sv/?page_id=933</a>.</i> GoES acts through a variety of institutions in the implementation of its SP. The EU support has prioritized the reinforcement of the STP as a way to improve internal coordination of mechanisms across all public agencies with SP responsibilities. <i>Source: Field visit.</i>
I-543	Universal approaches favoured over targeted ones where appropriate (in EU support)	El Salvador has experienced an evolution towards a more universal approach to SP. The government started by using poverty maps and has evolved towards a more universal approach in their SP policies. This includes elderly pensions for 70 years old people and above, extending the cash transfer programmes, increasing employability of young people, etc. <i>Source: Field mission Interview with EUD representative.</i> Secretary of Social Inclusion favoured social protection as a policy focused on those excluded (such as elders, people with disabilities, women or indigenous people) over the universal approach. <i>Source: EC, Study on Social Protection in Central America, 2010.</i>

#### 4.1.6 EQ6

#	Indicators	Evidence
<b>JC 61 Social protection as a human right promoted at all levels</b>		
I-611	Thematic, regional and country strategies and interventions incorporate rights-based approach to SP.	The Technical Secretary of the Presidency moved from a care service approach to a rights-based approach which guarantees for all citizens a basic social floor in access to education, health, nutrition, food security, housing, basic services, social security, community infrastructure, and income-generating opportunities <i>Source: EC, Study on Social Protection in Central America, 2010.</i>
I-612	Evidence that EU advocates for a rights-based approach in global fora.	Not relevant at country level
<b>JC 62 EU support addresses concerns about excluded populations</b>		
I-621	Gender, disability, ethnic minority, children's, etc. issues mainstreamed in EU SP support	“Very positive results have been identified on the gender front, presumably due to the fact that the trainings included as part of the gender component of Comunidades Solidarias Rurales have contributed to empowering women, improving their self-esteem and confidence to fulfil their roles in their communities and households” <i>Source: (DEVCO (2011) 583576. Action Fiche El Salvador, p.8)</i> Special attention is devoted to indigenous people. Since they are not a large enough group, they are frequently treated just as peasants in poor communities, an approach which mistreats their culture. <i>Source: EC, Study on Social Protection in Central America, 2010.</i> The young population in El Salvador is mainstreamed as a target population in

#	Indicators	Evidence
		<p>almost all programs in the country. There is a big amount of youth population not in employment, education or training (so called Ni-Nis). Programmes like Projovenes have addressed the employability of the Young people being this a preventive action to fight against migration of the said young people to other countries.</p> <p>Source: Field mission interview with EUD representative</p>
I-622	NGO/CSO capacity to advocate in for SP needs of excluded populations strengthened	No evidence found for this indicator
<b>JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage)</b>		
I-631	Trend in non-contributory pension as percentage of average wage	<p>According to the ILO's annual World Social Protection Report, the non-contributory pension as a percentage of average wage represented 18.4% in 2013.</p> <p>Source: <a href="http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm">http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm</a>.</p>
I-632	Trend in adequacy of social assistance benefits	<p>Adequacy of social protection and labour programs as the total transfer amount received by the population participating in social insurance, social safety net, and unemployment benefits and active labour market programs as a share of their total welfare (where welfare is defined as the total income or total expenditure of beneficiary households) has decreased slightly in El Salvador from 28.676% in 2007 to 24.054% in 2011.</p> <p>Source: <a href="http://data.worldbank.org/indicator/per_allsp.adq_pop_tot?end=2011&amp;locations=PY-SV-PS&amp;start=2007&amp;view=chart">http://data.worldbank.org/indicator/per_allsp.adq_pop_tot?end=2011&amp;locations=PY-SV-PS&amp;start=2007&amp;view=chart</a>.</p> <p>The proportion of the population in the lowest quintile receiving social assistance, it has steadily increased from 52.1% in 2007, to 76.9% in 2012. The richest quintile is not covered by social pensions.</p> <p>Source: <a href="http://datatopics.worldbank.org/aspire/">http://datatopics.worldbank.org/aspire/</a>.</p>
I-633	Trend in adequacy of unemployment benefit	<p>According to ILO's annual World Social Protection Report, as well as Martínez (2013, p. 13) there is no unemployment programme anchored in the legislation up to 2013.</p> <p>Source: <a href="http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm">http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm</a>.</p> <p>On the other hand, according to the Study "Social Protection in Central America" in El Salvador, during the Anti-Global Crisis Plan in 2009, "unemployment coverage period was extended from 3 to 6 months", also the PATI programme was launched to temporarily support income of unemployed in low-income urban municipalities (p. 13).</p>
I-634	Social protection expenditure as proportion of GDP: Spending on working age population. Spending on the elderly. Spending on children	<p>According to the ILO's annual World Social Protection Report, total social protection expenditure was 7.77% in 2011. That corresponds to: 3.80% in Health; 1.70% in old-age pensions; 2% in working age social benefits plus social assistance; and 0.27% for programmes directly benefitting children. Additional data points for the estimation of trends are not available.</p> <p>Sources: <a href="http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm">http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm</a>, <a href="http://www.ilo.org/global/publications/ilo-bookstore/order-online/books/WCMS_146566/lang--en/index.htm">http://www.ilo.org/global/publications/ilo-bookstore/order-online/books/WCMS_146566/lang--en/index.htm</a>.</p> <p>Data provided by ICEFI based on information provided by the Treasury of El Salvador, shows a higher expenditure on social protection (subsidies included, and according to the classification by the IMF, 2001) as a percentage of GDP. These data show an increase from 11.3% of GDP in 2007 to 13.7% in 2014, with the highest expenditure in 2013 (14.5% of GDP) (ICEFI, 2016, p. 53).</p>

## 4.1.7 EQ7

#	Indicators	Evidence
<b>JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context</b>		
I-711	The choice of modalities and implementing partners reflects clearly identified comparative advantages and institutional capacity needs and constraints	EU built on the previous experience of BS support. A Public Expenditure Financial Assessment (PEFA) was completed in May 2009. As regards institutional capacity and implementation arrangements, the authorities are building on the experience gained from the implementation of Red Solidaria – which has been confirmed as broadly positive by independent evaluations. <i>Source: DEVCO (2011) 583576. Action Fiche (p.4).</i> According to the MTR the choice of the implementing partners at governmental level was reasonable. The Technical Secretariat of the Presidency is a major policy making body, giving the EU the opportunity to have an impact on SP policy.
I-712	The approach employed by the EU fosters high quality dialogue between the EU and national stakeholders	EU policy dialogue around SP already started throughout PAPES implementation (2006-2010). In that framework it was agreed to advance towards the preparation of an integral social policy and poverty reduction strategy. <i>Source: DEVCO (2011) 583576. Action Fiche (pp.2-3).</i> BS has externally fostered high quality dialogue between the EU (including MS like Lux and Spain) and national stakeholders around the discussions of the conventions signed and the BS indicators. <i>Source : Field mission interviews</i>
I-713	The aid delivery methods and channels used promote ownership of SP by national stakeholders	PAPES (2006-2010) was the first Budget Support programme of the EU in El Salvador, and up to 2010 was the only one in Central America. Budget support was also chosen to support PACSES (2010-2015) as this modality implies a share responsibility and mutual confidence that enforces the ownership of the programme by the government. <i>Source: <a href="http://www.fisdg.gob.sv/novedades/173-funcionarios/2136-union-europea-socio-del-desarrollo-de-el-salvador-cierra-programa-de-alivio-a-la-pobreza">http://www.fisdg.gob.sv/novedades/173-funcionarios/2136-union-europea-socio-del-desarrollo-de-el-salvador-cierra-programa-de-alivio-a-la-pobreza</a>.</i> Ownership from national stakeholders increased from a low level in 2007 to a high degree in 2013 and a very high degree in 2016 <i>Source : EUD Survey and field mission interviews</i>
<b>JC 72 EU financed interventions in the social protection field are mutually reinforcing</b>		
I-721	Financing instruments (bilateral vs. regional, geographic vs. thematic) are combined to exploit complementarities and promote synergies	Between 2007 and 2013 geographic budget lines were used to strengthen social protection in the areas of parental responsibilities, sickness and health care, old age, disability and survivor's insurance and social exclusion. Thematic budget lines were only used for social exclusion. The two year implementation impact report also concluded that the combination of conditional cash transfers and the provision of complementary health and water and sanitation services have proven to have a positive impact on education and health indicators <i>Source: DEVCO (2011) 583576. Action Fiche (p. 4)</i> The EU has implemented three sector budget support programmes which were complementary to Comunidades Solidarias: Pro-EDUCA (EUR 25.0 million) supports the implementation of the education sector policy which coincides with the human capital component (Pillar 1), Pro-CALIDAD (EUR 12.1 million) is supporting activities to improve the country's competitiveness and quality framework and small and medium enterprises' participation in the economy, which will indirectly support implementation of the income generation component of the strategy (Pillar 3). In turn, PARE-ES (EUR 24.2 million), while not associated directly with a specific Pillar of the strategy, is supporting the authorities' efforts to maintaining a sustainable fiscal framework, which is crucial for making the financing of the strategy credible. <i>Source: DEVCO (2011) 583576. Action Fiche (p. 4).</i>
I-722	EU support to SP in partner countries has	MS support could be added to the EU support through the short missions funded by Lux and AECID in the framework of their cooperation in the country,

#	Indicators	Evidence
	been reinforced by the mobilisation of expertise from EU Member States (via instruments such as TAIEX/Twinning or the SOCIEUX facility)	however MS would like to see themselves more involved in the planning process with the TAs funded by the EU. <i>Source: Field mission interviews.</i>
<b>JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored</b>		
I-731	Frequency of delays in implemented interventions related to SP	Some structural delays and bureaucratic bottlenecks were identified by stakeholders in the field; however, it was also underlined that the EU is a reliable donor even if resources arrive later than expected. <i>Source: Field mission interviews.</i>
I-732	Transaction costs are minimised for all parties involved	A committee was created: FOCAP (Common Fund for Program Support for the Solidarity Communities Program with the purpose of monitoring, strengthening the sectoral approach of Solidarity Communities, improving aid effectiveness, reducing transaction costs and maximizing existing capacities. It is formed by the STP, the VMCD, the Ministry of Health, and by some development partners. <i>Source: Field mission interviews</i>
I-733	Monitoring and evaluation allows for adjustment of SP support responding to performance and context	BS M&E Framework (as well as the Results approach) was emphasized by stakeholders on the field as a crucial element to achieve advancements in SP policy. The new strategy to combat poverty (EEP) was approved as a result of EU-financed TA to the STP. <i>Source: Field mission interviews</i>

#### 4.1.8 EQ8

#	Indicators	Evidence
<b>JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs</b>		
I-811	Institutional structures / mechanisms in place to coordinate SP policies and interventions across MSs and other international donors	EAMRs report frequent meetings with SP donors, as well as in the framework of the poverty reduction donor coordination group. The Working Group meets 3 times per year although extra meetings may be scheduled. It constitutes a space for dialogue, agreement, accountability, monitoring and evaluation, and a coordination space between the Salvadoran Government and the funding agencies of Comunidades Solidarias. <i>Source: Financing Agreement DCI-ALA/2011/022-647, p. 22 and field mission interviews.</i>  The Vice-Ministry for Development Cooperation (VMCD) and the STP started a process in early 2010 to strengthen sector coordination efforts and create a partnership with donors supporting the implementation of Comunidades Solidarias, by means of a Code of Conduct. The Code of Conduct lays down the foundations, principles and mechanisms that will guide the participation and coordination between the main stakeholders in the programme and was signed on February 18, 2011 during the joint EU/Spanish International Development Cooperation Agency (AECID)/Lux Development formulation mission. The adoption of the Code represented an important step in the alignment and harmonisation agenda. The Code of Conduct is undoubtedly a milestone in the alignment of development partners with El Salvador's social policy.  There have been as well joint data verification missions since (with joint ToR drafting and follow up) on the performance of indicators linked to Donor's (LUX, AECID and EU) disbursements to Comunidades Solidarias. <i>Source: MTR of PACSES (2009-2012), DEVCO 2014 and field mission interviews.</i> <i>See EQ3 for additional evidence related to coordination with EU MS.</i>

#	Indicators	Evidence
I-812	EU is able to leverage its support by generating funding from other sources	<p>During the implementation period, authorities were able to increase internal resources (consistent with increases in tax revenues in the period), and the development partners increased their commitments to the program.  <i>Source: MTR of PACSES (2009-2012), DEVCO 2014.</i></p> <p>Germany is supporting Comunidades Solidarias with two debt-swap operations for EUR 14 and EUR 10 million respectively, channelled through FISDL for investments in social basic infrastructure in rural municipalities (Pillar 2 of the strategy) and the Vice Ministry for Housing and Urban Development (VMVDU) for investments in social infrastructure in urban settlements. The World Bank is currently implementing a Temporary Income Support Programme (USD 50 million) in support of CSU (mainly Pillar 3), of which USD 2.4 million are destined to the development of an integrated Universal Social Protection System that includes monitoring and evaluation mechanisms foreseen in Comunidades Solidarias. Inter-American Development Bank's (IADB) support to social development includes a USD 35 million loan in support of CSU – currently pending approval by the Legislative Assembly. United States Aid Development Agency (USAID) is supporting implementation of Pillars 1 and 3, with a SD 25 million grant that was given as an immediate response to the government's Global Anti-Crisis Plan (PAC in Spanish), targeting 11 of the hardest hit municipalities by Hurricane IDA in 2009.  <i>Source: DEVCO (2011) 583576. Action Fiche El Salvador, p. 9.</i></p>
<b>JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment)</b>		
I-821	DEVCO-financed SP support cross-refers to policies and strategies of other relevant DGs and avoids duplication and conflicts.	Not relevant at country level.
I-822	Existence of inter-DGs coordination on SP	<i>Not relevant at country level.</i>

## 4.2 Overview of EU-funded key interventions

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>	<i>Implementing partner(s)</i>
<b>2007-2013</b>				
DCI-Geo	Programa de apoyo a comunidades solidarias en El Salvador (PACSES)	2011-2015	47,400,000	Government
DCI-Geo	Promoción de los derechos de las mujeres a través del fomento de la autonomía económica y la atención a la salud integral	2014-2015	2,250,000	Government

Source: CRIS and Particip analysis (2016)

### 4.3 List of people interviewed

<i>Surname</i>	<i>First name</i>	<i>Organisation/ Unit</i>	<i>Responsibility</i>
Alvarado	Jeanette	MINSAL	Directora Atención Primera Infancia
Cuadra	Angélica	Secretaría de Inclusión Social	Jefa de unidad coordinadora de proyectos
Cuéllar-Marchelli	Helga	FUSADES (Salvadoran Foundation for Social and Economic Development)	Directora de Estudios Sociales
Fuentes	Nelson	Ministry of Finance	Director de política económica y Fiscal
Garay	Ryna	Vice ministry for cooperation for development	Directora General de Cooperación Desarrollo
Louro	Alicia	EU Delegation	Agregada de Cooperación
Meléndez	Juan	Secretaría de Planificación de la Presidencia	Director de Proyectos Estratégicos
Muñoz	Yeymi	INJUVE Instituto Nacional de la Juventud	Directora General
Orsini	Paula	JATI, Technical Assistant	Director
Palacios	Yvonne	MINSAL	Coordinadora de Unidad de gestión
Pedraza	Sylvia	INJUVE	Gerente de Proyectos
Pigot	Denis	Cooperación Luxemburgo	Coordinador Proyecto SVD/024
Pocasangre	Vanessa	STP, ex-ILO	Miembro de AT, ex-ILO
Rivas	Xiomara	INJUVE	Jefa de la Unidad de Planificación y Desarrollo Institucional
Rivera	Carolina	Ministry of Finance	Jefa de planificación estratégica institucional
Roger Muñoz	Ileana	CONAMYPE Comisión Nacional de la Micro y Pequeña Empresa	Directora Ejecutiva
Sánchez	Mari Denny	IADB	Especialista en Protección Social
Vasquez	Ana	Vice ministry for cooperation for development	Directora de cooperación multilateral

## 4.4 Bibliography

### 4.4.1 EU strategy and programming

EC (2013): El Salvador Country Strategy Paper 2007-2013.  
 EC: 2014-2020 Multiannual Indicative Programme for El Salvador.  
 EC: Annual Action Programme 2011 El Salvador.  
 EC: Annual Action Programme 2016 El Salvador - Decision and Annex.  
 EC: Annual Action Programme 2016 Central America.  
 EC: Country Briefing on Regional Co-operation Programmes - El Salvador Programme review 2013.  
 EC: Pilot project in favour of Guatemala, Honduras and El Salvador - Decision and Annex.

### 4.4.2 Relevant documentation for the following interventions

The team reviewed the available project documentation (action fiches/TAPs, grant contracts, implementation and monitoring reports, evaluations, etc.) of the following interventions (see also details in the list presented in Annex 2):

- Programa de apoyo a comunidades solidarias en El Salvador (PACSES).
- Promoción de los derechos de las mujeres a través del fomento de la autonomía económica y la atención a la salud integral.

### 4.4.3 Evaluation and studies

CEPAL (2015): Sistemas de Protección Social en América Latina y el Caribe. El Salvador - One pager and report.  
 CEPAL (2016): El Sistema de protección social en El Salvador. Posibilidades para la articulación de sus componentes.  
 EC (2007): Evaluación de la Cooperación de la Comisión Europea con El Salvador (1998-2008) 2010 - Executive Summary, Volumen 1, Volumen 2: Anexos.  
 EC (2010): Study on Social Protection in Central America. Estudio Sobre La Protección Social En Centroamérica. Volumen II. A.  
 EC (2011): Thematic Global Evaluation of EC support in the sectors of ESI (Employment and Social Inclusion) in partner countries (including vocational training).  
 EC (2014): Evaluación de Medio Término del Programa Comunidades Solidarias en El Salvador (2009-2012).  
 EC (2015): Evaluación final del Segundo Programa de Apoyo Integración Centroamericana – PAIRCA II - Informe Final.  
 EC: Mid Term Review of the Country Strategy of 2007-2013 and National Indicative Programme 2011-2013 for El Salvador.  
 Estudio realizado por la Facultad Latinoamericana de Ciencias Sociales (FLACSO) para el Fondo de Inversión Social para et Desarrollo Local (FISDL) en El Salvador. Indicadores sociales de mapa de pobreza (Anexo III).  
 ICEFI (2016): El Salvador: En la búsqueda de un acuerdo nacional de sostenibilidad fiscal.  
 IFPRI and Fusades (2010): Evaluación Externa del Programa Red Solidaria: Informe de Impactos a los Dos Años de Implementación: Presentado al FISDL.  
 Secretaría Técnica de Presidencia (2013): El Sistema de Protección Social Universal en El Salvador y Ley de Desarrollo Social.

### 4.4.3 Other

EAMR report 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015.

### 4.4.4 Web links

<http://www.elfaro.net/es/201202/opinion/7596/La-cooperación-europea-con-El-Salvador.htm>



# Evaluation of EU support to social protection in external action

2007-2013

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Final Report

Volume II

Country Report – Ethiopia

January 2018

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*Evaluation carried out on behalf of the European Commission*



The evaluation was carried out by:  
Landis MacKellar – Team Leader

Contributions from:

Ana Maria Femenia Garcia – Team Member

Zehra Kacapor-Dzihic – Team Member

Tino Smail – Team Member

Lena Zezulin – Team Member

Georg Ladj – Quality Control

Ana Vilar – Backstopping

Dominika Socha & Jana Bobokova – Evaluation  
Managers

The evaluation is being implemented by Particip GmbH (leader) and AETS and managed by the DG NEAR A4 Multi-annual Financing Framework, programming and evaluation unit.

The author accepts sole responsibility for this report, drawn up on behalf of the Commission of the European Union. The report does not necessarily reflect the views of the Commission.



## Country Report – Ethiopia

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## List of acronyms

AAP	Annual Action Programme
ACP	African, Caribbean and Pacific Group of States
AF	Action Fiche
AfDB	African Development Bank
APL	Adaptable Program Loan
BGT	Block Grant Transfer
BS	Budget Support
CDS	Country Development Strategy
CfP	Call for Proposal
CIDA	Canadian International Development Agency
COPCU	Channel One Program Coordination Unit
CS	Civil Society
CSO	Civil Society Organisation
CSP	Country Strategy Paper
CSSWG	Civil Society Sector Working Group
DAG	Development Assistance Group
DCI	Development Cooperation Instrument
DCT	Donor Coordination Team
DFATD	Department for Foreign Affairs and Trade
DFID	UK Department for International Development
DG DEVCO	Commission's Directorate-General for International Cooperation and Development
DPs	Development Partners
DRM	Disaster Risk Management
DRMFSS	Disaster Risk Management and Food Security Sector
DS	Direct Support
DWG	Donor Working Group
EAMR	External Assistance Management Report
EC	European Commission
ECHO	Directorate-General for European Civil Protection and Humanitarian Aid Operations
EDF	European Development Fund
EDHS	Ethiopia Demographic and Health Survey
EFIs	External Financing Instruments
EIDHR	European Instrument for Democracy and Human Rights
ESI	Employment and Social Inclusion
ESMF	Environmental and Social Management Framework
ETB	Ethiopian Birr
EU	European Union
EUD	European Union Delegation
EUMS	European Union Member States
FMoH	Federal Ministry of Health
FTI-DoL	Fast Track Initiative on Division of Labour
FY	Fiscal Year
GBS	General Budget Support
GDP	Gross Domestic Product

GIZ	German Agency for International Cooperation
GoE	Government of Ethiopia
GTP	Growth and Transformation Plan
HABP	Household Asset Building Program
HEP	Health Extension Program
HEW	Health Extension Workers
HSDP	Health Sector Development Program
ICR	Implementation Completion Report
IDA	International Development Association
IFPRI	International Food Policy Research Institute
IFS	Instrument for Stability
ILO	International Labour Organisation
IMF	International Monetary Fund
JBAR	Joint Budget and Aid Review
JR	Joint Review
JRIS	Joint Review and Implementation Support missions
KfW	German Development Bank
LIG	Local Investment Grant
M&E	Monitoring and Evaluation
MDGs	Millennium Development Goals
MIP	Multi-Annual Indicative Programme
MIS	Management Information System
MoARD	Ministry of Agriculture and Rural Development
MoCB	Ministry of Capacity Building
MoFED	Ministry of Finance and Economic Development
MTDF	Multi-Donor Trust Fund
NAPGE	National Action Plan for Gender Equality
NGOs	Non Governmental Organisations
NIP	National Indicative Programme
NSA-LA	Non State Actors-Local Authorities
OFSP	Other Food Security Program
PASDEP	Plan for Accelerated and Sustained Development to End Poverty
PEFA	Public Expenditure & Financial Accountability
PFM	Public Finance Management
PSCAP	Public Sector Capacity Building Programme
PSIA	Poverty and Social Impact Assessment
PW	Public Works
RNE	Royal Netherlands Embassy
RSP	Regional Strategy Paper
SIDA	Swedish International Development Cooperation Agency
SNSF	Safety Net Support Facility
SP	Social Protection
SPF	Social Protection Floors
SPSP	Sector Policy Support Programme
SSA	Sub-Saharan Africa
TA	Technical Assistance

TAPs	Technical Administrative Provisions
TWG	Technical Working Group
UN	United Nations
UNDP	United Nations Development Programme
WB	World Bank
WFP	World Food Programme
WG	Working Group
WHO	World Health Organisation

## 1 Introduction

### 1.1 Purpose of the country report

As part of the desk phase of the Evaluation of the EU external support to social protection in partner countries, fifteen programme case studies have been selected as in-depth case studies. In line with the EU methodological guidelines, case studies allow a detailed examination of certain elements and should provide a picture of the EU support in different contexts.

The case studies have the main focus on the bilateral support provided in a given country, but also assess the complementarity and coherence with the major social protection (SP) programmes taking place in this country.

The case studies include the analysis of various types of documents and statistical information, and for the case studies further investigated in the field will also include field observations and interviews with people directly involved in the programme.

The outline of the case studies follows the structure of the evaluation matrix, to ensure a consistent and harmonised data collection approach. However, as projects implemented under major SP programmes cover a wide variety of different topics, not every project is relevant for all the evaluation questions. This tailored case study approach ensures that resources are spent in an efficient way.

### 1.2 Reasons for selection of the country

The *Ethiopia* country case study has been selected for the following reasons:

- Regional and sub-regional representation: the case illustrate specific context of the ACP region.
- Amount of aid: Ethiopia is one of the top recipient countries of EU financial contributions in the area of SP in the ACP region.
- Potential to conduct interviews at African Union Commission regarding region-wide cooperation.

Based on the above, the following interventions in Ethiopia will be analysed more in-depth:

*Table 1 Country case studies bilateral support – selection of projects per case study*

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>
<b>2007-2013</b>			
EDF	Provision of Basic Services Programme I (PBS I)	2007-2009	150,000,000
EDF	Productive Safety Nets Programme (PSNP)	2006-2014	58,000,000
EDF	Provision of Basic Services Programme II (PBS II)	2009-2012	53,000,000
<b>2014-2020</b>			
DCI-Thematic	EU-SPS global programme	Since 2015	<i>(no specific country allocation)</i>

*Source: CRIS and Particip analysis (2016)*

Based on its central role and size, most attention will be given to PSNP.

### 1.3 Context of the EU support

#### **Country context and national social protection system**

Ethiopia is the second-most populous country in Sub-Saharan Africa. The country has a strategic economic and geopolitical position in the Horn of Africa, one of the most conflict-prone regions in the world. Ethiopia, a Least Developed Country, is also one of the poorest countries in the world.

The National Constitution includes specific provisions on social protection issues in its articles 41 and 90<sup>1</sup>. Nevertheless, Ethiopia does not have a comprehensive, integrated social protection system. Instead it has developed several policies to regulate social insurance provisions for persons employed in the public and private sector including: the Public Servants' Pensions Proclamations No 209/1963 and No 714/2011; Private Organization Employees Pension Proclamation No 715/2011; the Labor Proclamation No 377/2003; and the Social Security Agency Establishment Proclamation No 203/2011. A new National Social Protection Policy was drafted by the Ministry of Labour and Social Affairs in 2011 and adopted in 2014 with the objective to "reduce vulnerability and poverty by providing social assistance and social insurance, promote employment opportunities, enhance productive capacity and ensure citizens understand their responsibilities for the progressive realization of social protection rights."<sup>2</sup>

Specific social insurance provisions are as follows<sup>3</sup>:

- Old-age pension: Age 60 with at least 10 years of service and contributions. The number of years of service and contributions may be reduced for hazardous or arduous work.
- Early pension: Age 55 with at least 25 years of service and contributions (civilian); age 50 with at least one full term of service (five years) for senior government officials and members of parliament; aged 45 to 55 (depending on rank) with at least 10 years of service and contributions (military). Benefits: 30% of the insured's average monthly basic salary in the last three years before retirement plus 1.25% (civilian) or 1.65% (military) of the insured's average monthly basic salary for each year of service exceeding 10 years is paid, up to 70%.
- Disability pension: Assessed with an incapacity for normal gainful employment with at least 10 years of service and contributions. Benefits: 30% of the insured's average monthly basic salary in the last three years before the disability began plus 1.25% (civilian) or 1.65% (military) of the insured's average monthly basic salary for each year of service exceeding 10 years is paid, up to 70%. The basic salary is the gross monthly salary paid for work performed during regular hours.
- Survivor pension: The deceased received or was entitled to receive an old-age pension at the time of death. Eligible survivors include the widow(er), children younger than age 18 (age 21 if disabled), and dependent parents. The widow(er)'s pension ceases on remarriage if the widow is younger than age 45 (age 50 for a widower, no limit if disabled).

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1 Art. 41.3 "Every Ethiopian national has the right to equal access to publicly funded social services"; art. 90.1 "To the extent the country's resources permit, policies shall aim to provide all Ethiopians access to public health and education, clean water, housing, food and social security." Constitution of the Federal Democratic Republic of Ethiopia <http://www.wipo.int/edocs/lexdocs/laws/en/et/et007en.pdf>

2 National Social Protection Policy of Ethiopia 2012 [http://phe-ethiopia.org/resadmin/uploads/attachment-188-Ethiopia\\_National\\_Social\\_Protection.pdf](http://phe-ethiopia.org/resadmin/uploads/attachment-188-Ethiopia_National_Social_Protection.pdf)

3 <https://www.ssa.gov/policy/docs/progdesc/ssptw/2014-2015/africa/ethiopia.html>

- Unemployment: Under the 2003 labour proclamation, employers must provide severance pay in case of: unfair dismissal; workforce restructuring; the employer's death, insolvency, or bankruptcy; the employee's death at work; physical incapacity; or HIV/AIDS diagnosis. Severance pay is 30 times the employee's average daily wage during the last week of employment for the first year of service plus 10 times for each additional year of service, up to the employee's annual salary. An additional amount is paid for bankruptcy and workforce restructuring.

However, only a small proportion of the population – civil servants, the military, and those in formal private sector employment -- is covered by these formal, legally mandated social protection schemes. Far more important is the Productive Safety Net Program (PSNP) implemented since 2005 in partnership with over 10 international development partners including the EU and described below. Moreover, with EU support, the GoE adopted in 2014 an ambitious national social protection strategy designed to embed PSNP in a comprehensive social protection structure.

### **EU cooperation**

EU-Ethiopia relations are governed by the Cotonou Agreement. The Country Strategy Paper (CSP) 2008-2013 set the EU strategy for Ethiopia over the evaluation period. As highlighted in the table below, social protection is not covered as a focal sector in the CSP 2008-2013 although the programming documents make specific reference to a national safety nets programme. Moreover, the delivery of basic services in primary and secondary education, health, agriculture and natural resources and water are included as programme purpose within the Focal Sector III – Macro-economic support and governance. In the CSP 2014-20, EU support for the gradual transformation of PSNP from a social assistance scheme to the centrepiece of a comprehensive social protection system is foreseen.

**Table 2** *References to Social Protection in EU programming documents*

<b>Cycle</b>	<b>Relevant focal sector(s)</b>	<b>Related SP objectives</b>
<b>2007-2013</b>	Support to SP systems not explicitly mentioned in the initial CSP, but the CSP and MIPs include a sector related to SP: <i>Rural development and food security</i>	The MIP does not contain references to broad SP objectives but it makes a specific reference to the Productive Safety Nets Programme (PSNP): <i>“The PSNP (...) has the objective to provide predictable transfers to the food insecure population in order to reduce the food gap, to prevent further asset depletion at the household level and to create/preserve assets at the community level. Overtime, the joint donor group together with Government are expected to (...) improve the implementation modalities so as to allow the PSNP to become a more effective protection and risk management mechanism.”</i>
<b>2014-2020</b>	Support to SP systems not explicitly mentioned in the MIP, but it includes a sector related to SP: <i>Sustainable agriculture and food security</i>	No explicit SP-related objectives of cooperation but several references to resilience, the PSNP safety net programme and the government objective to develop a SP system: <i>“The Government's strategy (...) is to stimulate, through a well-managed economic transformation, both public and private investment to put agriculture onto a yet higher growth path, whilst executing a carefully controlled phasing down of social safety net support and working towards long term national social protection systems.”</i>

*Source: Particip's analysis of EU programming documents.*

EU support to SP in Ethiopia is mainly provided through the Productive Safety Net Programme (PSNP), which is the largest social protection programme in sub-Saharan Africa and provides around 7.5 million vulnerable people (close to 10% of the population) with reliable assistance each year in the form of cash or food, in return for participation in public works. Regarded as a model, this integrated social safety net combines targeted cash and in kind transfers (for work or, in case of incapacity, direct) with nutrition, gender, and livelihood support measures. After

the suspension of General Budget Support (GBS) in Ethiopia, and in line with the Paris Declaration on Effectiveness, Development Partners (DPs) agreed to pool their funds and harmonise procedures in order to avoid excessive transaction costs. The PSNP is a Multi-donor Trust Fund (MDTF) implemented through joint management with the WB. The action is co-funded by the EC, WB, DFID, CIDA, SIDA, USAID, WFP, Irish Aid and RNE. The EU's contribution for the period under evaluation was EUR 42 million (out of a total of EUR 342 million) for the period 2007-2009 and EUR 58 million (out of a total of EUR 1.4 billion) over the period 2010-2014.

The PSNP (2005/2006) was first launched in 2005 to address food insecurity in rural woredas (districts) and foster a transition from emergency response to a more predictable and stable safety net. The programme has evolved towards a more integrated social protection system and today it is a cornerstone of the national social protection policy with strong government ownership. The PSNP I (2005-2006) introduced cash transfers channelled as payments for labour on Public Works (PW) and direct support (DS) transfers to the most vulnerable households. PSNP II (2007-2009) and III (2010-2014) aimed at developing and strengthening the appropriate institutional capacity and developing necessary systems. Some important programme achievements are the National Platform of Social Protection established by the government in 2009 and the Growth and Transformation Plan for 2011-2015. PSNP IV (2015-2020) is focused on integrating the PSNP within a broader system and policy environment for social protection and disaster risk management. This programme has triggered a shift in government's thinking and might have been the first step towards a wider social protection system in Ethiopia.

Additionally, the EU contributed to the implementation of the Provision of Basic Services Programme (PBS), another MDTF whose objective is to protect and increase the delivery by sub-national governments of basic services in primary and secondary education, health, agriculture and natural resources and water, while promoting and deepening transparency and accountability in service delivery. The EC joined the PBS I in 2007 with an initial contribution of EUR 150 million and with EUR 50 million for PBS II in 2009-2012. This initiative is not a social protection programme but it contains three sub-projects related to the provision of health:

- Sub programme A1 Block Grant Transfer (BGT): to expand access to and quality of health among other basic services.
- Sub programme A2 – Local Investment Grant (LIG): to contribute to the financing of capital investment in basic services at local level in 99 pilot districts.
- Sub programme B on Health: to contribute to the Health MDGs support facility by providing flexible funding for (i) procurement and distribution of critical health commodities; and (ii) health system strengthening to support the accelerated attainment of health-related MDGs.

The EU mainly contributed to the sub programme A1. It provided only EUR 4 million to the sub programme A2 in PBS II and EUR 5 million to the sub programme B in PBS I.

The main national partners are the Ministry of Agriculture and Rural Development (MoARD) responsible for the management of the PSNP and the Disaster Risk Management and Food Security Sector (DRMFSS) responsible for overall program coordination. The Ministry of Finance and Economic Development (MoFED) oversees financial management of the program and disburses cash resources to implementing federal ministries and to the regions based on the annual plan submitted by MoARD. Regarding the PBS, main national partners are the Federal Ministry of Health (FMoH); the MoFED and The Ministry of Capacity Building (MCB).

## 2 Findings

### 2.1 EQ1: Relevance

*To what extent has EU support to social protection responded to clear overall strategic objectives on social protection and to specific needs of partner countries, including problems of poverty, vulnerability and social exclusion?*

#### *Summary answer*

EU cooperation is fully aligned with the national development strategy, in which PSNP (and to some extent PBS) is the cornerstone of social protection policy, with emphasis on food security. It is consistent with the EU's strategic framework for supporting social protection as a means of tackling poverty and promoting resilience as set forth, e.g., in the social protection Concept Note No. 4 and the 2012 Communication on social protection in development cooperation. EU programme documents contain detailed rationale / context analyses. PSNP targets the most food insecure and poorest people in the most vulnerable regions/woredas of the country, paying particular attention to women and persons with HIV/AIDS as most vulnerable groups, along with female-headed households, the elderly, and culturally distinct ethnic groups. The PBS programme, although only involving health, includes women, children and men from the poorest segments of rural areas as main beneficiaries of the initiative. PSNP has, throughout its history, been effectively monitored and the subject of impact analyses, permitting periodic adjustments to maximize relevance and impact. The EU supported elaboration of the national social protection strategy promulgated in 2014 and has supported its implementation since.

#### **2.1.1 JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.**

Overall, the priority areas and focal sectors laid out in the CSP 2007-2013 were aligned with the priorities set out by the Government's Plan for Accelerated and Sustainable Development to End Poverty (PASDEP 2005/06-2009/10). Although social protection was not explicitly included as a focal sector in the CSP 2008-2013, this domain is embedded in the multi-donor and government-led Productive Safety Net Programme (PSNP) which is being implemented since 2005 through several phases. The PSNP and its components (mainly cash/food transfers in return of public works and direct support to the poorest households) are supporting the GoE to meet social protection, food security and disaster risk management-related objectives.

The PSNP is the cornerstone of the national social protection policy, which incorporates social safety nets as a main pillar, and it is embedded in its Growth and Transformation Plan 2011-2015 and the national social protection policy adopted in 2014 and the associated Action Plan. These are, in turn consistent with the EU's strategic framework for supporting social protection as a means of tackling poverty and promoting resilience as set forth, e.g., in the social protection Concept Note No. 4 and the 2012 Communication on social protection in development cooperation.

#### **2.1.2 JC 12 Needs and target groups clearly identified in the design of EU support.**

EU programme documents contain a rationale/context analysis describing the situation and challenges of the country, including an identification of needs and target groups. The CSP 2007-2013 contained a more comprehensive country and context analysis although it barely refers to social protection (probably because it is not a focal sector). The PSNP in its different phases targets the most food insecure and poorest people in the most vulnerable regions/woredas of the country. PSNP documents identify and pay special attention to women and persons with HIV/AIDS as most vulnerable groups. Other vulnerable beneficiaries of this

programme are children, female-headed households, elderly, and culturally distinct ethnic groups.

The PBS programme, although involving only health, includes women, children and men from the poorest segments of rural areas as main beneficiaries of the initiative. The PBS I programming document contains an annex including pro-poor national programmes at regional and woreda levels related to the health sector and which complement PBS projects. PSNP III design is based on independent studies and assessments and impact evaluations in its performance. Action fiches of PSNP II and III contain a subheading regarding lessons learnt from past programmes based on specific studies, monitoring tools and a biannual baseline survey; all of these serve to identify target groups. PSNP and PBS do not ensure SP data availability but they have provided resources to strengthen national data collection and M&E systems to ensure regular monitoring of expected results.

## 2.2 EQ2: Basic social protection

*To what extent has EU support to social protection helped to improve access to adequate social services and basic income for all, and in particular for those in need of protection?*

### *Summary answer*

Formal social insurance in Ethiopia is available only to a tiny proportion of the population. The EU response has been to support cash and in-kind transfers under the Productive Safety Net Programme, designed to meet the social protection needs of a largely agricultural and informal economy; as well as to support elaboration of a more comprehensive social protection strategy including social insurance. Originally piloted in highland regions, PSNP has been extended to other rural areas and to urban centres, as well. In addition, the number of food-poor months during which benefits are made available has been increased. Impact studies confirm positive household impacts on food security, household assets and income: it is estimated that PSNP transfers, reaching close to 10% of the population, directly reduced the national poverty headcount rate by 1.6 percentage points in 2011. PSNP is a highly gender-sensitive programme and targets the poorest and most vulnerable populations. While the EU did not directly support the health sector, in part due to the PBS programme, there has been progress in provision of public health services and facilities and reliable surveys have documented significant improvement in maternal and child health. PBS is also highly gender-sensitive. Nonetheless, access to health care remains very low in rural areas and disparities in access are high.

### 2.2.1 JC 21 Social protection coverage and uptake extended / broadened with EU support.

Data on the breadth of social protection coverage are largely irrelevant for Ethiopia because formal social protection is confined to a very small proportion of the population – those in the civil service, the military, and the formal private sector. To get a rough idea of the situation, the ILO estimates that 9.0% of persons above the statutory pensionable age (60+) were receiving an old-age pension. ILO estimates that about 40% of the workforce should be covered: 6.4% by legally mandated schemes and 34% by voluntary contributory schemes. It can be safely assumed that uptake of the latter is minimal, nor is there any evidence that the EU supported reforms to make such schemes available to the informal sector. What the EU has done under these circumstances is to support cash and in-kind transfers under the PNSP programme, largely designed to meet the social protection needs of a largely agricultural and informal economy. Originally piloted in highland regions, PSNP has been extended to other rural areas and, now fully to urban areas (under MoLSA while MoARD continues to hold responsibility for rural areas), as well. Roughly 8 million persons, close to ten percent of the population, benefit from the programme. The EU and MSs also supported MoLSD in developing a broad national social protection policy, with the PSNP at its heart.

### **2.2.2 JC 22 Universal access to adequate health services put in place / strengthened with EU support.**

The EU did not directly support the health sector. However, in part due to the EU-supported PSNP and particularly the PBS programmes, there has been progress in provision of public health services and facilities and reliable surveys have documented significant improvement in maternal and child health. Nonetheless, access to health care remains very low, with the ILO World Social Protection Report 2014/15 estimating that only 5% of the population was covered by health insurance or had access to free health care at public clinics. Access to health facilities has been included as a strategic objective in the Health Sector Development Program IV, which describes Ethiopia health status as poor.

### **2.2.3 JC 23 Access to basic income security strengthened with EU support.**

The PSNP, to which the EU is one of the main contributors, is internationally recognized as a positive example of safety net programs, generating keen interest due to its innovative approach and scale. Successive studies confirm positive findings in terms of household impacts on food security, household assets and income. Between 2010 and 2014 there has been considerable consolidation of the transition from emergency response to a predictable safety net. In this context, PSNP is progressively supporting appropriate, timely and predictable transfers (cash and/or food) received by households in response to chronic requirements. As a concrete example, PSNP transfers directly reduced the national poverty headcount rate by 1.6 percentage points in 2011, lifting more than 1.4 million people out of poverty. Also, substantial indirect impacts on poverty have been achieved through public works, which have delivered high quality community assets well adapted to community priorities.

### **2.2.4 JC 24 Gender inequalities in social protection coverage reduced.**

The PSNP has been highly gender sensitive since its inception, and there has been continuous progress in improving gender aspects in both design and implementation by means of, for example, including women in programme management, promoting their involvement in programme committees and carrying out awareness-raising activities. An example of gender sensitivity is the reduced work requirement for pregnant women, although implementation has proved difficult. The PSNP III provides direct support grants to pregnant and lactating mothers with insufficient means during the later months of pregnancy and for a period of 10 months after giving birth. PSNP III provided child-care centres at work places for women in order to facilitate work. Female-headed households and the elderly, a disproportionate number of whom are female, were also given priority status, with PSNP III providing direct support grants to the elderly of insufficient means. A Gender and Social Development impact assessment implemented in four highland regions reported greater women's involvement in decision-making, although concern remains regarding the weight of their inputs.

PBS programming documents also take into account gender aspects including a Questionnaire on Gender as well as the involvement of CSOs working on gender and equity issues. According to the ICR, despite progress made in the provision of basic services, disparities persisted across gender.

## 2.3 EQ3: European approaches and policy dialogues

*To what extent has EU cooperation with partner countries and participation in policy dialogues in the social protection field promoted European and international principles and values in that area?*

### *Summary answer*

EU support to Ethiopia and the associated policy dialogue with MoLSA, MoARD and MoFED have promoted the European commitment to reducing poverty and social exclusion, focusing on the most vulnerable. The EU was closely involved in elaboration of the current national social protection strategy. Policy dialogue has been leveraged by the fact that Ethiopia is considered a model for donor coordination and the use of joint approaches, allowing the development partners to speak with one voice. Within Ethiopia, PSNP, bringing together multilateral as well as bilateral agencies, is considered to represent best practice. Within the EUD, PSNP is handled by the rural development programme officer, who has other responsibilities, as well, but is able to handle social protection policy dialogue effectively. The principal interlocutor at MoLSA is engaged and highly qualified for the responsibility. Through its support to the Africa Union, EU has played an important role in injecting European social protection expertise and approaches into regional dialogue, with impacts on Ethiopia as well as many other countries on the continent.

### **2.3.1 JC 31 EU support to social protection coordinated with MSs, other donors, and specialised agencies**

Ethiopia is one of the countries where donor coordination and the use of joint approaches is most developed. The Fast Track Initiative on Division of Labour (FTI-DoL) has allowed to monitor the division of labour and promote harmonisation at sector level. The PSNP, with several coordination mechanisms in order to minimise transaction costs, is considered best practice in donor coordination among multiple DPs. The PBS is also an example of donor coordination supported by 12 DPs (WB, EC, IDA, DFID, CIDA, Irish Aid, NetherlandE, Spain, Italy, Austria, AfDB and KfW) and with specific co-ordination mechanisms. MS representatives interviewed were of the view that the EUD was an extremely effective leader of the relevant working group. In 2003, the EUD launched the EU+ Joint Cooperation Strategy for Ethiopia. The CSP 2008-2009 is considered a Joint Response Strategy; thus it is coherent with EU MSs policies though it does not intend to be an all-inclusive strategy. It incorporates EU MSs views, but only Ireland exclusively refers to social protection and the implementation of the PSNP. The EU has also implemented joint monitoring mechanisms such as the PSNP M&E system or the joint review of the FSP.

### **2.3.2 JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection**

The principles advocated for in Ethiopia are a focus on poverty reduction through effective targeting, social inclusion, attention to the needs of the most vulnerable groups, etc. EU participation in social protection dialogue in Ethiopia has been excellent, as has that of the donors in general. It is considered that the PSNP has raised the profile of social protection in Ethiopia and promoted an unified stream of technical advice in support of a sector. The PBS health programme is also presented as a leading example in this regard. According to the EAMR 2013 lack of human resources is a weakness that hampers the implementation of the EU social protection portfolio in the country; however, this appears to have been addressed by giving responsibility to PSNP to the rural development specialist. On the government side, the social protection interlocutor in the MoLSA is a highly engaged and effective interlocutor. At

regional level, EU support to the African Union has been effective in injecting European expertise and approaches into regional social protection policy.

### **2.3.3 JC 33 EU effectively participates in global policy dialogues on social protection**

*JC not covered by the analysis at case study level*

## **2.4 EQ4: Social partners and civil society**

*To what extent has EU support contributed to successfully involving the social partners and civil society, including the private sector and local authorities, in policy development in the social protection field?*

### *Summary answer*

No evidence has been found on social dialogue strictly considered, i.e. between government, trade unions, and employers' organisations, but this typically deals with social insurance and the formal sector, not an area of great concern for the EU in Ethiopia. The role of civil society is of more interest. The EU supported the creation of and co-chaired a Civil Society Sector Working Group (CSSWG) to strengthen the voice of civil society. Recent political developments have dealt a setback to the development of civil society in Ethiopia. However, community committees are now actively involved in monitoring PSNP and identifying families in need (as well as barring those not in need). The role of civil society in PSNP design and implementation has progressively increased over successive phases. The PBS through the social accountability sub-programme provided citizens the opportunity to give feedback to service providers and local administrators. Through its support to the AU and the work of the EU-SPS project, the EU has supported the formation of regional networks of SP experts and peer-to-peer exchanges.

### **2.4.1 JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection.**

In 2011 the EU supported the creation of a tripartite dialogue with the Ethiopian government (Minister of Federal Affairs, line Ministries), CSOs and DPs in the framework of the Civil Society Sector Working Group (CSSWG), co-chaired by the EUD. This dialogue was further intensified during 2013 with positive results: more open dialogue between different actors involved and more positive image and environment for CSOs in the country. This achievement is the result of the implementation of the CSP 2008-2013 which established an indicative amount of EUR 10 million to promote the NSA-government dialogue. It also included capacity development measures to strengthen NSA capacities in advocacy, policy dialogue and service delivery with the objective to enhance their participation in the development process of Ethiopia. Community committees are now actively involved in monitoring PSNP and identifying families in need (as well as barring those not in need). The PBS through the social accountability sub-programme provided citizens the opportunity to give feedback to service providers and local administrators.

No evidence has been found regarding the role of trade unions and employers' organisations, nor is there any evidence that the capacity of civil society was actually strengthened as a result of EU support. Recent political developments will have largely reversed progress made. There is no evidence that social protection has been mainstreamed in other policy dialogues, although linkages between social safety nets and two aspects of migration – return migration from the Gulf and illegal emigration to Eritrea as the first step to seek asylum in Europe – are recognised.

#### **2.4.2 JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms.**

The involvement of CSOs and the private sector in the design and implementation of the PSNP I was not fully achieved. Nevertheless, participation and capacity of CSOs was strengthened in the following editions of the programme, and the involvement of community boards in identifying beneficiary households represents progress. In 2013, the EUD implemented two projects focused on structured dialogue between CSOs/LAs, Government and EU institutions; however, the recent political environment is not favourable to CSO involvement in policy discussions. The PBS includes a sub-programme aiming to strengthen government systems to enhance transparency in the use of public funds, build local capacities and provide new tools to citizens and civil society to engage with local authorities on budget processes and service delivery. The PBS takes into account the participation of CSOs specially those working on gender, equity and inclusion issues in its third component (sub-programme C). As regards the private sector, the option of contracting out is not being exercised. Moreover, there are no explicit references to the private sector in the PSNP ICR II and III and PBS ICR II

#### **2.4.3 JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU.**

CSOs were consulted by the EU in the framework of the 11<sup>th</sup> EDF programming exercise via the the Civil Society Sector Working Group (CSSWG). Early in the PSNP programme, civil society organisations were under-involved; this has to some extent been remedied by the role of local community boards in identifying beneficiary families. However, and despite significant EUD efforts to boost the involvement of civil society, recent political developments have not been encouraging of a high-level involvement of civil society in policy discussions and development. As the main social protection interventions, PSNP and PBS, have little to concern trade unions and employers' organisations, It is not surprising that they have not been involved. The EU has facilitated the participation of Ethiopian (and all other African) SP experts in regional dialogue. An example is the recent (2017) meeting of Experts of the Second Ordinary Session of the Specialized Technical Committee on Social Development, Labour and Employment (STC-SDLE-2) in Algiers, Algeria. The theme of the meeting was "Social Development and Employment: Benefits of the Demographic Dividend for Inclusive Development." The meeting was briefed on the development of the additional protocol to the African Charter on Human and People's Rights on the Rights of Citizens to Social Protection and Social Security and the Social Agenda 2063.

## **2.5 EQ5: Social protection systems**

*To what extent has the EU supported the putting in place of sustainable social protection systems?*

### *Summary answer*

The EU played an important role in supporting the adoption of a national social protection policy in 2014 and continues to be strongly involved in its implementation – providing expertise, financing fiscal space studies, etc. At the core of this comprehensive policy is PSNP. Since its inception in 2005 as a humanitarian emergency food security action, PSNP has steadily evolved into a comprehensive integrated transfer programme that is now the cornerstone of the government's national social protection strategy. Institutions and necessary systems have been put in place at national, regional, and local levels and significant attention has been paid to capacity development. PSNP is now being integrated within a broader system and policy environment for social protection and disaster risk management. PSNP (as

well as the PBS health programme, the EU's second flagship SP intervention) remain donor dependent, but in the case of PSNP, Government has started to make a significant financial contribution and self-sufficiency in ten years is foreseen. Increasingly, the application of IT (e.g. the introduction of a computer-based payroll system and of "client cards") is rationalizing and systematizing procedures, thereby contributing to sustainability.

### **2.5.1 JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially.**

The multi-donor and government-led PSNP was first launched in 2005 to enable the rural poor facing chronic food insecurity to resist shocks, create assets and become food self-sufficient. It was mainly designed as part of a food security strategy but with some social protection components in the form of cash/food transfers. During phases I and II, the project executed important measures (e.g. providing training, recruiting additional staff, preparing manuals, supplying equipment) that resulted in the enhancement of the capacity of implementing partners (principally Ministry of Agriculture and Ministry of Finance and Economic Development). Over the subsequent phases the project has evolved to a more integrated transfer system with strong government ownership. PSNP II and III aimed at developing and strengthening the appropriate institutional capacity and developing necessary systems, mainly at regional and community levels in the latter case. PSNP IV is focused on integrating the PSNP within a broader system and policy environment for social protection and disaster risk management. The EU supported the elaboration of the national social protection adopted in 2014 covering five areas including social insurance and social protection and continues to support implementation – in particular financing fiscal space studies through EU-SPS.

### **2.5.2 JC 52 Nationally defined social protection floors promoted.**

Ethiopia has not moved in the direction of a social protection minimum along ILO lines but it has used the multi-donor PSNP programme to assist the poorest and most vulnerable segments of the population through food/cash transfers via public works programmes and, when warranted, direct transfers. This, and the EU's support for it, is fully consistent with the spirit of the SPF's basic minimum income. By seeking to gradually develop a comprehensive social protection programme, with the PSNP at its core but including social insurance components as well, the Ministry of Labour and Social Assistance is working in coherence with, if not explicitly endorsing, the SPF approach.

### **2.5.3 JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered.**

While both major initiatives (PSNP and PBS) identified here remain donor dependent, they have also, particularly the PSNP, been increasingly embedded in a broader approach to social protection which calls for the consideration of financial sustainability with national resources – at some distant point in time. This has necessitated growing consideration of fiscal matters, supported e.g. by fiscal and incidence analysis carried out under EU-SPS project TA. Government has increased its financial commitment to PSNP. PSNP, having triggered a shift in government's thinking, is having a catalytic effect on the institution of a wider social protection system in Ethiopia. Impact evaluations have been conducted regularly every two years since 2006 (by IFPRI, a broadly-respected international research institute with specialised food security expertise) in order to monitor positive/negative effects of PSNP and establish programme-outcome relationship. Redistributive aspects have been carefully assessed.

The PBS has incorporated the “SAFE” approach based on the principles of Sustainability in additionality, Accountability including fairness, Fiduciary standards, and Effectiveness. According to the ICR, the PBS II played a key role in increasing trends in health financing and spending and the FMOH has increasingly addressed reported fiduciary capacity and weaknesses for both PBS II funds and MDG-PF. The PBS has carried out Poverty and Social Impact Assessments (PSIA) to establish linkage between the programme and outcomes.

#### **2.5.4 JC 54 Government social protection programmes consolidated and rationalized where necessary**

The issue of consolidation was not relevant in Ethiopia because the emphasis was on PSNP. By building the capacity of government institutions and strengthening resource planning and mobilization, the PSNP has improved the efficiency and predictability of transfers. Working procedures and tools (e.g. the introduction of a computer based payroll system and "client cards") have contributed to rationalization of procedures. The spread of ATMs is also contributing to efficiencies. Capacity building at all three most relevant ministries: Labour and Social Affairs, Agriculture, and Finance and Economic Development – has contributed to governance improvements. The institutional development impact of the PBS programme was considered significant. It contributed to enhance the capacity at both MoFED and Ministry of Health, the main implementation agencies.

## **2.6 EQ6: Social exclusion**

*To what extent has EU support to social protection contributed to reducing social exclusion and, finally, poverty?*

### *Summary answer*

PSNP has reduced social exclusion and poverty (by 1.2 percentage points in 2011, according to one impact study). Positive impacts on vulnerable program beneficiaries (children, female-headed households, the elderly, and culturally distinct ethnic groups who might be at risk of being marginalized) have been documented. PSNP follows a rights-based approach and provides stable and predictable assistance to food-insecure households. Being integrated into a broader disaster-risk management strategy, it provides a form of catastrophic risk insurance, reduces the need for precautionary balances, and facilitates consumption smoothing. Ultimately, it promotes resilience. EU strategic documents indicate that cross-cutting issues such as human rights, gender equality, the rights of children, environmental sustainability and HIV/AIDS are mainstreamed in the intervention. The EU-financed PBS health intervention targets women and children as final beneficiaries of projects and includes gender as a cross-cutting issue.

#### **2.6.1 JC 61 Social protection as a human right promoted at all levels**

The PSNP is considered to be the only employment guarantee programme in sub-Saharan Africa and has also introduced the notion of a rights-based approach. The goal of the program was to foster a transition from emergency response (dependency) to a more stable and predictable safety net (understood as a right). By doing so it has become a global reference for the design of effective safety net systems, able to not only to address food insecurity, but also to build resilience to shocks at both the household and community levels.

#### **2.6.2 JC 62 EU support addresses concerns about excluded populations.**

EU support highlights in its programming document (i.e. CSP) the need to ensure that cross-cutting issues such as human rights, gender equality, the rights of children, environmental sustainability and HIV/AIDS are either addressed by direct interventions or mainstreamed into other programmes. Similarly, support to NSA is also including among the programming

objectives, focused on enhancing participation of NSAs in policy dialogue and development, to further strengthen their capacity in advocacy and service delivery, and to promote their full recognition as development partners.

Impact assessment shows that the PSNP had a positive impact on vulnerable programme beneficiaries (children, female-headed households, elderly, and culturally distinct ethnic groups who might be at risk of being marginalized and who may be vulnerable in terms other than food security). In some areas, it was found out that children were occasionally engaged in public works activities and in some areas there may be health and safety issues on the public works construction sites, which led to an enhancement of the implementation of the Environmental and Social Management Framework (ESMF), which includes a section on Child Labour and Health & Safety on public works construction sites.

The PBS is designed as a pro-poor intervention. The programme targets women and children as final beneficiaries of projects and includes gender as a cross-cutting issue.

### **2.6.3 JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage).**

While there are some rudimentary data on types of social protection as a share of GDP, no real assessment of social assistance benefit adequacy is possible. According to the World Social Protection Report 2014/15 released by ILO, total public expenditure and health expenditure as proportion of GDP has steadily increased from 1999 (1.5%) to 2011 (3.17%). Total public expenditure excluding health care amounts to 0.61% of GDP. According to data provided by the Study on Social Protection in Sub-Saharan Africa, cost estimates of child benefits is 2.8% of GDP and cost estimates of old age pension is 1% of GDP (ILO 2008). The positive impact of PSNP on household consumption is well documented and the number of food-poor months during which benefits are paid has been increased.

## **2.7 EQ7: Modalities**

*To what extent has the approach (financing instruments, modalities and channels) employed by the EU been appropriate and efficient for strengthening social protection in partner countries?*

### *Summary answer*

EU budget support having been terminated in 2005, PSNP and PBS were financed via multi-donor trust funds (ten development partners in the first case; twelve in the second) managed by the World Bank. Administrative procedures have been harmonized and overhead costs are reasonable as a share of total programme budget. The PSNP was recognized as a model for coordination and aid effectiveness at the High Level Forum on Aid Effectiveness in Busan, Korea in 2011 and the PBS was also considered a best practice in terms of coordination/partnership in SP in Africa. The programme was specifically cited in the 2014 World Bank World Development Report. Both programmes have achieved high levels of national ownership, and indication that modalities and channels are appropriate. PSNP has been complementary to interventions financed by other instruments such as ECHO, the DCI Food Security thematic budget line, and the Food Facility (EU budget) The PBS has been linked to NGO co-financed interventions, the EU DCI thematic budget line for health and for reproductive health as well as to the PSNP. The timeliness of PSNP transfers has steadily increased to the point that 90% of disbursements to woredas are now considered to be on time. PBS procurement delays were gradually eliminated.

### **2.7.1 JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context.**

The EU suspended budget support in Ethiopia following the crisis of the 2005 elections. Other modalities of implementation were subsequently adopted. PSNP resources have been channelled through a Multi-donor Trust Fund (MDTF) from nine Development Partners: EU,

WB, DFID, RNE, CIDA, SIDA, Irish Aid, USAID and WFP. These partners agreed to pool their funds and harmonise administrative procedures in order to prevent duplication and reduce transaction costs. Staff time, administration costs and capacity building consume about 17% of total programme budget.

Likewise, the PBS was created as an alternative funding instrument in order to mitigate the impact of the suspension of budget support operations in the country and ensure progress towards the achievement of MDGs in key sectors such as education and health. Resources have also been channelled through an agreed joint framework involving 12 DPs (most of them have channelled their funds through WB-managed MDTFs): EU, WB, DFID, RNE, CIDA, Irish Aid, IDA, Austria Development Cooperation, Spain, Italy, KfW and AfDB.

Both PSNP and PBS are implemented through joint management with the World Bank. The PSNP III includes an annex providing the justification for this choice: type and size of the programme, suspension of general budget support and lack of institutional capacity. The EU PBS I programming document also contains an annex including all stakeholders involved in the implementation of the programme. PSNP was recognized as a model for coordination and aid effectiveness at the High-Level Forum on Aid Effectiveness in Busan, Korea in 2011 and the PBS was also considered best practice in terms of coordination/partnership in SP in Africa.

### **2.7.2 JC 72 EU financed interventions in the social protection field are mutually reinforcing.**

The PSNP has been complementary to other EU interventions funded through ECHO, the Food Security Budget Line, the Food Facility (EU budget) and the PBS Programme (EDF budget). The PBS has been linked to NGO co-financed interventions, the EU Thematic Budget Line for Health and for Reproductive Health as well as to the PSNP. However, the EUD states that it has not always been consulted/informed on the existence of certain projects. According to EU programming documents, the PSNP is also linked to interventions funded by other donors (Irish Aid, GTZ and Italian Cooperation) and to the Food Security Programmes and the Resettlement Programme implemented by the government. The PBS programme complements national and sectoral initiatives in other areas to avoid duplication with activities implemented by line ministries and reinforce their impact. Also to be considered are the synergies between EU support to the AU for regional social protection policy and the Ethiopia case – which have been excellent, in part because Ethiopia is regarded as a regional leader in the area.

### **2.7.3 JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored.**

In the first phase of PSNP III, timeliness of transfers as well as timeliness and quality of technical and financial reporting by the Ministry of Finance and Economic Development has been progressively improving. Delays in payment of cash/food transfers have been a main constraint in some woredas hampering PSNP performance. Nevertheless, this trend has been shifted, reaching 90% of transfer made on time in 2015 (compared to 6% in 2008).

The PBS also experienced some procurement delays related to components B, C and D although this improved over the years and finally most large procurements were completed at the end of the project. .

Programming documents refer to the strong engagement of DPs and emphasize that former phases of the PSNP have taken measures to enhance capacities of implementing institutions and their counterparts at regional and district levels. They also refer to the support and engagement of DPs. The PBS programme has positively influenced the institutional capacity of institutions involved (according to the ICR II the programme).

The agreement of DPs to use a joint framework and a MDTF to channel their funds has helped to harmonise administrative procedures, prevent duplications and reduce transaction costs. The PSNP was recognized as a model for coordination and aid effectiveness at the High Level Forum on Aid Effectiveness in Busan, Korea in 2011 and PBS was also considered a best practice in terms of coordination/partnership in SP in Africa.

The PSNP programme may safely be described as the most evaluated programme in sub-Saharan Africa. The M&E system has improved over the years and has been key to reorient and adjust the programme. The PSNP II faced monitoring issues in some woredas but it overcame obstacles introducing an incentive system to provide additional financing to those woredas that meet minimum standards. Regarding the SBS II, SAFE performance assessment results were reflected in modifications to disbursements for the following year in order to enhance predictability of disbursements. Furthermore sub-programme D exclusively relates to M&E to enhance Government and donors' capacity to measure impact.

## 2.8 EQ8: Coherence, coordination, added value

*To what extent has EU support to social protection been coherent with other EU sector policies and to what extent has it added value to the EU Member States' and other donors' interventions?*

### *Summary answer*

Ethiopia has been viewed as a model for donor coordination, and as one of the largest donors in a country where many MSs are also present, the EU has added considerable value in coordination. The EU-financed Development Assistance Group (DAG), is comprised of 30 bilateral and multilateral donor agencies. EU participates actively in the PSNP Donor Working Group. The EU also added value by its ability to provide not only bilateral aid (to Ethiopia as well as other African countries) but to the Africa Union as well, stimulating sharing of knowledge and best practice and promoting regional integration of social protection policies.

### **2.8.1 JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs.**

The EU has strongly engaged in coordination with other donors in Ethiopia, one of the countries where donor coordination and the use of joint approaches is most developed. The EU strongly supports donor harmonisation through the financing of the Development Assistance Group (DAG), which comprises 30 bilateral and multilateral development agencies providing development co-operation to Ethiopia. The Fast Track Initiative on Division of Labour (FTI-DoL) has allowed to monitor the division of labour and promote harmonisation at sector level.

The PSNP is considered best practice in donor coordination among different DPs (EU, WB, SIDA, CIDA, Irish, DFID, RNE, USAID and WFP) establishing several coordination mechanisms in order to minimise transaction costs: Joint Coordination Committee (JCC), Donor Working Group (DWG) and Donor Coordination Team (DCT). The EU actively participates in the PSNP DWG chaired by six-month rotating presidency.

Likewise, the PBS programme supported by 12 donors is considered an effective partnership with a well-articulated system of joint donor support, coordination and dialogue: Joint Budget and Aid Reviews (JBARs) and Joint Review and Implementation Support (JRIS) missions every six months. Both programmes, PSNP and PBS are good examples of mobilizing resources from development partners although they are not only supported by the EU.

### **2.8.2 JC 82 - EU support for social protection coherent with other EU sector policies (e.g., trade, employment).**

According to the thematic global evaluation of EC support in the sectors of ESI (Employment and Social Inclusion) in partner countries, the EC provided more than EUR 100 million to support social inclusion into the labour market in Ethiopia between 1999 and 2008. As regards inter-DGs coordination, PSNP programming documents basically refer to the coordination with ECHO.

### 3 Key overall findings

Cited as a model at the 2011 High Level Forum in Busan and praised in the 2014 World Bank World Development Report, the EU-supported PSNP cash / in-kind transfer programme is regarded as a model for sub-Saharan Africa. It is one of the most monitored and evaluated projects in the EU's portfolio, and has been consistently found to have **reduced poverty, fought social exclusion, tackled vulnerability, and promoted resilience**.

While budget support was unavailable due to suspension, a multi-donor trust fund involving **intense cooperation among the development partners** was successfully used to support the intervention. As similar EU-supported MDTF financed PBS, a project strengthening basic health care. Both programmes had strong gender components. PSNP has steadily expanded, both geographically and in the amount of support provided.

PSNB is now the **centrepiece of a widely praised national social protection policy**, elaborated with EU support and adopted in 2014, and intended to cover not only basic income support, but other needs as well, including social insurance. The EU continues to support implementation through fiscal space studies with sustainability in mind. While government commitment to support to PSNP has increased over time and scenarios are in place for self-finance in ten years, concerns remain.

Contributing to **EU value added** in Ethiopia has been its support to the African Union (mostly through direct support to the Department of Social Affairs) to promote social protection policy at the continental level.

## 4 Annexes

### 4.1 Evaluation Matrix: Indicator level information

#### 4.1.1 EQ1

#	Indicators	Evidence
<b>JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.</b>		
I-111	Objectives of EU support respond to clear overall strategic orientations on social protection	<i>See the analysis carried out at the global level in the main report of the evaluation</i>
I-112	Objectives of EU support aligned to national SP policy framework	<p>PSNP is a cornerstone of the Government's National Social Protection Policy that identifies social safety nets as one of its main pillars and commits the Government to establish a social protection system. The PSNP is also one of the flagship programs under the Disaster Risk Management Policy, providing significant support to the Government's investment framework for DRM.</p> <p><i>Source: PSNP III ICR, p. 23.</i></p> <p>PSNP continues to be central to core Government of Ethiopia initiatives, including its ambitious Growth and Transformation Plan, its National Policy and Strategy on Disaster Risk Management (DRM), and especially its National Social Protection Policy (Section 2.5). The policy recognizes that not all households in rural areas would graduate from PSNP thus requiring a long-term safety net for the poorest.</p> <p><i>Source: PSNP III ICR 2016, p. 25.</i></p> <p>The sustained effort to increase cooperation effectiveness and to honour EU aid effectiveness commitments in Ethiopia continued during 2013. The Delegation confirmed the general alignment of EU cooperation with the Ethiopian national development strategy (GTP), basis of the ongoing programming exercise.</p> <p><i>Source: EAMR 2013, p. 24.</i></p> <p>The PBS is a multi-sector approach at the sub-national level. Section 2.3 and Annex D provide details of the government led policy papers and initiatives that are related to PBS and the delivery of economic and social services at the regional and woreda levels. These include pro-poor initiatives for: higher enrolment in quality primary and secondary education; improved maternal health and reduced child mortality; increased assistance for the national Food Security Programme and Productive Safety Nets Programme; and greater focus on increasing agricultural productivity to raise the incomes of peasant farmer households; and initiatives to ensure increased access to clean water and sanitation.</p> <p>The PBS is closely linked to the Government's Plan for Accelerated and Sustained Development to End Poverty (PASDEP), and supports pro-poor initiatives by individual regions and woredas.</p> <p><i>Source: PBS I Financing Proposal, p. 2.</i></p>
I-113	Design of EU support based on participatory approaches involving partner key national institutions (MoF, Central Banks), social partners and civil society	<p>The response strategy presented [in the CSP] can be considered "joint" in that it has been informed by a Joint Country Diagnostic Survey carried out with several Member States and provides a framework for both the EU Member States and the EC's cooperation planned in Ethiopia along with the linkages between them. All these initiatives have been aligned to align with the priorities of the Government's national poverty reduction strategy, the Plan for Accelerated and Sustainable Development to End Poverty (PASDEP)</p> <p><i>Source: CSP 2008-2013, p. 1.</i></p> <p>The Productive Safety Network Programme (PSNP) also has the potential to evolve into a comprehensive social protection strategy in the longer term. In particular, further dialogue could focus on making the PSNP evolve from a geographical focused programme into an entitlement based intervention that is</p>

#	Indicators	Evidence
		<p>part and parcel of the Government's social protection policy.  <i>Source: CSP 2008-2013, p. 8.</i></p> <p>PSNP is the result of intensive (and historically protracted) negotiations between Government and its development partners (including the EC). See also EQ7/JC71.</p> <p>The Government welcomed the involvement of NGO partners and WFP in support of programme implementation  <i>Source: PNSP III ICR 2016, p. 88.</i></p> <p>The Delegation organized a meaningful and structured participation of CSOs in the 11th EDF programming exercise. CSOs were consulted to share their views on the priority sectors chosen and an envelope for civil society and synergetic governance. In addition to the inputs provided to the programming exercise, the CSOs demanded strategic, regular exchange and engagement with the Delegation on the next steps of the implementation phase. The extensive programming dialogue has also been an opportunity to reflect on what could be the most appropriate support for civil society in Ethiopia [...] The gender cross-cutting exercise of the new NIP has also been the opportunity to consult the gender related CSOs and experts.  <i>Source: EAMR 2013, p.13.</i></p> <p>There was only a very limited openness to non-state actors, be they NGOs, the private sector or the transfer of greater resources and responsibilities to community task forces and CBOs to improve implementation performance.  <i>Source: PNSP I ICR 2007, p.19.</i></p> <p>Focus/Accomplishments of PSNP I: strengthened community involvement by supporting community targeting and local-level participatory planning as core principles of the program;  <i>Source: PNSP III ICR 2016, p. 77.</i></p> <p>The EU support the PSNP implemented by the World Bank and co-financed by other DPs (SIDA, IrishAid, CIDA, DFID, RNE and USAID). The MoARD (Ministry of Agriculture) has the overall management responsibility of the programme. MoFED (Ministry of Finance and Economic Development) has the overall responsibility for the financial management and the cash transfers. MoARD/DRMFSS structures at Federal, Regional and District levels through the Food Security Offices are primary government stakeholders who are responsible for the planning, implementation and supervision of the programme. PSNP development partners are the other stakeholders of the programme which have so far shown continued support for the programme through allocation of funds. Development partners are actively engaged in the follow up of the implementation process of the programme through joint supervision and coordination bodies, the joint review missions, technical task forces and monitoring mechanisms. PSNP clients participate to relevant processes such as the community self-targeting exercise, the definition of the community development plan and priorities to be reflected in the PW plan, to the execution of the PW themselves.  <i>Source: Action Fiche PSNP III 2010-2014, p.1 &amp; 6.</i></p> <p>Women's participation in planning is strong [...] Further, while women are members of various programme committees, their role in decision-making is less clear. And there are concerns over whether women are active participants in meetings and whether their inputs carry sufficient weight.  <i>Source: PSNP III ICR 2016, p. 84.</i></p> <p>Efforts were made to promote women's empowerment and voice in program management. Quotas were established to ensure women's inclusion on program committees at woreda, kebele and community-levels. This, coupled with awareness-raising, aimed to ensure that women were able to influence the delivery of the program.  <i>Source: PSNP III ICR 2016, p. 36.</i></p>
I-114	EU support to SP	Recent PSNP planning has taken into account the large (and potentially much

#	Indicators	Evidence
	addresses emerging EU policy concerns such as migration, refugees, and security	larger) return of Ethiopians who have migrated to the Gulf States, particularly Saudi Arabia. Less publicized, PSNP is also viewed by the international community as a tool for reducing illicit migration to Eritrea with the goal of ultimately reaching Europe with a high likelihood of obtaining refugee status. PSNP is also considered relevant to climate change adaptation. <i>Source: Field mission interviews</i>
<b>JC 12 Needs and target groups clearly identified in the design of EU support</b>		
I-121	EU-supported interventions based on sound analyses of opportunities (including fiscal space), and problems and barriers (including in terms of institutional environment) to achieving universal access to social protection	In general EU programmes (PSNP II & III and PBS I & II) provide a rationale and context analysis describing the country situation and main challenges. <i>Sources: Action Fiches PSNP II &amp; III and PBS I &amp; II.</i> CSP 2008-2013 provides an analysis of the public finance performance including Government fiscal deficit. <i>Source: CSP 2008-2013, p. 12-14.</i> PSNP and PBS programming documents include a short description of the macro-economic and social situation of the country. <i>Source: Action Fiche PSNP II and III, Financing Proposal PBS I and TAP PBS II.</i> See I-511 on capacity building to overcome institutional gaps and bottlenecks.
I-122	EU-supported interventions based on correctly identified uncovered and underserved groups	The APL III (Adaptable Program Loan) Project, through the PSNP and HABP (Household Asset Building Program) interventions, would target 7.57 million chronically food insecure rural citizens (approximately 10% of Ethiopia's total population), residing in 290 of 710 woredas nationwide in eight of the country's ten regions. Woredas would continue to be selected based on historic vulnerability. Households within these woredas would be identified by communities based on relative wealth ranking to select the poorest and most food insecure. Previously, most of the woredas targeted by PSNP were in highlands areas. Based on lessons from a pilot program in 18 woredas in pastoral areas, the PSNP would be scaled up to these areas in 2010 and 2011. <i>Source PSNP III ICR 2016, p.6.</i> Gender equality and vulnerable female-headed households will be particularly targeted by the PSNP through direct support and an explicit provision to assist them in enhancing the productivity of their lands. The programme will also assist people living with HIV/AIDS through its direct support component. <i>Source: Action Fiche, PSNP 2010-2014, p. 6.</i> PSNP continues to be central to core Government of Ethiopia initiatives, including its ambitious Growth and Transformation Plan, its National Policy and Strategy on Disaster Risk Management (DRM), and especially its National Social Protection Policy (Section 2.5). The policy recognizes that not all households in rural areas would graduate from PSNP thus requiring a long-term safety net for the poorest. <i>Source: PSNP III ICR 2016, p. 25.</i> A Strategic Assessment of the Impact of the Implementation of the Productive Safety Net Programme on Vulnerable Programme Beneficiaries (August 2012) found that the impact of the PSNP on vulnerable program beneficiaries is overwhelmingly positive. Vulnerable beneficiaries include children, female-headed households, elderly, and culturally distinct ethnic groups who might be at risk of being marginalized and who may be vulnerable in terms other than food security (footnote). (...) A Gender and Social Development impact assessment conducted in four PSNP highland implementation regions reported substantial improvements in gender aspects, including: (i) improved PSNP planning, taking into account women and marginalized groups; (ii) greater women's involvement in decision making structures; and (iii) improved community attention to the promotion and implementation of public works program provisions relating to pregnant and lactating women. <i>Source: PSNP III ICR 2016, p. 36-37.</i> Final beneficiaries of the projects will be women, children and men who for the

#	Indicators	Evidence
		<p>most part are included in the poorest segments of Ethiopia's rural society.  <i>Source: AF PBS II, p. 4.</i>  <i>See also I-621.</i></p>
I-123	EU-supported interventions utilise census, economic and social data	<p>The design and appraisal of APL III drew from a strong base of independent studies, assessments and a series of ongoing impact evaluations of PSNP's performance in the highlands region, the latest of which prior to APL III was completed in 2008. This strong analytical base served not only as rich source of data and evidence from which to draw lessons and prepare APL III, but also facilitated a common understanding across Development Partners and Government regarding the challenges and opportunities for APL III.  <i>Source: PSNP III ICRR 2016, p.11.</i></p> <p>The programme review carried out in 2008, several specific studies and the regular in built monitoring tools, including the biannual baseline survey, and a DWG document on lessons learnt under preparation in 2010 are the source documents for the lessons learnt described here. (footnote)  <i>Source: Financing Agreement PSNP 2009-2014.</i></p> <p>The indicators reported here are drawn from several sources of data, primarily the PSNP impact evaluation data (please see Annex 3 for details) and PSNP administrative data. Baseline data were collected in 2008 at a time when PSNP was operating only in the highlands areas. As such, for the impact evaluation data, the baseline and follow-up data are both from the highland areas only to ensure comparability. (footnote)  <i>Source: PSNP III ICR 2016, p. iv.</i></p>
I-124	Data gaps identified and adequately mitigated in design of EU support	<p>Key components of the PSNP M&amp;E framework, which was conceived of as part of the broader Food Security Program M&amp;E system, were: (a) an MIS to report process and output indicators, including financial and physical progress; (b) periodic technical reviews of the quality and sustainability of the public works; (c) annual needs assessments to dimension the appropriate safety net response; (d) a beneficiary database and automated payroll; and (e) a series of evaluation studies (baseline survey, studies on poverty targeting, institutional linkages and direct support, local grain market analysis, a process evaluation, a random audit of transfers and a beneficiary assessment).  <i>Source: PSNP I ICR 2007, p. 7.</i></p> <p>Component 3: Institutional Support to PSNP. This Component was designed to support institutional strengthening activities in the following areas: [...] (iii) monitoring and evaluation to ensure regular monitoring data, with a specific focus on upgrading the monitoring system for public works and establishment of RICs; [...]  <i>Source: PSNP III ICR, 8.</i></p> <p>APL III's M&amp;E framework was consistently applied during the implementation period, and provided a wealth of data, evaluations and lessons that fed into improvements of APL III during implementation, into the design of PSNP IV, and into the assessment of progress towards the project's development objectives, including this ICR.  <i>Source: PSNP III ICR, 18.</i></p> <p>PBS II provided dedicated resources to strengthen program monitoring, national data collection and M&amp;E systems.  <i>Source: PBS II ICR, p. 28.</i></p> <p>The PSNP takes into account children's needs and includes them in the definition of vulnerable groups. For instance, in the PSNP III a minimum age was set in order to avoid children participation in public works. The project also provided child-care centers at work sites for women. Poor children from rural areas are included as main beneficiaries in the PBS programme.  <i>Source : Field mission interviews</i></p>

## 4.1.2 EQ2

#	Indicators	Evidence
<b>JC 21 Social protection coverage and uptake extended / broadened with EU support</b>		
I-211	Trends in social insurance (old-age pension, disability, unemployment, etc.) coverage rates, e.g. Proportion of work force actively contributing to a pension scheme Proportion of active workforce with qualifying for unemployment benefit Proportion of elderly receiving a pension, etc.	<p>In relation to effective coverage, in 2006, 9.0% of women and men above statutory pensionable age (60+) were receiving an old-age pension.  <i>Source: World Social Protection Report 2014/15, ILO, 273</i>  <a href="http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf">http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf</a>.</p> <p>ILO estimates that 40.3% (out of which 23.3% women) should be legally covered (mandatory: 6.4% out of which 4.7% are women; voluntary: 33.8% out of which 18.7% are women) for old age pension as a percentage of the working age population.  <i>Source: World Social Protection Report 2014/15, ILO 238</i>  <a href="http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf">http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf</a>.</p> <p>Ethiopia does not have a non-contributory system of protection for person with disabilities who are not able to enter the labour market. In order to do this, the country would need technical assistance in the design of system/scheme, financial and human resources. The country also needs to introduce a non-contributory old age pension which can provide protection to those not covered by the contributory system. They would need technical assistance to design the scheme. Training is also needed to build the capacity of the government to deliver pensions.  <i>Source: Study Social Protection Sub-Saharan Africa, July 2012, Annex, p. 115.</i></p> <p>Data about the proportion of active workforce contribution to a pension scheme is not available in any of the data sets. Based on the largely agricultural and informal nature of the economy, this can be safely assumed to be low.</p> <p>PSNP provided 399.3 94.39 7 ETB (Ethiopian Birr - national currency) cash transfers to direct support and 1,561.5 78,946 ETB cash transfers to Public Works in 2007. Besides, it provided 45,67 0.49 food transfers (in MT) to direct support and 164,6 95.67 food transfers (in MT) to Public Works during the same year.  <i>Source: PSNP III ICR, Tables 2.3 and 2.4 p. 52</i></p>
I-212	EU support for social protection recognizes special needs of the informal sector	<p>Finally, attention should be drawn to the widespread reliance on informal social security in sub-Saharan Africa, which is largely the result of the inadequate provision via the formal social protection system, despite the strong cultural and social connection some of the informal schemes may have. [...] In the absence of formal social protection and micro- and mutual health insurance, these systems (like <i>mahber</i> systems in Ethiopia) continue to function as primary safety nets. However, these informal initiatives are unable to achieve, on their own, adequate protection and need to be evolved and integrated with the formal system of protection, also from the perspective of an overarching conceptual framework.  <i>Source: Study Social Protection Sub-Saharan Africa, July 2012, p. 32.</i></p>
I-213	EU support for social protection recognizes special needs of children	<p>The PSNP was designed to address these issues. The PSNP's strong focus on gender continued during implementation of APL III:</p> <p>The design of public works is gender and child-sensitive. Pregnant and lactating women are moved from public works to direct support after the fourth month of pregnancy until 10 months after delivery – a provision not commonly found in public works programs globally. The work load for women are 50% lower than those for men. A minimum working age (above 16 years) was set in PSNP 3 to ensure that children did not participate in public works and efforts were made to provide child-care centers at work sites for women who bring their babies with them to work.  <i>Source: PSNP III ICR 2016, p. 36.</i></p> <p>Health and nutrition impacts have been achieved among beneficiary children and are now a core element of PSNP 4.</p>

#	Indicators	Evidence
		<p>Source: PSNP III ICR 2016, p. 39.</p> <p>Vulnerable beneficiaries include children, female-headed households, elderly, and culturally distinct ethnic groups who might be at risk of being marginalized and who may be vulnerable in terms other than food security</p> <p>Source: PSNP III ICR 2016, p. 37.</p> <p>Final beneficiaries of the projects will be women, children and men who for the most part are included in the poorest segments of Ethiopia's rural society.</p> <p>Source: TAPs PBS II, p. 7.</p> <p>See also I-122 and I-621 for children.</p>
<b>JC 22 Universal access to adequate health services put in place / strengthened with EU support</b>		
I-221	Proportion of population with access to basic health services (e.g., living within 5 km of a health facility)	<p>The estimate of health coverage as a percentage of total population was 5% in 2011. (Coverage includes affiliated members of health insurance or estimation of the population having free access to health care services provided by the State.)</p> <p>Source: <i>World Social Protection Report 2014/15 ILO</i>, p. 286  <a href="https://www.ssa.gov/policy/docs/progdesc/ssptw/2014-2015/africa/ethiopia.html">https://www.ssa.gov/policy/docs/progdesc/ssptw/2014-2015/africa/ethiopia.html</a>.</p> <p>The utilization of health services for the country is 0.48 annual visits per capita. The low rate of utilization could indicate low availability, demand, or quality of services. Disparities among geographic areas and population groups are still recognized. Shortages of health workforce and funding, as well as limited in program management capacity at sub-national levels, remain areas for future action.</p> <p>Source: <i>Country Cooperation Strategy at a glance</i>  <a href="http://apps.who.int/iris/bitstream/10665/137170/1/ccsbrief_eth_en.pdf">http://apps.who.int/iris/bitstream/10665/137170/1/ccsbrief_eth_en.pdf</a>.</p> <p>Despite significant achievements under the Health Sector Development Programs HSDPs I and II, coverage of the system remains inadequate, and the quality of the available services, especially in rural areas, is acknowledged to be variable.</p> <p>Source: <i>Evaluation of the Commission of the European Union's co-operation with Ethiopia (2004-2008)</i>, p. 18.</p> <p>Strategic Result 3: Ensuring communities have access to health facilities that are well equipped, supplied, maintained and ICT networked as per the standards and are well staffed with qualified and motivated employees.</p> <p>Source: <i>HSDP IV 2010/11-2014/15</i>.</p> <p>PSNP III enhanced access to health services through the construction/rehabilitation of 512 health posts.</p> <p>Source: <i>PSNP III ICR 2016, Indicator 16</i>, p. 54.</p> <p>Sub-program A aimed to improve the availability of qualified staff and infrastructure for the decentralized delivery of basic services, including Health. Under the subprogram A1, PBS II provided funding for recurrent expenditures of the Health Extension Program (HEP), including 30% of salaries of the Health Extension Workers (HEW). By December 2012, every HEW covered about 2137 people, performing outreach services, conducting safe and clean deliveries, diagnosing and treating malaria, diarrhoea, intestinal parasites and pneumonia; and providing basic services at the health posts, including immunizations, injectable contraceptives and first aid. Under Sub-program A2, the project funded on a pilot basis Local Investments Grant (LIG) for small scale capital investments at woreda level, including health centers and health posts. A detailed LIG evaluation carried out in 2011, indicates that out of 264 LIG projects, 55 projects were for Health centres. Of these, 53 projects were completed, representing 96% completion rate and funds utilization of 94%.</p> <p>Source: <i>PBS II ICR</i>, p. 42.</p> <p>Health. In line with the GTP (Growth and Transformation Plan) and Health Sector Development Plans, the Government has been making strong success include strong efforts to provide health services for local communities, achieving impressive results in service expansion. Between 2005 and 2010, the</p>

#	Indicators	Evidence
		<p>number of health posts rose from 4211 to 14,416; the number of health centers increased from 519 to 2,689; and public hospitals rose from 79 to 11. As a result of these expanded health facilities, Ethiopia has shown impressive improvements in key maternal and child health indicators between 2005 and 2010, measured primarily through the Ethiopia Demographic and Health Survey (EDHS).</p> <p>Source: <i>PBS III</i>, p. 4.</p>
I-222	<p>Proportion of women receiving adequate ante-natal care. (e.g., <a href="http://www.who.int/healthinfo/indicators/2015/child_2015_76_antenatal_care.pdf?ua=1">http://www.who.int/healthinfo/indicators/2015/child_2015_76_antenatal_care.pdf?ua=1</a>)</p>	<p>Antenatal care coverage reached 68% in 2008/09. Source: <i>Health Sector Development Program IV 2010/11-2014/15</i>, p. 6. <a href="http://phe-ethiopia.org/admin/uploads/attachment-721-HSDP%20IV%20Final%20Draft%2011Octoberr%202010.pdf">http://phe-ethiopia.org/admin/uploads/attachment-721-HSDP%20IV%20Final%20Draft%2011Octoberr%202010.pdf</a>.</p> <p>According to WHO data source 19% of women received at least 4 antenatal care visits and 43% received at least 1 visit in 2013. Source: <a href="http://www.aho.afro.who.int/profiles_information/images/d/d5/Ethiopia-Statistical_Factsheet.pdf">http://www.aho.afro.who.int/profiles_information/images/d/d5/Ethiopia-Statistical_Factsheet.pdf</a>.</p> <p>In addition, some positive trends in proxy indicators for maternal mortality were observed -- the use of ante-natal care increased from 28% to 34% (respectively 2005 and 2011 DHS), while the postnatal service coverage has also increased from 36.2% to 44.5% over the same period. The proportion of births attended by skilled providers has increased from 6% to 10% between 2005 and 2011. Source: <i>PBS II ICR</i>, p. 33.</p>
I-223	<p>Proportion of health costs paid out of pocket</p>	<p>Out of pocket expenditure in constant USD per capita has increased from 3.2 USD per capita in 2007 to 4.1 USD per capita in 2011. Source: <i>World Social Protection Report 2014/15 ILO</i>, p. 286 <a href="http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf">http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf</a>.</p>
Other relevant information		<p>The PBS sub-programme A1 (Block Grant Transfer - BGT) aims at expanding access to and quality of health among other basic services. According to the ICR, "the PBS II provided funding for recurrent expenditures of the Health Extension Program (HEP), including 30% of salaries of the Health Extension Workers (HEW). By December 2012, every HEW covered about 2,137 people, performing outreach services, conducting safe and clean deliveries, diagnosing and treating malaria, diarrhea, intestinal parasites and pneumonia; and providing basic services at the health posts, including immunizations, injectable contraceptives and first aid." Under the sub programme A2 (Local Investment Grant - LIG) the PBS II provided small-scale capital investments to health centers at woreda level, but it has to be noted that the EC only provided a small contribution to this component (EUR 4 million in PBS II). According to data provided by the PBS III, between 2005 and 2010, the number of health posts rose from 4,211 to 14,416; the number of health centers increased from 519 to 2,689; and public hospitals rose from 79 to 11.</p> <p>The PBS programme also contributed to the improvement of maternal and child health. According to the PBS II ICR, the use of ante-natal care increased from 28% to 34% (respectively 2005 and 2011 DHS), while the postnatal service coverage increased from 36.2% to 44.5% between the same period. The proportion of births attended by skilled providers increased from 6% to 10% between 2005 and 2011. It has to be noted that this achievement relates to the sub-programme B of the PBS which was only supported by the EC with EUR 5 million during the first phase.</p> <p>PSNP III has contributed to the enhancement of access to social services through the construction/rehabilitation of 512 health posts.</p>
<b>JC 23 Access to basic income security strengthened with EU support</b>		
I-231	<p>Programmes related to basic income security (e.g., unconditional cash transfers, non-contributory social</p>	<p>The Productive Safety Net Programme (PSNP) is Africa's largest public works programme. It has both conditional and unconditional components, in both of which cash transfer is currently the major component. Under the overall supervision of the Ministry of Agriculture and Rural Development, it benefits 8.4 million food insecure people, including children, older and disabled people</p>

#	Indicators	Evidence
	pension, social assistance) in place with EU support	<p>and women.  <i>Source: Study on Social Protection in sub-Saharan Africa Annex.</i>  Ethiopia assists over 7 million chronically food-insecure people — about 10% of the population — through its Productive Safety Net Programme's seasonal employment schemes and food or cash transfers.  <i>Source: EC Social Transfers in the fight against transfer, April 2012, p. 54.</i>  The APL III has had substantial positive poverty and social impacts and has been sensitive to gender issues in both its design and implementation:</p> <ul style="list-style-type: none"> <li>• PSNP transfers directly reduced the national poverty headcount rate by 1.6% points in 2011, lifting more than 1.4 million people out of poverty. In the highlands, household consumption by PSNP public works beneficiaries has nearly doubled, rising from 309 birr per person per month in 2006 to 608 birr per person per month in 2014. Similarly, every 100 birr in PW payments leads to a 14.4% increase in monthly per capita expenditures including items such as healthcare, clothing and household durables, and to a 15.9% increase in monthly per capita food expenditures.</li> <li>• Food insecurity was reduced substantially in both the highlands and lowlands. Robust impact evaluations find that, in the highlands, food security improvements for PSNP beneficiary households can be largely attributed to the program and that PSNP's impact on food security has been even higher for female-headed than male-headed households.</li> <li>• Households have stabilized assets. In the highlands, in 2010, 54% of Public Works households reported making a distress sale of assets in order to meet food needs. By 2014, only 25% did so.</li> <li>• Substantial indirect impacts on poverty have been achieved through public works, which have delivered high quality community assets well-adapted to community priorities. Evidence from public works impact assessments indicates substantial environmental and productivity benefits; and surveys show that beneficiaries value very highly the assets created, which are perceived to have increased access to social services and to markets and to have improved productivity.</li> </ul> <p><i>Source: PSNP III-ICR, p. 35.</i>  The Sub-program A1, Basic Service Block Grants Sub-program A1 financed recurrent expenditures (salary, operation and maintenance) in five sub-national basic services, including education, health, agriculture, water supply and sanitation services and rural roads. IDA and DP funds were combined with Government's own resources and distributed to regional and local governments through Federal Block Grant transfers. Local level expenditures were then recorded using the country's financial management reporting system. The Basic Block Grant supplemented the GOE's transfers for capital investments.  [...]  The LIG component supported the introduction, on a pilot basis, of a multi-sector, Specific Purpose Grant from the Federal Government for capital investment at the woreda level in health, education, agriculture and natural resources, water and sanitation, and rural roads.  <i>Source: PBS II ICR, p. 34 &amp; 38.</i></p>
I-232	In-kind transfers (e.g., food and in-kind transfers for work) in place with EU support	<p>Under the PSNP there has been a gradual shift away from food transfers towards cash payments. The percentage of woredas receiving all food transfers decreased from 46% to 34% between 2010 and 2014, while the percentage receiving all cash payments increased from 26% to 42% over the same period. Cash payments are more effective in supporting food security objectives, and also create administrative efficiencies by reducing the costs of transporting food.  <i>Source: PSNP III-ICR, p. 34.</i>  Food transfers (from PSNP) reached 1,702,225 beneficiaries in 2010, 3,440,958 in 2011 and 1,352,169 in 2012.  <a href="http://documents.worldbank.org/curated/en/176471468178145744/pdf/ACS145">http://documents.worldbank.org/curated/en/176471468178145744/pdf/ACS145</a></p>

#	Indicators	Evidence
		41-WP-OUO-9-Ethiopia-PER-final-May-12.pdf Table 3.8 p. 54.
<b>JC 24 Gender inequalities in social protection coverage reduced</b>		
I-241	Conditional and unconditional cash transfer programmes for mothers and children in place with EU support	<p>Direct Support (DS) grants were designed to be provided to households that are labour poor and cannot carry out public works. Individuals unable to participate in PWs (orphans, pregnant and lactating mothers, the elderly, labour-constrained households with sick individuals, and female-headed households with no other available adult labour), and without sufficient, reliable means of support were eligible for DS grants.</p> <p>Pregnant women during the last six months of pregnancy, and lactating women for a period of 10 months after giving birth are considered eligible for DS.</p> <p><i>Source: PSNP III ICR.</i></p> <p>The PSNP's strong focus on gender continued during implementation of APL III:</p> <p>The design of public works is gender and child-sensitive. Pregnant and lactating women are moved from public works to direct support after the fourth month of pregnancy until 10 months after delivery – a provision not commonly found in public works programs globally. The workload for women are 50% lower than those for men. A minimum working age (above 16 years) was set in PSNP 3 to ensure that children did not participate in public works and efforts were made to provide child-care centers at work sites for women who bring their babies with them to work.</p> <p><i>Source: PSNP III ICR I.</i></p> <p>The APL III has had substantial positive poverty and social impacts and has been sensitive to gender issues in both its design and implementation. As an example, a Gender and Social Development impact assessment conducted in four PSNP highland implementation regions reported substantial improvements in gender aspects, including: (i) improved PSNP planning, taking into account women and marginalized groups; (ii) greater women's involvement in decision making structures; and (iii) improved community attention to the promotion and implementation of public works program provisions relating to pregnant and lactating women. The review hypothesizes that these elements have had a positive impact on communities' awareness and understanding of gender and social development issues and even on the food security status of marginalized groups.</p> <p><i>Source: PSNP ICR III.</i></p> <p><i>See also I-621.</i></p>
I-242	Maternity programmes in place, offer adequate coverage, and operational with EU support	<p>In accordance with the Constitution of Ethiopia and Labour Proclamation, female workers are entitled to fully paid maternity leave of 90 days (30 days antenatal and 60 days postnatal) on recommendation of medical doctor. If a pregnant woman does not deliver within 30 days of antenatal leave, she is entitled to additional leave until her confinement. If a pregnant woman delivers before the 30 days period has elapsed, postnatal leave commences after delivery. Maternity leave is fully paid leave. The Labor Proclamation requires that a pregnant worker be granted fully paid leave during the first 30 days of her leave, i.e., before confinement and it is silent about the payment for the 60 days post confinement. However, Constitution of Ethiopia provides that women workers have the right to maternity leave with full pay.</p> <p><i>Source: §35(5) of the Constitution of Ethiopia 1994; §88 of the Labour Proclamation No. 377/2003 (amended by Proc. No. 466/2005 &amp; Proc. No. 494/2006).</i></p> <p><i>Source: © WageIndicator 2017 - Mywage.org/Ethiopia - Maternity and Work.</i></p> <p>Improved implementation of public works provisions for women. Provisions enabling women to work reduced hours and to switch to direct support during pregnancy and for 10 months after childbirth were poorly understood and not systematically implemented under APL II. This was addressed in APL III. A directive issued by the Government in January 2013 helped resolve this issue.</p>

#	Indicators	Evidence
		<p><i>Source: PSNP III ICR 2016, p. 13.</i></p> <p>A 2013 gender study has found that regions struggled to implement the gender provision that women should be allowed to work reduced hours with the way public works were designed. As a result, a letter was circulated to all regions in 85 2013 stating that there was a 50% reduction in the workload for women. However, it appears from the 2014 Public Works Review that late arrival and early departure continue to be challenging.</p> <p><i>Source: PSNP III ICR 2016, 84.</i></p> <p>By the end of the project, the PBS II had provided crucial support to: [...] (3) Maternal health through the procurement of 19.8 million doses of contraceptives and the equipment and supply for Emergency Obstetrics Care including 50 types of items [...]</p> <p><i>Source: PBS II ICR, p. 40.</i></p>
I-243	Social assistance coverage of the elderly, disaggregated male/female if possible.	<i>No information available.</i>

#### 4.1.3 EQ3

#	Indicators	Evidence
<b>JC 31 EU support to social protection coordinated with MSs</b>		
I-311	Evidence for regular coordination efforts between EC and EU MSs in field of social protection at global level	<p>At country level, the PSNP embodies best practice in development partners' collaboration and a continued commitment to partnership and the principles of the Paris Declaration on Aid Effectiveness is expected for the next phase of the Program. The policy shift to a productive safety net system has been strongly supported by the EU in close partnership with a consortium of other development partners, including EU MS institutions such as DFID (British cooperation), Irish Aid, RNE (Dutch cooperation), SIDA (Swedish cooperation). The development partners group has pooled its financing – both in cash and food – and developed a unified stream of technical advice in support of a single Government-led program.</p> <p><i>Source: AF PSNP III, p. 4.</i></p> <p>It could be mentioned that during the 11th EDF NIP drafting process, European Cooperation Agencies and Embassies in Ethiopia have been systematically invited to provide their feedback on the proposed specific objectives in the focal sectors and the rationale behind them.</p> <p><i>Source: EAMR 2013, p. 14.</i></p> <p>Even so, EU donors are moving forward, notably in the context of the Fast Track Initiative on Division of Labour (FTI-DoL), to identify problems and propose a roadmap to remedy them. In SSA, Ethiopia was the first country to be extensively reviewed (donor mapping, fragmentation table, sectoral matrix): the exercise showed that donors' involvement is not always aligned with their self-assessed comparative advantage, or with the significance of the aid relationship as perceived by both donors and recipients. An EU Action Plan to address these issues has been drafted by the Commission and will be discussed with the Ethiopian government.</p> <p><i>Source: ERD Report 2010, p. 11.</i></p>
I-312	EU participates in / manages joined –up approaches (e.g., joint programming, MDTFs, joint monitoring, etc.) including social protection components	<p>The response strategy presented here can be considered "joint" in that it has been informed by a Joint Country Diagnostic Survey carried out with several Member States and provides a framework for both the EU Member States and the EC's cooperation planned in Ethiopia along with the linkages between them [...] This first Joint Response Strategy for Ethiopia takes an important first step towards structuring EU cooperation and provide provides the potential and momentum for joint implementation and deeper joint programming in the future.</p> <p><i>Source: CSP 2008-2013, p. 1.</i></p> <p>The design of the new phase of the FSP for the period 2010-2014 is the result</p>

#	Indicators	Evidence
		<p>of a joint review of the first phase and of the joint formulation process carried out throughout 2009. <i>Source: TAP PSNP III.</i></p> <p>The programme has an in-built M&amp;E system and a number of mechanisms to ensure joint, close and continuous follow up of the progress and assessment of performances <i>Source: AF PSNP III, p. 7.</i></p> <p>PSNP development partners are the other stakeholders of the programme which have so far shown continued support for the programme through allocation of funds. Development partners are also actively engaged in the follow up of the implementation process of the programme through established monitoring mechanisms such as joint supervision and rapid response missions as well as the Joint Coordination Committee consultations. <i>Source: TAP PSNP III.</i></p> <p>While there are some excellent examples of IDI collaboration, notably the multiagency basket funded PSNP in Ethiopia, practical IDI and INGO coordination at both programme and headquarters level remains limited, <i>Source: Paper The public pursuit of secure welfare, December 2013, p. 69.</i></p> <p>The beginning of 2013 marked the endorsement of the EU+ Joint Cooperation Strategy by the Delegation and EU MS in Ethiopia, after being approved by the respective capitals. This initiative figured indeed prominently among the cooperation priorities for the year: the Delegation continued the exercise actively with the finalization of the roadmap outlining the actions during 2013 to 2015 conducive to achieve the EU+ Joint Programming status by 2016, with a core group of EU Member States, along with an advanced review of the 11th NIP. <i>Source: EAMR 2013, p. 24.</i></p> <p>The PBS has been supported by 12 donors, with the World Bank taking the lead role, and a substantial amount of money being channelled through a World Bank managed Multi Donor Trust Fund (MDTF). A well-articulated system of dialogue and supervision, based on Joint Budget and Aid Reviews (JBARs) and JRIS missions was established, with joint missions every 6 months. This organized system of joint donor support and dialogue was very positive and was effective in its support to a Government driven agenda and program. <i>Source: PBS II ICR, p. 22.</i></p>
I-313	EU strategy, programming and programme documents related to SP refer to EU Member States' policies and support	<p>Extraction from CSP referring to comments made by EU MSs: For Ireland (Irish Aid), the Joint Response will: continue to build on the gains made in food security and social protection by further investment in the Productive Safety Nets Programme (PSNP) and deeper engagement in enhanced food security measures; strengthen the role of civil society and support jointly with other donors, good governance measures that focus on strengthening institutions; deepen partnerships with the regional governments in Tigray and in the SNNPR by means regional block grants and build synergies with the instrument on the protection of basic services. Resources may be pooled with the Netherlands and Sweden in the health sector. <i>Source: CSP 2008-2013, p. 45.</i></p>
<b>JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection</b>		
I-321	Evidence of suitably qualified staff formally designated and actually deployed to support social protection at country, regional and HQ level	<p>A potential weakness relates to the human resources situation in the Delegation. <i>Source: EAMR 2013.</i></p> <p>At present, there is one programme officer at the EUD tasked with overseeing the PSNP. He is a rural development programme officer and hence has other responsibilities. However, EUD capacity appears adequate and, since PSNP is implemented by MoARD, he is an appropriate choice to hold the dossier. Policy dialogue on the social safety net in Ethiopia is of high quality, a sign of government commitment. The responsible official in the MoARD is an active</p>

#	Indicators	Evidence
		and well-qualified interlocutor. <i>Source: Field mission interviews</i>
I-322	Evidence of EU active engagement in regional fora on social protection.	<p>With EU support, the AU and Africa Platform for Social Protection played an active role in expert dialogue in the framework of (i) the EU-Africa Partnership Expert Group on Migration, Mobility, Employment, and Social Protection; (ii) preparation and dissemination of the EU Report on Development 2010 “Social Protection for Inclusive Development, a New Approach for EU Cooperation with Africa,” and (iii) preparation of the 2012 Communication on social protection in development cooperation.</p> <p>Within the EU-Africa Migration, Mobility and Employment (MME) Partnership, the EU financed (through the Study and Conference Facility) EU organized an experience sharing event i(Nairobi, March 2011) with relevant experts and stakeholders including CSO and international partners to look at best social protection practices in Africa.</p> <p>The EU supported the Social Affairs Department of the AUC through the AU Support Programs (AUSP), which directly supported staff costs through the AUC budget. In the 2<sup>nd</sup> JAES Action Plan 2010-2013, several initiatives were dedicated to employment. although Priority Area 3 on Human Development of the Roadmap 2014-2017, refers to "... improve access to more and better jobs and social protection", the chapter Mobility and Migration and Employment does not make any special reference to employment. Taking into account that AUSP III should only support activities related to the Roadmap, it was not easy to link employment related activities within the AUC budget to the Roadmap.</p> <p>The EU supported capacity building programmes for Public Employment Services, Labour Inspections and social security agencies in the context of the Social Protection Plan for Informal Economy and Rural Workers (SPIREWORK) in pilot countries, including in collaboration with the Secretariat of the AU’s Committee for the Development and Promotion of Handicraft (CODEPA). This involves support for assessment/study, workshops, training and capacity development, through technical assistance in collaboration with the ILO and the Regional Economic Commissions.</p> <p>With EU support, the Social Affairs Department of the AU is currently: (i) preparing a protocol on social protection and social security for the AU Charter on Human and People Rights and (ii) reviewing the AU Social Policy Framework, with the view to develop an AU Social Agenda in line with the AU Agenda 2063 and the UN Agenda 2030. Also with EU support it is pursuing implementation of the Social Protection Plan for Informal Economy and Rural Workers (SPIREOWORK), working with the Committee of Development and Promotion of Handicraft in Africa (CODEPA) to extend social security to artisans.</p> <p><i>Source: Field mission interviews</i></p>
<b>JC33 EU effectively participates in global policy dialogues on social protection</b>		
<i>JC not covered by the analysis at case study level</i>		

#### 4.1.4 EQ4

#	Indicators	Evidence
<b>JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection</b>		
I-411	EU promotes and facilitates social dialogue (government, trade unions, employers’ organisations) and dialogue with civil society through its social protection	<p>Further support for NSAs will focus on confidence building measures to enhance and stabilise the dialogue mechanisms between State and Non-State Actors, not only on issues of direct interest to these groups’ activities, but on the development process generally, to which they contribute substantially. This support will be supplemented by capacity building programmes for NSA in various areas, including advocacy and scaling-up of service delivery in social and economic sectors, recognising that the latter cannot be handled by Government alone.</p> <p><i>Source: CSP 2008-2013, p. 53.</i></p>

#	Indicators	Evidence
	programmes	<p>Strengthening democratic governance: An indicative amount of EUR 49 million is set aside for the following actions: Strengthening democratic institutions (EUR 29 million), support to non State actors (€ 10 million) and promotion of gender equity (EUR 10 million). The overall objectives of this support are: [...] (ii) to develop the dialogue between State and non-State actors with a view to creating an open, democratic and participatory society [...]. <i>Source: NIP 2008-2013, p. 11.</i></p> <p>Institutional Support to non-State actors (NSAs): The objective of this intervention is to support progress towards an equitable and democratic society, through enhancing civil society participation in the overall development process in Ethiopia. This would involve adaptation of Government policies and programmes, an enabling environment for civil society to operate, strengthening NSA capacities in advocacy and service delivery, and promoting recognition of the latter as development partners in full. Further support to NSAs will focus on enhancing and stabilising the dialogue mechanisms between Government and Non-State actors, not only on issues of direct interest to these groups' activities, but on the development process generally, to which they contribute substantially. This support will be supplemented by capacity building programmes for NSA in various areas including advocacy, policy dialogue and scaling-up of service delivery capacity in social and economic sectors. <i>Source: NIP 2008-2013, p. 12.</i></p> <p>Civil Society In 2013, the EU Delegation enhanced efforts to promote a conducive environment for CSOs in Ethiopia through a stronger tripartite dialogue with the Ethiopian government and the CSOs in the framework of the Civil Society Sector Working Group (CSSWG), co-chaired by the EU. Established at the end of 2011, the CSSWG has set up a dialogue among the Minister of Federal Affairs, line Ministries, the Charities and Societies Agency, selected CSOs and international development partners. The dialogue, with the help of evidence based research, has been intensifying in 2013 and certain issues which were taboo only a year ago are now being discussed with the aim of amending some elements of the legal framework (30/70 guideline etc.) and enhancing the CSOs enabling environment. While no major breakthrough has been achieved, small steps are being taken and open dialogue is now a reality. <i>Source: EAMR 2013.</i></p> <p>Through the sustained engagement of the Delegation, a concrete contribution to trust and confidence building between the government and CSOs has been provided. Opportunities such as the Civil Society Sector Working Group meetings or the involvement of CSOs in governmental structures contributed to narrowing the gap between government and CSOs and to building a more positive image of CSOs in the eyes of the government. These honest "bridging" attempts, based on the Cotonou approach of tripartite dialogue, are appreciated by government and CSOs alike. Having said this, it is not always an easy exercise and ideological barriers and inveterate mistrust in some parts of the government continue to block change. <i>Source: EAMR 2013, p. 13.</i></p> <p>In addition, by fostering social accountability it provided citizens with the possibility of providing direct feedback to service providers and local administrations, a crucial element in building democratic decentralized structures and procedures as mandated by the country's constitution. <i>Source: PBS II ICR, p. 22.</i></p> <p>Enhanced participation of NSAs in policy dialogue and development, to further strengthen their capacity in advocacy and service delivery, and to promote their full recognition as development partners. [...] Further support for NSAs will focus on confidence building measures to enhance and stabilise the dialogue mechanisms between State and Non-State Actors, not only on issues of direct</p>

#	Indicators	Evidence
		<p>interest to these groups' activities, but on the development process generally, to which they contribute substantially. This support will be supplemented by capacity building programmes for NSA in various areas, including advocacy and scaling-up of service delivery in social and economic sectors, recognising that the latter cannot be handled by Government alone.</p> <p><i>Source: CSP 2008-2013, p. 53.</i></p>
I-412	Evidence for strengthened capacity of social partners (trade unions and employers' organisations) to participate in social protection policy dialogue	<p><i>No information has been found on the role of the social partners in Ethiopia.</i></p>
I-413	SP mainstreamed in other policy dialogues where relevant, e.g. trade and migration	<p>No information was found. See, however, I-114 for linkages between social safety nets, return migration, and emigration / asylum seeking.</p>
<p><b>JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms</b></p>		
I-421	In policy dialogue, EU advocates for LA involvement in design, delivery, and monitoring of social protection services under supported reforms	<p>According to EAMRs in 2013, there was a decrease in the number of projects that promote structured dialogue between CSOs/LAs and government and EU institutions, two projects compared to 2011 with five interventions. However, 2013 saw a slight increase to four projects in which objectives include the inclusion of CSOs/LAs in national policymaking. This compares to 2 in 2011.</p> <p><i>Source: EAMRs 2011 and 2013.</i></p> <p>The Commission has made a substantial contribution to the decentralisation process, although not primarily in the form of traditional capacity-building activities but rather through substantiating and legitimising the new local authorities by providing finance through the PBS.</p> <p><i>Source: Evaluation of the EC support to Ethiopia 2004-2008, p. 4.</i></p> <p>Local government capacity shortcomings remained out of EU reach, either directly (PSCAP) or indirectly (PBS, Road SPSP, PSNP). They impeded the effectiveness and impact of EU-supported programmes, particularly in emerging regions.</p> <p><i>Source: Evaluation of the EC support to Ethiopia 2004-2008, p. 5.</i></p> <p>Sub-programme C: Accountability - aiming at strengthening government systems to enhance transparency in the use of public funds, build local capacities and provide new tools to citizens and civil society to engage with local authorities on budget processes and service delivery.</p> <p><i>Source: AF PBS II extension, p. 3.</i></p>
I-422	In policy dialogue, EU advocates for NGO and private sector involvement in design, delivery, and monitoring of social protection services under supported reforms	<p>Institutional Support to non-State actors (NSAs):</p> <p>The objective of this intervention is to support progress towards an equitable and democratic society, through enhancing civil society participation in the overall development process in Ethiopia. This would involve adaptation of Government policies and programmes, an enabling environment for civil society to operate, strengthening NSA capacities in advocacy and service delivery, and promoting recognition of the latter as development partners in full. Further support to NSAs will focus on enhancing and stabilising the dialogue mechanisms between Government and Non-State actors, not only on issues of direct interest to these groups' activities, but on the development process generally, to which they contribute substantially. This support will be supplemented by capacity building programmes for NSA in various areas including advocacy, policy dialogue and scaling-up of service delivery capacity in social and economic sectors.</p> <p><i>Source: NIP 2008-2013, p. 12.</i></p> <p>Civil Society: A range of national and international NGOs and civil society</p>

#	Indicators	Evidence
		<p>organisations particularly those working on gender, equity and inclusion issues are being involved under the third sub programme.</p> <p><i>Source: TAPs, PBS II, p. 4.</i></p>
I-423	National and international NGOs and private sector firms with specialist expertise contracted for service design and delivery under supported reforms	<p>In terms of institutional impacts outside of the public sector, linkages with NGOs, the private sector and existing community-based organizations have been underdeveloped. NGOs felt they were largely excluded from the design process. Some have implementation responsibilities in the woredas through USAID's support to PSNP as well as involvement in capacity building and translation of manuals into local languages. Private sector contractors and contracted supervisors can be an effective response to quality problems based on international experiences in public works safety net programs and social funds, but this has been underutilized in the PSNP. The PSNP approach is very State-centric, favouring force account public works and utilization of the existing technical capacity of the public sector.</p> <p><i>Source: PNSP I ICR 2007, p. 14.</i></p> <p>While international best practice pointed to the need to ensure technical supervision by contracting out, this option was available to woredas in the utilization of their capital and administration budgets. However, there is little experience with this and general hesitancy on the part of local staff to engage in such private sector contracts.</p> <p><i>Source: PNSP I ICR 2007, p. 16.</i></p> <p>The Government welcomed the involvement of NGO partners and WFP in support of programme implementation.</p> <p><i>Source: PNSP III ICR, p. 88.</i></p> <p>There are no references to the private sector in PSNP ICR II and III.</p> <p>Twelve pilot projects (double of what it was initially planned) are being implemented in five regions and 93 woredas by Civil Society Organizations (CSOs) to empower citizens to engage with their local governments and service providers in decision making over local budgets and services within their community.</p> <p><i>Source: TAPs PBS II, p. 4.</i></p>
<b>JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU</b>		
I-431	Evidence of social partners and civil society organisations (e.g., advocacy NGOs, research organisations) involved in EU-supported policy development events on SP including international fora	<p>The Delegation organized a meaningful and structured participation of CSOs in the 11th EDF programming exercise. CSOs were consulted to share their views on the priority sectors chosen and an envelope for civil society and synergetic governance. In addition to the inputs provided to the programming exercise, the CSOs demanded strategic, regular exchange and engagement with the Delegation on the next steps of the implementation phase. The extensive programming dialogue has also been an opportunity to reflect on what could be the most appropriate support for civil society in Ethiopia [...] The gender cross-cutting exercise of the new NIP has also been the opportunity to consult the gender related CSOs and experts.</p> <p><i>Source: EAMR 2013, p. 13.</i></p> <p>Civil Society: In 2013, the EU Delegation enhanced efforts to promote a conducive environment for CSOs in Ethiopia through a stronger tripartite dialogue with the Ethiopian government and the CSOs in the framework of the Civil Society Sector Working Group (CSSWG), co-chaired by the EU. Established at the end of 2011, the CSSWG has set up a dialogue among the Minister of Federal Affairs, line Ministries, the Charities and Societies Agency, selected CSOs and international development partners. The dialogue, with the help of evidence based research, has been intensifying in 2013 and certain issues which were taboo only a year ago are now being discussed with the aim of amending some elements of the legal framework (30/70 guideline etc.) and enhancing the CSOs enabling environment. While no major breakthrough has been achieved, small steps are being taken and open dialogue is now a reality.</p> <p><i>Source: EAMR 2013.</i></p>

#	Indicators	Evidence
I-432	Regional and global networks of social protection stakeholders supported	Not relevant at country level.

#### 4.1.5 EQ5

#	Indicators	Evidence
<b>JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially</b>		
I-511	Appropriate capacity development measures supported by EU	<p>“Transparency and accountability of PSNP improved and institutional capacity to manage the PSNP strengthened” was included as one of the objectives of the PSNP Project. <i>Source: PSNP III ICR, p. 33.</i></p> <p>Ethiopia now has in place institutions supporting a functioning safety net system that protects a substantial number of food insecure households. The PSNP APL series has contributed to this result. Earlier phases of the APL focused largely on putting in place systems, trained staff and prepared manuals. APL III continued this support, emphasizing institutional capacity building especially at the regional, woreda, kebele and community levels, in addition to starting-up the HABP. Significant progress was made in building institutional capacity to implement the PSNP in highland areas that is reflected in improved performance. Although similar efforts were made to build capacity in lowlands areas, implementation modalities still by and large follow highlands modalities. <i>Source: PSNP III ICR, p. 37-38.</i></p> <p>ILO, COM, UK, SE, IE, NL provide support through capacity building/technical training. <i>Source: Study Social Protection Sub-Saharan Africa, July 2012, p.42</i></p> <p>Subprogram B aimed to assist Government in its efforts to accelerate the attainment of health-related MDGs in line with the goals and objectives of the Health Sector Development Programs (HSDP). In particular it provided flexible financing for priority activities for procurement and distribution of critical health commodities as well as capacity building. [...]</p> <p>The LIG component was designed to address local capacity issues and provide capacity building and experience for local administrations in procurement. [...]</p> <p>PBS II has contributed some essential elements to the increasingly strong decentralization process in the country. Through the block grants as well as through capacity building for and promotion of participatory budget planning at the local level and publishing of expenditure and implementation progress, it substantially improved transparency and accountability at the local level. <i>Source: PBS II ICR, p. 4, 11 and 22</i></p> <p>Supporting Government-led programs such as PSNP requires full integration into Government systems. This requires to strengthen the capacity of these institutions and to enhance the social contract between citizens and the State. The PSNP has shown that this has to be done in such a way that integrates responsibility for the program into the regular tasks of departments and staff at different administrative levels. <i>Source: Financing Agreement, PSNP 2010-2014.</i></p> <p>Institutional Aspects and Implementation Arrangements: Identification of capacity constraints focused on gender sensitive local planning, timely delivery of transfers, financial management and reporting, social mobilization and monitoring and evaluation. <i>Source: PSNP I ICR 2007, p. 16.</i></p> <p>The Agriculture and Rural Development structures at Federal, Regional and District levels through the Food Security Offices are primary government stakeholders who are responsible for the planning, implementation and supervision of the programme. The Ministry of Finance and Economic Development (MoFED) and its structures at regional and district levels is</p>

#	Indicators	Evidence
		<p>responsible for the financial management of the PSNP. The programme has in the past taken important measures to enhance capacities of implementing institutions, including that of the MoFED and its counterparts at regional and district levels, through providing continued training, recruiting additional staff and supplying equipment.</p> <p><i>Source: Financing Agreement, PSNP 2010-2014.</i></p> <p>Transparency and accountability of PSNP improved and institutional capacity to manage the PSNP strengthened was included as one of the objectives of the PSNP Project.</p> <p><i>Source: PSNP III ICR 2016, p. 33.</i></p> <p>Ethiopia now has in place institutions supporting a functioning safety net system that protects a substantial number of food insecure households. The PSNP APL series has contributed to this result. Earlier phases of the APL focused largely on putting in place systems, trained staff and prepared manuals. APL III continued this support, emphasizing institutional capacity building especially at the regional, woreda, kebele and community levels, in addition to starting-up the HABP. 115. Significant progress was made in building institutional capacity to implement the PSNP in highland areas that is reflected in improved performance. Although similar efforts were made to build capacity in lowlands areas, implementation modalities still by and large follow highlands modalities.</p> <p><i>Source: PSNP III ICR 2016, p. 37-38.</i></p> <p>Component 3 on the Financial Transparency and Accountability (EC EUR 2 million, IDA US\$5.0 million, DFID \$2.2 million) will support government-implemented (i.e., supply side) activities at the Regional/City Administrations, and Woreda and sub-Woreda levels to significantly enhance transparency around public budget procedures (budget preparation, expenditure and audits); and, foster broad engagement, and strengthened “voice” and client power of citizens and citizen representative groups on public budget processes and public service delivery.</p> <p>Component 4 on Social Accountability (EC EUR 2 million, DFID USD 4.5 million and CIDA USD 1.5 million) will, through a WB administered Multi-donor Trust Fund, support capacity-building for, and piloting of, selected large-scale pilot initiatives aimed at strengthening citizen voice and enhancing accountability of public sector service providers to citizens.</p> <p><i>Source: Financing Proposal PBS I, p. 10.</i></p> <p>Sub programme C: key activities are: C1 provision of training on participatory budgeting methodologies and budget literacy to local level administrators; capacity building of local administrators on PFM reform processes; provision of training on accounting and expansion of IT equipment and capacity at decentralised level; provision of training on audit capacity at OFAG and selected ORAG; roll out of FTA tools developed under PBS I; and C2 evaluation and scaling up of interventions derived from the 12 accountability pilot projects.</p> <p>Sub programme D: key activities are: provision of M&amp;E training and equipment to sectoral ministries and local level offices and to the Central Statistic Authority</p> <p><i>Source: TAPs PBS II, p. 8.</i></p> <p>The LIG component was designed to address local capacity issues and provide capacity building and experience for local administrations in procurement.</p> <p><i>Source: PBS II ICR, p. 11.</i></p> <p>The Ministry of Labour and SOcal Affairs (MoLSA) is in charge of designing and implementing the national social protection policy adopted in 2014, which has five areas: employment, social insurance, access to basic services, and social protection, for each of which there is a key action. The EU has supported a work force study assessing human resources needs in 5 regions – MoLSA is strong at central level but very weak at decentralised level. EU-SPS has done a fiscal space study; in short, the resources are not available to implement the policy. In addition, EU-SPS has developed a training curriculum for community social workers – some 17,000 are needed.</p>

#	Indicators	Evidence
I-512	Weaknesses in SP legal frameworks, identification, registration, payment, etc. systems analysed, appraised, and addressed with EU support	<p><i>Source: Field mission interviews</i></p> <p>The main legal instruments for formal sector social protection are Public Servants' Pensions Proclamations No 209/1963 and No 714/2011; Private Organization Employees Pension Proclamation No 715/2011; the Labor Proclamation No 377/2003; and the Social Security Agency Establishment Proclamation No 203/2011. There is no evidence that the EU supported legal drafting or reform. Nor is there evidence that it supported the National Social Protection Policy drafted by the Ministry of Labour and Social Affairs in 2011 and adopted in 2014.</p> <p>Also, the design of the Household Asset Building Program (HABP) addressed weaknesses that had undermined the earlier Other Food Security Program (OFSP) model. The use of agricultural extension agents as the main implementers of HABP was not changed, and reviews found that under HABP, inter alia, youth and women who were not single household heads did not always benefit as fully as intended.</p> <p><i>Source: PSNP ICR III.</i></p>
I-513	EU support takes SP governance issues into account and addresses gaps and deficiencies	<p>Increased transparency in the programme management and implementation (client cards, payroll system) is believed to contribute to improving good governance in particular at the lower administrative levels in making the institutions more accountable to PSNP clients.</p> <p><i>Source: AF PSNP III, p. 6.</i></p> <p>Experience under earlier APL phases demonstrated the need to strengthen the Program's transparency and accountability, especially since financial studies have shown that households that understand how the Program works demonstrate higher rates of satisfaction. The Project's component 3(c) was designed to address this and an intermediate outcome indicator was included in its Results Framework (RF) was introduced to measure progress (% of beneficiaries who received all information needed to understand how the program works).</p> <p><i>Source: PSNP III ICR, p. 12.</i></p> <p>The APL III PAD outlined steps to strengthen bottom-up accountability as a way of creating pressure for improved performance. [...] In addition, Social Accountability was included as one pillar of Ethiopia's Growth and Transformation Plan</p> <p><i>Source: PSNP III ICR, p. 21.</i></p> <p>Focus/Accomplishments PSNP II: (ii) strengthened program governance by enhancing targeting and grievance systems and introducing more transparency in program procedures;</p> <p><i>Source: PSNP III ICR, p. 4.</i></p> <p>The appraisal of PBS II successfully leveraged decentralized governance arrangements supported by Government and donor partners. [...]</p> <p>The PBS has successfully promoted decentralized service delivery through the use of country systems. While this requires significant implementation support and capacity development, it is crucial for strengthening decentralized service delivery. Strengthening woreda-level capacity for transparency and accountability represents a key element for 26 Details on agencies' performance are provided in Annex 3. 28 ensuring better services by improving the ways services are managed and delivered. Strengthening the economic governance systems of woredas lightens the burden on sector-specific interventions to ensure these cross-cutting systems in woredas are working effectively.</p> <p><i>Source: PBS II ICR, p. 27.</i></p> <p>Good governance and empowerment of the civil society are crucial aspects of PBS that are directly addressed in Component 3 and 4 in particular. (The improvement in the governance situation is one of the conditionalities for the PBS implementation to proceed.)</p> <p><i>Source: FP PBS I, p. 12.</i></p>

#	Indicators	Evidence
<b>JC 52 Nationally defined social protection floors promoted</b>		
I-521	Evidence that the EU advocates in policy dialogue with government to adopt the national social protection floor approach	<p>While Ethiopia has not attempted to create a form of welfare state of provision of a guaranteed social minimum, it has constructed a significant social protection support base for seven million of its most vulnerable citizens, but as with China, outside the formal rights discourse, and not driven by populism or state-citizen compact. Here the key impulse was a donor driven shift from responding to cyclical food insecurity on the basis of repeated short term humanitarian responses to predictable crises, to social protection provision on an ongoing basis, in association with complementary inputs in an attempt to both address immediate consumption needs, and also attempt to promote livelihoods development and graduation out of poverty and dependence on external support.</p> <p><i>Source: The Public Pursuit of Secure Welfare, p. 51.</i></p>
I-522	EU support to SP coordinated with ILO country and regional offices	<p>COM/ILO support SP in Ethiopia through Technical training, capacity building and through Public Work Programmes</p> <p><i>Source: Study Social Protection Sub-Saharan Africa, July 2012, p. 42.</i></p> <p>A Commission-funded EU-International Labour Organization (ILO) project on 'Improving social protection and Promoting Employment is under way in Burkina Faso and Ethiopia. Its objective is to promote, through a national consensus, an integrated strategy of social protection and employment policies within the development framework of these countries.</p> <p><i>Source: ERD 2010, p. 109, p. 111.</i></p>
<b>JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered</b>		
I-531	EU supported social protection schemes designed / administered on the basis of sound financial and actuarial analysis	<p>While a thorough analysis of the current social protection expenditures being incurred does not exist in terms of proportion of GDP it is likely that it is not less than 3% with PSNP alone costing around 1.7% of GDP in 2010. A considerable element of these programmes is financed internationally. Eventually, to ensure sustainability, a greater portion will have to be funded from domestic sources. Also, if the economy continues to grow there will be a lesser need for the scale of social protection seen</p> <p><i>Source: <a href="https://www.unicef.org/ethiopia/Chapter_9_(72dpi).pdf">https://www.unicef.org/ethiopia/Chapter_9_(72dpi).pdf</a>.</i></p> <p>The CSP 2008-2013 provides an analysis of the public finance performance/management including fiscal deficit.</p>
I-532	Evidence of EU supporting the transition to sustainable national financing for social protection	<p>Even in Ethiopia, where the Government has made a long-term commitment to the employment guarantee mechanisms of the Productive Safety Net Programme, continued dependency on donor funds makes questionable the real sustainability of the programme.</p> <p><i>Source: Study Social Protection Sub-Saharan Africa, July 2012, p. 64.</i></p> <p>Grounded in the Government of Ethiopia's ambitious Growth and Transformation Plan, as well as the National Policy and Strategy on Disaster Risk Management (DRM) and the National Social Protection Policy, the next phase of World Bank engagement is focused on integrating the PSNP within a broader system and policy environment for social protection and disaster risk management</p> <p><i>Source: PSNP III ICR, p. 2.</i></p> <p>A next phase of the Government's efforts will address system building, integrating the PSNP within a broader system and policy environment for social protection and disaster risk management. This move to a systems approach, supporting 24 investments to build administrative and management systems, such as the single registry and Management Information System (MIS), represents the next phase of Ethiopia's social protection efforts, with a predictable safety net program aligned under a national system.</p> <p><i>Source: PSNP III ICR, p. 23.</i></p> <p>The government has designed and established a National Platform for Social Protection in 2009, and the Growth and Transformation Plan for 2011- 2015 is expected to flag changes in the social security system as a priority. While</p>

#	Indicators	Evidence
		<p>results of these latest developments are still to materialise, the PSNP might have been the first step in an incremental transition towards a broader social protection system, led by the government and supported by international partners.</p> <p><i>Source: ERD 2010, p. 99.</i></p> <p>Outcomes for health</p> <p>Sustainability and increased health financing. PBS II played a significant role in increasing trends in health financing and spending. It was able to support increasing recurrent expenditures linked to the payment of HEW, and reviewed health financing as part of the SAFE principles. The FMOH has increasingly addressed reported fiduciary capacity and weaknesses for both PBS II funds and MDG-PF. By the end of the project, the FMOH had clearly gained experience in managing the MDG-PF, which had become the preferred financing model for donors who had provided it with USD300 million by October 2012.</p> <p><i>Source: PBS II ICR, p. 43.</i></p> <p>PBS II also ensured strengthened protocols to focus on fiscal management and sustainability issues. In order to improve predictability of PBS resources and enable Government to plan on resource use with confidence, the results of the SAFE performance assessment of any year would be reflected in modifications to disbursements for the following year rather than in-year adjustments. This would result in full within year predictability of disbursements. PBS II made it clear that "The results of the SAFE performance assessment of any year will be reflected in decisions on disbursement levels under the Basic Services Grant for the following year" (PBS II PAD, paragraph 69).</p> <p><i>Source: PBS II ICR, p. 7</i></p> <p>The GoE started working on developing a Social Protection Policy in 2011. On the suggestion development partners including the EU, the Ministry of Agriculture and Rural Development and the Ministry of Labour and Social Affairs set up the National Social Protection Platform (NSPP). The EU provided support for the creation of the NSPP through an Intergovernmental Authority on Development (IGAD) initiative related to rolling out the social protection element of the AU social policy across Africa via the economic commissions. Also contributing expertise were UNICEF, the World Bank, and WFP.</p> <p>Following extensive consultations, the preparation of working documents, etc, in the context of the NSPP, the Minister of MoLSA delivered a draft social protection policy by the NSPP to the Prime Minister in August 2011. Following revisions, this was adopted in 2014.</p> <p>Five areas are identified in the Strategy: (i) social safety nets (the urban safety net funded by the national budget, emergency humanitarian actions, direct support under PSNP; (ii) livelihood and employment schemes including the non-direct support beneficiary element of PSNP, (iii) social Insurance, (iv) inequalities in access to social services, and Iv) addressing violence and abuse and providing legal protection and support.</p> <p>EU-SPS is currently implementing an ambitious costing study, expected to be completed in 2018, related to the National Social Protection Strategy. In September 2016, an Expert Group convened by MoLSA presented a "Concept note on integrated information systems for social protection programs" concerning national database requirements.</p> <p><i>Source: Field mission interviews</i></p>
I-533	Evidence of poverty impacts and redistributive effects analysed and monitored at all stages of EU support to SP	<p>Impact evaluations with robust counterfactual estimates to establish attribution between the PSNP and welfare outcomes interventions have been conducted regularly every two years since 2006. The use of counterfactuals to establish causality, the establishment of panel data to assess changes over time, and the ongoing collaboration between the Central Statistics Agencies and the International Food Policy Research Institute (IFPRI) are best practice</p> <p><i>Source: PSNP III ICR, p. 35.</i></p>

#	Indicators	Evidence
		<p>As explained by the Poverty and Social Impact Assessment (PSIA) analysis, protecting the spending and ensuring the flow of inputs into the PBS sectors are directly linked to outcome results. (PSIA). <i>Source: PBS II ICR, p. 17.</i></p>
I-534	Evidence of intergenerational equity issues considered in the design of the EU support to SP.	<p><i>The relevance of intergenerational equity in social protection is of very limited relevance in Ethiopia as there is no effective transfer of resources between generations mediated through a formal social protection system.</i></p>
<b>JC 54 Government social protection programmes consolidated and rationalized where necessary</b>		
I-541	Evidence for improved institutional structure and procedures of agencies responsible for social protection with EU support	<p>Ethiopia now has in place institutions supporting a functioning safety net system that protects a substantial number of food insecure households. The PSNP APL series has contributed to this result. APL III continued this support, emphasizing institutional capacity building especially at the regional, woreda, kebele and community levels, in addition to starting-up the HABP.</p> <p>Significant progress was made in building institutional capacity to implement the PSNP in highland areas that is reflected in improved performance. Although similar efforts were made to build capacity in lowlands areas, implementation modalities still by and large follow highlands modalities.</p> <p>Recognizing a need for further capacity strengthening for the administration, management and delivery of the PSNP, the Government and DPs established the Safety Net Support Facility (SNSF) with funding from the Department for Foreign Affairs and Trade (DFATD), now Global Affairs Canada, in 2011. SNSF activities were designed to enhance the effectiveness of government institutions implementing PSNP by strengthening their institutional systems, processes and coordination mechanisms, and enhancing their organizational capacity. <i>Source: PSNP III ICRR, p. 37.</i></p> <p>The MoFED also substantially strengthened the capacity of its Channel One Program Coordination Unit (COPCU), both in its staffing capacity and in support for senior management. <i>Source: PSNP ICRR, p. 22.</i></p> <p>Capacity at both MOFED and FMOH was enhanced continuously and monthly FM meetings between MoFED and DPs allowed to identify timely bottlenecks and to follow up closely of agreed actions. [...]</p> <p>The institutional development impact, including improved information systems and strengthened management capacity, was also significant. [...] Sub-program B provided for procurement and distribution of several health commodities and some critical health strengthening activities. Health support also focused on improving fiduciary capacity of the FMOH, supporting the important community-based health insurance pilot program and the implementation of the Human Resource Policy and Learning Management Plan. <i>Source: PBS II ICR, p. 11, 32.</i></p>
I-542	Evidence for established / improved coordination mechanisms across all public agencies with SP responsibility	<p>The introduction of a computer based payroll system and of "client cards" for the PSNP beneficiaries (including a "charter of rights") represent a major step forward in the institutionalization of a social transfer system". Ensuring an appropriate and continuous communication flow and feedback among programme stakeholders, from the federal level to the communities and clients, remains a condition for ensuring rooting and consolidation of the programme. <i>Source: FA, PSNP III.</i></p> <p>Expected Result:</p> <p>5. Coordination, complementarities and synergies promoted within Government systems and with other relevant programmes and organisations. This output seeks to ensure appropriate coordination, complementarities and synergies in the following four areas: risk management; measures to ensure graduation; potential PSNP contributions to other programmes and policies; and access to permanent safety nets to those who need it. <i>Source: FA, PSNP III.</i></p>

#	Indicators	Evidence
		<p>There was no separate Project Implementation Unit set up. Instead, coordinated technical support has been provided to the various Government agencies responsible for both overall safety net policy and management and implementation of the PSNP and HABP programs.</p> <p><i>Source: PSNP III ICR, p. 11.</i></p> <p>Several capacity enhancements were carried out, whereas the FMOH started working more closely with MoFED/COPCU and DPs to improve quality health sector expenditure and budget data provision and analysis.</p> <p><i>Source: PBS II ICR, p. 41.</i></p>
I-543	Universal approaches favoured over targeted ones where appropriate (in EU support)	<p>Not only an accomplishment in itself, the PSNP has also raised the profile of social protection in Ethiopia, laying the foundations for fruitful - if sometimes contentious - dialogue between partners, with strong government leadership. The government has designed and established a National Platform for Social Protection in 2009, and the Growth and Transformation Plan for 2011- 2015 is expected to flag changes in the social security system as a priority. While results of these latest developments are still to materialise, the PSNP might have been the first step in an incremental transition towards a broader social protection system, led by the government and supported by international partners.</p> <p><i>Source: ERD 2010, p. 99.</i></p> <p>The PSNP community-based targeting system was seen to be fair and transparent in the initial years of the program. However perception changed probably as a result of a modification on the beneficiary enrolment process thus having a negative impact in the achievement of Indicator 24 “% of beneficiaries and non-beneficiaries reporting that the targeting processes are fair” which experienced a significant drop going down from 85% in 2008 to 36% in 2015</p> <p><i>Source: PSNP III ICR, p. x.</i></p>

#### 4.1.6 EQ6

#	Indicators	Evidence
<b>JC 61 Social protection as a human right promoted at all levels</b>		
I-611	Thematic, regional and country strategies and interventions incorporate rights-based approach to SP	<p>The Productive Safety Net Programme (PSNP) in Ethiopia is the only employment guarantee programme in SSA and has also introduced the notion of a rights-based approach.</p> <p><i>Source: Study SP Sub-Saharan Africa, p. 8.</i></p>
I-612	Evidence that EU advocates for a rights-based approach in global for a	<i>Not relevant at country level.</i>
<b>JC 62 EU support addresses concerns about excluded populations</b>		
I-621	Gender, disability, ethnic minority, children's, etc. issues mainstreamed in EU SP support	<p>The mainstreaming approach will be strengthened for four cross-cutting issues: economic and democratic governance, gender equity; environmental sustainability; and the fight against HIV/AIDS.</p> <p><i>Source: CSP 2008-2013, p. 3.</i></p> <p>Gender equality is far from being achieved in Ethiopia. Although good progress has been made in education, primary school completion rates remain far lower for girls than for boys. Girls and women are vulnerable as a result of cultural practices, including female genital mutilation. The HIV/AIDS prevalence rate is low but is much higher amongst females. Whilst a high proportion of members of Parliament are women, overall participation rates in Government are much lower, especially in key policy making and managerial roles</p> <p><i>Source: CSP 2008-2013, p. 7.</i></p> <p>For both the EC and the EU Member States the Joint Response will:</p> <p>Ensure that cross-cutting issues such as human rights, gender equality, the rights of children, environmental sustainability and HIV/AIDS [...]</p>

#	Indicators	Evidence
		<p><i>Source: CSP, 2008-2013, p.46.</i></p> <p>Enhancing Gender Equality. PASDEP and the National Action Plan for Gender Equality (NAP-GE) recognise that gender equality in Ethiopia is far from reality. A substantial and strategic contribution to women's rights enforcement and empowerment as well as Gender policies is foreseen, supporting both Government programmes and NSA activities. Enhanced efforts will be dedicated towards developing a robust gender mainstreaming strategy in partnership with EU Member States, which involves analytical work, identifying strategic entry points in a number of sectors and measuring results. In addition, a specific programme is proposed to boost progress in the areas of gender equality, promotion and enforcement of women's rights. This programme could include reproductive health in the context of improved women's access to education and health. Supporting women's income-generating activities is also foreseen. Overall, the proposed intervention will be designed to optimise the contribution towards gender equality supported by the EC Gender Budget Line and build upon the results of the ongoing support activities carried out by the E Member States and the wider donor community in this field.</p> <p><i>Source: CSP, 2008-2013, p. 54.</i></p> <p>Gender equality and vulnerable female-headed households will be particularly targeted by the PSNP through direct support and an explicit provision to assist them in enhancing the productivity of their lands. The programme will also assist people living with HIV/AIDS through its direct support component.</p> <p><i>Source: AF PSNP III, p. 6.</i></p> <p>A Strategic Assessment of the Impact of the Implementation of the Productive Safety Net Programme on Vulnerable Programme Beneficiaries (August 2012) found that the impact of the PSNP on vulnerable program beneficiaries (children, female-headed households, elderly, and culturally distinct ethnic groups who might be at risk of being marginalized and who may be vulnerable in terms other than food security) is overwhelmingly positive. Beyond measureable positive impacts of PSNP transfers on food sufficiency, nutrition and asset protection (which have been established in the impact evaluations), the study also found positive impacts on social cohesion, gender empowerment, community engagement, social development, livelihoods sustainability and traditional support structures. For culturally distinct ethnic groups in particular, the evidence to date, which focuses mostly on pastoral communities, the Konso, and the peoples of the Lower Omo Valley, indicates that the PSNP has provided goods and services appropriate to groups with a distinct language, a unique identity, and an attachment to specific land areas. Regarding negative impacts, the study found that in certain areas, children were occasionally engaged in public works activities and in some areas there may be health and safety issues on the public works construction sites. This problem is being addressed by strengthened implementation of the ESMF, which includes a section on Child Labor and Health &amp; Safety on public works construction sites.</p> <p><i>Source: PSNP III ICR, p. 37.</i></p> <p>The APL III Project, through the PSNP and HABP interventions, would target 7.57 million chronically food insecure rural citizens (approximately 10% of Ethiopia's total population), residing in 290 of 710 woredas nationwide in eight of the country's ten regions. Woredas would continue to be selected based on historic vulnerability. Households within these woredas would be identified by communities based on relative wealth ranking to select the poorest and most food insecure. Previously, most of the woredas targeted by PSNP were in highlands areas. Based on lessons from a pilot program in 18 woredas in pastoral areas, the PSNP would be scaled up to these areas in 2010 and 2011</p> <p><i>Source: PSNP III ICR, p. 6.</i></p> <p>Over time, PSNP has reached poorer clients, reflecting improved targeting and graduation.</p> <p><i>Source: PSNP III ICR, 13.</i></p>

#	Indicators	Evidence
		<p>Strengthening democratic governance</p> <p>An indicative amount of EUR 49 million is set aside for the following actions: Strengthening democratic institutions (EUR 29 million) support to non State actors (EUR 10 million) and promotion of gender equity (EUR 10 million). <i>Source: NIP 2008-2013, p. 11.</i></p> <p>According to the thematic global evaluation of EC support in the sectors of ESI (Employment and Social Inclusion) in partner countries, the EC provided more than EUR 100 million to support social cohesion in Ethiopia between 1999 and 2008. <i>Source: thematic global evaluation of EC support in the sectors of ESI (Employment and Social Inclusion) in partner countries, September 2011, p. 83.</i></p> <p>Important gender aspects were tackled in the education and health sectors. <i>Source: PBS II ICR, p. 23.</i></p> <p>The PBS is designed as a multi-sector approach, and close interactions with Thematic Working Groups working on cross-cutting issues (e.g. gender equity and governance) embedded in the PASDEP are important parts of the PBS reviews and cross-fertilisation system. Gender-parity and environmental sustainability will be fully addressed in the PBS eligible sectors, through appropriate indicators. <i>Source: FP PBS I, p. 12.</i></p> <p>Crosscutting Issues</p> <p>A key objective of PBS II is that <u>all</u> groups in Ethiopia's rural areas share the benefits of expanded coverage and quality of services through reduction in inequalities by region, geography, gender, and socioeconomic status, and that empowered, knowledgeable citizens engage in decision making around delivery of basic services and budget processes. Therefore, the issues of gender equality and good governance will be directly addressed [...] <i>Source: AF PBS II, extension, p. 4.</i></p>
I-622	NGO/CSO capacity to advocate in for SP needs of excluded populations strengthened	<p>Enhanced participation of NSAs in policy dialogue and development, to further strengthen their capacity in advocacy and service delivery, and to promote their full recognition as development partners [...] Further support for NSAs will focus on confidence building measures to enhance and stabilise the dialogue mechanisms between State and Non-State Actors, not only on issues of direct interest to these groups' activities, but on the development process generally, to which they contribute substantially. This support will be supplemented by capacity building programmes for NSA in various areas, including advocacy and scaling-up of service delivery in social and economic sectors, recognising that the latter cannot be handled by Government alone. <i>Source: CSP 2008-2013, p. 53.</i></p>
<b>JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage)</b>		
I-631	Trend in non-contributory pension as percentage of average wage	<p>There is no non-contributory pension in Ethiopia. <i>Source: World Social Protection Report 2014/15, ILO, p. 238.</i></p>
I-632	Trend in adequacy of social assistance benefits	<p>Social assistance data are virtually inexistent in Ethiopia. <i>See I-231 for impact of PSNP benefit on household expenditure.</i></p>
I-633	Trend in adequacy of unemployment benefit	<p>There is in Ethiopia no unemployment benefit programme anchored in national legislation, but severance payment directly paid by employers in the following cases: unfair dismissal; workforce restructuring; the employer's death, insolvency, or bankruptcy; the employee's death at work; physical incapacity; or HIV/AIDS diagnosis. Severance pay amounts to 30 times the average daily pay of the last week of service for the first year of service. <i>Source: ILO World Social Protection Report 2014/15, p. 205.</i></p>
I-634	Social protection expenditure as	<p>Cost estimates of child benefits is 2.8% of GDP. Cost estimates of old age pension is 1% of GDP (ILO 2008)</p>

#	Indicators	Evidence
	proportion of GDP: Spending on working age population Spending on the elderly Spending on children	<p><i>Source: Study SP SSA, p. 48.</i></p> <p>See I-231 for information on spending under PSNP</p> <p>Total public expenditure and health expenditure as proportion of GDP has steadily increased from 1999 (1.5%) to 2011 (3.17%). It has to be noted that in 2001 and 2005 figures dramatically increase.</p> <p>Total public expenditure excluding health care amounts to 0.61% of GDP.</p> <p><i>Source: World Social Protection Report 2014/15, ILO, p. 298.</i></p>

#### 4.1.7 EQ7

#	Indicators	Evidence
<b>JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context</b>		
I-711	The choice of modalities and implementing partners reflects clearly identified comparative advantages and institutional capacity needs and constraints	<p>In line with the Paris Declaration on Aid Effectiveness, development partners have pooled their financing – both cash and in-kind contributions – and agreed to provide unified technical advice and analytical work in support of a single program led by Government of Ethiopia. The World Bank, DfID and Irish Aid disburse their funds directly to the Government’s treasury account, with the World Bank also channelling Trust Funds resources from DFATD, EC, RDMFA, RNE, and SIDA the same way. DFATD, USAID and WFP provided food resources through parallel systems (USAID through NGOs and WFP through its delivery mechanisms). This engagement model allows for improved harmonization and enables enhanced supervision and monitoring while avoiding excessive transaction costs for the Government and DPs. PSNP was highlighted as a model for coordination and aid effectiveness at the 4 the High Level Forum on Aid Effectiveness in Busan, Korea in 2011.</p> <p><i>Source: PSNP III ICR, p. 50.</i></p> <p>In a recent evaluation of the 9th EDF performance, the Government emphasised that “the performance of the CSP, both commitment and disbursement of funds, has not been encouraging. The lengthy decision making process of EC coupled with lack of interest by adequate contractors as well as weak performance of contractors led to unsatisfactory performance.</p> <p><i>Source: CSP 2008-2013, p. 32.</i></p> <p>The PSNP compares favourably with international experience on public works programs, for its targeting, high wage intensity and a low administrative cost from the use of existing government systems (and the program scale itself). As a% of total program cost, 17.2% is dedicated to staff time, administration costs and capacity building.</p> <p><i>Source: FA, PSNP III.</i></p> <p>In order to mitigate the impact of the termination of the direct budget support schemes, a number of donors have been actively considering various alternative instruments in support of service delivery at the local level. The overall aim of this work was to create funding instruments that are less vulnerable to external political shocks than Direct Budget Support, and which protect primary service delivery to the poor. The new approach is called “Protection of Basic Services” (PBS). It focuses on the following key sectors and sub-sectors: primary and secondary education, health, and agriculture and natural resources (including water). These sectors are essential for achieving the MDGs and the goals stipulated in the GoE’s National Plan for Accelerated and Sustained Development to End Poverty (PASDEP).</p> <p><i>Source: FP PBS I, p. 1.</i></p> <p>PBS II is overall a very coherent program. The three elements – the funding of the Federal Block Grants for basic services, the focus on fiscal transparency, and the stimulation of demand-led accountability – were designed to boost the strengthening of country systems [...]</p> <p><i>Source: PBS II ICR, p. 22.</i></p> <p>PSNP III programming document contains an annex explaining the choice of</p>

#	Indicators	Evidence
		<p>working with an IO:</p> <p>“Type and size of the PSNP exclude the possibility to use an NGO based approach. Following the events and the political crises in 2005, budget support has been cancelled in Ethiopia and donors jointly agreed to harmonize their procedures and use Government system to the possible extent, in line with Paris Declaration. This has consequently led the EC to exclude decentralized management modality for this programme. Through the Coalition for Food Security forum works, donors and GoE have jointly designed the PSNP and agreed financing modalities in the framework of the GoE Food Security Programme. Finally, important capacity gaps in the Gvt system compared to the nature of the programme justified the opportunity for a common effort by all donors to focus on institutional strengthening and on improving human resources and capacities.”</p> <p>The implementation method will be through joint management with the World Bank, ensuring continuity with the previous phase implementation method.</p> <p>A new Multi Donor Trust Fund (MTDF) has been established for this phase at the World Bank to which donors channel resources for the implementation of the programme.</p> <p><i>Source: AF PSNP III, p. 6.</i></p>
I-712	The approach employed by the EU fosters high quality dialogue between the EU and national stakeholders	<p>PSNP is the result of intensive (and historically protracted) negotiations between Government and its development partners (including the EC). The process of reaching agreement on key design and implementation features is well presented in a DFID booklet and a World Bank publication, which together provide excellent guidance for similar processes in other countries.</p> <p><i>Source: EC Reference Document on social transfers in the fight against hunger, p.48.</i></p> <p>The Delegation has been strongly involved in the management of the government-led Productive Safety Net Programme and in its reformulation that has started in 2013. The Delegation has actively participated in the review of the Agriculture Sector Policy Investment Framework and has recurrently included in its policy dialogue with the Ministry of Agriculture the need of mainstreaming nutrition within the agricultural policies in line with the National Nutrition Programme (to which the EU has actively contributed). Active advocacy, together with ECHO, in favour of bringing resilience up in the Government's development agenda, has equally taken place. Important progress has been observed as regards the ownership of the eco-regional approach by the Government following intensive advocacy from the Delegation.</p> <p><i>Source: EAMR 2013, p. 6.</i></p>
I-713	The aid delivery methods and channels used promote ownership of SP by national stakeholders	<p>Ownership of SP programmes depends on establishment and implementation modalities; while government- established and -implemented programmes are owned by government, donor-driven programmes generally lack government ownership, as they are mostly pilots, ad hoc and short- term due to their limited timeframe and funding. [...] in some cases governments have demonstrated significant will to strengthen the social protection infrastructure (e.g. Nigeria, Ethiopia)</p> <p><i>Source: Study Sub-Saharan Africa, p. 12.</i></p> <p>Largely Achieved. The PSNP operates in 318 woredas supporting the creation of 35,000 public works sub-projects per year, the quality of which are assessed through the regular public works reviews. In this context, the focus of the government on ensuring that each sub-project is carried-out to a high quality is commendable, particularly given the decentralized nature of service delivery in Ethiopia.</p> <p><i>Source: PSNP III ICR.</i></p> <p>Government commitment. The Government remains unwavering in its commitment to the PSNP, now in the context of its Social Protection Policy and Disaster Risk Management Policy. The PSNP is an integral component of its ambitious Growth and Transformation Plan, its main vehicle for graduating citizens out of poverty and to economic sustainability, and donor support under</p>

#	Indicators	Evidence
		<p>PSNP 4 is supporting the program's evolution towards a full-fledged safety net, that incorporates livelihoods support and coordinates with other Government programs and strategies, especially on nutrition, climate resilient green economy and sustainable land management.</p> <p><i>Source: PNSP III ICR, p. 40.</i></p> <p>The decision taken to align the PBS targets with these Government targets was consistent with the high level of country ownership that characterized the PBS series, the high degree of alignment with national systems, while avoiding the potential confusion and conflicting incentives that could have emerged from having two different sets of targets in the public domain</p> <p>[...]</p> <p>Throughout PBS II, the Government has shown commitment and support for the objectives of the program. The implementing agencies have performed well, and the Government, jointly with the Bank and development partners, continuously analyzed the implementing agencies' performance and made adjustments and changes as necessary. The program has enjoyed strong country ownership and alignment by supporting an existing and credible government program.</p> <p>[...]</p> <p>The PBS is a strong demonstration of development effectiveness principles, in that there is a high-degree of Government ownership of the program, and Development Partners (DPs) align behind the key objectives of that program.</p> <p><i>Source: PBS II ICR, p. 20 &amp; 27.</i></p>
<b>JC 72 EU financed interventions in the social protection field are mutually reinforcing</b>		
I-721	Financing instruments (bilateral vs. regional, geographic vs. thematic) are combined to exploit complementarities and promote synergies	<p>While the PSNP has to be considered as a strategic cornerstone of the ED interventions in the sector, the Commission is supporting a number of actions in the country that are complementary to it: emergency interventions through ECHO (ECHO budget) which address specific transitory needs due to the different types of recurrent local crisis (climatic, economic, social, etc.); the Information for Food Security projects (ED budget) as well as other several NGO projects funded through Food Security Budget Line and the recent Food Facility (ED budget as well); the Protection of Basic Services programme (EDF funds), designed to ensure expansion and improved quality of basic services delivery (education, agriculture, health, water supply, etc.) at sub national levels</p> <p>[...]</p> <p><i>Source: FA, PSNP III.</i></p> <p>Linkages to specific donor funded projects include:</p> <p>[...]</p> <p>In the health sector: the EC NGO Co-financing, Thematic Budget Line for Health and Budget Line for Reproductive Health; the WB Malaria and Other Vector Borne Disease Prevention and control Project; and</p> <p>In other sectors: the Productive Safety Net Programme (PSNP) to which the EC contributes; the WB Poverty Reduction Supportive Credit series.</p> <p><i>Source: FP PBS I, p. 2-3.</i></p>
I-722	EU support to SP in partner countries has been reinforced by the mobilisation of expertise from EU Member States (via instruments such as TAIEX/Twinning or the SOCIEUX facility)	Ethiopia is participating in the EU SPS programme.
<b>JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored</b>		
I-731	Frequency of delays in implemented	In the first phase of the programme timeliness of transfers as well as timeliness and quality of technical and financial reporting by MoFED has been

#	Indicators	Evidence
	interventions related to SP	<p>progressively improving.</p> <p>Ongoing efforts by MoFED and BoFEDs in financial management of the programme need to be scaled up with a greater focus on addressing the causes of poor performance of some woredas and increasing awareness, responsibility and accountability of MoFED structures. These aspects will be addressed in the new phase through a specific capacity building "sub-component" designed to ensure a structured and continuous (re)training programme'.</p> <p>While it is anticipated that staffing levels and high staff turnover will likely remain key constraints to programme implementation, addressing capacity constraints in financial management is also necessary to ensure appropriate and timely reporting and flows of resources through the system.</p> <p><i>Source: TAP PSNP III.</i></p> <p>Indicator 9: 90% of transfers made on time.</p> <p>Timeliness is measured as the number of woredas that deliver 90% of transfers to participants within 45 days after the end of the month to which the transfers apply in 4 of the 6 months, using administrative data. Timeliness continuously improved during the course of the APL III program.</p> <p><i>Source: PSNP III ICR, p. vii.</i></p> <p>The issue of delayed payments of PSNP's work for cash food security schemes is still a common phenomenon, severely hampering overall programme performance.</p> <p><i>Source: Evaluation of the EC support to Ethiopia 2004-2008, p. 3.</i></p> <p>The health component was especially challenging to implement. During implementation, there was less funding available to the MDTF for Health Facility than was anticipated in the design (donor budget disbursement was USD36.9 million versus a committed 77.7 million USD). Following this reduction of pledged donor commitments, a financing gap emerged, which resulted in reprogramming of needs and delays in procurement of health commodities. [...]</p> <p>Sub-program C (Transparency and Accountability) had some initial delays, but then COPCU in MOFED was able to accelerate procurements. COPCU capacity has been improving throughout the project life and most planned goods procurement activities were completed successfully. Subprogram D (Monitoring and Evaluation) experienced some procurement delays, but the last year and a half of the project period saw strong improvement. The last ISR rates overall procurement performance under PBS II as Moderately Satisfactory [...]</p> <p>Finally, the delays in procurement were perceived by all stakeholders as substantial and mitigating measures were seen as not as effective as desired. However, only minimal portion of procurements remained incomplete, and all large procurements were completed by the project closing. [...]</p> <p>Support to the Health sector under the Sub-program B focused on the provision of key health delivery services aimed to improve the health MDGs, including provision of health commodities and health strengthening activities. After an initially slow start, the pace of the interventions accelerated in 2011, and the firm commitment of the FMOH and PFSA allowed for most of the planned activities to be carried out by the end of the project.</p> <p><i>Source: PBS II ICR, p. 9, 24 &amp; 40.</i></p>
I-732	Transaction costs are minimised for all parties involved	<p>PSNP MDTF partners agreed to pool their funds and harmonise administrative procedures in order to prevent duplications and reduce transaction costs.</p> <p>Programming documents also emphasize that former phases of the PNSP programme have taken measures to enhance capacities of implementing institutions including MoFED and its counterparts at regional and district levels (training, recruiting additional staff and supplying equipment). They also refer to the support and engagement of DPs.</p> <p><i>Source: TAP, PSNP III.</i></p>
I-733	Monitoring and	Since the start of the PSNP, extensive programmes of monitoring and

#	Indicators	Evidence
	evaluation allows for adjustment of SP support responding to performance and context	<p>evaluation have been carried out. These have provided robust quantitative and qualitative evidence by which to substantiate achievements and identify further actions. M <i>Source: PSNP ICR III.</i></p> <p>Working in close coordination with DPs in the context of Joint Reviews, the Government has continually internalized findings, issues and constraints as they have surfaced and adjusted implementation through additional guidelines (e.g., graduation), manuals (e.g., financial management) and pilot programs (e.g., electronic payment mechanisms). The Government devoted strong commitment to addressing issues identified in qualified audits, thereby tackling critical financial management concerns that could have jeopardized the program. <i>Source: PSNP III ICR, p. 43.</i></p> <p>Improvements to the PSNP monitoring system under APL II had resulted in a more complete overview of program implementation. However, there was little indication that these improvements had led to a more responsive monitoring system as performance remained variable across regions and woredas and it appeared that the information generated was not being used to inform management decisions. To address this, APL III would consider introducing a system of performance incentives whereby woredas meeting minimum performance standards would receive additional financing under Component 1. <i>Source: PSNP III ICR, p. 12.</i></p> <p>54. Monitoring and evaluation has been a key feature of the APL series that has allowed the program to implement, evaluate, learn and adjust to constantly improve over time. The M&amp;E framework for APL III built upon the framework that was put in place under APL I and improved under APL II. <i>Source: PSNP III ICR, p. 17.</i></p> <p>Sub-Program D—Monitoring and Evaluation (M and E) (IDA USD7.0 million equivalent; DFID USD0.7 million equivalent; EC USD0.5 million equivalent). This sub-program would enhance Government and donors' capacity to assess the actual impact PBS was making at local levels. The sub-program would support the strengthening of existing national and sectoral M&amp;E systems. <i>Source: PBS II ICR, p. 5.</i></p> <p>PBS II also ensured strengthened protocols to focus on fiscal management and sustainability issues. In order to improve predictability of PBS resources and enable Government to plan on resource use with confidence, the results of the SAFE performance assessment of any year would be reflected in modifications to disbursements for the following year rather than in-year adjustments. This would result in full within year predictability of disbursements. PBS II made it clear that "The results of the SAFE performance assessment of any year will be reflected in decisions on disbursement levels under the Basic Services Grant for the following year" (PBS II PAD, paragraph 69). <i>Source: PBS II ICR, p. 7.</i></p>

#### 4.1.8 EQ8

#	Indicators	Evidence
<b>JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs</b>		
I-811	Institutional structures / mechanisms in place to coordinate SP policies and interventions across MSs and other international donors	<p>The PSNP Donor Working Group (DWG) harmonises donor support and is chaired by each donor on a six-month rotating basis. <i>Source: EC Reference Document on Social Transfers in the fight against hunger, April 2012, p.48.</i></p> <p>The engagement of the Delegation in the development partners' harmonisation process was strong, as proven by the financing of the DAG (Development Assistance Group) Pooled Fund, participation in its Executive Committee, High</p>

#	Indicators	Evidence
		<p>Level Forums, Heads of Agency meetings and in practically all the different sector working groups, chairing a number of them.  <i>Source: EAMR 2013, 24.</i></p> <p>The Delegation has chaired during the second semester 2011 the donors group of the PSNP, Productive Safety Net Programme, one of the two most important multi donors programme supported in Ethiopia (half million USD disbursed in 2011); that chairmanship has been manifold with a higher visibility and better format for the dialogue with the Government (Head of Delegation, Minister, two substantial meetings in August and December 2011), a focus on financial management leading to a considerable progress while still a lot remains to be done, and the promotion of a strategic reflection on the future of the programme encompassing a broader vision on food security and social protection in Ethiopia.  <i>Source: EAMR 2011, p. 2.</i></p> <p>Not only an accomplishment in itself, the PSNP has also raised the profile of social protection in Ethiopia, laying the foundations for fruitful - if sometimes contentious - dialogue between partners, with strong government leadership.  <i>Source: EDP 2010, p. 99.</i></p> <p>Donor co-ordination in Ethiopia is relatively advanced with a formal structures established for Government-donor and donor-donor co-ordination. Regular High Level Forums allow the discussion of policy issues between donors and Government at ministerial level, while Annual Progress Reviews provide a yearly forum for dialogue on progress in implementing PASDEP. The Development Assistance Group (DAG) is the main forum for donor co-ordination and policy dialogue in the country, which has Technical Working Groups (TWG) arranged on a sectoral basis. The EC Delegation plays an active role in each part of this co-ordination machinery, and has undertaken a leading role in sector and donor co-ordination in several DAG TWGs.</p> <p>PBS-specific co-ordination mechanisms were developed under PBS I and will be maintained during PBS II. These include: the bi-annual Joint Review and Implementation Support missions (JRIS); the bi-annual Joint Budget and Aid Review (JBAR); and PBS Working Groups looking at macro-fiscal, financial transparency, health, social accountability and M&amp;E issues. The Commission currently co-chairs with the WB the PBS Donors Group and leads the Social Accountability Group.  <i>Source: AF PBS II extension, p. 2.</i></p> <p>The EC is co-chairing the PBS group and actively participating to all the PBS TWGs.  <i>Source: AF PBS II extension, p. 6.</i></p> <p>It should be noted that the scale and intensity of PBS partnership is unique across the broad Africa social protection portfolio and should be considered a best practice in this regard.  <i>Source: PBS II ICR, p. 8.</i></p> <p>The PSNP embodies best practice in development partners' collaboration. The policy shift to a productive safety net system has been strongly supported by a consortium of development partners including EU, World Bank, CIDA, DFID, Irish Aid, RNE, SIDA, USAID, and WFP. The development partners group has pooled its financing – both in cash and food – and developed a unified stream of technical advice in support of a single Government-led program.  <i>Source: AF PSNP III, p. 4.</i></p> <p>Strong donor coordination and substantial financial and technical support aided implementation. The well-functioning Donor Working Group (DWG) and Donor Coordination Team (DCT) established under APL I to harmonize development partner support continued throughout implementation of APL III to provide effective coordination and manage the large volume of studies and technical assistance mobilized for the PSNP and HABP.  <i>Source: PSNP III ICR 2016, p.14.</i></p>

#	Indicators	Evidence
		<p>A hallmark of supervision was the effective level of donor partnership and coordination that enabled a comprehensive approach to supporting and strengthening decentralized service delivery. To implement its interventions, PBS II was supported through a partnership between the GOE, IDA and 10 other Development Partners (DPs) 7 [...]</p> <p>Donor Harmonization. The PBS has been supported by 12 donors, with the World Bank taking the lead role, and a substantial amount of money being channelled through a World Bank managed Multi Donor Trust Fund (MDTF). A well-articulated system of dialogue and supervision, based on Joint Budget and Aid Reviews (JBARs) and JRIS missions was established, with joint missions every 6 months. This organized system of joint donor support and dialogue was very positive and was effective in its support to a Government driven agenda and program. Quality of supervision was this significantly improved over time.</p> <p>Source: <i>PBS II ICR</i>, p. 8 &amp; 22.</p>
I-812	EU is able to leverage its support by generating funding from other sources	<p>The PSNP also represents an example of effective implementation of the Paris Declaration principles. It has focused on mobilizing multi-annual resources from development partners to ensure predictability of resources for the programme implementation and for adequate planning, capacity building, and monitoring and evaluation systems to be in place.</p> <p>Estimated total cost of the programme over 5 years (2010 – 2014): EUR 1.4 billion, EU contribution: EUR 58 million.</p> <p>i) co-financing through Multi Donors Trust Fund</p> <p>ii) Other Donors (indicative, Feb 2010):</p> <ul style="list-style-type: none"> <li>• CIDA: Cash: EUR 37.1 million + Food: 42,300 MT,</li> <li>• DFID: EUR 177 million,</li> <li>• Irish Aid: EUR 52 million,</li> <li>• RNE: EUR 60.2 million,</li> <li>• SIDA: EUR 16.4 million,</li> <li>• World Bank: EUR 295 million,</li> <li>• USAID: Cash: EUR 25 million + Food: 515,000 MT.</li> </ul> <p>Source: <i>TAP PSNP III</i>.</p>
<b>JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment)</b>		
I-821	DEVCO-financed SP support cross-refers to policies and strategies of other relevant DGs and avoids duplication and conflicts	<p>According to the thematic global evaluation of EC support in the sectors of ESI (Employment and Social Inclusion) in partner countries, the EC provided more than EUR 100 million to support social inclusion into the labour market in Ethiopia between 1999 and 2008.</p> <p>Source: thematic global evaluation of EC support in the sectors of ESI (Employment and Social Inclusion) in partner countries, September 2011, p. 84.</p>
I-822	Existence of inter-DGs coordination on SP	EC documents only refer to ECHO.

## 4.2 Overview of EU-funded key interventions

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>	<i>Implementing partner(s)</i>
<b>2007-2013</b>				
EDF	Provision of Basic Services Programme I (PBS I)	2007-2009	150,000,000	n/a
EDF	Productive Safety Nets Programme (PSNP)	2006-2014	58,000,000	n/a
EDF	Provision of Basic Services Programme II (PBS II)	2009-2012	53,000,000	n/a
<b>2014-2017</b>				
DCI-Thematic	EU-SPS global programme	Since 2015	<i>(no specific country allocation)</i>	n/a
EDF	PBS III - Basic Services Programme	2014-2018	73,000,000	n/a

### 4.3 List of people interviewed

<i>Surname</i>	<i>First name</i>	<i>Organisation/ Unit</i>	<i>Responsibility</i>
Belay	Tewdoros	Ministry of Labour and Social Affairs	Coordinator, National Social Protection Platform
Diop	Oumar	African Union Commission	Social Policy Division, Social Affairs Department
Hateu	Abu	World Bank	Manager, PSNP MDTF
Hendrix	Ron	DG DEVCO	Formerly responsible for EU-AU cooperation; Programme Manager, Migration
Lechiguer	Luis	EU Delegation	Responsible for social protection
Lounio	Tomi	UNDP	Programme Analyst, responsible for disability
Mebrate	Hiwat	Irish Aid	Senior Social Protection Programme Manager
O'Donovan	Aileen	Irish Aid	Development Counsellor, responsible for social protection
Pigois	Remy	UNICEF	Chief Social Policy and Evidence for Social Inclusion (SPESI)
Strijdom	Johan	African Union Commission	Head, Social Policy Division, Social Affairs department
Voipio	Timo	Ministry of Foreign Affairs, Finland	Coordinator, EU-SPS programme

## 4.4 List of documents and main sources of information consulted

### 4.4.1 EU strategy and programming

- European Community - Ethiopia Country Strategy Paper and National Indicative Programme 2008 – 2013
- European Community - National Indicative Programme for Ethiopia 2014-2020
- European Community - Pan-African Programme 2014-2020 - Multi-annual Indicative Programme 2014-2017
- European Community - Regional Indicative Programme for Eastern Africa, Southern Africa and the Indian Ocean (EA-SA-IO) 2014-220
- Annual Action Plans (AAP) 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015 - Commission Decision and annexes.

### 4.4.2 National framework

- Federal Democratic Republic of Ethiopia (2010): Growth & transformation plan (GTP) 2010/11-2014/2015 draft.
- Federal Democratic Republic of Ethiopia (2010): Growth & transformation plan (GTP) Volume 1: Main text.
- Federal Democratic Republic of Ethiopia (2016): Growth & transformation plan (GTP2) Volume 1: Main text.

### 4.4.3 Project documentation

The team reviewed the available project documentation (action fiches/TAPs, grant contracts, implementation and monitoring reports, evaluations, etc.) of the following interventions (see also details in the list presented in Annex 2):

- Provision of Basic Services Programme I (PBS I).
- Productive Safety Nets Programme (PSNP).
- Provision of Basic Services Programme II (PBS II).
- EU-SPS global programme.
- PBS III - Basic Services Programme.

### 4.4.4 Evaluation and studies

- AHO/WHO (2016): Ethiopia 2016 Factsheet of Health Statistics.
- Anna McCord (2013): the Public Pursuit of Secure Welfare: Background Paper on International Development Institutions, Social Protection & Developing Countries, Anna McCord, The Poverty and Inequality Practice.
- Central Statistical Agency (2011): Ethiopian Welfare Monitoring Survey 2011 - Summary report
- Constitution of the Federal Democratic Republic of Ethiopia 1994.
- DfID (2010): Gendered risks, poverty and vulnerability in Ethiopia: To what extent is the Productive Safety Net Programme (PSNP) making a difference.
- European Community (2012): Social transfers in the fight against hunger - a resource for development practitioners.
- European Community (2012): Evaluation of the Commission of the European Union's co-operation with Ethiopia (2004-2008) Volumes 1 & 2 and summary.
- European Community (2012): Study on Social Protection in Sub-Saharan Africa, inception report, first interim, final reports and annexes.
- European Community: Thematic global evaluation of European Commission support in the sectors of ESI (Employment and Social Inclusion) in partner countries (including vocational training), Final Report, Vol I&II, September 2011.
- European Report on Development (2010): Social Protection for inclusive development
- Federal Democratic Republic of Ethiopia (1994): Constitution of the Federal Democratic Republic of Ethiopia.
- Federal Democratic Republic of Ethiopia - Ministry of Health (2010): Health Sector Development Program IV 2010/11-2014/15 Final draft.

- Federal Democratic Republic of Ethiopia - Ministry of Labour and Social Affairs (2012): National Social Protection Policy of Ethiopia, Final draft.
- ILO: World Social Protection Report 2014 / 2015.
- UNICEF (2012): Investing in boys and girls in Ethiopia: past, present and future - chapter nine: social protection.
- UNICEF (2016): Ethiopia Social Protection - Access of the Poor and Vulnerable to Basic Social Services.
- World Bank (2016): Ethiopia Public Expenditure Review, April 2016.
- World Bank Group and ILO (2016): Key Labor Market Indicators: Analysis with Household Survey Data.

#### 4.4.5 Other

- External Assistance Management Report (EAMR) for Ethiopia 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015.

#### 4.4.6 Web links

- Country Cooperation Strategy at a glance:  
[http://apps.who.int/iris/bitstream/10665/137170/1/ccsbrief\\_eth\\_en.pdf](http://apps.who.int/iris/bitstream/10665/137170/1/ccsbrief_eth_en.pdf)
- ILO-International Social Security Inquiry: <http://www.ilo.org/dyn/ilossi/ssimain.home>
- ISSA / US Social Security Administration Social Security Programmes Around the World annual report: <https://www.ssa.gov/policy/docs/progdesc/ssptw/>
- Wage Indicator 2017 - Mywage.org/Ethiopia - Maternity and Work:  
<http://www.mywage.org/ethiopia/home/labour-law/maternity>
- World Bank Atlas of Social Protection (ASPIRE)  
<http://datatopics.worldbank.org/aspire/>



# Evaluation of EU support to social protection in external action

2007-2013

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Final Report

Volume II

Country Report – former Yugoslav Republic of Macedonia

January 2018

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*Evaluation carried out on behalf of the European Commission*



The evaluation was carried out by:  
Landis MacKellar – Team Leader

Contributions from:

Ana Maria Femenia Garcia – Team Member

Zehra Kacapor-Dzihic – Team Member

Tino Smail – Team Member

Lena Zezulin – Team Member

Georg Ladj – Quality Control

Ana Vilar – Backstopping

Dominika Socha & Jana Bobokova – Evaluation  
Managers

The evaluation is being implemented by Particip GmbH (leader) and AETS and managed by the DG NEAR A4 Multi-annual Financing Framework, programming and evaluation unit.

The author accepts sole responsibility for this report, drawn up on behalf of the Commission of the European Union. The report does not necessarily reflect the views of the Commission.



## Country Report – former Yugoslav Republic of Macedonia

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EU support to social protection in Enlargement countries includes both technical and financial support provided through the IPA instrument and continuous dialogue and exchange of information in the context of accession negotiations. Although the team has tried to capture some of the complex processes taking place in relation to accession negotiations and social protection-related legal and policy reforms, most of the information available concerns IPA financial and technical assistance. Despite the emphasis on IPA financial and technical assistance in the analysis, it is important to see IPA support only as one part of the broader cooperation between the EU and the beneficiary.

## List of acronyms

CSO	Civil Society Organisation
CFCD	Central Financing and Contracting Department of the Ministry of Finance
DG	Directorate General
ESA	Employment Service Agency
EU	European Union
EU	European Union
EUD	European Union Delegation
HIF	Health Insurance Fund
HQ	Head Quarters
HRD	Human Resource Development
HRD OP	Human Resource Development Operational Programme
ILO	International Labour Organisation
IMF	International Monetary Fund
IOM	International Organisation for Migration
IPA	Instrument for Pre-Accession
JC	Judgement Criterion
M&E	Monitoring and Evaluation
MDTFs	Multi-donor Trust Fund
MIPD	Multi-indicative Planning Document
MLSP	Ministry of Labour and Social Policy
NGO	Non-governmental organisation
OP	Operational Programme
PWD	Person with Disability
ROM	Result Oriented Monitoring
SPO	Senior Programme Officer
TAIB	Technical Assistance for Institution Building
UN	United Nations
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
WHO	World Health Organisation



# 1 Introduction

## 1.1 Purpose of the country report

This report was revised during the field phase of the evaluation. During the inception phase, the evaluation framework was developed, i.e. the EU's intended intervention logics of its support to social protection (SP) in partner countries were reconstructed and the Evaluation questions (EQs) were designed. During the desk phase, overall strategy and policy documents and selected project documentation were reviewed, an online survey to the EUDs was conducted and several stakeholders were consulted. The desk report outlined preliminary answers to the EQs and it proposed a list of countries to be visited in the field phase. From a long list of 45 countries and a shortlist of 14 desk case countries, 11 countries were selected for the field phase. The overall objective of the field visits is to verify preliminary findings to the EQs.

The field cases have a their main focus on the bilateral support provided in a given country, but also assess the complementarity and coherence with the major social protection (SP) programmes taking place in this country.

The outline of the country report follows the structure of the evaluation matrix to ensure a consistent and harmonised data collection approach. However, as EU interventions implemented under major SP programmes cover a variety of different topics, not every intervention is relevant for all the evaluation questions. This tailored case study approach ensures that resources are spent in an efficient way.

Therefore, the present country report cannot be considered a country evaluation but rather one of the inputs for the elaboration of the final report. The field cases allow for a detailed examination of certain elements at the Indicator and Judgement Criterion level and provide a picture of the EU support in different contexts. The report aims at providing country specific examples on a set of issues that are relevant for the worldwide exercise.

## 1.2 Reasons for selection of the country

The former Yugoslav Republic of Macedonia country case has been selected for the following reasons:

- Regional and sub-regional representation:
  - The case illustrates the specific context of the IPA region.
  - The “candidate” status (since 2005) and the existence of the HRD OP (in place since 2007) determine a framework for the provision of assistance which is different from other IPA beneficiariessselected.
- Amount of aid:
  - One of the top recipient countries of EU support to SP in the IPA region
  - Recipient of extensive other international donor support
- Focus and type of support:
  - Twinning used on several occasions
  - Strong emphasis on equality and social inclusion
  - EU support in the wake of a major WB three pillar pension reform
  - Support for decentralization
  - One of the main principles of the reform of social protection was engagement of non-state actors (CSOs and NGOs) as well as inclusion of language and ethnic communities and other excluded groups at the local level

- o Smaller grants were intended to establish new services and develop the capacities and hence the market of service providers in the community. This was also designed to increase the absorption of national and EU funds in the long run
- Recent influx of refugees, with international support to address security concerns
- Recent political challenges and a change in government

The table below provides an overview of the main SP interventions implemented by the EU in the period 2010-2017.

*Table 1 Interventions selected for the case study analysis*

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>
<b>2007-2013</b>			
IPA Comp IV	Support to Employment of Young people, Long-term unemployed Women (I)	2010-2012	1,300,000
IPA Comp IV	Fostering Social Inclusion and Inclusive Labour Market	2011-2013	1,462,950
IPA Comp IV	Further modernization of Employment Service Agency	2012-2013	1,169,175
IPA Comp IV	EU support on the preparation of the country to manage the European Social Fund through implementation of the Human Resources Development Component of IPA instrument	2010-2012	595,000
IPA Comp IV	Assisting conflict-affected minority women	2012-2014	248,072
IPA Comp IV	Strengthening the Capacities for Integration of Disadvantaged Women in the Labour Market, with focus on Ethnic Minority Women	2012-2013	477,850
IPA Comp IV	Enhancing Employability of Women in Minority Communities through profiling/ assessment, training programmes and job counselling	2012 -2014	272,515
IPA Comp IV	Career Pathway - Improvement of employability of ethnic minority women in the eastern region	2012 -2014	223,071
IPA Comp IV	Empowering relevant actors for social inclusion at local level	2011-2012	149,759
IPA Comp IV	Empowering relevant actors for social inclusion at local level (phase 2)	2012 -2015	179,500
<b>2014-2017</b>			
IPA Comp IV	Modernisation and adaptation of Centres for Social Work	2015-2016	2,080,000
IPA Comp IV	Support to Employment of Young people, Long-term unemployed	2015-2016	2,016,205

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>
	Women (II)		
IPA Comp IV	Promoting social inclusion services	2015-2017	1,366,250
IPA Comp IV	Support to the fight against undeclared work	2014 -2016	1,336,770
IPA Comp IV	Support to the National Employment Policy	2014-2018	1,535,351
IPA Comp IV	Support to Employment Service Agency for implementation of active labour market measures and services	2014-2016	1,200,000
IPA Comp IV	Support to Employment Service Agency for implementation of active labour market measures and services	2014-2016	1,275,355
IPA Comp IV	Strengthening the financial management and internal control in Employment Service Agency	2015-2017	137,050
IPA Comp IV	Promoting Social Dialogue – ILO	2014-2017	1,149,690
IPA Comp IV	Support to the monitoring and control of the OP HRD funded operations - Priority Axis 4	2014-2014	212,500
IPA Comp IV	Promoting alternative childcare services	2015 – 2017	1,192,638
IPA Comp IV	Pathway to Employment through Skill Development and Sustainable Labour Market Integration of the Roma, in particular Roma Women	2015 -2017	182,294
IPA Comp IV	Local Partnerships for Social Inclusion	2015 -2017	151,547
IPA Comp IV	Kitchen on Wheels	2015-2017	103,515.34
IPA Comp IV	Take action for better competitiveness on the labour market	2015-2017	171,315.42
IPA Comp IV	Employment of Persons with Disabilities: Sustainable Model	2015 -2017	88,677
IPA Comp IV	“Get trained. Get support. Get a job.”	2015-2017	79,456

Source: CRIS and Particip analysis.

### 1.3 Context of the EU support

#### **Country context and overview of the national social protection system**

The former Yugoslav Republic of Macedonia faces a number of challenges that affect its social protection system and the EU support to social protection. The recent refugee crisis in Syria had severe impact. In addition, there has been internal political instability after elections, with a new Government being chosen only recently, causing delays in a number of areas, including in social protection. Since its independence, the former Yugoslav Republic of Macedonia has received a great deal of support from EU and other donors in social protection reform, and many good policies and even systems have been put in place, but not all component parts are efficiently linked.

#### Social protection and inclusion policies

The legal framework for social protection and inclusion in the former Yugoslav Republic of Macedonia is comprehensive. A number of strategic documents, action plans and protocols for

social protection and social inclusion of disadvantaged groups have been adopted, of which the National Strategy on Alleviation of Poverty and Social Exclusion in the former Yugoslav Republic of Macedonia 2010-2020 and the Program for Social Protection Development 2011 – 2021 provide an overarching framework. Sector or target-group specific strategies were also adopted, covering rights of disabled persons; family violence; the elderly; refugees and foreigners; de-institutionalization; sexual harassment of children and paedophilia; treatment of street children, etc.

The system of social welfare in the former Yugoslav Republic of Macedonia provides social services that, according to the Law on Social Welfare, are categorized as: (i) social prevention; (ii) institutional care; and (iii) non-institutional care. Those services are mainly organized and administered by the government. With introduction of de-institutionalization, there are other, non-residential forms of protection, also offered by NGOs and private organizations.<sup>1</sup>

The services provided through institutional protection are divided into two categories: (i) training, working and productive activity; and (ii) placement in a social protection institution.

There are several types of non-institutional care. These include: (i) primary social service for users of social protection; (ii) assistance to individuals; and (iii) assistance to families. These three categories involve advice and counselling for overcoming social problems. Other forms of non-institutional care consist of: (i) home care and assistance; (ii) daily and temporary care as assistance to individuals; and (iii) families and placement in foster families.<sup>2</sup>

Provision of social assistance allowances is the most important part of the social welfare/protection system in the former Yugoslav Republic of Macedonia. It secures numerous people with their sole source of income. The social assistance (including all sub-categories) and child benefits (child allowance, special allowance for children with disability, allowance for a third born child) are non-contributory benefits financed through the central budget. According to the Law on Social Protection, there are several categories of social assistance allowances:

- Social financial assistance, the most important benefit for persons fit to work, but not socially provided for
- Permanent financial assistance – provided to persons who are not able to work and live in poverty.
- Financial support – for assistance and care.
- One-off financial assistance.
- Compensation of salary – for shorter working hours due to care for a disabled child.
- Financial reimbursement – to children without parents and parental care.

The amount of the permanent financial assistance is constantly adjusted to the average salary in the country, paid in the previous year. Special allowances are granted for disabled children, and a special commission establishes the disability status for children up to the age of 26 years. The sum of the special allowance is 27 percent of an average salary paid in the country in the first half of the previous year. The EU Progress Report 2016 concluded that “cash benefit support does not give the desired results in terms of reducing poverty and exclusion, which are

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<sup>1</sup> Vanco Uzunov, “Socio-economic transformation and the welfare system of the Republic of Macedonia in the period of transition”, in *Welfare states in transition: 20 years after the Yugoslav welfare model*, eds. Marija Stambolieva & Stefan Dehnert (So a: Friedrich Ebert Foundation, 2011), 128.

<sup>2</sup> The Art of Survival, [http://www.rpp-westernbalkans.net/en/research/Current-Projects/Welfare-State-Social-Disparities/In-equality-in-social-protection/mainColumnParagraphs/00/text\\_files/file0/MKD\\_Country\\_paper\[EN\].pdf](http://www.rpp-westernbalkans.net/en/research/Current-Projects/Welfare-State-Social-Disparities/In-equality-in-social-protection/mainColumnParagraphs/00/text_files/file0/MKD_Country_paper[EN].pdf)

particularly high among Roma and people with disabilities. Roma and children with disabilities often lack of proper social protection.”<sup>3</sup>

#### Institutional overview for social protection

The main responsibility for the administration and organisation of public social welfare rests with the Ministry of Labour and Social Policy (MLSP). The Institute for Social Affairs is a public body responsible for the control and evaluation of social protection policies, analytical research on social problems, programming of social protection development, supervision of the professional activities in the Centres of Social Work, as well as other public welfare institutions. The Centres of Social Work are the main implementing units for social welfare provision. Currently, there are 30 Centres of Social Work, dispersed in all bigger cities in the country. Social protection institutions are providers of care services and their legal status corresponds to bodies of public law, supervised by the MLSP. They are distinguished according to the target group they cover.

Apart from the social protection institutions that provide institutional protection, there are several types of non-institutional care, such as primary social service for users of social protection, assistance to individuals and assistance to families, home care and assistance, day care centres, foster care, and adoption.

Kindergartens are also part of the social protection system and MLSP has the responsibility for their supervision. There are 66 public kindergartens with a total capacity of 33,280 children.<sup>4</sup> They are subsidized by the state for all families, regardless of need. There are waiting lists.

The units of local self-government, under the Law on Local Self-government have competencies related to social protection issues, such as establishment of child nurseries and homes for the elderly, social care for the disabled (day care centres), as well as other types of non-residential care activities directed at vulnerable groups.

#### ***EU cooperation***

The former Yugoslav Republic of Macedonia has been a candidate for EU membership since 2005. Every year since 2009, the Commission has reported that the country meets the mandatory political criteria for moving to the next stage of the accession process. The Council has agreed that the country meets the political criteria but has not decided on a framework for opening negotiations. In November 2015, the Commission stated that it was prepared to extend its recommendation to open accession negotiations with the country on the condition that the current political crisis in the country is resolved and a number of urgent reform priorities are implemented.

The table below gives an overview of references to social protection in the programming documents over the evaluation period. Under IPA I, most of the projects in the field of social protection/inclusion were funded from Component IV – Human Resources Development. Investment in institution building across government was funded through IPA Component I (Technical Assistance for Institution Building – TAIB), but no specific projects on capacity building of social protection institutions were implemented as HRD was in place.

<sup>3</sup> European Commission (2016); EU Progress Report: former Yugoslav Republic of Macedonia; p. 51

<sup>4</sup> <http://www.stat.gov.mk/PrikaziPoslednaPublikacija.aspx?id=21>

Table 2 References to Social Protection in EU programming documents

Cycle	Relevant focal sector(s)	Related SP objectives
2007-2013	<p><u>HRDP OP 2007-2013</u>: Employment (axis1); Education (axis2); Social Inclusion (axis3).</p> <p><u>MIPD 2011-13</u>: Social Development (TAIB/IPA comp. I).</p>	<p><u>HRDP OP 2007-2013</u>: “The overall and specific objectives of the OP HRD will contribute to the achievement of common political aims laid down in the Community Strategic Guidelines for Cohesion 2007-2013 and are in line with the following guidelines for action: Attract and retain more people in employment, and modernise social protection systems (...) Increase investment in human capital”.</p> <p><u>MIPD 2011-13</u>: “[TAIB/IPA comp. I] to promote life-long learning, [...] to modernise the employment services, the education and training system, and to fight social exclusion. (...) In order to fight social exclusion, the EU will support the improvement of the efficiency of social services by training professionals and volunteers who work in the field of social services, health care and education, and by increasing the involvement and activation of persons at risk of exclusion with the aim to recover and/or improve their key skills, education, and retraining and to facilitate their access to the mainstream activities.”</p>
2014-2020	<p><u>CSP</u>: Education, employment and social policies</p>	<p><u>CSP</u>: “Being a requirement for an active and productive workforce, for societal development, and for sustainable economic growth, attention should also be paid to social protection and the health and well-being of the population and the labour force.” (...) “The overall objectives [...] are to reduce the high rate of unemployment, increase labour market participation, in particular of young people and women, increase access to quality education and training, improve skills matches and establish a modern and flexible social protection system.”</p>

Source: Particip’s analysis of EU programming documents.

The HRD OP 2007-2013<sup>5</sup> was managed in a decentralised manner, with the IPA Structure in the Ministry of Labour and Social Policy (MLSP); the IPA Structure in the Ministry of Education and Science (MES); and the Ministry of Finance’s Central Financing and Contracting Department (CFCD).

The main strategic objective of the HRD OP is “to foster the development of human resources, in particular by improving the quantity and quality of human capital, leading to more and better jobs, higher growth and development and the increased national competitiveness at international level.” The HRD OP priority axes are:

- Axis 1. Employment – Attracting and Retaining more People in Employment.
- Axis 2. Education and Training – Investing in Human Capital through better Education and Skills.
- Axis 3. Social Inclusion – Promoting an Inclusive Labour Market.
- Axis 4. Technical assistance (for monitoring, evaluation administration and information of the HRD OP).

The Axis 3 provided for measures for improvement of efficiency and quality of social services and integration in the labour market of vulnerable groups by training professionals and volunteers who work in the field of social inclusion; strengthening their employment potentials of people at disadvantage, including members from different ethnic communities through subsidised employment; trainings for experts working with vulnerable groups, enhancing active participation of the civil society and social partners in the implementation of social inclusion policies. HRD Component is also intended for “the country to develop and enhance the

<sup>5</sup> Commission Decision approval: C (2007)6027 of 07 December 2007

*administrative capacity for management, implementation, monitoring and control of European Social Fund*'.

Between 2007 and 2013, the EU allocated EUR 615 million under IPA to help the former Yugoslav Republic of Macedonia prepare for accession to the EU, of which EUR 54.4 million have been allocated for Component IV – Human Resources Development. Analysis of supported projects in the period 2007-2013 within wider social inclusion area (including social protection focused projects) shows that more than EUR 20 million was invested in this area. This component is significantly smaller than the other components (about 8% of the total IPA Funds intended for the former Yugoslav Republic of Macedonia in the period from 2007-2013).

EU provided only limited financial support specifically on social protection. The main reason for this is that Article 151 of the IPA Implementing Regulation defines the areas and forms of assistance.<sup>6</sup> OPHRD could not go beyond the defined areas, which emphasised the labour market integration aspect and inclusiveness of the labour market. Despite this limitation, the labour market integration aspect became an important element of the social inclusion policies, which was not the case before. Most projects actually focussed on social inclusion of minorities, disadvantaged women, young people, children, people with disabilities, etc. Projects included elements of social protection, mainly in the form of support to social services, work with local administrations, adaptation of centres for social work, with some investment in social protection. Direct support to the social protection system was provided essentially through the projects for “Enhancing social inclusion and Child protection reform”, implemented by UN agencies in partnership with the government of the former Yugoslav Republic of Macedonia. A World Bank loan funded the Social Protection Implementation Project and Cash Conditional Transfer Project; UNICEF provided assistance in the area of child protection; and UNDP assisted in the field of Social Inclusion – empowering the most vulnerable people in society. Section 4.2 provides a list of social protection related interventions financed by the EU in the country since 2007.

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<sup>6</sup> <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32007R0718&from=EN>

## 2 Findings

### 2.1 EQ1: Relevance

*To what extent has EU support to social protection responded to clear overall strategic objectives on social protection and to specific needs of partner countries, including problems of poverty, vulnerability and social exclusion?*

#### *Summary answer*

EU support has responded to poverty, social exclusion and a difficult economic transition in the context of a candidate country that is at risk of increasing division. In response to the preferred, highly deconcentrated approach of government, much EU assistance has been used to support local initiatives implemented by CSOs, fostering local approaches to problems of specific excluded groups.

#### **2.1.1 JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.**

EU support to the former Yugoslav Republic of Macedonia was organised through IPA Component IV Human Resource Development (2007-2013). The strategic prioritisation of support was done in dialogue with the government, and with inclusion of CSOs. EU support was aligned with national needs and the specific context and how the needs have changed in the area of human resource development.

In line with the sector approach a sector working group was established for the Education, Employment and Social Policy sector as a platform for the promotion of sector and donor coordination among all stakeholders. Programming of EU assistance is coordinated through this process. There is also extensive CSO consultation and involvement at all levels of national policymaking, regional development and municipal services. Moreover, the EU reaction to migrant crisis in the former Yugoslav Republic of Macedonia was rather swift, in line with the EU's strategic framework, and resulted in a number of projects tackling humanitarian and other needs of migrant population.

#### **2.1.2 JC 12 Needs and target groups clearly identified in the design of EU support.**

The strategic documents of the government correctly identified marginalised groups based on substantiated analyses. The EU programming documents and progress reports provided structured analyses of rights and governance issues in all different areas, including social protection. The review of the OP HRD included extensive analysis of the context, needs and government response. At project level, there is sound analysis of challenges to achievement of universal access to social protection. However, projects do not focus on such sectoral interventions, but are rather directed to specific solutions to particular vulnerable groups within social inclusion agenda.

Strategic and programming documents show that government and EU take into due account surveys, statistical and demographic analyses in programme and strategy design. OP HRD elaborates a range of interventions to support enhancement of data collection and monitoring systems within institutions in charge of employment and social inclusion. Project documents have elaborate context analyses incorporating evidence and statistics to strengthen the justification of selected approaches. Available project documentation does not reveal that projects initially produced new studies or analytical documents with new data sets. Projects usually focused on capacity building, establishment or enhancement of services and/or empowerment of vulnerable groups (youth, women, unemployed, PWD, children, etc.) However, the most recent projects generated several studies, because activities were preceded by relevant surveys. For example, there was a survey of undeclared work, and an analysis of

the demands for vocational rehabilitation and personal assistance services for persons with disabilities, as well as a survey on the demand for childcare services. It should also be noted that the politically fraught nature of data by ethnicity in the former Yugoslav Republic of Macedonia – for example, the lack of data of credible data on the Roma population – continues to be a problem, and EU support has not helped to fill the gap.

## **2.2 EQ2: Basic social protection**

*To what extent has EU support to social protection helped to improve access to adequate social services and basic income for all and in particular for those in need of protection?*

### *Summary answer*

The EU approach to social protection has been both national and local. EU has provided support to the basic structural needs of the state: capacity building for the social protection agencies, policy advice at the highest level, and development of social partnership through the ILO. In addition, the EU has supported the development of social services and employment services at a national level. At the same time the EU has supported direct service provision and advocacy at local levels. The EU has not been involved in supporting the basic minimum component of the government's social protection system.

### **2.2.1 JC 21 Social protection coverage and uptake extended / broadened with EU support.**

The principal challenge to broadening social protection coverage in the former Yugoslav Republic of Macedonia is the large and tenacious nature of the informal sector – coverage with social insurance of those with formal labour contracts is relatively high. EU programming support was directed towards human resource development, including increasing formal employment and social inclusion. Planned measures and interventions also included enhancement of capacities of actors in social protection (e.g. Centres for Social Work, Ministry of Labour and Social Policy, Employment Service Agency, etc.) and in particular enhancement of social services and child care. There were measures to also support reforms through support to drafting legislative and strategic documents. EU supported interventions for the fight against undeclared work including support to the State Labour Inspectorate Services. Special needs of children were tackled by different projects, particularly through a regional UNICEF effort. The Project Promoting Alternative Childcare was not successful in terms of producing any tangible results. Review of EU progress and other programming documents as well as in depth interviews show strong focus on the reduction of the size of the informal sector, but also acknowledgement of the structural and economic conditions that encourage the informal sector.

### **2.2.2 JC 22 Universal access to adequate health services put in place / strengthened with EU support.**

Access to health services is enshrined in legislation of the former Yugoslav Republic of Macedonia. The former Yugoslav Republic of Macedonia has an improving standard of compulsory state funded healthcare, which is available free to all citizens and registered long-term residents. Private healthcare is also available in the country. The Ministry of Health oversees the health service and the Health Insurance Fund (HIF) collects the contributions, allocate funds, supervise and contract healthcare providers. All citizens are entitled by law to equal access to healthcare. Desk review of available programming and project documents shows that EU did not have specific projects in the former Yugoslav Republic of Macedonia supporting health services, while reforms of health sector were mainly lead by World Bank. As noted above, in IPA component IV, this is again linked to the area of assistance as defined in the Regulation. Nevertheless, OPHRD and calls for proposals called for integrated approach in assisting the vulnerable individuals, i.e. to offer a set of services, including health services. The

project Promoting Social Inclusion Services recommended extensive cooperation between social protection and health service providers for proper vocation rehabilitation of persons of disabilities (the medical aspect was identified as very important). However, on a systemic level indeed there were no interventions in the health protection.

### **2.2.3 JC 23 Access to basic income security strengthened with EU support.**

EU did not have specific projects the former Yugoslav Republic of Macedonia supporting basic income security. The World Bank has a number of projects in the social protection sphere since the former Yugoslav Republic of Macedonia's independence, most recent of which is the Conditional Cash Transfer project that was initiated in 2009 and the support for the development of the social assistance database. In line with the Regulation, especially in the early stages of IPA component IV programming, there was a consensus that social assistance schemes are within the competence of national authorities and should not be supported in IPA component IV, which followed the ESF logic. In addition, as noted the area was addressed by WB loan support. The EU programming supports a related database on social services.

### **2.2.4 JC 24 Gender inequalities in social protection coverage reduced.**

Desk review of available documentation shows that maternity benefits and care for children as well as coverage of elderly is ensured through legislation. There is no evidence that EU has had specific projects in the former Yugoslav Republic of Macedonia for reduction of gender inequalities in social protection coverage. There were projects focusing on economic empowerment of women and youth (e.g. support to employment of young people and long-term unemployed women) through a set of interventions for further entrepreneurial learning. The technical assistance project "Strengthening the Capacities for Integration of Disadvantaged Women in the Labour Market, with focus on Ethnic Minority Women" provided trainings to social protection institutions on gender aspects in delivery of social protection services. Similar trainings were provided to ESA, under the twinning project "Support to Employment Service Agency for implementation of active labour market measures and services". Most grant projects targeted women to support their integration in labour market.

## **2.3 EQ3: European approaches and policy dialogues**

*To what extent has EU cooperation with partner countries and participation in policy dialogues in the social protection field promoted European and international principles and values in that area?*

### *Summary answer*

European values have been promoted through the defence of the socially vulnerable, the disabled, children, economically underprivileged ethnic groups and communities still suffering from conflict. In addition, European values are promoted through continuing engagement with the Roma community. EU values are also promoted by supporting the concept of decent work for all and for freedom from discrimination in employment. All EU interventions have been consistent with the European rights-based approach to social protection.

### **2.3.1 JC 31 EU support to social protection coordinated with MSs**

Social protection reforms are supported by World Bank and IMF as major actors. EU is not on the forefront of these reforms. Instances of cooperation between EUD and World Bank, IMF and other UN Agencies are found, but with no specific trust funds or joint programming for

areas of social protection. Coordination with MSs happens but is limited to some sectors or thematic issues.

### **2.3.2 JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection**

All EU-supported actions, including participation in national policy dialogue on social strategy, have been consistent with the European social model. EU Progress Reports present strong inputs for advocacy on policy issues (including social protection). EUD has staff members dealing with social protection projects, and who are regularly communicate with national and international actors in the social development field. While the EU has coordinated well with major institutions involved in social protection reform such as the World Bank and IMF, no evidence has been found of coordination activities with MSs specifically dedicated to SP.

### **2.3.3 JC 33 EU effectively participates in global policy dialogues on social protection**

*JC not covered by the analysis at case study level*

## **2.4 EQ4: Social partners and civil society**

*To what extent has EU support contributed to successfully involving the social partners and civil society, including the private sector and local authorities, in policy development in the social protection field?*

### *Summary answer*

Social dialogue has been strengthened through provisions of the Labour Law. In 2010, the government and social partners signed an agreement to widen the scope of the Economic and Social Council, expanding its consultative role to provide opinions on draft bills, strategies and action plans. EU support to the ILO has contributed to tangible improvements in the framework for social dialogue. However, although social partners and civil society have been involved in the preparation of strategy papers and action plans, EU reviews call for further improvements in the quality of dialogue.

### **2.4.1 JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection.**

Desk review of available programming and project data as well as interviews show that EU supports social dialogue through different projects, and particularly through the ILO implemented “Promoting Social Dialogue” project that is currently under implementation. Although EU reviews point to continued high levels of distrust and call for more involvement of social partners and civil society in policy discussions, EU support has resulted in tangible and sustainable improvements in the framework for national dialogue on social protection. In addition, DG EMPL supported regional project for social dialogue in the transport sector. Individual projects funded by EU also had components strengthening capacities of civil society partners for improved service provision or work in the social inclusion sphere.

### **2.4.2 JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms.**

EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms

There is abundant evidence that EU support encourages use of NGO, social partners and local authority expertise in policy aspects of service design and delivery under supported reforms. It

is clear that implementation of the EU programme has engaged numerous NGOs and CSOs as both advocacy groups and providers of services to the socially vulnerable and excluded. There is extensive evidence that EU support has been provided to strengthen NGO expertise in policy aspects of service design and delivery under supported reforms. Capacity building was provided to local authorities, as well. Advocacy work to develop legislation to enable social contracting was also supported.

#### **2.4.3 JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU.**

Evidence shows that EU encourages social partners' and other stakeholders' involvement in policy development and dialogue. There are a number of projects that include components of capacity building of social partners, civil society and local administrations, including but not limited to advocacy and service provision.

## **2.5 EQ5: Social protection systems**

*To what extent has the approach (financing instruments, modalities and channels) employed by the EU been appropriate and efficient for strengthening social protection in partner countries?*

### *Summary answer*

EU support has been focused on social inclusion of marginalised groups through individual projects financed by IPA Component IV. It has also provided some support through twinning projects to increasing institutional capacities, coordination mechanisms and cooperation between public institutions and other actors (CSOs, service providers). Many individual projects included strong capacity building measures for government, local service providers, social partners, and CSOs. As it did not support social insurance, systematic fiscal sustainability analysis has been limited. Sustainability appears mixed, in some projects there was evidence of continuing government financial support; in other cases this was questionable.

#### **2.5.1 JC 51 - Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially.**

EU support to improvements in selected types of social welfare schemes institutionally has been very limited and focused on some areas, such as social inclusion of marginalised groups, supported through individual projects funded within the IPA Component IV. Through IPA TAIB, EU supports institution building, which also includes institutions dealing with social protection, but this support is limited. Projects have strong capacity building measures for different actors, including government (national and local level) civil society, service providers, social partners but also private sector. Also, some projects work on capacity building of individuals (youth, women) to strengthen their entrepreneurship or labour market skills.

#### **2.5.2 JC 52 - Nationally defined social protection floors promoted.**

The EU does not explicitly mention social protection floor approach in its programming documents, nor is Government explicitly committed to the SPF. However, EU interventions promote human rights and universal access to services, and social inclusion.

#### **2.5.3 JC 53 - Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered.**

Apart from its 2008 situation analysis on social protection and social inclusion, the EU did not support fiscal analyses of SP; however, HRD OP and project documents did take fiscal

implications into account. The EU has not supported the reform or development of social insurance schemes. Instead the EU has a focus on social protection of the vulnerable with a strong emphasis on social inclusion. Projects funded within the larger scope of social inclusion often contain elements of social protection. Also, many projects invest in establishment or enhancement of (social) services for various vulnerable groups. In one case in particular, in developing a personal services pilot, there is indication of support by MLSP after the end of the project. However, ROM reports for some such projects show that financial sustainability of such services is questionable due to challenges to secure public (or private) financing once the project is finished.

#### **2.5.4 JC 54 - Government social protection programmes consolidated and rationalized where necessary.**

OP HRD envisages and projects funded through the Component IV include a range of activities towards increasing institutional capacities, coordination mechanisms and cooperation between public institutions and with other actors (CSOs, service providers).

## **2.6 EQ6: Social exclusion**

*To what extent has EU support to social protection contributed to reducing social exclusion and, finally, poverty?*

### *Summary answer*

EU assistance supported social inclusion as a human right, at the levels of strategy, programming, and implementation. Most projects directly tackled access to basic social services. Groups reached included the disabled, women, unemployed, under-represented ethnic and linguistic communities, children, and youth). However, as evidenced by the inadequacy of social assistance benefits, poverty remains widespread in the former Yugoslav Republic of Macedonia.

#### **2.6.1 JC 61 - Social protection as a human right promoted at all levels**

All available strategic and programming documents show that EU promotes social inclusion very strongly as a human right. Analysis of HDR OP shows that the interventions promote social inclusion as a human right. Projects have strong rights based approach, and most of them deal with or try to promote and/or address rights and access to services.

#### **2.6.2 JC 62 - EU support addresses concerns about excluded populations.**

In-depth interviews of state agencies and NGOs as well as a desk review provide strong evidence that EU supported interventions are taking into account needs and priorities for excluded groups (such as the disabled, women, unemployed, under-represented ethnic and linguistic communities, children and youth). The EU's support for social inclusion has particularly build capacity of CSOs, local authorities, and the MLSP to work with excluded and vulnerable groups.

#### **2.6.3 JC 63 - Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage).**

Only point data for 2010 have been found but generally indicate the inadequacy of social protection benefits, as exemplified by an average social assistance benefit of 3,000 denars as opposed to the MLSP target of 12,000. Available data until 2009 show trends of increase of old age and survivors' benefits share in GDP, and decrease of unemployment benefits share. No links or evidence of EU's direct involvement or support to increase in levels or adequacy of social protection (benefits) was found. As noted, this was related to the limitations set in the IPA Implementing Regulation.

## 2.7 EQ7: Modalities

*To what extent has the approach (financing instruments, modalities and channels) employed by the EU been appropriate and efficient for strengthening social protection in partner countries?*

### *Summary answer*

The financing modalities have included a great many different instruments: grants to state agencies, contracts for technical assistance to implement national reform, and grants to local NGOs to accomplish specific social tasks. This is appropriate given the diversity of the country and the desired decentralization and diversification of providers of social services. The grants have not been the most efficient mechanism possible and there is some suggestion that monitoring by CFCD has been very detailed and caused delays.

### **2.7.1 JC 71 - The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context.**

OP HRD was implemented through decentralized management, with responsibilities given to the Operating Structure within the MoF and the MLSP. Different aid modalities and also implementing partners were engaged in implementation of projects. An extensive grants programme involved the NGOs and CSOs and was conducive to social inclusion at a very local level. The grants programme required a great deal of MLSP effort but was repeated (there were three series of grants) due to its efficacy in reaching the vulnerable through very local and targeted interventions. The choice of modalities and channels appears appropriate given the country context and the history of cooperation. The ex-ante approach is also appropriate, but there is some concern about delay and micromanagement.

### **2.7.2 JC 72 - EU financed interventions in the social protection field are mutually reinforcing.**

Complementarities between IPA and other EFIs appear to have been very limited, although EUDHR supported some projects with social inclusion aspects. The former Yugoslav Republic of Macedonia participated in PROGRESS but not in SOCIEUX programme. At least on regional project on children, implemented by UNICEF, was identified.

### **2.7.3 JC 73 - EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored.**

Review of available ROM reports and project documentation shows that much assistance has been delivered in a timely fashion, with no significant delays. However, many implementers complain of slow approvals and difficult CFCD procedures. One project, "Promotion of Alternative Child Care," was rated low in terms of efficiency, but after the negative findings a risk mitigation plan has been developed. This project also complained of delays in approvals. The Plan is closely followed and also monthly meetings are organised and attended. The project is now on a good track and all obstacles/problems raised in the ROM report have been overcome. It is however substantively an unsuccessful project. Based on interview evidence, it appears that transaction costs were extremely high in the former Yugoslav Republic of Macedonia and efficiency was far from satisfactory.

## 2.8 EQ8: Coherence, added value

*To what extent has EU support to social protection been coherent with other EU sector policies and to what extent has it added value to the EU Member States' and other donors' interventions?*

### *Summary answer*

EU support to social inclusion has been coherent with EU commitments to the rights of children, women, the disabled, the right to decent work, etc. To a limited extent, there was complementary DG EMPL regional work on employment. There was reasonable coordination with other donors and MSs, but MS involvement in SP in the former Yugoslav Republic of Macedonia is limited. In concentrating on social inclusion, the EU complemented continuing World Bank work on aspects of social insurance (such as maternity) as well as ILO work on tackling gender discrimination in the labour market. The EU has provided humanitarian assistance to deal with the refugee crisis.

### **2.8.1 JC 81 - EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs.**

Programming documents contain overviews of MS support in the former Yugoslav Republic of Macedonia in different areas. Overview of potential complementarities and avoidance of overlaps is also provided, though most times limited. There was reasonable coordination with other donor agencies, but MS involvement in SP is limited. No evidence of leveraging EU support for SP/inclusion was found.

### **2.8.2 JC 82 - EU support for social protection coherent with other EU sector policies (e.g. trade, employment).**

EU support to SP in the former Yugoslav Republic of Macedonia is limited to areas of the fight against social exclusion. This support has been coherent with overall EU commitments to the rights of children, women, the disabled, the right to decent work, etc. The EU has provided humanitarian assistance to deal with the refugee crisis. Review of EU programming documents shows linkages and references to EU level and country strategies and policies, guidelines.

### 3 Key overall findings

The former Yugoslav Republic of Macedonia is a decentralized liberal democracy with a liberalized economy that is still suffering the pains of transition from a socialist economy to one within the European orbit, while addressing the remaining scars of an internal conflict in 2001.

EU support to social protection in **the former Yugoslav Republic of Macedonia has essentially consisted of support in the area of social inclusion of vulnerable groups.**

While many parts of the social insurance system in the former Yugoslav Republic of Macedonia are in need of reform, the system is functional, and the EU has not been deeply involved with it. The assistance from the EU has been administered in a decentralized fashion with significant administrative and financial controls and ex ante approval, which, while frustrating on many occasions, has been deemed necessary to assure quality programming and financial compliance. However, there is evidence of micromanagement and interference by the procurement unit within the Ministry of Finance (the CFCD) that results in unreasonable and costly delays.

The EU is engaged in constant **social policy dialogue** with the national counterparts. This dialogue has been rendered more complicated by the frequent changes in Government, but nonetheless social protection reforms are proceeding. The national strategic documents are the starting point and the MLSP departments are consulted to ensure coordination between initiatives that financed by the national budget or donors. IPA component IV was programmed to support the development of social services through decentralisation and pluralisation. In some cases, the programming is more ad hoc and less strategic: in planning grants, MLSP responds to requests from departments, rather than having an overall approach that informs each contract or grant.

The former Yugoslav Republic of Macedonia is a diverse country that risks becoming segregated and divided. The linguistic freedom allowed by its constitution risks separating the next generation of young people into separate ethnic groups. All necessary support for mitigating this development should be mustered. While the census is a polarizing and political exercise, all effort should be made to have it be factual and representative of the different categories of ethnicity and language represented in the mosaic that is the former Yugoslav Republic of Macedonia.

In protecting its children, the former Yugoslav Republic of Macedonia has significant social assistance and is committed to deinstitutionalization of the most vulnerable children. The new government is committed to increasing social assistance for the needy.

In protecting socially vulnerable groups, the former Yugoslav Republic of Macedonia has chosen to **rely on local NGOs and on civil society** so as to provide for the most direct approach to the most vulnerable. While this is time consuming and difficult, and can risk overlapping and even duplication, the approach has the advantage of relying on those who are close to vulnerable groups to provide social services. In addressing all of its social protection issues, the former Yugoslav Republic of Macedonia is fortunate in having a vibrant NGO and CSO sector, which has been supported by EU programming as one of the most effective ways to reach down to the level of the community to assist the vulnerable. While this is difficult, the reasons for undertaking this effort are clear. The EU is also supporting the ILO to strengthen social partnership. Commitment to social inclusion of the Roma remains on a very high level, and has some success.

With respect to the disabled, an appropriate approach is evolving, with rehabilitation and personal assistance. It is necessary to make some changes to make social contracting viable and legally permitted. Employment issues are still not resolved for the disabled. While discrimination is illegal, the disabled are treated as a separate group, rather than as one of

many groups requiring employment assistance. Sheltered workshops continue to be supported, including through EU grants.

A similar issue arises with respect to gender in the debate between mainstreaming and protection. Some NGOs object to women being described as a vulnerable group. Social dialogue involving trade unions and employers organisations is dominated by men, and women are concentrated in the lowest-paying sectors.

With respect to state employment services, the ESA is effective in linking the most advantaged youth with the most advanced technological employers, and unemployment has decreased substantially, but more needs to be done to address the most vulnerable and the long term unemployed. As stated above, access to the labour market for the disabled needs to be assured.

The informal sector remains a highly significant factor in the former Yugoslav Republic of Macedonia. One of the **major factors limiting the effectiveness of social insurance** is the fact that there are significant individual-level incentives to remain in informality. This needs to be addressed not only as a matter of law enforcement but through understanding of how the incentive structure for the informal sector works and through increased public awareness of the benefits of registered employment.

EU's support to social protection in the former Yugoslav Republic of Macedonia, provided in the context of the countries candidate status, has been **fully consistent with European values and human rights-based approaches**. While efficiency problems have been noted, taken as a whole, projects have been effective and provided tangible benefits to excluded populations. Some have shown signs of sustainability.

## 4 Annexes

### 4.1 Evaluation Matrix: Indicator level information

#### 4.1.1 EQ1

#	Indicators	Evidence
<b>JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.</b>		
I-111	Objectives of EU support respond to clear overall strategic orientations on social protection	<i>See the analysis carried out at the global level in the main report of the evaluation</i>
I-112	Objectives of EU support aligned to national SP policy framework	<p>Development Plan 2007 – 2009 and the Strategic Coherence Framework (SCF) for period 2007 – 2013. OP HRD aims were in line with the main national strategic documents<sup>7</sup>.</p> <p><i>Source: OP HRD.</i></p> <p>As per IPA guidelines, the government is tasked with the preparation of project documentation through its Senior Programme officers (SPOs)/IPA Coordinators who are in charge of programming IPA assistance on behalf of the government. As a candidate country, the former Yugoslav Republic of Macedonia utilized funds through the IPA Human Resources Development Component (IPA IV) in the period 2007-2013. The review of the process towards the development of the Multi-annual operational programme Human Resources Development (OP HRD 207-2013) was participatory, with the government steering the process.</p> <p><i>Source: Operational Programme Human Resources Development 2007-2013.</i></p> <p>MIPD 2008-2010 states that “<i>Main objective in the area of social inclusion sub-component is to improve quality and efficiency of the social system, including policy and institutions, in terms of fast integration of disadvantaged persons including people with mental illness in the society (and labour market) and reduction of poverty.</i>”</p> <p><i>Source: MIPD 2008-2010.</i></p> <p>MIPD 2009-2011 states “<i>Drawing on the current labour market situation, the employment sub-component is aimed at improving labour market functioning and employment possibilities, especially for vulnerable groups (young persons, older workers, females, minorities and long-term unemployed)</i>”, while the main areas of support within social inclusion remained unchanged from the previous MIPD (see above).</p> <p><i>Source: MIPD 2009-2011.</i></p>
I-113	Design of EU support based on participatory approaches involving partner key national institutions (MoF, Central Banks), social partners and civil society	<p>Review of the OP HRD showed that “<i>relevant NGOs and organisations have been consulted during the planned “hearing process” which followed immediately after finalizing the draft OP IV and their views and considerations have been duly incorporated in this final document.</i>”</p> <p><i>Source: OP HRD p. 106.</i></p> <p>Further, in compliance with the provisions of the draft IPA Implementing Regulation (Article 155 (2) (b)) OP HRD has been developed in accordance with the principle of wide stakeholder representation and partnership of all interested and affected parties. Thus, as an integrated part of the programming process, a special working group was set up, with representatives of line ministries, relevant institutions, bodies, local self-government association, social partners</p>

<sup>7</sup> The main national strategic documents include: National Employment Strategy 2010 (NES); National Action Plan for Employment (NAPE) 2006-08; National Strategy for Development of Education 2005-2015; National Strategy for the Roma Decade 2005-2015, adopted in 2005; National Action Plans for Roma 2006-2008 (education, employment, health, housing); The National Action Plan for Gender Equality; The National Strategy for Development of Small and Medium Enterprises; Action Plan for Combating Grey Economy; Government's Working Programme for the period 2006-2010; Strategic Plan of the Government of the RM for 2006-2008; Strategic Plan of MLSP 2006-2008.

#	Indicators	Evidence
		<p>and civil society organizations. It acted as a forum for consultation and enabled involvement of all stakeholders in the programming of each of the measures including the indicators.</p> <p><i>Source: OP HRD p. 13.</i></p> <p>There is frequent dialogue and consultations with civil society in developing social protection programming through EU assistance. In addition, civil society is deeply involved due to the decision taken to implement so many EU grant-financed actions through local civil society organizations. Prior to the beginning of the grants schemes, there were trainings for civil society organizations. See discussion in I-711 below concerning these efforts.</p> <p>IPA I is implemented by HR OPD (Human Resources Operational Development) in four parts: 1) employment, 2) education, 3) social inclusion and 4) technical assistance to HR OPD itself to do the necessary tasks. There is national co-financing. It is 85% EU and 15% national co-financing on average, this can vary for individual projects.</p>
I-114	EU support to SP addresses emerging EU policy concerns such as migration, refugees, and security	<p>In light of the fact that the former Yugoslav Republic of Macedonia has become an important stop on the migrant route from Greece to the EU, the EC is providing approximately EUR 4 million in humanitarian aid to the country. These relief projects are delivering temporary shelter, water, food, primary health care, psycho-social support, protection assistance, as well as winter clothing. There is a special focus on the needs of children which make up an ever growing share of refugees travelling through the region.</p> <p><i>Source: <a href="http://ec.europa.eu/echo/where/europe-and-central-asia/former-Yugoslav-Republic-of-Macedonia_en">http://ec.europa.eu/echo/where/europe-and-central-asia/former-Yugoslav-Republic-of-Macedonia_en</a></i></p>
<b>JC 12 Needs and target groups clearly identified in the design of EU support</b>		
I-121	EU-supported interventions based on sound analyses of opportunities (including fiscal space), and problems and barriers (including in terms of institutional environment) to achieving universal access to social protection	<p>Review of the OP HRD, MIPDs, and progress reports focusing on social inclusion issues included good analyses of problems and barriers to achieving access to social protection for marginalised and excluded groups. Review of projects funded through OP HRD shows that most projects focused primarily on social inclusion and inclusive labour market of and for minorities, disadvantaged women, young people, children, people with disabilities (PWD), etc.)</p> <p><i>Source: List of projects funded through OP HRD.</i></p> <p>The EU funded a Study Social Protection and Inclusion in the former Yugoslav Republic of Macedonia in 2008, which provided an overview of the institutional, strategic and legislative context of social protection and inclusion as well as contextual analysis.</p> <p><i>Source: Social Protection and Social Inclusion in the former Yugoslav Republic of Macedonia.<sup>8</sup></i></p> <p>Project fiches also provide good context analyses of problems and barriers to achieving universal access to social protection, although projects objectives do not sometimes focus on these structural issues, but rather on enhancement of services or some mechanisms for particular target vulnerable groups.</p> <p><i>Source: Project documentation.</i></p> <p>EU strategic documents (Country Strategy Paper and MIPDs), OP HRD provide an analysis of institutional capacity needs and fiscal space and based the interventions on them.</p> <p>MIPDs for 2008-2010 and 2009-2010 state that assistance “should also prepare the country to actively participate in the Open Method of Coordination after the EU accession, also by means of preparation of a national strategy for social inclusion, which will set objectives, and define measures and activities needed to accomplish the objectives.” Further, MIPD 2011-2013 states “In order to fight social exclusion, the EU will support the improvement of the efficiency of social services by training professionals and volunteers who work in the field of social services, health care and education”.</p> <p><i>Sources: MIPD 2008-2010, 2009-2010, 2011-2013.</i></p>

<sup>8</sup> [ec.europa.eu/social/BlobServlet?docId=4458&langId=en](http://ec.europa.eu/social/BlobServlet?docId=4458&langId=en)

#	Indicators	Evidence
		<p>Strategic and programming documents for EU assistance to the former Yugoslav Republic of Macedonia analysed institutional capacities and fiscal constraints comprehensively. The programming at the national level (OP HRD) considered institutional and fiscal constraints. In the reference period for this evaluation, the former Yugoslav Republic of Macedonia was eligible for all five IPA components. The Technical Assistance and Institution Building Component of IPA (IPA TAIB) and Human Resource Development (Component IV) are the most relevant in this regard, whereas under the Cross-border cooperation component (Component II) many small projects focusing on social cohesion, social inclusion of vulnerable groups in border areas was also supported. The European Instrument for Democracy and Human Rights (EIDHR) supported country-specific measures, including social inclusion measures such as empowerment of marginalised groups. Project documentation does include analysis of institutional and fiscal gaps, with some projects also addressing the institutional gaps through technical assistance. More projects focus on LAs, but there are some projects which also focus on national level (working with MLSP and its departments).</p> <p>Available documentation For example, the OP HRD 2007-2013 contains a section on socio-economic analysis, including sub-sections on macroeconomic conditions, population and regional developments, labour market, human capital; social inclusion (including social protection), policies, institutions and programmes in the field of human resources. These sections provide analysis of current state of affairs in the frameworks, gaps and areas for further work. Also, the document contains SWOT analysis based on which the objectives and programme strategy are defined.</p> <p>Each measure within the priority axes defined in the OP HRD includes instances of engagement and work with institutions in charge of sector which is targeted by the measures. Some of the OP objectives were to: improve the quality, efficiency and effect of the services provided by the Employment Agency, strengthen the capacity of bodies, institutions and social partners in the area of creating and managing policies for employment; support modernisation of the education system; achieve a strategic approach to adult education and coordination of activities at national level.</p> <p>Also, OP HRD contains a specific priority axis for Technical assistance that includes, inter alia, improvement of the strategic planning mechanisms in the sector and further development of the multi-annual programming approach.</p> <p><i>Source: OP HRD.</i></p> <p>Project documents also contain analysis of institutional (and less so) financial gaps. Projects do tackle institutional gaps, more so at local level but there are indications of projects which also had interventions with state level government (e.g. the project “Promoting Alternative Child Care services” worked with the MLSP’s Child Protection Department).</p> <p><i>Source: Project Documentation.</i></p> <p>MIPDs and OP HRD provided for programmatic objectives based on analysis of institutional capacity needs and fiscal constraints. However, programmatic solutions were not necessarily linked directly to social protection. They rather covered areas of human rights, governance and social inclusion which have some elements of social protection.</p> <p>Finally, while EU programming documents did provide an analysis of challenges to achievement of universal access to social protection, projects funded by EU did not have interventions directly supporting the achievement of universal access to social protection. Rather, they focused on specific vulnerable groups. See also I-122 below.</p>
I-122	EU-supported interventions based on correctly identified uncovered and underserved groups	The strategic documents such as the National Strategy on Alleviation of Poverty and Social Exclusion in the former Yugoslav Republic of Macedonia 2010-2020 and the Programme for Social Protection Development 2011-2021 provided an overview of uncovered and underserved groups (such as poor, unemployed, under-represented ethnic groups, people affected by conflict, rural population,

#	Indicators	Evidence
		<p>women, youth, persons with disabilities, children, etc.), as well as elaborated contextual analysis.</p> <p>The National Strategy states that “it is more adequate that the social inclusion policy is implemented through measures and opportunities for a more universal approach to social services and achievements, rather that focus only on some target vulnerable groups. Thus, the social inclusion policy will be formulated based on needs and opportunities of each citizen who would be in the situation of risk and social exclusion. Regarding some vulnerable groups for which individual documents and measures have been adopted (e.g. the Roma Decade), they are active and correspond to the proposed measures and activities included in this Strategy”.</p> <p><i>Source: National Strategy on Alleviation of Poverty and Social Exclusion in the former Yugoslav Republic of Macedonia 2010-2020, p. 5</i></p> <p>There is an EU priority to focus on de-institutionalization of excluded groups, both adults and children. De-institutionalization was not started correctly, with large facilities simply being broken up into apartments. The MLSP is engaged in preparing a strategic document for social reform through 2020 and it is expected that this will address the issue of de-institutionalization. It is a relatively small population. See I-213 for data on children specifically.</p> <p>Social protection institutions provide care services to the following vulnerable groups:</p> <ul style="list-style-type: none"> <li>• Children and youth without parents or without parental care; there are 3 institutions responsible for this activity, with 150 employees;</li> <li>• Persons with disabilities; there are 3 institutions responsible for this activity, with 325 employees;</li> <li>• Children and juveniles with educational and social difficulties; there are 2 reception centres and institutions responsible for this activity, with 78 employees;</li> <li>• Disabled and rehabilitated persons; there is 1 institution for professional training and employment with 42 employees, as well as 362 enterprises specialized in the employment of disabled persons, which employ 2,412 people;</li> </ul> <p><i>Care for elderly people and adults; there are five institutions for adults, with 120 employees.</i></p> <p><i>Source: Field mission interviews</i></p> <p>The EU has supported one project in the area of disability, but with so far questionable results. The former Yugoslav Republic of Macedonia has institutions with adequate equipment for providing therapeutic services, but the rehabilitation system does not function because the different units of the system do not cooperate and integrate the needs of people. There are many good elements, but not a fully functioning rehabilitation system. The institutions have programs and equipment that they can use, but they do not put it all together. The EU funded project trained 200 people (municipal employees, Ministry staff, parents), referring specifically to equipment already in place in the former Yugoslav Republic of Macedonia. The first group to directly benefit are persons with severe physical disabilities. Most are in wheelchairs, quadriplegic, etc. As the project ends, it is unclear if it will be sustainable. The MLSP has promised to find the funds to keep this program of 70 assistants going.</p> <p><i>Source: Field mission interviews</i></p> <p>Another project targeting the disabled was “Kitchen on Wheels,” a day centre for the disabled, with on the job training and preparation of food for a local restaurant. Food is then transferred to others in need. It is a sheltered workshop. This is a pilot activity. “Open the Windows” is also job training for the disabled. These activities are regarded as successful when implemented but their effects are hard to track afterwards.</p> <p><i>Source: Field mission interviews</i></p>
I-123	EU-supported	The last census was conducted in 2002. A census is scheduled for 2020. The

#	Indicators	Evidence
	interventions utilise census, economic and social data	<p>government tried to implement a census in 2011, but there were political problems with how persons were identified by ethnicity and who counts as resident. The census was discontinued.</p> <p>Review of available programming documents of EU and government shows that economic and social data from different sources, including Eurostat, UN, World Bank, IMF and government statistics were used in contextual analyses.</p> <p><i>Sources: Strategies, EU programming documents; OP HRD.</i></p> <p>Project documents include elaborate analytical overview of targeted areas by also incorporating statistical data to strengthen the evidence on issues to be tackled.</p> <p><i>Source: Project documentation.</i></p>
I-124	Data gaps identified and adequately mitigated in design of EU support	<p>The most serious data issue in the former Yugoslav Republic of Macedonia is the politically charged question of data by ethnicity. The ethnic diversity of the former Yugoslav Republic of Macedonia is reflected in diverse legal arrangements of its “two plus five” ethnic groups. According to the 2001 Ohrid Agreement each language group is entitled to certain constitutional protections, as long as it comprises at least 20% of the population. There are rights if this is nationwide and rights by municipality. Currently, Macedonian and Albanian populations exceed 20%. This makes any census very political. Additional rights pertain to the five groups with lesser presence: Turks, Vlachs, Roma, Serbs and Bosniaks. The former Yugoslav Republic of Macedonia is the most liberal of countries in the region with respect to ethnic rights. It is noteworthy for its inclusion efforts towards Roma and has the only municipality in the world where Romani is the official language and Roma are the majority. However, there is a risk of increased segregation and of a diverse society becoming divided.</p> <p><i>Source: Field mission interviews</i></p> <p>There are no reliable data on Roma in the former Yugoslav Republic of Macedonia. In the 2001-2002 censuses there were 55,000 Roma or 2.67% of the population but this number is disputed. For example in the municipality of <a href="#">Šuto Orizari</a> (the only municipality in the world with a Romani majority and where Romani is an official language) the census reported less than 40,000 Roma there. The Roma CGOs say there are 150,000-200,000 Roma in the former Yugoslav Republic of Macedonia. That is also not likely, but no one is sure. In the 2002 census there were problems because (allegedly) languages spoken and ethnicity were confused. The last effort at a census was stopped due to uncertainty as to how to identify groups.</p> <p><i>Source: Field mission interviews</i></p> <p>Review of OP HRD shows that there is a data gap in measuring the participation of ethnic minorities in informal employment. This gap was not addressed with EU support to ESA because ESA does not track such data. Still, the OP HRD measures include interventions such as: Centralization of the database administration and development of web based application for ESA clients as well as enhancement of the ICT System capacity of the Employment Agency and networking of all employment centres are valuable; creation of shared databases on social services is also supported through the support for the Lyricus database. Interventions cutting across all axes are relating also to monitoring of results and trends.</p> <p><i>Source: OP HRD.</i></p> <p>The earlier projects reviewed did not have components whereby new studies or analyses were developed. Projects usually focused on capacity building or promotion of some models or types/approaches to services. The last cycle of projects generated several studies, which were preceded by targeted surveys. For example, a survey of undeclared work, an analysis on the needs and demands for vocational rehabilitation and personal assistance services for persons with disabilities, as well as a survey on the demand for childcare services. In addition, the HERMAK model for long-term forecasting (developed with assistance of a twinning project) is used to generate analysis on the skills shortages according to ISCO and ISCED.</p>

#	Indicators	Evidence
		<p>Source: Project documentation and EUD.</p> <p>A social mapping exercise has been proposed as an alternative measure in the interim for the Roma community. The methodology has already been developed but there has been delay in procurement for the main part of the task.</p> <p>Similarly there is no reliable data on the number of any ethnic group. ILO mentioned that as a factor in its ability to address discrimination issues with respect to specific language groups.</p> <p>Source: Field mission interviews</p> <p>Indicators on age, ethnicity and education of participants are difficult to obtain in TA, and even more so in grants. Participants are reluctant to share personal information.</p> <p>Source: Field mission interviews</p>

#### 4.1.2 EQ2

#	Indicators	Evidence
<b>JC 21 Social protection coverage and uptake extended / broadened with EU support</b>		
I-211	<p>Trends in social insurance (old-age pension, disability, unemployment, etc.) coverage rates, 2007-2013, e.g.</p> <p>-Proportion of work force actively contributing to a pension scheme</p> <p>Proportion of active workforce with qualifying for unemployment benefit</p> <p>Proportion of elderly receiving a pension, etc.</p>	<p>The World Bank has been engaged in a multi-year pension reform programme in the former Yugoslav Republic of Macedonia and sound donor coordination did not call for EU to be involved in this policy area. The pension system was reformed to one that tracks contributions very closely and final pensions reflect contributions. The pension system is closely linked to the tax system.</p> <p>The ILO report shows trends for unemployment showing that unemployment benefits coverage was rather high in 2001 (9.9%) but fell in 2007 to 7.8% and further to 7.7% in 2008, but increased to 8.2% in 2009 and is stable for available years. No gender disaggregated data is available.</p> <p>Source: ILO World Social Protection Report, 2014</p> <p>Regarding pension schemes, there is universal social insurance coverage, with pension and disability coverage and the normal pension age set at 65. However, the system is contributory and is undermined by the high degree of informality. The agricultural sector for example is 90% informal. ILO data show that the proportion of older women and men (above statutory pensionable age) receiving an old-age pension was 52.2%, as per 2011 data. No newer data have been found.</p> <p>Source: ILO World Social Protection Report 2014</p> <p>According to the ILO Report, as of 2010, 52.3% of the working age population age 15-64 were active contributors to a pension scheme and 80% of the labour force age 15+ were active contributors to a pension scheme. This is consistent with the high degree of informality in the economy.</p> <p>Source: ILO World Social Protection Report</p> <p>There was a trend of gradual decrease of social expenditures in the former Yugoslav Republic of Macedonia from 2001 until 2007, while in 2008 and 2009 that trend was reversed despite the declining growth of GDP.</p> <p>Source: Vanco Uzunov, "Socio-economic transformation and the welfare system of the Republic of Macedonia in the period of transition", in <i>Welfare states in transition: 20 years after the Yugoslav welfare model</i>, eds. Marija Stambolieva &amp; Stefan Dehnert (So a: Friedrich Ebert Foundation, 2011), p. 115.</p>
I-212	<p>EU support for social protection recognizes special needs of the informal sector.</p>	<p>One of the supported areas is Support to the "Fight against undeclared work" and also Support to the State Labour Inspectorate to Fight Undeclared work. EU Programming is focussed very much on reducing the informal sector, while recognizing the needs of those who work in it for social protection. This is a difficult area to address, but some progress has been made. In 2014, the economy was thought to be 22% informal, according to the Labour Force Survey. The State Labour Inspectorate is keen to increase its inspection force to do more spot checks and strengthen enforcement. However, there are indications that there are structural economic reasons for informality. According to civil society representatives interviewed, self-employment and</p>

#	Indicators	Evidence
		<p>entrepreneurship formalization is difficult. As one participant said: “Everything in the former Yugoslav Republic of Macedonia is a mirage.” It is easy to start a business and register, the former Yugoslav Republic of Macedonia is ranked highly on the World Banks Doing Business Indicator for opening a business, but then the entrepreneur is required to pay taxes and needs to deal with state agencies even if there is no income. It is reportedly extremely hard to close a business, and the cost to do so was reportedly 5000 Euro. This makes entrepreneurship programs for youth, Roma etc. less effective. There is enormous incentive to work informally.</p> <p>This viewpoint was supported by the Employment Service Agency. The Director disputes the utility of the 23% unemployment number. He reported that of those receiving specialized training from his agency 45% are subsequently regularly employed and 50% have freelance contracts, and do not want to pay contributions and prefer to stay self-employed. Often they work for foreign companies located in Austria or Germany. In that case, they can avoid even the 10% income tax in the former Yugoslav Republic of Macedonia by being informal.</p> <p>It should also be noted that agriculture is 90% informal.</p> <p>In addition it should be noted that the State Labour Inspectorate by its own admission overlaps with tax and pension contribution collection in its efforts to address informality, which is undesirable.</p> <p><i>Source: Field mission interviews</i></p> <p>A series of grants to the Employment Service Agency (ESA) promoted active labour measures. ESA has provided on-the-job training through internships, job training by specific employers who are matched to applicants, general skills training and specialized skills training. However, as noted by MLSA as well, the ESA has focused its efforts on the unemployed most likely to succeed (e.g., those with information technology degrees), not the most vulnerable, in order to meet its indicator targets. By contrast, many of the grants supported by MLSP focus on employment of underrepresented ethnic and language groups, people who have suffered from conflict, Roma and the disabled. In some cases such projects overlap and beneficiaries receive repeat trainings. The IOM grant implemented by the local NGO partners Sumnal and Solntse is one example. The implementers reported that many participants do not want employment, they want to do another training. It can be a vicious cycle – several months of training, start a job, leave the job, because of loss of interest, and arrange to do more training. Training pays a per diem, 8.5 Euros per day. Participants go through trainings and refuse jobs. The program calls people, tells them there is a job, begs them to apply, helps them apply. Often they refuse to apply, saying “there is too much competition.” Roma are the most socially vulnerable and do not trust institutions or employers and worry about waiting for a month to receive a salary. A particularly frustrating placement was for a job that entailed putting dishes into a dishwasher at the Marriott Hotel. The programme participant was trained, could do the job, and had a job at the Marriott with all benefits. He left the job, saying that he did not want to wait for money to be paid only once a month, it is easier to be on the street and get money once a day for bottles and paper. However, in that group, out of 60 people trained, 13 took jobs. The NGOs did express concern about a cycle of dependency.</p> <p><i>Source: Field mission interviews</i></p>
I-213	EU support for social protection recognizes special needs of children.	<p>There is extensive evidence that EU support recognizes special needs of children. Programming documents provide analysis of needs of different groups, with also focus on children. Some of the grant projects also provided assistance to children and vulnerable youth. One example is “Fostering social inclusion through employability enhancement - Open door - for youth by youth”. The project targets two vulnerable groups of young people: 1) minors accommodated in the public homes 11 Oktomvri and 25 Maj and 2) young people receiving social assistance. The project prepared social maps for a group of young people</p>

#	Indicators	Evidence
		<p>in the in the public homes 11 Oktomvri and 25 Maj and conducted pilot early career counselling for 28 children from these institutions.</p> <p>There is an EU-funded regional UNICEF Program for the prevention of violence and for children with disabilities. It includes the former Yugoslav Republic of Macedonia, Kosovo*, Albania, Bosnia, Turkey Serbia and Montenegro. It addresses: 1) policy development, 2) intersectoral approach, and 3) monitoring of government organizations and NGOs. A study of violence against children was done in the former Yugoslav Republic of Macedonia 2016-2018. It includes the need for identification, referral, response and protection. A comprehensive systemic development is needed with change in attitudes practices and approaches. The scope of violence is reported. This was presented at an EU disability forum. There is good cooperation with the government, good communication with the EU. NGOs build capacity to monitor and provide services, UNICEF selected partners in collaboration with the EU; however, intense collaboration with EU has not always been the case, this is relatively new.</p> <p>The MLSP also recognizes the need to continue work on deinstitutionalization of children (as well as adults). UNICEF provided the following 2015 Data: 286 children in residential care, 215 in public institutions, and 32 are disabled.</p> <p>UNICEF also noted that the Bitola facility has 87 total, 70 under age 3. There is a paperwork problem with releasing children for adoption; the paperwork needs to be done by the municipality they were born and this is a low priority for social workers in their home municipality. The children languish even though they could be adopted.</p> <p>There is progress in foster care. In 2017 there are 228 foster families, caring for 290 children in foster care. In 2008 there were only 111 families, so this represents substantial progress.</p> <p>MLSP expects that de-institutionalization will be part of its ongoing plan.</p> <p>The recent EU-financed IPA-IV project "Promoting Alternative Childcare Services" focused directly on children. However, this was generally held to be an unsuccessful project. Its goal was two provide two alternatives: company-sponsored childcare and family-based childcare. After two years and over 1,000,000 Euros spent, there were 15 persons trained in childcare, and no companies were willing to provide childcare for employees. The most serious problem was that there is not a level playing field for family childcare or company childcare. Government provides subsidized kindergartens and they work well. Everyone is subsidized, regardless of need, with the monthly payment set at 25 Euro. More facilities are needed, especially in rural areas, as they are all full. The waiting list is one year. For that reason, people use informal family childcare, which can cost up to 200 Euro per child per month. Those who provide childcare informally do not wish to be in the formal sector. Without a level playing field, the government subsidy to government childcare renders both formalized family childcare and company sponsored childcare economically not viable.</p> <p><i>Source: Field mission interviews</i></p>
<b>JC 22 Universal access to adequate health services put in place / strengthened with EU support</b>		
I-221	Proportion of population with access to basic health services (e.g., living within 5 km of a health facility (e.g. <a href="http://www.who.int/healthinfo/indicators/2015/chi_2015_110_health_ser">http://www.who.int/healthinfo/indicators/2015/chi_2015_110_health_ser</a>	Statistics are not available from WHO, but data regarding number of physicians per 10,000 people as per UNDP Human Development Index 2013, shows 26.2 doctors per 10,000 people. The former Yugoslav Republic of Macedonia inherited a relatively well developed health system and physical access to basic health care is not considered a problem

\* This designation is without prejudice to positions on status, and is in line with United Nations Security Council Resolution (UNSCR) 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

#	Indicators	Evidence
	vice_access.pdf?ua=1)	
I-222	Proportion of women receiving adequate ante-natal care. 2007-2013 (e.g., <a href="http://www.who.int/healthinfo/indicators/2015/chi_2015_76_antenatal_care.pdf?ua=1">http://www.who.int/healthinfo/indicators/2015/chi_2015_76_antenatal_care.pdf?ua=1</a> )	Desk review finds that 93.9% of women received ante-natal care as per 2011 statistics as per UNDP Human Development Index 2013. In terms of maternity benefits, in the former Yugoslav Republic of Macedonia it is generally a recognised right with nine months' coverage, recognised to be 100% of wage. <i>Source: ILO, 2014.</i>
I-223	Proportion of health costs paid out of pocket	WHO data from 2014 shows this proportion is 36.7% <i>Source: WHOSIS</i>
<b>JC 23 Access to basic income security strengthened with EU support</b>		
I-231	Programmes related to basic income security (e.g., unconditional cash transfers, non-contributory social pension, social assistance) in place with EU support	<p>EU did not fund projects related to basic income security cash transfers in the reference period of this evaluation.</p> <p>In the reference period of the evaluation, the World Bank implemented Conditional Cash Transfer project, which provides additional income support to children of parents in receipt of social welfare in return for regular attendance at secondary school. The project started in the 2009/10 school year. The Project has a strong gender component. Prior to 2007, World Bank implemented projects for the Health Sector, Social Protection, Children and Youth development, social support, social sectors adjustment (loan), Pension Reform Project, social reform. The pension reform project extensively changed the pension system and linked benefits to contributions. See I-211 above. <i>Source: World Bank in the former Yugoslav Republic of Macedonia <a href="http://www.worldbank.org/en/country/macedonia/projects/all?qterm=&amp;lang_exact=English&amp;os=60">http://www.worldbank.org/en/country/macedonia/projects/all?qterm=&amp;lang_exact=English&amp;os=60</a>.</i></p> <p>The World Bank has a database system (SPIL) to keep track of social assistance. EU programming has supported a database of social services, Lyricus. It is essential to connect the two databases and this is being worked on. There is coordination by the MLSP of these efforts.</p> <p>The non-contributory social assistance system is fragmented into 20 + programmes. One family can receive several different kinds of small benefits.</p> <p>Some of the MLSP leadership is concerned that better monitoring of cash transfers is necessary, as recipients may benefit from cash transfers and then work in the informal economy. If inappropriate benefits are reduced, it will be possible to increase benefits, which is essential. The MLSP Social Protection Department head noted that people cannot live on cash transfers of 3000 dinars per person. The new government wants a minimum income of 12,000 as a family poverty line. This will require better targeting.</p> <p>The UNICEF position on cash transfers is somewhat different – the goal is to prioritize expansion and coverage with coverage for all children, to be funded from taxes. Also UNICEF is concerned about access by to cash transfers by Roma. Roma face lack of access to cash benefits due to cultural, structural and administrative problems, for example the lack of a gynaecologist that the Roma women will see was a barrier to accessing some of the benefits. Such a person has only recently been located and now evaluations can proceed. <i>Source: Field mission interviews</i></p>
I-232	In-kind transfers (e.g., food and in-kind transfers for work) in place with EU support	Such programmes were not supported by EU in IPA beneficiaries.
<b>JC 24 Gender inequalities in social protection coverage reduced</b>		

#	Indicators	Evidence
I-241	Conditional and unconditional cash transfer programmes for mothers and children in place with EU support	The World Bank implements Conditional Cash Transfer project, which provides additional income support to children of parents in receipt of social welfare in return for regular attendance at secondary school. The project started in the 2009/10 school year. The Project had strong gender component. <i>Source: World Bank in the former Yugoslav Republic of Macedonia, <a href="http://www.worldbank.org/en/country/macedonia/projects/all?qterm=&amp;lang_exact=English&amp;os=60">http://www.worldbank.org/en/country/macedonia/projects/all?qterm=&amp;lang_exact=English&amp;os=60</a></i> European Union does not support such projects see JC 23 above).
I-242	Maternity programmes in place, offer adequate coverage, and operational with EU support	<i>Such programmes were not supported by EU.</i>
I-243	Social assistance coverage of the elderly, disaggregated male/female if possible	<i>Such programmes were not supported by EU.</i>
	Other relevant information	Desk review of available country strategies and planning documents shows that, in general, attention is paid to gender equity issues. Strategies contain references to gender equity issues. Many projects provide analytical overview of the gender equality context. Some projects also have measures for empowerment of women, primarily to enter labour market or to strengthen entrepreneurship skills. ILO supports parental leave and paternity leave as being more conducive to gender equity. See also I-621.

#### 4.1.3 EQ3

#	Indicators	Evidence
<b>JC 31 EU support to social protection coordinated with MSs</b>		
I-311	Evidence for regular coordination efforts between EC and EU MSs in field of social protection at global level	Indicator not relevant at country level
I-312	EU participates in / manages joined-up approaches (e.g., joint programming, MDTFs, joint monitoring, etc.) including social protection components	Some MDTFs that were established, but for sectors other than social protection (e.g. Corporate Financial Reporting led by World Bank). In practice there are joint activities with UNICEF and close coordination with the World Bank on social assistance. Informal coordination with other agencies includes UNDP, USAID, etc. (see I-811).
I-313	EU strategy, programming and programme documents related to SP refer to EU Member States' policies and support	Programming documents (MIPDs, OP HRD) refer to MS support in elaboration of complementarities and avoidance of overlaps. <i>Source: OP HRD, MIPD documents</i>
<b>JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection</b>		
I-321	Evidence of suitably qualified staff formally designated and actually deployed to support social protection at country level	EUD in the former Yugoslav Republic of Macedonia has more than one staff member dealing with social protection related projects. EUD staff are viewed as important sources of social protection policy advice by the social protection agencies. They are also viewed as qualified, experienced and approachable. <i>Source: EUD Survey</i> Survey of EUD shows that main topics of EU policy dialogue with the government related to social protection concern the drafting the Economic

		Reform Programme (ERP), as well as the Employment and Social Reform Programme (ESRP). Also, the Operational Programme for Human Resource Development 2007-2013 was implemented. Institutional capacity of the relevant state institutions has been supported as well as assistance to people provided. <i>Source: EUD Survey</i>
I-322	Evidence of EU active engagement in regional fora on social protection	<i>Not relevant at country level.</i>
<b>JC33 EU effectively participates in global policy dialogues on social protection</b>		
<i>JC not covered by the analysis at case study level</i>		

#### 4.1.4 EQ4

#	Indicators	Evidence
<b>JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection</b>		
I-411	EU promotes and facilitates social dialogue (government, trade unions, employers' organisations) and dialogue with civil society through its social protection programmes	<p>Desk review of available programming documents show that attention is given to social dialogue. One specific project "Promoting Social Dialogue" is funded through EU IPA and implemented by ILO. This project aims to strengthen capacities of social partners and tripartite social dialogue on national and local level. Training courses and workshops on topics and issues related to the social dialogue at different levels were organized. A twinning project "Support to National Employment Policy" and a TA project "Fighting undeclared work" had special components to strengthen the capacities and involvement of the social partners in their respective fields.</p> <p><i>Source: Project website, <a href="http://promotingsocialdialogue.mk">http://promotingsocialdialogue.mk</a>.</i></p> <p>Further, DG EMPL supported a regional project for social dialogue in the transport sector (Romania, Bulgaria, the former Yugoslav Republic of Macedonia and Croatia)</p> <p><i>Source: <a href="http://www.etf-europe.org/files/extranet/-75/30923/Brochure%20-%20FINAL%20PUBLICATION%20EN.pdf">http://www.etf-europe.org/files/extranet/-75/30923/Brochure%20-%20FINAL%20PUBLICATION%20EN.pdf</a>.</i></p> <p>Technical assistance to strengthen tripartite and bipartite social dialogue through institutional and legislative improvement along with activities aimed at strengthening the capacities of government, employers' organizations and trade unions to engage effectively in social dialogue, was provided.</p> <p><i>Source: EUD Survey</i></p> <p>Projects such as "Empowering relevant actors for social Inclusion in local context", "Fostering social inclusion and inclusive labour market" and "Empowering relevant actors for social inclusion at local level (Phase 2)" focused on strengthening the capacity of civil society organisations, local self-government units, social partners, relevant governmental institutions (e.g. social work centres) in different areas of social inclusion.</p> <p><i>Source: Project documentation.</i></p> <p>Review of Human Resource Development in the former Yugoslav Republic of Macedonia finds that timing and intensity of their involvement is not sufficient.</p> <p><i>Source: Ali Ercan Su, Eduarda Castel-Branco and Maja Gerovska Mitev (2013); The former Yugoslav Republic of Macedonia: Review of Human Resources Development</i></p> <p>This is confirmed by 2016 EU Progress report, which finds that there is remaining overall lack of trust in social dialogue, both among employers and employees, while the effectiveness of their role in the policy-making process remains limited.</p> <p><i>Source: European Commission (2016); EU Progress Report: former Yugoslav Republic of Macedonia; p. 50.</i></p>
I-412	Evidence for strengthened capacity of social partners (trade unions and employers'	As mentioned above, the EU/ILO project "Promoting Social Dialogue" tackled the capacities of social partners to participate, inter alia, in social protection policy dialogue. MLSP identified the ILO as an organization that is uniquely qualified in developing social dialogue. It provided a grant for capacity

#	Indicators	Evidence
	organisations) to participate in social protection policy dialogue	<p>development as a start-up under IPA I and a second grant under IPA II. The first grant was to do: 1) social dialogue; and establish the Economic and Social Council as a tripartite body; 2) active collective bargaining and self-government tools for employer and employee organizations; and 3) settlement of labour disputes amicably.</p> <p>Under part 1) the National Economic and Social Council had capacity building and strengthening. A tripartite action plan was developed, and six additional local councils were developed for a total of 15.</p> <p>Under part 2) collective bargaining was strengthened and some parts of labour law were amended. There are three levels of collective bargaining agreements (CBAs) – nation – sector – enterprise. In the sectoral contracts only those who were signatories were covered. The national contract extends to non-signatories but the sectoral ones do not.</p> <p>Under part 3) ILO developed a functional mechanism in 2007; amendments were done in 2014. There are 90 persons fully trained who can arbitrate and conciliate. There are 59 who are licensed for both conciliation and arbitration. There is software and a database for this as well, for a case management system. ILO has dealt with 4 collective bargaining disputes, of which 3 were settled, and resolved three individual disputes through this mechanism.</p> <p>Project results display sustainability – the charters that were set up for union and employer organizations are still in use, as are the data bases and case management system.</p>
I-413	SP mainstreamed in other policy dialogues where relevant, e.g. trade and migration	<p>The EU has responded to migrant crisis that affected the former Yugoslav Republic of Macedonia through financial support of approximately €4 million in humanitarian aid to support different projects.</p> <p>Source: European Commission, European Civil Protection And Humanitarian Aid Operations; <a href="http://ec.europa.eu/echo/where/europe-and-central-asia/former-Yugoslav-Republic-of-Macedonia_en">http://ec.europa.eu/echo/where/europe-and-central-asia/former-Yugoslav-Republic-of-Macedonia_en</a>.</p>
<b>JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms</b>		
I-421	In policy dialogue, EU advocates for LA involvement in design, delivery, and monitoring of social protection services under supported reforms	<p>HDR OP envisages a range of measures for institutions and structures in charge of employment and social inclusion. All measures have strong local components, particularly in terms of support to organising and delivering services (for unemployed, social services, etc.), support to development of Local Action Plans (for employment, social inclusion), capacity building of local relevant institutions through expert support and (hands-on) training including to experts working with vulnerable groups. Trainings to enable better adjustment and mutual focus of social protection within employment and education policies were also planned. Direct support measures are thus planned for local employment centres, service providers (on how to deal with vulnerable groups), NGOs. Also, support to preparation of local authorities for application to European Social Fund was planned.</p> <p>Source: OP HRD.</p> <p>The project “Empowering relevant actors for social inclusion in local context” had an objective to enhance the capacities of NGOs and local self-government units for implementation of social inclusion policies through strengthening skills and knowledge of NGOs and local self-government units in PCM for the preparation and implementation of social inclusion projects.</p> <p>The project “Fostering social inclusion and inclusive labour market” directly addressed capacity building of government authorities, local self-government and civil society organisations who directly or indirectly provided care and aid to vulnerable groups and people with disabilities. The project developed a shared sector database.</p> <p>The project “Empowering relevant actors for social inclusion at local level (Phase 2)” focused on strengthening the capacity of civil society organisations, local self-government units, social partners, relevant governmental institutions (e.g. social work centres) and other organisations responsible for preparing</p>

#	Indicators	Evidence
		<p>and/or implementing social inclusion projects.  <i>Source: Project documentation.</i>  <i>See also I-711 for involvement of Las in grant schemes administered by MLSP.</i></p>
I-422	<p>In policy dialogue, EU advocates for NGO and private sector involvement in design, delivery, and monitoring of social protection services under supported reforms</p>	<p>OP HRD Measure 3.1 and 3.3 is dedicated to strengthen civil society actors and enhance their involvement in tackling social exclusion. The document envisages strengthening NGO and civic initiatives through capacity building for developing, implementing and monitoring projects. In addition, partnerships for community development among NGOs, public institutions, local authorities and the private sector were planned.  <i>Source: OP HRD.</i>  The project "Promoting Alternative Childcare Services" included a segment of capacity building of private and public sector organisations with regards to alternative childcare services.  <i>Source: Project ROM Report.</i>  The EU also supported advocacy for a legal change to facilitate social contracting for sustainability through a project developing the legal environment for social contracting so it would be possible to improve social services. The project developed a model, documents to improve legislation and mechanisms for the government to delegate social services to other providers. Standards and procedures of licensing were provided. The goal is pluralization of social services and financial sustainability of civil organizations. A three-year contract with a possibility to extend might be the norm. This work has been delayed but may be finished with the new government.  <i>Source: Field mission interviews</i></p>
I-423	<p>National and international NGOs and private sector firms with specialist expertise contracted for service design and delivery under supported reforms</p>	<p>EU supported projects are implemented by international organisations. Some projects were implemented in cooperation between international and local partners. Also, grant schemes were organised by the MLSP within the projects "Social Inclusion and employment at local level" and "Fostering social inclusion" that engaged CSOs. Eligible entities were non-governmental organisations, public sector operators (excluding ministries), local authorities, social partners, and international (inter-governmental) organisations.  <i>Source: EUROPEAID/135012/M/ACT/MK: IPA Fostering Social Inclusion; <a href="http://www.deso.mk/Item/2460">http://www.deso.mk/Item/2460</a>; Project lists provided by EUD, Table 1 above.</i>  <i>See also I-711 for implementation of grant schemes by MLSP.</i></p>
<p><b>JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU</b></p>		
I-431	<p>Evidence of social partners and civil society organisations (e.g., advocacy NGOs, research organisations) involved in EU-supported policy development events on SP including international fora.</p>	<p>As mentioned in I-411, EU supports social dialogue through specific project implemented by ILO. Also, there is evidence that EU organises consultative processes in EU supported policy events. Also, projects such as "Empowering relevant actors for social inclusion in local context", "Fostering social Inclusion and inclusive labour market" and "Empowering relevant actors for social inclusion at local level (Phase 2)" have components of enabling exchange and dialogue between social partners, Civil society and government.  <i>Source: Project Documentation</i>  This was supported by the EU through the PROGRESS programmes and now EaSI. Civil society representatives participate in the annual poverty conventions organised by the EC. Civil society organisations are member of EU-level networks financed inter alia by PROGRESS/EaSI. Independent experts (academics) participate in the work of the EU level expert networks.  In addition, though a grant the ILO organised a sub-regional high level conference on effective mechanisms of labour market dispute resolution. Social partners and national authorities participated in the event.</p>
I-432	<p>Regional and global networks of social protection stakeholders supported.</p>	<p>Not relevant a country level.</p>

## 4.1.5 EQ5

#	Indicators	Evidence
<b>JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially</b>		
I-511	Appropriate capacity development measures supported by EU	<p>Review of available programming documents (MIDPs, HRD OP) shows that EU supported adequate capacity development measures for institutional development, also including institutions dealing with social protection through IPA TAIB.</p> <p>All HRD measures have strong capacity building components, particularly in terms of support to organising and delivering social services (for unemployed, etc.), support to development of strategic documents (for employment, social inclusion), capacity building of relevant institutions through expert support, trainings, provision of material resources (supplies), etc. Trainings to enable better adjustment and mutual focus of social protection within employment and education policies were also planned.</p> <p><i>Source: OP HRD.</i></p> <p>Projects have strong capacity building measures for different actors, including government (national and local level), civil society, service providers, social partners but also the private sector (at the level of awareness raising on alternative child care in the project "Promotion of Alternative Child Care"). Projects offer many capacity building instances for service provision or improvement of approaches or models for tackling the needs of vulnerable groups. Also, some projects work on capacity building of individuals (youth, women) to strengthen their entrepreneurship or labour market skills.</p> <p><i>Source: Project Documentation.</i></p>
I-512	Weaknesses in SP legal frameworks, identification, registration, payment, etc. systems analysed, appraised, and addressed with EU support	<p>The EU has addressed weaknesses in the SP legal framework with focus on marginalised and socially excluded groups. Support was provided to analytical work in the form of a study "Social Protection and Inclusion in Macedonia." Also, projects had strong local capacity building component, which also included local policy planning.</p> <p><i>Source: MIPD documents, OP HRD.</i></p> <p>See also I-422 for an example of EU support to legal reform.</p>
I-513	EU support takes SP governance issues into account and addresses gaps and deficiencies	<p>EU support takes SP governance issues into account, by ensuring that central and local government is involved in planning and implementation of projects. Planning process for MIPD included government counterparts. OP HRD was developed by the line ministries. Review of planning documents shows that EU support was designed to address gaps and deficiencies in (local) planning of actions to address employment and social inclusion.</p> <p><i>Source: MIPD documents, OP HRD.</i></p>
<b>JC 52 Nationally defined social protection floors promoted</b>		
I-521	Evidence that the EU advocates in policy dialogue with government to adopt the national social protection floor approach	<p><i>In general, the promotion of social protection floor is happening in the former Yugoslav Republic of Macedonia, through promotion of universal rights to all. EU does not explicitly mention the social protection floor approach in its programming document, but its interventions promote human rights and universal access to services, as well as social inclusion.</i></p>
I-522	EU support to SP coordinated with ILO country and regional offices	<p><i>ILO is present in fRYoM. EU works closely with ILO on implementation of the Social Dialogue Project. See I-412 above for the ILO programme. Another example is the profiling system introduced with ILO support in the ESA, while trainings were financed with the twinning project. There was also coordination with ILO in the project "Support to the fight against undeclared work".</i></p>
<b>JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered</b>		
I-531	EU supported social protection schemes designed / administered on the basis of sound financial	<p>The EU supported analytical work through its projects on social inclusion.</p> <p><i>Source: MIPD documents, OP HRD.</i></p> <p>In 2008, EU supported analyses of Social Protection and Social Inclusion in each Western Balkans country, including the former Yugoslav Republic of</p>

	and actuarial analysis	Macedonia. The document contains chapters on economic, financial and demographic background; the social protection and social welfare system, poverty and social exclusion, the institutional framework, the health care system and long term care, and the pension system. No other EU supported interventions for analysis of the fiscal implications of the SP schemes were found. <i>See I-121 for evidence that fiscal implications of social protection were considered in HRD OP and project documentation.</i>
I-532	Evidence of EU supporting the transition to sustainable national financing for social protection	Some projects funded by EU (e.g. "Promoting alternative child care") envisaged establishment of new services (such as kindergartens, day care centres, etc.) with prospects of securing funding from both private and public funds. However, these in some cases are not secured. For example, ROM report for "Promoting alternative child care" shows that sustainability is questionable due to lack of certainty that private financing of kindergartens can be ensured.
I-533	Evidence of poverty impacts and redistributive effects analysed and monitored at all stages of EU support to SP	<i>ROM reports provide some analysis but this analysis is rather limited and focused only on specific target group of monitored action.</i>
I-534	Evidence of intergenerational equity issues considered in the design of the EU support to SP.	<i>No specific evidence found.</i>
<b>JC 54 Government social protection programmes consolidated and rationalized where necessary</b>		
I-541	Evidence for improved institutional structure and procedures of agencies responsible for social protection with EU support	OP HRD envisaged a range of interventions for improvements of institutional structures and procedures of agencies responsible for social inclusion (and protection). Measures within the social inclusion axis include capacity building, networking, coordination among service providers and entities. For example, the project "Modernisation and adaptation of Centres for Social Works (CSW)" envisaged supplies and works for improvements in infrastructure of the CSWs. The project financed modernization and adaptation of 18 CSWs (30 sites - main building and day-care centres) and 12 employment centres. The "Local partnerships for social inclusion project envisaged results including increased capacity of local actors and civil organizations for development and implementation of local policies; and development of 5 local action plans for social inclusion. <i>Source: OP HRD, website information on the Project "Modernisation and adaptation of CSWs, <a href="http://www.arsprogetti.it/eng/open.asp?Area=balkans&amp;Sector=Trasporti+e+Infrastrutture&amp;search=search">http://www.arsprogetti.it/eng/open.asp?Area=balkans&amp;Sector=Trasporti+e+Infrastrutture&amp;search=search</a>; Local Partnerships for Social Inclusion Project website: <a href="http://lpsi.mk/about/">http://lpsi.mk/about/</a>.</i> There was intensive EU support for ESA, which has significantly improved its processes and internal procedures. <i>Source: Field mission interviews, EUD.</i>
I-542	Evidence for established / improved coordination mechanisms across all public agencies with SP responsibility	As mentioned above, measures envisaged in OP HRD also include interventions towards improving coordination mechanisms across public agencies (through protocols, coordination bodies, etc.) and also with other partners (CSOs, service providers). <i>Source: OP HRD.</i>
I-543	Universal approaches favoured over targeted ones where appropriate (in EU support)	<i>There is no evidence that this was done in the former Yugoslav Republic of Macedonia.</i>

#### 4.1.6 EQ6

#	Indicators	Evidence
<b>JC 61 Social protection as a human right promoted at all levels</b>		
I-611	Thematic, regional and country strategies and interventions incorporate rights-based approach to SP	There is abundant evidence that country strategy and interventions incorporate a rights-based approach to human resource development. Projects strongly reflect a rights based approach in their specific areas of intervention. They mainly address issues and challenges of marginalised or excluded groups, and are fully compatible with the EU's commitment to rights based approaches. <i>Source: Project documentation.</i>
I-612	Evidence that EU advocates for a rights-based approach in global fora	<i>Not relevant at country level.</i>
<b>JC 62 EU support addresses concerns about excluded populations</b>		
I-621	Gender, disability, ethnic minority, children's, etc. issues mainstreamed in EU SP support	There is extensive evidence in programming documents and projects that gender, disability, ethnic minority, children's, etc. issues are considered in EU support. The situation in the former Yugoslav Republic of Macedonia, however, presents challenges.
I-622	NGO/CSO capacity to advocate in for SP needs of excluded populations strengthened	<i>Analysis of available documentation shows that various EU instruments and projects, as well as HRD OP invested efforts in building capacities of NGOs. The MLSP grants program includes many such NGOs. See Annexes with second and third grant programmes.</i>
<b>JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage)</b>		
I-631	Trend in non-contributory pension as percentage of average wage	<i>Desk review does not reveal evidence on this, and non-contributory pensions were not part of EU intervention. However, social assistance would cover those elderly who do not have contributory pensions (see I-632).</i>
I-632	Trend in adequacy of social assistance benefits	No extensive data were found on this. Data on adequacy of pensions, shows that in 2010, the average pension amounts per types of pensions in March 2010 were as follows: 11 ,398 mkd (186 euro) for the old age pensions 9 ,119 mkd (149 euro) for the disability pensions 8 ,162 mkd (133 euro) for the survivor's pensions 4 ,060 mkd (66 euro) for the minimal agricultural pensions and 17,568 mkd (288 euro) for the military pensions Note: Later data are available in the annual report of the Fund for pension and invalidity insurance (in Russian), see: <a href="http://www.piom.com.mk/wp-content/uploads/2016/01/GODISEN-IZVESTAJ-ZA-RABOTATA-NA-FONDOT-NA-PIOM-VO-2016-god.pdf">http://www.piom.com.mk/wp-content/uploads/2016/01/GODISEN-IZVESTAJ-ZA-RABOTATA-NA-FONDOT-NA-PIOM-VO-2016-god.pdf</a> The average pension is 10.117mkd (165 euro), while the average net salary is 20,541mkd (336 euro) and the average gross salary is 30,207mkd (495 euro) The average pension for the first three types (98%) is even lower 9,559 mkd (156 euro) In 1992 average pension was 79% of the average salary, while in 2007 only 55.5% of the average salary. Trends in old age and survivor benefits show slight increase in the period 2007-2009. In 2007, they composed 14.13% of GDP while in 2009, they were 15.18% of GDP. (See Table 2 in Annex 2). <i>Source: Vanco Uzunov (2011); Socio-economic transformation and the welfare system of the Republic of Macedonia in the period of transition, in Welfare states in transition: 20 years after the Yugoslav welfare model, eds. Marija Stambolieva &amp; Stefan Dehnert (Friedrich Ebert Foundation, 2011.</i> The social assistance benefit is 3,000 dinars per person. The new government has expressed a target of 12,000 per family. MLSP believes this requires monitoring to eliminate those who obtain the benefit while earning in the informal economy in order to better target benefits.

#	Indicators	Evidence
		<i>Source: Field mission interviews</i>
I-633	Trend in adequacy of unemployment benefit	Available data for period of 2005-2009 shows the trend of decrease of unemployment benefit share of GDP (from 1.24% in 2005 to 0.66% in 2009) (See Table 2 in Annex 2). Data on the average unemployment benefit have not been found. <i>Source: Vanco Uzunov (2011); Socio-economic transformation and the welfare system of the Republic of Macedonia in the period of transition, in Welfare states in transition: 20 years after the Yugoslav welfare model, eds. Marija Stambolieva &amp; Stefan Dehnert (Friedrich Ebert Foundation, 2011).</i>
I-634	Social protection expenditure as proportion of GDP: Spending on working age population. Spending on the elderly. Spending on children	<i>No data have been found.</i>

#### 4.1.7 EQ7

#	Indicators	Evidence
<b>JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context</b>		
I-711	The choice of modalities and implementing partners reflects clearly identified comparative advantages and institutional capacity needs and constraints	<p>OP HRD was implemented through decentralized management and managed by the Operating Structure set up within the Ministry of Finance. MLSP and MES were responsible institutions for the programming and technical implementation of the programme. Review of types of contracts within the HRD OP focusing on social inclusion/protection shows mixture of grants, service contracts, direct grants, supplies and works.</p> <p>Review of implementing partners of sample of projects shows mixture between international and local NGOs and agencies. Projects are implemented by various partners, including UN agencies (and affiliates) such as ILO, IOM or by national and international partners.</p> <p>There was extensive thought given to modalities, and a great many grants were made by the MLSP. There are three series of grants:</p> <ol style="list-style-type: none"> <li>Seven issued 2010-2014 (now complete) for a total of 1,5 million Euro</li> <li>26 issued 2015 for a total of 3.5 million Euro (see attached descriptive list in Annex), and</li> <li>12 issued in 2017 (see attached descriptive list in Annex) for a total of 2 million Euro</li> </ol> <p>Before issuing any grants, there was training for the NGO and CSO organizations on how grants will work and how to apply. The first scheme (7 grants) was very difficult to manage, the grantees had to work out financial and administrative rules, and secondary procurement (subcontracting or sub-granting) was a challenge for everyone. Grantees had to have almost daily support from MLSP and CFCD. There were successful grantees, such as the Macedonian Centre for International Cooperation (MCIC), which worked with women in conflict affected areas, on employability, soft skills, capacity building, and on the job trainings. MCIC was one of the best and implemented on time. Another good performer is Red Cross. On the other hand, there were others with irregularities that were suspended and allowed to restart.</p> <p>The second scheme of 26 grants worked better; 11 are finished, 14 are ongoing and 1 is under suspension; all 26 will finish in 2017. The suspension was because of administrative issues and significant delays. An extension request was made but it is now suspended until it is approved. The third scheme has 12, for a total of 38. On the spot visits are effective for monitoring. It has also been useful to hold joint training sessions for grantees.</p> <p>MLSP wishes to encourage local involvement, which is why so many new</p>

#	Indicators	Evidence
		<p>providers were brought in. The international providers all have a local partner, for knowledge transfer and for testing new models.</p> <p>There were complaints that in the first grant scheme there were no municipalities, in the second one municipalities were included, but there are none in the third set of grants. In rural areas, the municipalities are not as competent and do not identify social inclusion as a priority. Also, it is difficult for local public organizations to open bank accounts in order to receive payments.</p> <p>While grants are very difficult to implement, and require intense review, they are effective for inclusion. Technical assistance is different. Social inclusion can be more effective with small grants. There is a risk of overlap and fragmentation. The MLSP and CSFD have provided close review and monitoring and have not hesitated to suspend an activity or withdraw funds.</p> <p>According to the MLSP staff, the grants were determined through the requests of the various departments and not on the basis of an overriding strategy or policy or to achieve geographic distribution. Grantees were selected competitively; the MLSP selection process picked the best ones and did not try to balance geography or other considerations. Of the last 12 grants, 7 focus on Roma inclusion and employment.</p> <p>A simplified approach to grants for a fixed price is available but has not been used.</p> <p><i>Source: Field mission interviews</i></p> <p>The CFCD is the MoF unit charged with procurement, contracting, monitoring and payment of IPA I funds. It undertakes extensive review of each expenditure and has disallowed expenditures. There are complaints of micro-management and delays. In addition, there has been de-commitment of funds, 6 million Euros in each of the three years, 2014, 2015 and 2016. This occurred, some believe, due to delays caused by CFCD monitoring.</p> <p><i>Source: Field mission interviews</i></p> <p>The programme approach in the reference period was DIS management system with ex-ante approval by EUD. It was a right choice, preparing the country for the EU Social Fund. Capacities proved to be insufficient leading to de-commitment of funds.</p> <p><i>Source: EUD survey, field mission interviews</i></p> <p>To summarise, the European Court of Auditors (ECA) published its special report with the title "Strengthening administrative capacity in the former Yugoslav Republic of Macedonia: limited progress in a difficult context".<sup>9</sup></p>
I-712	The approach employed by the EU fosters high quality dialogue between the EU and national stakeholders	<p>Main topics of EU policy dialogue with the government related to social protection are in drafting the Economic Reform Programme (ERP), as well as the Employment and Social Reform Programme (ESRP). Also, Operational Programme for Human resource Development 2007-2013 is in the final phase of implementation. <i>Source: EUD survey.</i></p> <p>The new strategic document is now in draft form and being developed by the MLSP.</p> <p><i>Source: Field mission interviews</i></p> <p>See also JC11.</p>
I-713	The aid delivery methods and channels used promote ownership of SP by national stakeholders	<p>As summarized in I-711 every effort was made to involve local communities, at the national and municipal level. The grants contribute to ownership of SP by national stakeholders at all levels. In addition national stakeholders such as ESA and the State Labour Inspectorate were grantees. The State Labour Inspectorate was extremely satisfied with the support it received.</p> <p><i>Source: Field mission interviews</i></p>
<b>JC 72 EU financed interventions in the social protection field are mutually reinforcing</b>		
I-721	Financing instruments	There is no conclusive evidence of operational linkages among projects /

<sup>9</sup> <http://www.eca.europa.eu/en/Pages/DocItem.aspx?did=36423>.

#	Indicators	Evidence
	(bilateral vs. regional, geographic vs. thematic) are combined to exploit complementarities and promote synergies	programmes undertaken in the SP sector. EIDHR funded projects have strong social inclusion components, particularly at local level, and complement IPA interventions. No information is available on other thematic programme interventions. See I-213 for information on an EU-UNICEF regional programme combatting violence against children.
I-722	EU support to SP in partner countries has been reinforced by the mobilisation of expertise from EU Member States (via instruments such as TAIEX/Twinning or the SOCIEUX facility)	The former Yugoslav Republic of Macedonia was involved in PROGRESS but not in SOCIEUX. <i>Source: EUD survey</i>
<b>JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored</b>		
I-731	Frequency of delays in implemented interventions related to SP	<p>Available ROM reports show different levels of efficiency of projects. While in case of one project, “Promoting Alternative Childcare Services,” efficiency issues were highlighted, other ROM reports are relatively positive in this regard. Review of available final project reports also show that delays were not significant or affecting significantly the results. <i>Source: ROM Reports, Project documentation.</i></p> <p>Interviews with MLSP and implementers disclosed many delays. This was heard in virtually every single interview. Two projects in particular stood out. The ESA complained that its staff lacked information on how to implement the grant and it was hard to finish on time. ESA claimed that it lost previous time with CFCD and EU rules, learning how to comply with them. ESA claimed that it already had a good system on who was unemployed and what they need. ESA was disappointed in how complicated tenders were, and the need for addenda. In the second grant, ESA had some of the same problems, with the training contracts and the hiring criteria for small firms. ESA would like a more liberal contracting approach with less micromanagement by CFCD.</p> <p>Another contracting partner, WYG (“Promoting Alternative Childcare Services”) also reported some difficult experiences. There were delays in administration, delays in obtaining answers to requests for approvals. The project went back and forth many times for approvals. The project needed a rescue plan, and there were objections to the rescue plan. “There were five governments in Macedonia in the timeframe of this projects and this meant that we had a daily fight to move pieces of paper for approval.” It took 1-3 months to approve each ToR for each expert. There was delay with approval of training experts. In one case it took 5 months to approve an expert because the ruled changed from a qualitative selection process to a quantitative scoring system and CFCD insisted that the entire selection process be re-started.</p> <p>In the chain of approvals, there were 8 people at MLSP and MoF. It took months to approve the survey that was required as the first step of this project. The project staff had to get approvals any time they undertook to pay for a translation, any time they printed an agenda, any time they held a workshop and copied materials. Many separate approvals were required for one conference. They had to have framework contracts with many providers. A study tour was approved at the last minute – on a Friday when the flight was Sunday (the project had taken the risk of buying tickets in advance of the approval).</p> <p>The EU played a constructive role, but the problems persisted. CFCD would not approve a 20-day extension for an expert, even though the MLSP had approved this and thought the time necessary. There was disagreement as to whether for a study tour the per diem should be set by EU rules or by the former Yugoslav Republic of Macedonia rules (the rules clearly stated EU). The CFCD would not</p>

#	Indicators	Evidence
		approve a time sheet for an expert for work hours on a religious holiday. The rules clearly state that work on a religious holiday does not require prior approval, but work on a public holiday does require approval. These are just some of the examples of micromanagement. <i>Source: Field mission interviews</i>
I-732	Transaction costs are minimised for all parties involved	Transaction costs are significant for projects that have to seek repeated approvals, as noted above in I-731. A great deal of expert time was spent waiting for approvals.
I-733	Monitoring and evaluation allows for adjustment of SP support responding to performance and context	ROM has been conducted as per EU rules. MLSP responds to project performance as necessary. CFCD also responds to project performance. However, the focus seems to be on managing the details of financial rules and not on overall strategic performance or strategic decisions. There were no examples encountered of decisions made reflecting changing context.

#### 4.1.8 EQ8

#	Indicators	Evidence
<b>JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs</b>		
I-811	Institutional structures / mechanisms in place to coordinate SP policies and interventions across MSs and other international donors	HDR sector is managed in decentralised manner in the former Yugoslav Republic of Macedonia. There was coordination of donors in the social protection field. Donors/agencies involved are UNDP; WB; UNICEF; USAID; GIZ. There were no regular donor meetings, but on bilateral level coordination was fine. Coordination with EU MS was limited on Roma inclusion issues. <i>Source: EUD Survey.</i> There is a <i>joint regional project with UNICEF</i> . There is coordination with the World Bank on databases for social assistance and social services.
I-812	EU is able to leverage its support by generating funding from other sources	There is no evidence that EU resources for social protection / inclusion were leveraged from other sources.
<b>JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment)</b>		
I-821	DEVCO / NEAR - financed SP support cross-refers to policies and strategies of other relevant DGs and avoids duplication and conflicts	Review of programming documents of EU shows cross references and linkages to country and EU-level strategies and policies, but not specifically in the area of SP / inclusion.
I-822	Existence of inter-DGs coordination on SP.	Not relevant at country level.

## 4.2 Overview of EU-funded key interventions

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>	<i>Implementing partner(s)</i>
<b>2007-2013</b>				
IPA Comp IV	Support to Employment of Young people, Long-term unemployed Women (I)	2010-2012	1,300,000	Information not available (n/a)
IPA Comp IV	Fostering Social Inclusion and Inclusive Labour Market	2011-2013	1,462,950	n/a
IPA Comp IV	Supporting Roma Women accessing the labour market in the Beneficiary Country	2012-2014	183,597	n/a
IPA Comp IV	Further modernization of Employment Service Agency	2012-2013	1,169,175	n/a
IPA Comp IV	EU support on the preparation of the country to manage the European Social Fund through implementation of the Human Resources Development Component of IPA instrument	2010-2012	595,000	n/a
IPA Comp IV	Assisting conflict-affected minority women	2012-2014	248,072	n/a
IPA Comp IV	Strengthening the Capacities for Integration of Disadvantaged Women in the Labour Market, with focus on Ethnic Minority Women	2012-2013	477,850	n/a
IPA Comp IV	Enhancing Employability of Women in Minority Communities through profiling/ assessment, training programmes and job counselling	2012 -2014	272,515	n/a
IPA Comp IV	Career Pathway - Improvement of employability of ethnic minority women in the eastern region	2012 -2014	223,071	n/a
IPA Comp IV	Empowering relevant actors for social inclusion at local level	2011-2012	149,759	n/a
IPA Comp IV	Empowering relevant actors for social inclusion at local level (phase 2)	2012 -2015	179,500	n/a
IPA Comp IV	Supporting Integration of Ethnic Communities in the Educational System	2012-2014	1,085,296	n/a
<b>2014-2017</b>				
IPA Comp IV	Modernisation and adaptation of Centres for Social Work	2015-2016	2,080,000	n/a
IPA Comp IV	Support to Employment of Young people, Long-term unemployed Women (II)	2015-2016	2,016,205	n/a
IPA Comp IV	Promoting social inclusion services	2015-2017	1,366,250	n/a
IPA Comp IV	Support to the fight against undeclared work	2014 -2016	1,336,770	n/a
IPA Comp IV	Support to the National Employment Policy	2014-2018	1,535,351	n/a

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>	<i>Implementing partner(s)</i>
IPA Comp IV	Support to Employment Service Agency for implementation of active labour market measures and services	2014-2016	1,200,000	n/a
IPA Comp IV	Support to Employment Service Agency for implementation of active labour market measures and services	2014-2016	1,275,355	n/a
IPA Comp IV	Strengthening the financial management and internal control in Employment Service Agency	2015-2017	137,050	n/a
IPA Comp IV	Promoting Social Dialogue – ILO	2014-2017	1,149,690	n/a
IPA Comp IV	Support to the monitoring and control of the OP HRD funded operations - Priority Axis 4	2014-2014	212,500	n/a
IPA Comp IV	Promoting alternative childcare services	2015 - 2017	1,192,638	n/a
IPA Comp IV	Pathway to Employment through Skill Development and Sustainable Labour Market Integration of the Roma, in particular Roma Women	2015 -2017	182,294	n/a
IPA Comp IV	Kitchen on Wheels	2015-2017	103,515.34	n/a
IPA Comp IV	Take action for better competitiveness on the labour market	2015-2017	171,315.42	n/a
IPA Comp IV	Local Partnerships for Social Inclusion	2015 -2017	151,547	n/a
IPA Comp IV	Employment of Persons with Disabilities: Sustainable Model	2015 -2017	88,677	n/a
IPA Comp IV	“Get trained. Get support. Get a job.”	2015-2017	79,456	n/a

*Source: CRIS and Particip analysis)*

### 4.3 List of people interviewed

<i>Surname</i>	<i>First name</i>	<i>Organisation/ Unit</i>	<i>Responsibility</i>
Arsovska	Maria	CFCD, MoF	Programme Monitoring
Atanasova	Marija	IOM	Financial Assistant
Beaumont	Sophie	EU Delegation	Programme Manager
Bertolini	Nicola	EU Delegation	Head of Cooperation
Biskoska	Dana	Ministry of Education	IPA
Ciconkova	Katarina	PAC WYG	Office Manager
Dimoska	Emilia	Kvinna Till Kvinna foundation	Project Manager
Dimovska	Biljana	CFCD, MoF	Programme Monitoring
Draskovic	Vaska	SOS Children's Villages	Policy Advisor
Dziumova	Zorica	State Labour Inspectorate	Expert
Erickson	Elsbeth	UNICEF	Deputy Representative
Filiposui	Aleksandar	Youth Entrepreneurship Service Promotion	Project Coordinator
Frckovski	Mladen	MLSP	Labour Department
Georgievski	Aleksandar	MLSP	Head IPA Department
Georgjiva	Simona Petresca	MLSP	Social Inclusion
Godovski	Mihail	National Roma Centrum	Project Coordinator
Grozdanovska	Olimpija	UNICEF	Chief Protection Officer
Haulica	Marius	Promoting Alternative Childcare Services (PAC) WYG	Team Leader
Havziu	Alajdin	State Labour Inspectorate	Director
Hristovski	Konstantin	Vocational Education Training	Project Manager
Huhmann	Daniela	EU Delegation	Programme Manager
Ivanovska	Ankica	MLSP	IPA Department
Jankovic	Marijana	Incluziya	Promoting Social Inclusion Services Key Expert 2
Joranoska Radnvikj	Elizabeta	Adult Education Centre	Project Manager
Kamberi	Mabena	MLSP	Social Inclusion, Roma
Kirkovski	Evgenija	Secretariat of European Affairs	National IPA Coordinator
Kocareva	Biljana	IOM	Project Coordinator
Kocoska	Elena	Polio Plus movement against disability	Director
Kortova	Aleksandra	CFCD, MoF	Programme Monitoring
Kostoska	Nadica	Ministry of Education	IPA Coordinator

Kostovska Bogdeska	Gabriela	Foundation for Management and Industrial Research	Project Manager
Krstanovski	Emil	ILO	National Coordinator
Lazarova	Aleksandra	IOM	Project Assistant
Lazarovski	Branko	MLSP	Department of Labour, Steering Committee for Alternative Childcare
Lazovski	Aleksandar	UNICEF	Social Protection Specialist
Lozanovska Brig	Aleksandra	MLSP	IPA Monitoring
Maxiutovic	Aziz	MLSP	Labour Department
Memeti	Zihra	Ministry of Labour and Social Protection (MLSP)	Head of Department of Social Protection
Milkovska	Vera Kondiki	UNICEF	Education Specialist
Mirkovski	Vanja	IOM	Project Coordinator
Mishkovska Stojkovska	Vera	IOM	Senior Resource Assistant
Mokrova	Maria	UNICEF	CRM Specialist
Mustafa	Sara	Macedonian Center for International Cooperation (MCIC)	Project Coordinator
Neshevski	Goran	MLSP	National Economic and Social Council Secretary
Neshovska	Elena	Sumnal Development Association of the Roma community in Macedonia	Program Coordinator
Onosimoski	Antonie	Employment Service Agency	Project Manager
Petkovski	Goran	Employment Service Agency	Associate IPA Funds and Projects
Petrovska	Biljana	Ministry of Finance Central Financing and Contracting Department (CFCD)	Head of Programme Monitoring Unit
Popovski	Vlatko	Employment Service Agency	Director
Prodanova	Donka	EU Delegation	Programme Manager, Cooperation Section
Rasic	Vesnica	PAC WYG	Expert in alternative childcare services
Saracini	Nafi	EU Delegation	Programme Manager
Savovska	Marija	Equity and Gender Mainstreaming Across Borders	Project Manager
Simeonova	Biljana	IOM	Project Manager
Slavkoska	Aleksandra	MLSP	IPA Department
Spasovska	Sofia	MLSP	Deputy Head of

			Department of Social Protection
Statovci	Shukriana	UNICEF	Program Assistant
Stoyanovski	Zlate	State Labour Inspectorate	Expert
Tomshic	Dushan	MLSP	Project Manager
Veleski	Goran	MLSP	Labour Department
Arsovska	Maria	CFCD, MoF	Programme Monitoring

## 4.4 Bibliography

### 4.4.1 EU strategy and programming

- Council of the European Union (2001): Stabilisation and Association Agreement between the European Communities and their Member States, on the one part and the former Yugoslav Republic of Macedonia, of the other.
- European Commission (2014): Indicative Strategy Paper for the former Yugoslav Republic of Macedonia (2014-2020).
- Enlargement strategy and main challenges. Communication from the Commission to the European Parliament and the Council. 2007-2008, 2008-2009, 2009-2010, 2010-2011, 2011-2012, 2012-2013, 2013-2014, 2014-2015.
- Multi-annual Indicative Planning Document (MIPD) 2007-2009, 2008-2010, 2009-2011, 2011-2013 for the former Yugoslav Republic of Macedonia. Annex to the Commission Decision.
- Revised Multi-annual Indicative Financial Framework for 2012-2013 for the former Yugoslav Republic of Macedonia.
- IPA Component 1 National programme IPA 2008, 2009, 2010, 2011, 2012, 2013.

### 4.4.2 National framework

- The former Yugoslav Republic of Macedonia: Multi-Annual Operational Programme Human Resources Development 2007-2013. Multi-Annual Operational Programme Human Resources Development 2007-2013 - List of contracted projects.

### 4.4.3 Project documentation

The team reviewed the available project documentation (action fiches/TAPs, grant contracts, implementation and monitoring reports, evaluations, etc.) of the following interventions (see also details in the list presented in Annex 2):

- IPA Component IV 2012-2014.
- IPA Component IV 2015-2016.

### 4.4.4 Evaluation and studies

- Bogoevska, Natasha et al (2014): “Social Protection System in Macedonia: Centralized Governance versus Decentralization”; Mediterranean Journal of Social Sciences Vol 4; MCSER Publishing, Rome-Italy.
- Bornarova, Suzana (2011): “Financial (In) Security in old age in Macedonia: Implications from the Pension System Exclusion”.
- European Commission (2006); The IPA Council Regulation (EC) No 1085/2006 adopted on 17 July 2006.
- European Policy Institute (2012): the use of EU funds in former Yugoslav Republic of Macedonia.
- European Policy Institute (2013): the use of EU funds in former Yugoslav Republic of Macedonia.
- former Yugoslav Republic of Macedonia Review of Human Resources Development prepared by Ali Ercan Su, Eduarda Castel-Branco and Maja Gerovska Mitev. Available at: [https://www.academia.edu/4186133/Review\\_of\\_Human\\_Resource\\_Development\\_-\\_Macedonia](https://www.academia.edu/4186133/Review_of_Human_Resource_Development_-_Macedonia)
- ILO (2014): World Social Protection Report 2014 -2015.
- IMF (2014): Working Paper- Boosting Job Growth in the Western Balkans.
- Isik-Dikmelik, Aylin (2012): Social Protection and Labor- Do social benefits respond to crises? Evidence from Europe & Central Asia during the Global Crisis.
- Policy Paper- From idea to initiatives to reform the public social services in Macedonia.
- Social Dialogue in Transport Sector – Romania, Bulgaria, Former Yugoslav Republic. Macedonia and Croatia Budget Heading 04 03 03 01.
  - Industrial Relations and Social Dialogue 1 June 2010 - 31 May 2011.
- World Bank (2016): FYR Macedonia Partnership Country Program Snapshot April 2016.
- Employment Service Agency: Direct Grant Award “Support of the employment of young people, long-term unemployed, and women”.

- Employment Service Agency: Brochure on Project Results Support to the Employment of Young People, Long Term Unemployed and Women (II).
- Draft Final Report December/2011 - August/2013 Fostering Social Inclusion and Inclusive Labour Market (Europe Aid/130207/D/SER/MK) Specific contract number 09-38876/1.

#### 4.4.5 Other

- EC (2011, 2012, m2013, 2014, 2015, 2016): EU Progress Report: the former Yugoslav Republic of Macedonia.
- External Assistance Management Report (EAMR) Delegation: the former Yugoslav Republic of Macedonia - Period: 2011, 2012, 2013.

#### 4.4.6 Web links

- Central Financing and Contracting Department (CFCD): <http://cfcd.finance.gov.mk/>
- DeSo Development Solutions: EUROPEAID/135012/M/ACT/MK: IPA FOSTERING SOCIAL INCLUSION <http://www.deso.mk/Item/2460>
- EC: European Civil Protection And Humanitarian Aid Operations; [http://ec.europa.eu/echo/where/europe-and-central-asia/former Yugoslav Republic of Macedonia\\_en](http://ec.europa.eu/echo/where/europe-and-central-asia/former-Yugoslav-Republic-of-Macedonia_en)
- EU Delegation in the former Yugoslav Republic of Macedonia: [https://eeas.europa.eu/delegations/former-yugoslav-republic-macedonia\\_en](https://eeas.europa.eu/delegations/former-yugoslav-republic-macedonia_en)
- Government of the former Yugoslav Republic of Macedonia - Economic Reform Programme 2016
- Project website <http://promotingsocialdialogue.mk>.
- World Bank in the former Yugoslav Republic of Macedonia - project list: [http://www.worldbank.org/en/country/macedonia/projects/all?qterm=&lang\\_exact=English&os=60](http://www.worldbank.org/en/country/macedonia/projects/all?qterm=&lang_exact=English&os=60).
- Sumnal.mk/en <http://www.eaea.org/en/membership/eaea-members/macedonia-association-for-roma-community-development-sumnal-associate-member.html>

## 4.5 Tables, Statistics

**Table 3** Trends in social expenditures in the former Yugoslav Republic of Macedonia (as percentage of GDP)

<b>Table 1. Trends in social expenditures in Macedonia (as percentage of GDP)</b>									
	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Total Social expenditures</b>	16.30	16.57	18.09	17.67	16.49	15.81	14.13	14.58	15.18
<i>Old age &amp; survivorship</i>	9.10	9.12	9.55	9.47	8.79	8.66	7.97	8.37	8.96
<i>Health &amp; disability</i>	5.04	5.09	5.58	5.44	5.22	5.14	4.55	4.80	4.6
<i>Unemployment benefit</i>	0.80	0.95	0.97	1.24	1.03	0.69	0.47	0.41	0.56
<i>Social assistance (benefit)</i>	1.37	1.41	1.58	1.51	1.46	1.33	1.14	1.00	1.06

Source: Vanco Uzunov (2011); *Socio-economic transformation and the welfare system of the Republic of Macedonia in the period of transition, in Welfare states in transition: 20 years after the Yugoslav welfare model*, eds. Marija Stambolieva & Stefan Dehnert (Friedrich Ebert Foundation, 2011), 115.

**Table 4** Socio-economic trends 2003-2009

<b>Table 2.</b>	2003	2004	2005	2006	2007	2008	2009
Number of pension beneficiaries	254262	260075	265152	269681	272386	273281	273977
Number of insured employees	321105	348212	348500	394882	424338	451491	475780
Insured employees/pension beneficiaries ratio	1.26	1.34	1.31	1.46	1.56	1.65	1.74
Old age dependency ratio in % (people above 65 years/ people between 15-64 years)	15.50	15.60	15.80	16.00	16.30	16.34	16.45
Contribution rates as percentage of earnings	21.20	21.20	21.20	21.20	21.20	21.20	19.00
Pension contributions (in mill. Denars)	17574	18040	18300	19948	21936	25586	26281
State budget financing (in mill. Denars)	7741	8486	8291	9385	10390	10180	14020
Pension revenues (in mill. Denars)*	27728	29028	28912	32409	34053	37621	41589
Pension expenditures (in mill. Denars)*	27764	29117	29029	31207	32769	38733	41393
General budget revenues (in mill. Denars)	84087	88176	100877	104044	119608	136411	128498
GDP- current prices (in mill. Denars)	251486	265257	284226	308772	353786	398491	406651
Pension contributions/general budget revenues ratio (in %)	20.90	20.46	18.14	19.17	18.34	18.76	20.45
Pension contributions/state budget financing ratio	2.27	2.13	2.21	2.13	2.11	2.51	1.87
Pension revenues/GDP ratio (in %)	11.03	10.94	10.17	10.50	9.63	9.44	10.23
Pension expenditures/GDP ratio (in %)	11.04	10.98	10.21	10.11	9.26	9.72	10.18
Average wage (in Denars)	11955	12534	13125	13854	15543	17363	19909
Average pension (in Denars)	7346	2 4	7463	7683	7848	9541	10057
Replacement ratio (average pension/average wage) (in %)	61.45	59.26	56.86	55.46	50.49	54.95	50.51
Number of old age pension beneficiaries	133008	137840	142827	146852	150075	149682	150092
Number of disability pension beneficiaries	52237	51589	50180	49364	48364	48562	47948
Number of survivors pension beneficiaries	69022	70646	72145	73485	74257	75037	75937

\*Note: The items on pension revenues and expenditures include the total pensions and expenditures of the Pension and Disability Fund  
Source: Pension and Disability Fund Annual Reports; [www.piom.gov.mk](http://www.piom.gov.mk)

Source: Vanco Uzunov (2011); *Socio-economic transformation and the welfare system of the Republic of Macedonia in the period of transition, in Welfare states in transition: 20 years after the Yugoslav welfare model*, eds. Marija Stambolieva & Stefan Dehnert (Friedrich Ebert Foundation, 2011), 115.

**Table 5** Net lending by sub-sectors, general government, components of revenues, selected component of expenditures, 2014-2018

	ESA	2014	2014	2015	2016	2017	2018
		Level (bn denars)	% of GDP				
<b>Net lending (B9) by sub-sectors</b>							
1. General government	S13	-22,2	-4.2	-3.6	-3.2	-2.9	-2.6
2. Central government	S1311	-22,1	-4.2	-3.6	-3.2	-2.9	-2.6
3. State government	S1312	:	:	:	:	:	:
4. Local government	S1313	0,0	0.0	0.0	0.0	0.0	0.0
5. Social security funds	S1314	-0,2	0.0	0.0	0.0	0.0	0.0
<b>General government (S13)</b>							
6. Total revenue	TR	156,7	29.8	32.2	32.3	32.0	31.2
7. Total expenditure	TE	178,9	34.0	35.8	35.6	34.9	33.8
8. Net borrowing/lending	EDP,B9	-22,2	-4.2	-3.6	-3.2	-2.9	-2.6
9. Interest expenditure	EDP,D41	5,1	1.0	1.2	1.0	1.2	1.2
10. Primary balance		-17,1	-3.3	-2.5	-2.2	-1.7	-1.4
11. One-off and other temporary measures		:	:	:	:	:	:
<b>Components of revenues</b>							
12. Total taxes (11 = 11a+11b+11c)		92,0	17.5	18.6	18.7	18.5	18.3
12a. Taxes on production and imports	D2	72,1	13.7	13.8	13.9	13.7	13.6
12b. Current taxes on income and wealth	D5	17,5	3.3	4.3	4.3	4.3	4.3
12c. Capital taxes	D91	2,4	0.5	0.5	0.5	0.5	0.4
13. Social contributions	D61	44,2	8.4	8.5	8.4	8.3	8.2
14. Property income	D4	3,8	0.7	1.0	1.1	0.9	0.8
15. Other (15 = 16-(12+13+14))		16,7	3.2	4.0	4.2	4.3	3.9
16 = 6. Total revenue	TR	156,7	29.8	32.2	32.3	32.0	31.2
p.m.: Tax burden (D2+D5+D61+D91-D995)		136,2	25.9	27.1	27.1	26.8	26.5
<b>Selected components of expenditures</b>							
17. Collective consumption	P32	59,4	11.3	11.9	11.5	11.0	10.6
18. Total social transfers	D62 + D63	78,4	14.9	15.1	15.0	14.9	14.6
18a. Social transfers in kind	P31 = D63	:	:	:	:	:	:
18b. Social transfers other than in kind	D62	78,4	14.9	15.1	15.0	14.9	14.6
19 = 9. Interest expenditure (incl. FISIM)	EDP,D41	5,1	1.0	1.2	1.0	1.2	1.2
20. Subsidies	D3	13,6	2.6	2.7	2.7	2.6	2.4
21. Gross fixed capital formation	P51	22,4	4.3	4.9	5.4	5.2	5.0
22. Other (22 = 23-(17+18+19+20+21))		:	:	:	:	:	:
23. Total expenditures	TE	178,9	34.0	35.8	35.6	34.9	33.8
p.m. compensation of public sector employees	D1	36,8	7.0	7.1	6.9	6.7	6.5

Source: Ministry of Finance

Source: Ministry of Finance.

Table 6 Selected indicators 1991-2009

INDICATORS	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
GDP in million of US dollar (nominal)	3990	3728	3450	3386	3351	3390	3458	3581	3674	3588	3437	3769	4631	5368	5815	6373	7923	9519	9226
GDP in million of EUR (nominal)										3893	3839	4001	4105	4325	4676	5081	5791	6504	6637
GDP (per capita in US dollar)	1957	1813	1670	1740	1705	1709	1722	1783	1821	1771	1689	1866	2285	2641	2855	3124	3876	4647	4495
GDP (per capita in EUR)										1921	1886	1981	2025	2128	2296	2491	2833	3175	3233
Central government budget balance (as % of GDP)	-6.2	-6.6	-7.5	-1.8	-1.1	1.2	1.4	3.4	4.3	4.5	4.5	0.9	2.8	4.1	4.1	4.0	5.9	4.8	-0.7
Consumer price index																			
Employment rate																			
Unemployment rate																			
Average gross wage - real growth																			
Labour productivity rate of growth																			
Relative poverty rate (Head Count Index)																			
Inequality of income distribution (Gini Index)***																			
Social expenditure (% of GDP)																			
Old age & survivorship																			
Health & disability																			
Unemployment benefit																			
Social assistance (benefit)																			
Structure of the economy (GDP- production approach in current prices)																			
Industry																			
Agriculture	24.4	29.4	25.1	19.3	19.6	19.5	20.7	21.8	22.8	22.5	21.8	19.6	20.9	19.6	19.7	20.1	21.8	21.8	19.0
Services	11.4	15.2	10.6	11.1	11.1	11.2	11.2	10.5	11.0	10.0	9.8	10.0	11.4	11.3	10.8	10.8	9.3	10.4	10.2
Services	47.8	44.7	53.5	54.1	53.8	54.0	54.0	54.0	52.0	51.0	51.9	51.8	53.2	55.1	54.3	55.0	54.4	54.1	57.8
Value added****	83.6	89.3	89.2	84.5	84.5	84.7	85.9	86.3	85.8	83.5	83.5	81.4	85.5	86.0	84.8	85.9	85.5	86.3	87.0

\* Labour Force Survey in Macedonia was realised for the first time in April 1996

\*\* For the period 1994-1996 the poverty line was calculated as expenditures at 60 percent of the median equivalent expenditure, and from 1997 as 70 percent of the median equivalent expenditure;

Source: State Statistical Office, Household Budget Survey

\*\*\* Source: World Bank- World Development Indicators & Global Development Finance

\*\*\*\* The value in this row is not 100 percent because it should also contain the amounts for value added tax and za import duties; Source Statistical Yearbook of RM.

\*\*\*\*\* Note: the data on social expenditures is derived from the part of the General Government Budget of Ministry of Finance's Annual Economic Reports for 2006, 2007 and 2008 as well as from Bulletins of the Ministry of Finance whereas there is no comparability with this data and the data for the period 1991-2000 due to completely different classification of the data.

Table 7 Selected indicators 2004-2009

Table 4.	2004	2005	2006	2007	2008	2009
Number of active insured persons	1015495	1027178	1054002	1080331	1042660	1053068
Number of family members	858341	871156	884758	879053	853352	840766
Total number of insured persons	1873836	1898334	1938760	1959384	1896012	1893834
Number of public health institutions		78	86	84	112	113
Total number of persons employed in public health sector	22884	21336	19765	18120	18960	18563
medical staff	17714	16412	14980	13951	14578	14180
non- medical staff	5168	4924	4785	4169	4382	4383
Number of contracts signed with private health institutions	551	1179	1532	2203	2312	2669
Life expectancy at birth (average estimate)	73.39	73.62	73.76	73.78		
Mortality rate (per 1000 people)	8.83	9.04	9.13	9.59	9.25	9.28
Health contribution rates (% of salaries)	9.20	9.20	9.20	9.20	9.20	7.50
Contributions to Health Insurance Fund on basis of salaries of employed insured persons (in mill. Denars)	8762	8982	9447	9998	10874	10711
Contributions to Health Insurance Fund from Pension and Disabled Insurance Fund (in mill.Denars)	3349	3417	3584	3718	4368	4290
Contributions to Health Insurance Fund from Employment Agency (in mill. Denars) <sup>74</sup>	1998	2062	2145	2144	1976	2462
Transfers to Health Insurance Fund from Ministry of Labour and Social Policy (in mill. Denars)	41	64	67	66	77	123
Transfers to health Insurance Fund from State Budget (in mill. Denars)	60	479	43	911	1562	828
Co- payments by insured persons (in mill.Denars)			286	367	390	311
Health Insurance Fund Revenues (in mill.Denars) <sup>75</sup>	14888	15249	16505	17491	20427	19720
Health Insurance Fund Expenditures (in mill.Denars) <sup>76</sup>	14724	15206	16280	16425	19630	19165
Expenditures for health care services in public health institutions	11887	12122	11270	10552	11585	10877
Expenditures for health care services in private health institutions	827	1328	2745	4156	5550	5443
Health contributions/general budget revenues ratio (in %)	16.00	14.34	14.59	13.26	12.62	13.59
Health contributions/state budget financing ratio	235.15	30.19	352.93	17.41	11.02	21.09
Ratio of Health Insurance Fund Revenues/GDP (in %)	5.61	5.37	5.35	4.94	5.13	4.85
Ratio of Health Insurance Fund Expenditures/GDP (in %)	5.55	5.35	5.27	4.64	4.93	4.71

Source: Vanco Uzunov (2011); *Socio-economic transformation and the welfare system of the Republic of Macedonia in the period of transition, in Welfare states in transition: 20 years after the Yugoslav welfare model*, eds. Marija Stambolieva & Stefan Dehnert (Friedrich Ebert Foundation, 2011), 115.

Source: Employment Services Agency - Support to the Employment of Young People, Long-Term Unemployed and Women; Second Contract 11-43749/1 Signed 17.12.2014

Overall Results and Indicators (as published by ESA) in a booklet:

Table 8 Indicators

Component	Targets and Indicators	Unemployed People involved in ALMM	Achievements against indicators
Component 1.1. Internship as support to the employment of persons up to 29 years of age	1500 young persons up to the age of 29 have improved their employment perspectives through internships; 30% of them got employed;	1461 interns that completed the internship programme in duration of three months	883 or 58.9% of unemployed persons got employed
Component 1.2. Training for skills demanded by specific employer	500 unemployed persons have acquired specific professional skills through in-work trainings; 50% of them got employed	492 interns that completed the internship programme in duration of three months	383 or 76.7% of unemployed persons got employed
Component 2 – Training for general skills	2000 unemployed persons attended general skills trainings; 70% of them have acquired general skills (language	1922 unemployed persons attended the training for foreign languages (997) and basic ICT (925) skills	1807 or 90.3% unemployed persons got certificates (847 of IT and 960 for foreign languages)

	and IT skills)		
Component 3 – Training for skills demanded on the labour market	720 unemployed persons trained for work skills demanded in the labour market; 70% of them have acquired specific professional skills demanded on the labour market	430 persons completed the training (210 for skills demanded on the labour market, and 220 advanced IT skills)	331 or 45.9% unemployed persons got certificate so far – 210 for skills demanded on the labour market -131 international certificate for JAVA or MCSD (as of 1 June 2017 exams ongoing)

*Updated results provided by the Employment Services Agency 4 July 2017.*

**Table 9**      *Targets and Indicators*

<b>Component</b>	<b>Targets and Indicators</b>	<b>Unemployed People involved in ALMM</b>	<b>Achievements against indicators</b>
Component 1.1. Internship as support to the employment of persons up to 29 years of age	1500 young persons up to the age of 29 have improved their employment perspectives through internships; 30% of them got employed;	1461 interns that completed the internship programme in duration of three months	883 or 58.9% of unemployed persons got employed
Component 1.2. Training for skills demanded by specific employer	500 unemployed persons have acquired specific professional skills through in-work trainings; 50% of them got employed	492 interns that completed the internship programme in duration of three months	405 or 81% of unemployed persons got employed
Component 2 – Training for general skills	2000 unemployed persons attended general skills trainings; 70% of them have acquired general skills (language and IT skills)	1922 unemployed persons attended the training for foreign languages (997) and basic ICT (925) skills	1807 or 90.3% unemployed persons got certificates (847 of IT and 960 for foreign languages) 632 are employed or 31.6%
Component 3 – Training for skills demanded on the labour market	720 unemployed persons trained for work skills demanded in the labour market; 70% of them have acquired specific professional skills demanded on the labour market	430 persons completed the training (210 for skills demanded on the labour market, and 220 advanced IT skills)	331 or 45.9% unemployed persons got certificate so far – 58 are employed 210 for skills demanded on the labour market -131 international certificate for JAVA or MCSD 90 are employed

*Total employed as of 7 July: 883+405+632+58+90 = 2068.*





# Evaluation of EU support to social protection in external action 2007-2013

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Final Report

Volume II

Country Report – Kyrgyzstan

January 2018

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*Evaluation carried out on behalf of the European Commission*



The evaluation was carried out by:  
Landis MacKellar – Team Leader

Contributions from:  
Ana Maria Femenia Garcia – Team Member  
Zehra Kacapor-Dzihic – Team Member  
Tino Smail – Team Member  
Lena Zezulin – Team Member  
Georg Ladj – Quality Control  
Ana Vilar – Backstopping  
Dominika Socha & Jana Bobokova – Evaluation  
Managers

The evaluation is being implemented by Particip GmbH (leader) and AETS and managed by the DG NEAR A4 Multi-annual Financing Framework, programming and evaluation unit.

The author accepts sole responsibility for this report, drawn up on behalf of the Commission of the European Union. The report does not necessarily reflect the views of the Commission.



# Country Report – Kyrgyzstan

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## List of acronyms

AAP	Annual Action Programme
ADB	Asian Development Bank
AF	Action Fiche
AM	Aide Memoire
ASW	Agency of Social Welfare
BS	Budget Support
CA	Central Asia
CCA	Commission on Child Affairs
CDS	Country Development Strategy
CfP	Call for Proposal
CS	Civil Society
CSO	Civil Society Organisation
CSP	Country Strategy Paper
DCI	Development Cooperation Instrument
DFID	UK Department for International Development
DG DEVCO	Commission's Directorate-General for International Cooperation and Development
DPCC	Development Partners Coordination Council
EAMR	External Assistance Management Report
EC	European Commission
EFIs	External Financing Instruments
EIDHR	European Instrument for Democracy and Human Rights
EPL	Extreme Poverty Line
EU	European Union
EUD	European Union Delegation
EUMS	European Union Member States
FCSD	Family and Child Support Department
FSPB	Food Security and Poverty Bulletin
FY	Fiscal Year
GBS	General Budget Support
GDP	Gross Domestic Product
GIZ	German Agency for International Cooperation
GMI	Guaranteed Minimal Income
GMLC	Guaranteed Minimal Level of Consumption
GoK	Government of Kyrgyzstan
ICGs	In-country Consultative Groups
IFS	Instrument for Stability
ILO	International Labour Organisation
IMF	International Monetary Fund
IP	Indicative Plan
JCSS	Joint Country Support Strategy
JR	Joint Review
KGS	Kyrgyzstani Som
KRDP	Kyrgyz Republic Development Partnership
M&E	Monitoring and Evaluation

MB	Monthly Benefit
MBLIF	Monthly Benefit for Low Income Families
MBPF	Monthly Benefit for Poor Families
MIP	Multi-Annual Indicative Programme
MoEdu	Ministry of Education
MoES	Ministry of Emergency Situations
MoF	Ministry of Finance
MoH	Ministry of Health
MoIA	Ministry of Internal Affairs
MoLSD	Ministry of Labour and Social Development
MSB	Monthly Social Benefit
MTBF	Medium Term Budget Framework
MTDF	Multi-Donor Trust Fund
NGOs	Non-Governmental Organisations
NSA-LA	Non State Actors-Local Authorities
NSC	National Statistical Committee
PEFA	Public Expenditure & Financial Accountability
PFM	Public Finance Management
RSFP	Response to Soaring Food Prices
RSP	Regional Strategy Paper
SDDs	Social Development Departments
SECO	Swiss State Secretariat for Economic Affairs
SIDA	Swedish International Development Cooperation Agency
SP	Social Protection
SPD	Social Protection Development
SPSP	Sector Policy Support Programme
TA	Technical Assistance
UMB	Unified Monthly Benefit
UN	United Nations
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
WB	World Bank
WG	Working Group
WHO	World Health Organisation



# 1 Introduction

## 1.1 Purpose of the country report

This report was prepared during the field phase of the evaluation. During the inception phase, the evaluation framework was developed, i.e. the EU's intended intervention logics of its support to social protection (SP) in partner countries were reconstructed and the Evaluation questions (EQs) were designed. During the desk phase, overall strategy and policy documents and selected project documentation were reviewed, an online survey to the EUDs was conducted and several stakeholders were consulted. The desk report outlined preliminary answers to the EQs and it proposed a list of countries to be visited in the field phase. From a long list of 45 countries and a shortlist of 14 desk case countries, 11 countries were selected for the field phase. The overall objective of the field visits is to verify preliminary findings to the EQs.

The field cases focus on the bilateral support provided in a given country, but also assess the complementarity and coherence with the major social protection (SP) programmes taking place in this country.

The outline of the country report follows the structure of the evaluation matrix to ensure a consistent and harmonised data collection approach. However, as EU interventions implemented under major SP programmes cover a variety of different topics, not every intervention is relevant for all the evaluation questions. This tailored case study approach ensures that resources are spent in an efficient way.

Therefore, the present country report cannot be considered a country evaluation but rather one of the inputs for the elaboration of the final report. The field cases allow for a detailed examination of certain elements at the Indicator and Judgement Criterion level and provide a picture of the EU support in different contexts. The report aims at providing country specific examples on a set of issues that are relevant for the worldwide exercise.

## 1.2 Reasons for selection of the country

The *Kyrgyzstan* country report has been selected for the following reasons:

- The country illustrates some specific challenges faced in the Central Asian region (including recent social and political upheavals).
- Kyrgyzstan is one of the top recipient countries of EU financial support in the area of SP in the DCI region.
- Kyrgyzstan is one of 11 participants in the global EU SPS programme
- The past Sector Budget Support programme is particularly interesting and was built on previous assistance provided under the food security thematic programme.
- Phase-out of budget support in SP is anticipated, with transition to support for integrated rural development.

The table below provides an overview of the main SP interventions implemented by the EU in the period 2007-2016.

Table 1 Interventions selected for the case study analysis

Financing instrument	Title	Implementation period	EU contribution (EUR)	Implementing partner(s)
<b>2007-2013</b>				
DCI-ASIE	SPSP Social Protection and PFM 2007	2007-2009	9,000,000	Partner Gvt
DCI-ASIE	SPSP Social Protection and PFM 2009	2010-2012		Partner Gvt
DCI-ASIE	SPSP Social Protection and PFM 2011	2012-2015	13,000,000 <sup>1</sup>	Partner Gvt
<b>2014-2020</b>				
DCI-ASIE	SPSP Social Protection and PFM 2014	2015-2017 <sup>2</sup>	30,000,000 <sup>3</sup>	Partner Gvt
EIDHR	Promoting, protecting and enforcing the rights of persons with disabilities	2014-2016	355,970	Save the Children Nederland
DCI-HUM	Stop Silence about Violence against Children	2014-2016	854,597	Regional Office of Danish Church Aid in Central Asia
DCI-Thematic	EU-SPS global programme	Since 2015	(no specific country allocation)	OECD + Finland + EU (but other donors involved as well)

Source: CRIS and Particip analysis in the field (2016&2017)

### 1.3 Context of the EU support

#### **Country context and national social protection system**

The Kyrgyz Republic is a lower-middle-income country and the second poorest country in Central Asia (GNI per capita of USD 1,170 in 2015). It ranks 120 out of the 187 countries in the UN Human Development Index. The country has experienced significant political and social instability since independence in 1991 with political and social upheavals in 2005 and 2010. The Kyrgyz Republic adopted a parliamentary system in 2011.

The financial crisis in Russia that started in 2014 and continues to date has had lasting negative effect on members of the Eurasian Union, including the Kyrgyz Republic. The decline in the value of the Russian rouble negatively affected the value of remittances sent home by labour migrants. In 2014 remittances dropped to 29% of GDP for the first time since 2009.<sup>4</sup> Labour migrants had to return home. The KGS was devalued multiple times. These adverse economic events further stressed the social protection system. However, the economy experienced resilience and growth in 2016.<sup>5</sup>

The social protection system in the Kyrgyz Republic is comprised of a mix of programmes inherited from the Soviet past and new programmes introduced since its independence. According to WB data, the Government of the Kyrgyz Republic (GoK) spent on average more than 2.5% of GDP on social assistance in 2014. Kyrgyzstan has a comprehensive legal coverage of SP involving 8 social security programmes anchored in national legislation

<sup>1</sup> BS and complementary support (TA)

<sup>2</sup> 2015-2017 were planned as a three-year phase out; now the phase out might continue to 2018.

<sup>3</sup> 26mil EUR BS and 4mil complementary support (TA)

<sup>4</sup> <http://thediplomat.com/2014/10/russia-sanctions-hit-central-asia-hard/>

<sup>5</sup> WB: "A Resilient Economy on a Slow Growth Trajectory" Kyrgyz Republic Economic Update No. 5, Spring 2017.

covering sickness (cash), maternity (cash), old age, employment injury, invalidity, survivors, family allowance and employment (ILO Report, p. 189). The current SP system includes: i) social insurance regulated by the Law of State Social Insurance first adopted in 1996 that includes pension security, funeral benefits and compensation for mandatory medical insurance; ii) social assistance with two target cash benefit programmes the Monthly Benefit for Low-Income Families with children (MBLIF), a means-tested programme, and the Monthly Social Benefit (MSB) paid to defined categories of individuals unable to work; and (iii) privilege benefits (compensations) for certain categories of citizens for transport, communications, energy, and medicine among other services (in 2010 privilege benefits were monetized by the government); iii) social services for vulnerable groups. The MSB is a cash benefit paid to individuals classified into 25 categories who are unable to work. Eligibility for this programme is not linked to welfare status. The key government policy document is the Country Development Strategy 2007-2010, successor to the National Poverty Reduction Strategy 2003-2005, which has been updated in 2009-2011.

Appropriate targeting of social assistance, particularly in MBLIF (which accounts for most social assistance expenditure) remains a concern, with substantial inclusion and exclusion errors. Some 70% of the labour force is in the informal sector or agriculture, making income determination difficult. The existing proxy means testing approach, based on land and livestock as well as consumer durables, is costly to implement and gives rise to moral hazard. One of the EU's conditions for the budget support in the review period is that targeting should improve on both the exclusion and inclusion error fronts. Also of concern is the tendency to expand categories of benefit recipients.

There is a recently adopted law on universal benefits for families with children (1 August 2017). Benefits are to be paid to families with children age 0 to 3, and to large families (three and more children) with children age 3-14. This will reduce social assistance targeting, but is evidence of strong commitment to support for families. This law is to be implemented in 2018.

A major area of institutional reform over the years has been in the area of child protection, where responsibility has been variously moved from ministry to ministry and from local to central level. The EU has supported reforms in this area. While there has been progress, there are still challenges in the form of the Ministry of Education's resistance to giving up its residential institutions, as well as in the public's clinging to Soviet-style ideas regarding the proper treatment of children in need of protection.

### ***EU cooperation***

EU-Kyrgyzstan relations date back to 1991. Since early 1990s, the EU has provided support first through the Food Security Programme, and then, since 2007, the EU has delivered support to Kyrgyzstan through the Development Cooperation Instrument (DCI). There was no country specific CSP/MIP until 2014. Prior to 2014, the EU cooperation strategy was (briefly) described in the Central Asia regional CSP and MIPs. SP has always been included as a focal sector in EU strategy documents, thus receiving strong attention and support. In the MIP Kyrgyzstan 2014-2020, the EU foresees to phase out its support in SP in the country. The current beneficiaries of poverty targeted cash transfers should transform into beneficiaries of income-generating activities of the *Integrated Rural Development sector that the EU plans to focus its interventions on.*

Table 2 *References to Social Protection in EU programming documents*

<b>Cycle</b>	<b>Relevant focal sector(s)</b>	<b>Related SP objectives</b>
<b>2007-2013</b>	CSP (Central Asia) Focal sector: <i>National sector reform policies, in agriculture and social protection.</i> <sup>6</sup> MIP 2011-2013: <i>Social protection reform and income-generating activities.</i>	MIP 2011-2013: <i>“To contribute to the development, implementation and monitoring of effective poverty reduction, improving living standards and ensuring access to social welfare services for the poor.”</i>
<b>2014-2020</b>	SP is dealt with under the CSP focal sector: <i>Integrated Rural Development.</i>	MIP: <i>“[Social Protection] As the EU will smoothly withdraw as leading donor from this sector, the programme intends to ensure that sustainable systems for the delivery of social services and management capacities are in place.”</i> <sup>7</sup>

Source: *Particip’s analysis of EU programming documents.*

EU support to SP in Kyrgyzstan was mainly provided through the Sector Policy Support Programme (SPSP) in Social Protection complemented with TA and PFM reform. SPSP started in 2007-2009 and was consolidated over the years (2009-2012 and 2012-2015). The programme is the successor of the Food Security Programme 2005-2006 and continues the traditional support through budget support in the Kyrgyz Republic. The goal of the SPSP is to support the government in modernisation and rationalisation of the SP system. In the framework of budget support, the GoK has adopted the Social Protection Development Strategy 2012-2014 and its Action Plan as well as the Optimisation Plan for the Management and Financing of Childcare Institutions for 2014-2016. The main key national partners are the Ministry of Finance (MoF), the reorganized Ministry of Labour and Social Development (MoLSD) and the Ministry of Education. Other stakeholders include the National Statistical Committee (NSC), the Ministry of Emergency Situations (MoES), the Ministry of Health (MoH), the Ministry of Internal Affairs (MoIA).

<sup>6</sup> This area is actually a sub-priority of the broader sector: ‘Reduce poverty and increase living standards in the context of the MDGs’.

<sup>7</sup> MIP 2014-2020: *“The EU has been a long standing partner of Kyrgyzstan in social protection, with EU interventions aimed at achieving structural reforms for the most vulnerable segments of population (women, children, disabled, poor families). While this support will come to an end, it is essential to prepare an appropriate 3 year exit strategy to consolidate achievements in the field of social protection supported under earlier budget support programmes, sustaining the key reforms and ensuring their continuity providing a link for further developments in the EU integrated rural development programme.”*

## 2 Findings

### 2.1 EQ1: Relevance

*To what extent has EU support to social protection responded to clear overall strategic objectives on social protection and to specific needs of partner countries, including problems of poverty, vulnerability and social exclusion?*

#### *Summary answer*

The support provided by the EU addressed several clear objectives: improving targeting of social benefits, increasing the poverty relief provided, improving child protection, reducing the population of children in residential facilities, and reducing the exclusion of vulnerable populations, especially the disabled. With respect to social benefits, EU supported improved methodologies and capacity building. With respect to child protection, likewise the EU provided significant capacity building and technical support for de-institutionalization. In terms of reducing exclusion, the EU effectively involved international and local NGOs to work with communities. All of this was done in the context of budget support involving effective policy dialogue with government and complementary TA.

#### **2.1.1 JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.**

The EU's support for SP has been provided to the country since the early 1990s and its objectives are reflected in regional strategy documents since 2007 and in the country strategy for 2014-2020. EU support has been consistent with the national policy framework based on the Country Development Strategy and other more specific documents, including the 2012 Child Code and the Optimization Plan (which was developed with strong technical assistance from both the EU and UNICEF). The EU SP strategy and APs were designed by involving governmental bodies, social partners, civil society and the business community. Given the nature of the aid modality (budget support and TA), the implementation of the programme was conducted in close coordination with the national government and its line ministries. EU support addressed country needs by emphasising on i) the optimization of residential facilities for children; ii) targeting of social benefits; iii) adequacy of social benefits; and iv) development of social services. These were the subject of extensive policy dialogue with the government. EU support also addressed labour migration concerns and its implications for child protection. The EU and Kyrgyzstan engaged in policy dialogue in regular Steering Committee meetings, despite two periods of political uncertainty after 2005 and 2010 that were marked by delays in the formation of new governments, lack of national consensus regarding political agenda and high staff turnover. The EU recognised institutional capacity constraints concerning legislative and regulatory framework, administrative and management structures, and technical skills, and each budget support was accompanied by complementary TA. The MoLSD was restructured several times and devolution issues (for instance child protection is now again the competence of the national government) added to the complexities that were to be addressed.

#### **2.1.2 JC 12 Needs and target groups clearly identified in the design of EU support.**

The provision of EU budget support is grounded in thorough analyses of the macroeconomic framework, sector policy, fiscal space and institutional environment. The EU addressed problems related to the budget formulation process (including performance-based budgeting) and assisted in assessing budgetary implications and overall fiscal impact and sustainability of reform choices.

In 2007-2013, EU support was targeted at families and children at risk of social exclusion, unemployed, children living in residential institutions, disabled adults and children, women living

in rural areas, single parents, elderly living alone and skipped generation families in the previous period. The current 2014-2020 programming period takes also ethnic aspects into consideration. One of the conditions for budget support is about targeting of social assistance, which was reported as improved the previous programming period, but improvement in the current period is not anticipated. Depending on how the new law on universal benefits (August 2017) will be adopted, targeting will likely be weakened.

The EU utilises national statistical economic and social data. The social protection indicators in the Financial Agreements are informed by this data. A detailed national database exists ([www.state.kg](http://www.state.kg)) and it offers a high level of data disaggregation. While there were some challenges with data collection and availability in the past, which has hampered the assessment of programme performance, most SPSP indicators are published once a year by the National Statistics Committee (NSC) in the Food Security and Poverty Bulletin. Some indicators are published monthly and quarterly. The main exception relates to the Monthly Benefits for Low Income Families with Children (MBLIF) and Monthly Social Benefits (MSB), which are the product of surveys. However, issues arose over reliability of some of the data and its consistency with data published by the WB and UNICEF. Besides, some key indicators related to the MBLIF and the MSB remained unreported since 2011. The SPSP 2011 included a statistics component in order to improve social protection national statistics and there has been TA to MoF to fill data gaps.

## 2.2 EQ2: Basic social protection

*To what extent has EU support to social protection helped to improve access to adequate social services and basic income for all, and in particular for those in need of protection?*

### *Summary answer*

EU support has provided technical assistance to develop better standards and practices for child protection, with reference to better practices in other countries. EU technical assistance also improved the capacity of staff engaged in child protection. EU support was critical in developing a plan for optimizing residential homes for children. In the area of basic income, the EU actively contributed to ongoing efforts to improve the two major basic income social assistance programmes in the country, with generally positive but mixed results. Together eligibility criteria have helped to address inclusion and exclusion errors, i.e. to improve coverage, but in raw numbers, coverage has been reduced. The average benefit, by contrast, has been increased. The general conclusion is that adequacy has been improved, but remains unsatisfactory.

### 2.2.1 JC 21 Social protection coverage and uptake extended / broadened with EU support.

Social protection coverage in Kyrgyzstan (pensions, social assistance, unemployment, maternity, etc.) is generally good, a heritage of the Soviet area. Nonetheless, there are serious challenges: benefits are inadequate (see EQ 6) and the targeting mechanism used leads to significant inclusion and exclusion errors. Proposals for reform of targeting have been rejected. Official coverage statistics must also be placed in the context of a largely rural, mountainous country in which 70% of the workforce is either informal or agricultural. The main problems identified in the 2012-2014 Social Protection Development strategy (SPD) are the insufficient financial support to poor families due to low benefit values and low coverage of social benefit programmes, including pensions, and the lack of social services for vulnerable families and children, the disabled and the elderly. EU support did not cover unemployment, sickness and health care, work accidents, employment related injuries, disability, old age, disability, survivor's insurance, and other aspects of social insurance, which have been the target of World Bank TA. Instead the EU strongly supported improvements in the two main social

assistance programmes, the MBS and MBLIF, resulting in better targeting despite remaining problems. Coverage has not necessarily broadened; it has rather improved. An area strongly supported through policy dialogue and TA has been child protection. A key milestone was the inclusion of child protection into the overall social protection system. For instance, AAPs 2010 and 2011 included as a condition the adoption and implementation of an optimisation plan for residential institutions. As a result, the MoSP was reorganised into the Ministry of Social Development (MoLSD) including the Department of Child Protection and the Department of Social Assistance. Further reorganization resulted in the formation of the MoLSD. There is still significant fragmentation of responsibilities, as well as public resistance, to de-institutionalisation, but significant progress has been made with EU technical assistance contribution.

### **2.2.2 JC 22 Universal access to adequate health services put in place / strengthened with EU support.**

Kyrgyzstan inherited a Soviet health system with reasonably universal access, however, this has deteriorated both in terms of quality of care and access, especially in remote regions. According to the ILO the estimate of health coverage as a percentage of total population was 83% in 2001 and public health care expenditure amounted to 3.83% of GDP in 2012. According to the WHO total expenditure on health reached 6.5% of GDP in 2014. According to the ILO 98.3% of live births were attended by skilled health staff and maternal mortality rate (modelled estimate). As is typical of post-Soviet health systems, particular attention is given to maternal and child health. Out of pocket expenditure in constant USD per capita has decreased from 16.6 USD per capita in 2007 to 12.8 USD per capita in 2011 (ILO). The EU did not provide support to the health sector.

### **2.2.3 JC 23 Access to basic income security strengthened with EU support.**

There are two targeted cash benefit programmes in the Kyrgyz Republic: the Monthly Social Benefit (MSB) provided to defined categories of individuals who are unable to work and the Monthly Benefit (the former Unified Monthly Benefit - UMB) for Families with Low Income (MB also MBPF or MBLIF) which consists of cash benefit for individuals from the poorest families with children who are unable to support themselves. These programmes represent the bulk of social assistance spending. The MBLIF is the main poverty reduction programme aimed at addressing the gap between the per capita aggregate income of family members and the poverty line, known as the guaranteed minimal income (GMI). The MSB is a cash benefit paid to defined categories of individuals unable to work. The EU has strongly contributed to the modernisation and rationalisation of these programmes.

One of the main weaknesses of MBLIF and MSB programmes was their targeting system. The EU has supported efforts to reduce inclusion and exclusion errors. In 2013, new criteria were introduced for determining eligibility and enhancing the targeting of benefits. Systems were also computerized at the rayon/district levels to improve monitoring and adjustment of programmes. Yet, despite significant improvements, more needs to be done. The MoLSD report considerable corruption in the implementation of the programme. The WB has proposed a proxy means test approach, based on a point system, but this has been rejected. There is communication between the WB and EU teams, but the technical approaches taken are currently different.

In addition to MBLIF and MSB programmes, the Kyrgyz Republic inherited from the past the system of privileges. Before 2010, 38 categories of the population were entitled to subsidies and in-kind assistance such as free transportation, discounted utility bills, free medicines, etc. In 2007-2010 the system was reformed/monetised and replaced by the program of cash compensations paid to 25 groups of beneficiaries. This reform has resulted in better

transparency of expenditure and increase in social assistance spending. Overall, the number of beneficiaries receiving such compensations has been reduced over 2013 and 2014. There are efforts to reverse this process and to expand the categories covered. Parliamentarians and CSOs have made frequent suggestions to include more groups, such as survivors of the Batken violence and Soviet era political party advisers in Afghanistan

#### **2.2.4 JC 24 Gender inequalities in social protection coverage reduced.**

While gender is included as a cross-cutting theme under SP SPSP, the gender dimension has not been an explicit dimension. The AAP 2010 reports serious gender considerations to be considered by the programme regarding the reforms led by the ASW. According to data provided by the AAP 2010 fewer than 5% of female-headed poorest families receive social benefits. However, the programming document does not explain how these gender challenges are going to be overcome. Maternity coverage is in place but presumably only covers women with formal labour contracts. References to the participation of women in the design and implementation of programmes do not exist. The only mention is found in the MIP Kyrgyzstan 2014-2020 that gives particular importance to gender as a cross-cutting issue within the focal sector Integrated Rural Development, which now includes social protection issues. The new programming refers to the empowerment of women to increase their capacity to manage income schemes and participate in the development process.

### **2.3 EQ3: European approaches and policy dialogues**

*To what extent has EU cooperation with partner countries and participation in policy dialogues in the social protection field promoted European and international principles and values in that area?*

#### *Summary answer*

EU engagement promoted a number of social protection values: inclusion of the disabled, the right of every child to a family home (and if that is not possible as a last resort an improved institutional setting), the need for adequate social assistance to the vulnerable and a rights-based approach to social assistance.

#### **2.3.1 JC 31 EU support to social protection coordinated with MSs**

As mentioned under EQ8, a donor coordination mechanism, the Development Partners Coordination Council (DPCC) was first established in 2004 in order to strengthen coordination among major donors. Initially the DPCC was financed by WB, DFID and the Swiss Cooperation Office. Today the group gathers 22 members including observers. A DPCC Working Group (WG) on Social and Child Protection is co-chaired by EU and UNICEF and meets regularly. This coordination structure has facilitated the conduct of joint reviews and joint policy analysis. The Working Group on Child Protection, for example, worked together on behalf of recent amendments to the Child Code. The EU also participates in ad hoc coordination processes in the sector of social protection. References to EU MS are not frequent in the field of social protection, but coordination appears to work well. Programming documents refer generally to major donors including the most active MSs in development cooperation in the country: DFID and GIZ. In 2008 the EU along with Sweden and Germany engaged in the elaboration of a Joint Country Support Strategy (JCSS) 2007-2010. The EU also contributes with EUR 2.8 million to the PFM Multi-Donor Trust Fund (MDTF), a joint initiative of the Swedish International Development Agency (SIDA), the Swiss Development Cooperation, DFID, and the World Bank (WB).

### **2.3.2 JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection**

European principles have been projected with the EU's support for social protection, and particularly social assistance and child protection reforms designed to reach those most in need. Goals and the Social Protection Strategy developed with EU support fully reflect EU goals and objectives. Coordination with other donors including MSs and international institutions has been excellent, and policy dialogue with government has been ongoing and consequential. Between 2007 and 2013 there is evidence of dedicated resources in the EUD (one person) specifically responsible for social protection issues.

### **2.3.3 JC 33 EU effectively participates in global policy dialogues on social protection**

*JC not covered by the analysis at case study level.*

## **2.4 EQ4: Social partners and civil society**

*To what extent has EU support contributed to successfully involving the social partners and civil society, including the private sector and local authorities, in policy development in the social protection field?*

### *Summary answer*

Civil society was very involved in social protection in Kyrgyzstan and EU support through direct grants and indirect engagement has been very successful in this regard. Local Authorities have also been heavily involved in SP reform (especially as regards children) through the decentralization dimension, although considerable fragmentation and institutional confusion continues. Much less is known about the involvement of social partners (trade unions and employers' organisations), and nothing whatever has been learned about involvement of the private sector.

### **2.4.1 JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection**

The GoK considers CSOs key partners for the implementation of social protection reforms. Since 2010 they have participated in coordination meetings hosted by national authorities. EU budget support has created the necessary conditions to foster CSO-GoK dialogue. For instance, CSOs have participated in the technical working group in charge of the elaboration of the Strategy for the Development of Social Protection of the Population of the Kyrgyz Republic for 2012-2014. Their participation has been essential for a shift in the way that social protection is conceived and as a result the MoLSD has decided to create public-private partnerships aimed at enhancing basic services. The EU has promoted national social dialogue between the government and CSOs through joint work on the sector strategy, their involvement in monitoring the implementation of the SPSP and the introduction of government-NSA contracting out mechanism for the provision of social services. However, as they have become increasingly involved in SP, serious capacity weaknesses in CSOs have emerged. No information specific to trade unions and employers' organisations has been found.

### **2.4.2 JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms.**

EU Programmes focus on central government, thus the EU has only advocated for the involvement of LAs in design, delivery and monitoring of SP services to a limited extent.

Nevertheless, the EU has strongly supported a decentralization process in the field of child protection in order to strengthen coordination and provide more targeted services. As a result, Family and Child Support Departments were established in 2007-2008 at rayon and municipal level to provide social services to vulnerable families. From 2011, these Departments were merged into social service departments. The new MIP 2014-2020 recognizes the crucial role of local authorities in the implementation of development programmes, particularly in the poorest areas of the country. Therefore, the increase of LAs' capacity has been included as a priority in the new programming.

The EU has strongly advocated for the involvement of CSOs in the design, delivery and monitoring of social protection services. In the framework of BS CSOs have been involved in the elaboration of the national Social Protection Strategy. In the programming for 2014, the EU includes the strengthening of CSOs capacity as a specific objective in view of phasing out EU support to the SP programmes. In 2006-07, the Ministry of Labour and Social Development drafted a Law on Purchase of Social Services (2008). The law allows outsourcing of the provision of certain social services to nongovernment providers on a contractual basis. The MoLSD outsourced the implementation of seven 'pilot' social services under the Social Services Action Plan 2014-2016 to NGOs/CSOs but CSOs capacity has proven to be very limited for the design and provision of services.

No information related to the private sector has been found.

#### **2.4.3 JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU.**

In the framework of budget support, CSOs were involved in the elaboration of the Strategy for the Development of Social Protection of the Population of the Kyrgyz Republic for 2012-2014. Their participation triggered a shift in the way that social protection is conceived. Besides, CSOs were consulted during the implementation of the Optimization Plan for the management of child care institutions. Moreover, the CSOs have actively participated in the definition of EU priorities in the field of social protection. CSOs also participate actively in providing services and advocacy to marginalized groups, such as internal migrants and their children. See also JC 41.

## **2.5 EQ5: Social protection systems**

*To what extent has the EU supported the putting in place of sustainable social protection systems?*

### *Summary answer*

EU support can plausibly be called systemic in the case of child protection. There have been major institutional reforms and shifting of responsibilities, all for the better. While there are still institutional issues to be sorted out, it is probably safe to say that these improvements are sustainable. The reform of social assistance payments by the EU may be more questionable, because the basic contribution was to improve targeting, and there is some evidence that the government is moving away from targeted approaches. Important EU support to PFM (part of it through a MDTF) has assisted government to improve audit function and keep better track of the fiscal envelope, an important contribution.

#### **2.5.1 JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially.**

The SPSP is accompanied by TA complementary measures to support the Government to implement its social development strategy, manage its budgetary resources, monitor

performance, and ensure transparency and reporting. TA teams have been embedded in the MoF and the MoLSD in order to support the implementation of the SPSP and provide policy advice and skill development in PFM and social protection. Additionally, TA has also been provided to the PFM Action Plan 2012-2015 under a Multi-Donor Trust Fund (MDTF) since 2012, co-financed by the EU, DFID and SECO.

The EU has strongly and continuously supported the rationalisation and modernisation of MBPL and MSB schemes in order to increase the beneficiaries and the level of benefits. Overall, the targeting system has substantially improved, reducing inclusion and exclusion errors. According to the EPRD Final Report 2013-2014 the level of benefits has increased but the coverage have narrowed because of the new and stronger eligibility criteria introduced by the government. This has been a means not only of improving targeting but respecting budgetary constraints. EU TA contributed strongly to this.

Despite difficulties, progress has been registered in budget allocations, internal audit, child protection and the rationalisation and modernization of social assistance programmes. There have been many legislative and regulatory improvements. The fragmented management structure has been addressed. Yet, human capacity at line ministries remains weak. Governance is explicitly included in the SPSP as a cross-cutting issue. Significant milestones in this regard include the development of the internal audit system, the adoption of a Medium Term Budget Framework (MTBF) and the development of a new MoF with an “Open Budget” portal in 2012.

### **2.5.2 JC 52 Nationally defined social protection floors promoted.**

*No information was found.*

### **2.5.3 JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered.**

Fiscal implications have been thoroughly analysed; see JC 52. In the social assistance area, eligibility criteria and benefit levels have been calibrated to stay within budgetary limits. Regarding sustainability there are different opinions. According to the Survey to the EUD to Kyrgyzstan, EU support has highly contributed to sustainable improvements in the overall country's social protection system. Improvements can be associated with the SPSP with budget support conditions and technical assistance. However, the EPRD Final Report 2013-2014 highlights that significant progress was made in the SP policy framework up to 2011 but achievements have not been sustainable due to the lack of consensus and long-term vision. It has to be noted that the new SPSP programme launched in 2014 aims at phasing out EU support to the sector and addressing poverty issues through integrated rural development. This may endanger previous commitments to better targeting and de-institutionalization.

### **2.5.4 JC 54 Government social protection programmes consolidated and rationalized where necessary**

Government social protection programmes have been consolidated and rationalized where necessary. EU support has contributed, through the SPSP, to put in place new institutions supporting a more effective and integrated protection system that protects a substantial number of poor families and children. With EU support the Government has developed the “Country Development Strategy 2009-2011,” the “Social Protection Development Strategy 2012-2014,” and the “Optimisation Plan for the Management and Financing of Childcare Institutions for 2014-2016.” The former Agency of Social Welfare (ASW) was substituted by a Ministry of Social Protection (MoSP) established in 2011 and again reorganised into the Ministry of Social

Development (MoLSD) including a Child Protection Department and a Social Assistance Department. Subsequent reform resulted in a Ministry of Labour and Social Development. Regarding child protection, Child Support Departments were established in 2007-2008 at rayon and municipal level that later were merged into social service departments subject to the Ministry. Finally the Family and Child Support Unit was separated from the unit dealing with the disabled and the elderly. Debate about the appropriate role of local government continues. Despite some improvements, the EPRD Final Report 2013-2014 concluded that coordination between ministries has only marginally improved. The lack of consensus, coordination and long-term vision has jeopardized the transition towards a more integrated and sustainable SP system.

For the most part the government's social protection strategy – which means mostly its social assistance strategy, since social assistance comprise 90% of social protection in Kyrgyzstan, is oriented towards improved targeting of specified groups, not universality. A great deal of effort has been put in to improvement the targeting system of the main social assistance programme (MB/MBPF). A recently adopted (1 August 2017) universal benefits law for children would eliminate the need to target child benefits, but would have significant fiscal impacts and reduce the anti-poverty impact of social assistance generally.

## 2.6 EQ6: Social exclusion

*To what extent has EU support to social protection contributed to reducing social exclusion and, finally, poverty?*

### *Summary answer*

Data indicate that poverty has actually increased, in spite of overall improvements in social assistance policy and delivery of services. The EU support, however, contributed to improved social protection in the troubled political and economic context and likely prevented a steeper decline. Government SP policy did not focus on social exclusion, apart from the strong emphasis on child protection, as much as it did on poverty. However, many of those benefiting on the basis of poverty were also socially excluded. In the case of children in need of protection, it must be clearly stated that EU support contributed very strongly to improvements in the level and effectiveness of protection and to de-institutionalization.

### 2.6.1 JC 61 Social protection as a human right promoted at all levels

References to the rights-based approach are only found in the new MIP 2014-2020. That said, one of the main SPSP achievements has been the inclusion of child protection in the social protection system thus incorporating a rights-based approach.

### 2.6.2 JC 62 EU support addresses concerns about excluded populations.

EU support addresses concerns about excluded populations. The SPSP targets the poorest layers of the population, families and children at risk of social exclusion, unemployed, children living in residential institutions, disabled adults and children, women living in rural areas, single parents, elderly living alone and so-called “skipped generation” families resulting from labour migration. It also includes gender as a cross-cutting issue. Social exclusion has been one of the most important thematic areas of EU support to social protection between 2007 and 2013. Also important for addressing the concerns of excluded populations is strengthening the NGOs that advocate for them. The NGO and CSO sector in the Kyrgyz Republic is one of the strongest in Central Asia. CSOs with capacity and experience to implement childcare services are nonetheless limited and scarce. The Law on Social Procurement adopted in 2017 should strengthen their ability to engage in social contracting. There are CSOs that provide important advocacy to the most vulnerable populations (for example the advocacy on behalf of internal labour migrants who lack legal documentation and whose children are therefore excluded). The

strengthening of the relevant CSOs' capacity has been included as an expected result in the MIP 2014-2020.

### **2.6.3 JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage).**

There are generally insufficient data to estimate trends over time. According to the Survey to the EUD to Kyrgyzstan the targeting of social benefits and adequacy has improved. The estimated average size of [MBLIF] benefits for beneficiaries has risen from KGS 210 in 2009 to KGS 298 in 2010, KGS 340 in 2011, KGS 405 in 2012, and KGS590 in 2013. However, despite significant improvements the, MB/MBLIF targeted social assistance programme has been considered inadequate as a safety net and insufficiently pro-poor.

Social protection accounts for a substantial share of GDP. Total public social protection and health expenditure as a proportion of GDP has increased from 1990 (8.65%) to 2012 (9.58%). Total public social protection expenditure excluding health care accounted for 5.75% of GDP in 2012. Public social protection expenditure for older persons reached 1.54% of GDP in 2010. Public social protection expenditure for children amounted to 0.33% of GDP in 2010. According to WB data, public spending on Social Assistance Programmes (cash transfers) amounted to 2.5% of GDP in 2014.

## **2.7 EQ7: Modalities**

*To what extent has the approach (financing instruments, modalities and channels) employed by the EU been appropriate and efficient for strengthening social protection in partner countries?*

### *Summary answer*

Budget support, as deployed in Kyrgyzstan, has been extremely effective. This is due to the quality of policy dialogue with government and the abundance of quality TA delivered with reasonable efficiency. While DCI geographic bilateral was overwhelmingly the main instrument, other instruments – notably EIDHR, IcSP, and the NSA-LA thematic instrument, were effectively deployed. While their capacity remains limited despite capacity building measures, CSOs were well involved at both national and decentralized levels in policy formulation and service delivery.

### **2.7.1 JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context.**

The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context.

EU programming documents contain a subheading regarding budget support as being the best aid modality. One of the main lessons learnt from the implementation of this aid modality over the years is that BS plus TA is the right approach to deliver development aid when basic conditions regarding government commitment and adequate PFM are met. Improvements registered in the SP system can be associated with the SPSP with budget support conditions and TA. Furthermore, budget support has enhanced the quality of EU-GoK dialogue and boosted EU status as a reliable partner. Continuation with budget support has been considered the right choice for supporting SP programming in 2014.

Ownership by national stakeholders of social protection was rated high by the EUD at the beginning and at the end of the period under evaluation, as well as in 2016. Overall, although with difficulties, the Government has been highly committed to the modernisation and rationalisation of its social protection system – this during a period that saw a revolution, domestic discord, a new Constitution and multiple elections. There were also reorganizations of relevant Government agencies. While the EPRD Final Report 2013-2014 states that “*there is*

*no clear commitment to adequate provision of an effective safety net to contain poverty while promoting systems to promote incomes and reduce dependency, nor of deinstitutionalizing vulnerable children and supporting a swift transition to individual child centred solutions less damaging to child development,”* the activities of the Government in subsequent periods do indicate a desire to focus on poverty relief as a major objective. The high level discussion of both optimization of children’s homes and improvements in social protection indicate a focus not only on income but also on exclusion and social services. Indeed, even the recently enacted law on universal benefits, while it can be criticized as potentially reducing targeting, is evidence of significant anti-poverty commitment.

### **2.7.2 JC 72 EU financed interventions in the social protection field are mutually reinforcing.**

EU financed interventions in the social protection field are mutually reinforcing. The SPSP was first financed under the Food Security Thematic Programme (AAP2007). Since then it is being funded under the DCI for Central Asia, bot geographic and thematic (e.g., NSA-LAs), with good mutual reinforcement. Among non-DCI instruments involved have been EIDHR and the IFS. Complementarity with other donors has been good. The social protection sector is mainly supported by the WB through the computerization of the benefits system and the UNICEF through the child protection reform. The programme also has synergies with the MDTF to support PFM reform funded by several donors (e.g. SIDA, WB, DFID, and EC) and budget support to support implementation of various reform policies provided by the WB and the ADB. Other complementary actions in the sector involve: USAID support to several social sector ministries including the MoLSD and the amendment to the Law on Social Order that allows to contract CSOs for services; GIZ assistance in the reform of the Medical Social Expert Commissions that determine the rights of the disabled to benefits and the training for outreach staff and the computerization of social passports; and the EU projects “EU Response to Soaring Food Prices (RSFP) programme,” “enhancement of living standards and rural development in Kyrgyzstan,” and “Support to Civil Service Reform in the Kyrgyz Republic.”

### **2.7.3 JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored.**

EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored

Most frequent delays relate to late disbursements of instalments, chiefly due to political developments occurred in 2010, lack of compliance with budget support general and specific conditions, and late implementation of strategies. Non-compliance with general and specific conditions usually led to partial payments or their postponement. Yet, according to the EPRD Final Report 2013-2014 non-fulfilment of conditions should have resulted in withdrawal of the instalment or even the suspension of BS operations.

SPSP implementation was strongly supported through TA and PFM reforms to enhance the capacity of main national partners involved. Yet, despite improvements mainly at rayon/municipal level, capacity remains weak at both the centre (MoSP) and NGOs.

The SPSP M&E system includes a Steering Committee chaired by the MoF with representatives of line ministries and the EC; a Technical Assistance team in charge with monitoring, reporting and support to the GoK for the implementation of the Programme; Joint Reviews with the GoK (JR) to assess the state of compliance with conditions and indicators performance; PEFA assessments; and performance evaluations for fixed and variable instalments. Overall, monitoring and evaluation has been essential to identify weaknesses and implement new measures. The SPSP has delivered a lot of resources to improve national

statistics and strengthen the government's capacity on policy monitoring and evaluation. It has pushed the government to put in place a monitoring system but according to the EPRD Final Report 2013-2014 it lacks credibility and resources.

## **2.8 EQ8: Coherence, coordination, added value**

*To what extent has EU support to social protection been coherent with other EU sector policies and to what extent has it added value to the EU Member States' and other donors' interventions?*

### *Summary answer*

The EU added value in Kyrgyzstan essentially through the availability of the budget support modality, which (i) allowed substantial sums to be deployed on a predictable basis, (ii) allowed alignment with government priorities mediated by effective policy dialogue, and (iii) opened the avenue to European TA. As the EU essentially supported social protection reform, there was good complementarity to World Bank support to social insurance. The major policy SP coherence issue in Kyrgyzstan had to do with migration, and here the EU's substantial contribution to child protection reform linked directly to the EU's concern to deal with the social consequences of migration.

### **2.8.1 JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs.**

Specific coordination mechanisms have been established with a division of labour among major donors such as the Development Partners Coordination Council (DPCC) with 22 members including two active EUMS and a DPCC Working Group (WG) on Social and Child Protection co-chaired by the EU and UNICEF; a technical task force headed by the MoF to lead and guide the PFM reform; a MDTF supported by SIDA, DFID, the Swiss Development Cooperation, the WB and the EU. Coordination in SP appears to have been good Programme documents refer generally to major donors including the most active EUMSs in development cooperation in the country: DFID and GIZ.

SU support to SPSP has been key to leverage national funds. The EU also contributes to the MDTF led by the WB and other donors supporting the PFM reform which undoubtedly complements the implementation of the SPSP.

### **2.8.2 JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment).**

*No information was found.*

### 3 Key overall findings

The Republic of Kyrgyzstan has undergone a great deal of instability and change in the reporting period: a Revolution, changes in government, internal violence, internal and external migration, financial crisis and currency devaluation. The social protection of the vulnerable has been very challenging in these circumstances. Nonetheless, **significant progress has been made, with EU support, particularly budget support combined with complementary TA** and excellent policy dialogue despite frequent changes of government. Kyrgyzstan has undertaken an ambitious agenda of achieving a European approach of care to the vulnerable and excluded in society.

This has included continued attempts to **improve the coverage and adequacy of its social assistance system** – which accounts for 90% of all social protection expenditure. There has been improvement overall, but the picture is mixed. Tightened eligibility criteria have improved targeting (while reducing the number of beneficiaries) and the level of benefits, while still broadly held inadequate, has increased. “Privileges” have been monetized and the number of classes of persons eligible reduced.

Particular attention has been to improvement in the legal and institutional status of child protection. The new Child Code of 2012 is praised on all sides, even as some issues remain to be resolved. The institutionalization of children is recognized as a terrible tragedy and steps are taken to develop alternative approaches to addressing the needs of children and families in difficult circumstances.

At the same time, there is institutional resistance to de-institutionalization and parental demands for children to be placed in institutions remains high. The consolidated structure of the MoLSD is better for child protection than the previous fragmented approach. Improvement in the training and systems of the MoLSD have been significant.

All of this progress has benefited from a contribution directly attributable to consistent EU support, including budget support and technical assistance in the development of the Optimization Plan for children’s facilities.

**Sustainability of reforms is mixed.** In the case of child benefits, it appears that targeting is in the process of being abandoned through the adoption of a universal benefit for families with children, which has led to fears of fiscal impact as well as the weakening of targeting overall.

## 4 Annexes

### 4.1 Evaluation Matrix: Indicator level information

#### 4.1.1 EQ1

#	Indicators	Evidence
<b>JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.</b>		
I-111	Objectives of EU support respond to clear overall strategic orientations on social protection	<i>See the analysis carried out at the global level in the main report of the evaluation.</i>
I-112	Objectives of EU support aligned to national SP policy framework	<p>There was not a specific CSP/MIP for Kyrgyzstan until 2014. Between 2007 and 2013, an EU country strategy for Kyrgyzstan did not exist. EU priorities were briefly mentioned in the following documents: the Central Asia Indicative Programme 2007-2010, the Regional Strategy Paper for Assistance to Central Asia 2007-2013 and the Central Asia Indicative Programme 2011-2013. For the period 2014 – 2020, there is a MIP for Kyrgyzstan, which plans the phase out of EU support to SP and announces future emphasis on support for integrated rural development sector.</p> <p><i>Source: Analysis of: Central Asia Indicative Programme 2007-2010, RSP for Central Asia 2011-2013, Central Asia IP 2011-2013, MIP Kyrgyzstan 2014-2020.</i></p> <p>Kyrgyz authorities are still to define a clear and coherent political and economic programme, mainly as a result of delays in the formation of the new Government and a clear lack of consensus between the main leaders. (Remark: this is no longer valid).</p> <p><i>Source: Regional Strategy Paper CA 2007-2013, p. 48.</i></p> <p>In relation to the Government of Kyrgyz Republic (GoK) the Sector Policy Support Programme (SPSP) Kyrgyzstan 2007-2009 in Social Protection and Public Finance Management is consistent with the Country Development Strategy 2007- 2010 (CDS), the rolling three-year Medium Term Budget Framework and the Plan of Action for PFM reforms. This initiative has full government support and donor agreement.</p> <p><i>Source: Action Fiche N°1 2008, p. 2.</i></p> <p>The Country Development Strategy 2009-2011 was approved by Presidential Decree No.183 of the 31st March 2009. The document updates the original CDS 2007-2010, approved by the President on the 16th May 2007. CDS 2009-2011 fully reflects the policy agenda supported by the EU.</p> <p><i>Source: Annual Action Plan 2010, p. 13</i></p> <p>EU support to social protection is aligned and reflect country's needs in both the previous and current programming periods. The SPSP is aligned with the country SP strategy.</p> <p>The GoK has been highly involved in defining priorities for EU support to social protection between 2007 and 2013. The EU programme is aligned with the country priorities expressed in the sector strategy adopted by the government</p> <p>Main topics of EU-GoK policy dialogue are: i) optimization of residential facilities for children; ii) targeting of social benefits; iii) adequacy of social benefits; and iv) development of social services The EU TA is addressing all of these matters.</p> <p><i>Source: Survey to the EUD to Kyrgyzstan, 2016 and field mission interviews.</i></p> <p><i>It is essential for the sustainability of the EU assistance that continuity and building on the results already achieved are ensured. Support to reforms is expected to continue, including through the setting of an appropriate strategic policy agenda for social protection reforms by the authorities.</i></p> <p><i>Source: CA DCI Indicative Plan 2011-2013, p. 37.</i></p>

#	Indicators	Evidence
		<p>In light of the phasing out of EU support to SP the programme intends to provide links to future interventions in the focal sectors for Integrated Rural Development (IRD) and Education. [...] Poor and vulnerable people in rural/remote areas who are at the moment beneficiaries of poverty targeted cash transfers will be included as beneficiaries of income generating activities in the Integrated Rural Development sector.</p> <p><i>Source: Annual Action Plan Kyrgyzstan 2014, p. 10.</i></p> <p>Policy dialogue is regularly undertaken by the Delegation primarily around the current SPSP, in the form of ad hoc meetings and at least twice a year during the programme Steering Committee meetings.</p> <p><i>Source: Annual Action Plan Kyrgyzstan 2014, p. 10.</i></p>
I-113	Design of EU support based on participatory approaches involving partner key national institutions (MoF, Central Banks), social partners and civil society	<p>Kyrgyzstan's Country Development Strategy 2009-2011 was approved in May 2009, after consultations with governmental bodies, civil society, donors and the business community.</p> <p><i>Source: CA DCI MIP 2011-2013, p. 37.</i></p> <p>Between 2007 and 2013, social partners (trade unions and employers' organisations) and civil society were highly involved in defining priorities for EU support to social protection. Civil society actively participating in the development of the social protection strategy and action plans.</p> <p><i>Source: EUD survey</i></p> <p>Extensive stakeholder consultations have taken place during the second half of May, also in the frame of the (simultaneously conducted) Joint Economic Assessment Mission and the EU Independent Review, during which the present AF was defined and prepared.</p> <p><i>Source: Annual Action Plan 2010, p. 16.</i></p> <p>CSOs were consulted during the implementation of the Optimization Plan for the management of child care institutions<sup>8</sup>. A joint study visit and training program was organized for line Ministries and CSOs involved in child protection issues. The visit resulted in the creation of a solid group committed and able to contribute with relevant expertise to the reform process.</p> <p><i>Source: Analysis EAMR 2013.</i></p> <p>A Strategy for the Development of Social Protection of the Population of the Kyrgyz Republic for 2012-2014 has been elaborated by an inter-ministerial working group with the support of the Delegation and has been adopted in November.</p> <p>[...] The Delegation considers the development of the Strategy a major step forward, for the policy directions taken but also in terms of the process undertaken which has considerably strengthened the role of the civil society in the country.</p> <p>The technical working group has adopted a highly participatory methodology allowing different civil society actors to voice their views so as to integrate their opinions and proposals.</p> <p><i>Source: Analysis EAMR 2011.</i></p> <p>The Delegation is in frequent contact with NGOs in the field, in different occasions and receives their feedback on the ongoing and upcoming actions.</p> <p><i>Source: Analysis EAMR 2011.</i></p> <p>Non-State Actors: Intense and close relations continue with NSA in consultation, debate, project implementation, monitoring, Del participation at events, covering social sectors, human rights, governance.</p> <p><i>Source: EAMR 2010, p. 13.</i></p> <p>The SPSP 2007-2009 was supported by a resident technical assistance team in the Ministry of Finance. The team supports the Government of Kyrgyzstan with the implementation of the SPSP and provides policy advice and skill development in areas of public financial management and social protection.</p> <p><i>Source: Annual Action Plan 2010, p. 15.</i></p>

<sup>8</sup> Optimization Plan on the managing and financing of residential institutions 2013-2016

#	Indicators	Evidence
I-114	EU support to SP addresses emerging EU policy concerns such as migration, refugees, and security	<p>EU support addresses migration concerns because labour migration is a major factor in the social stresses placed upon children and families. Migration – external and internal - is a constant presence in all social protection needs. Kyrgyzstan’s decision to join the Eurasian Union has resulted in some easing of procedures for external labour migrants and migration is therefore increasing; the result is that over 11% of children have one or both parents as labour migrants. Children are frequently left in the care of grandparents (resulting in the ‘skipped generation’ households), other relatives, or friends. There are many instances of children coming to be in residential facilities because they have been thus abandoned. It should be noted that fully 95% of non-handicapped children in residential facilities have at least one living parent. The EU’s deinstitutionalization efforts address this. Internal migration similarly presents challenges to families, and they are in need in a different city often without appropriate paperwork to initiate social benefits or other services for their children, such as education. EU supported NGOs engaging with internal migrants.</p> <p><i>Source: Field mission interviews</i></p>
<b>JC 12 Needs and target groups clearly identified in the design of EU support</b>		
I-121	EU-supported interventions based on sound analyses of opportunities (including fiscal space), and problems and barriers (including in terms of institutional environment) to achieving universal access to social protection	<p>Overall, EU social protection programme documents provide a good analysis of country problems and needs. For instance, SPSPs contain a detailed analysis of the 7 key areas for assessment: macroeconomic framework, the sector policy and overall strategic framework, the budget and its medium-term perspectives, PFM system, sector and donor coordination, system performance monitoring and institutional and capacity issues. They also provide a rationale and context analysis describing the country situation and main challenges.</p> <p>Institutional and organisational capacity constraints have been an obstacle to reform in the Kyrgyz Republic. The advent of a new government was accompanied by many changes in senior and middle management in key ministries and agencies and reorganization of agencies, which could affect continuity. The EU and other donor organisations stand ready to assist the Government of Kyrgyzstan in enhancing institutional capacity.</p> <p>Capacity constraints range from shortcomings in the legislative and regulatory framework, lack of administrative and managerial professionalism, and shortfalls in crucial technical skills. A telling example can be found in the social protection sector, where was previously fragmentation in the management structure in place in the Agency of Social Welfare and the Ministry of Labour, Employment and Migration. ASW was responsible for social cash transfers and services to elderly and people with disabilities (see above 2.2.2), while the Child Protection Department (CPD) managed social services to children at risk.</p> <p><i>Source: AAP 2010, p. 9.</i></p> <p>The recent Government reorganization has streamlined child protection. See additional discussion in I-542 below.</p> <p>The Government of Kyrgyzstan has a successful track record in the implementation of European Union budget support programmes. The institutional capacity of the Ministry of Finance to carry out reforms of the complexity entailed by the proposed programme is adequate. As far as the former Ministry of Social Protection is concerned (now MOLSD), there was a need for capacity development on policy implementation, monitoring and evaluation to guarantee an effective roll out of the reform process. This was particularly the case for the regional and local branches, where lack of technical expertise in social work and case management was an important constraint.</p> <p><i>Source: AAP 2011, p. 4.</i></p> <p>The TA provided as part of 2007-2013 Budget Support and as part of the current program has addressed these capacity issues.</p> <p>Other positive developments include the doubling of salaries of rayon and municipality staff as well as outreach workers, a series of training programmes, the introduction of IT systems, and plans for a functional review, all of which showed Government’s determination to address this.</p>

#	Indicators	Evidence
		<p><i>Source: AAP 2014, p. 4.</i></p> <p>In the current TA program (started in 2016) training of social workers continues as does the development of a database for keeping records of institutionalized children that is made available to MoLSD, Ministry of Education and Ministry of Health staff.</p> <p><i>Source: Field mission interviews</i></p> <p>It was also recognised that there were still weaknesses in the basic PFM issues as well, such as budget formulation processes. Issues linked with fiscal and budgetary discipline are also a matter of concern, acknowledged by all stakeholders.</p> <p><i>Source: AAP 2010, p. 13.</i></p> <p>Following several years of discussion, the Kyrgyz Republic has laid the foundations for a solid medium term budgeting process. At present nine line ministries develop sector medium term budget plans. The Medium Term Budget Framework (MTBF) is adopted by the Government in May-June every year. [...]</p> <p>In spite of improvements in recent years line ministries continue to face challenges from weaknesses in the annual and medium term budget formulation process. MoF instructions and guidelines are frequently issued too late to give the line ministries adequate time for annual Budget and MTBF preparation, while the problem of lack of coherence between the MTBF and the annual Budget process is still not effectively addressed. The improvement of the MTBF strategic planning and better linkage with the annual budget are focal components of the mentioned Multi-Donor Trust Fund (MDTF).</p> <p><i>Source: AAP 2010, p. 12.</i></p> <p>In parallel, the programme will assist the partner agencies in assessing the budgetary implications and the overall fiscal impact and sustainability of reform choices.</p> <p><i>Source: AAP 2010, p. 17.</i></p> <p>The issue of capacity within MoLSD to properly manage its full responsibilities for social protection, including benefits and services, especially for child protection has been repeatedly noted during this and earlier EU Social Protection SPSPs between 2007 and 2012). It remains an issue to be addressed and is a core element in the proposed new AAP2014 SP&amp;PFM SRC. While there has been improvement in the quality of outreach through the rayon/municipality departments, including improved salaries to attract and retain quality staff, basic upgrading of the quality and skills of staff in the area of child protection still needs to be addressed through comprehensive career development training and requirements for suitable qualifications and certification.</p> <p><i>Source: EPRD Final Report 2013-2015, p. xiii.</i></p> <p>Under the programme, links between medium term sector strategies and budgetary allocations (particularly for the social protection sector) have been strengthened through the expansion and improvement of medium term performance based budgeting focussed on realisation of longer term objectives. Further developments in internal audit effectiveness in key ministries, and the strengthening of the rationale for public investment projects have been less successfully implemented. While budget process developments are part of a broader PFM reform process committed to by Government, the Programme has undoubtedly had an influence on the timetable and quality of these improvements, indeed at times defining the coverage and timing of reforms. Government. The Programme has been instrumental in keeping Government to its agenda, and the results are impressive. [...]</p> <p>Major achievements have been made in budget transparency, with deficiencies identified in 2011 made good from 2013.</p> <p><i>Source: EPRD Final Report 2013-2014, p. xv.</i></p> <p>The EU funds are contributing to close the fiscal gap (currently 5% of GDP) between revenue and expenditure, and its conditionality and associated dialogue had an influence well beyond the level of the funds involved, acting as</p>

#	Indicators	Evidence
		<p>an agent of change. This last point was repeatedly confirmed by performance related reporting, both from the Government and through reviews and evaluations conducted by EU.</p> <p><i>Source: AAP 2014, p. 11.</i></p> <p>The presence of an embedded TA is instrumental to increasing capacity within the line ministries, as well as increasing knowledge on the EU and on the budget support instrument.</p> <p><i>Source: AAP 2014, p. 7.</i></p> <p>To strengthen the capacity of regional and local Government to manage the social and child protection sector and to improve the effectiveness and accountability of Government social protection expenditure are the thus further specific objectives of this programme.</p> <p><i>Source: AAP 2014, p. 9.</i></p> <p>However, it should be noted that after the reporting period ended, child protection services were returned to the MoLSD. Local Government does not currently have the legal authority to make expenditures on child protection. This is an outstanding issue that needs to be addressed.</p> <p><i>Source: Field mission interviews</i></p>
I-122	EU-supported interventions based on correctly identified uncovered and underserved groups	<p>Specific Condition 3: Targeting of social assistance improved Value: 30% - worth up to EUR 1.5mn.</p> <p>Review assessment: full compliance in 2007-2013; full compliance is presently not anticipated 2014-2018.</p> <p>A Law on State Benefits, drafted by SASW, was approved by Cabinet and submitted to Parliament (Criteria 3.1 and 3.3). It was adopted by Parliament on the 4th of December 2009, and ratified by Presidential Decree No. 318 of the 29th December 2009. The Law introduced changes to the benefit system in line with the recommendations derived from the piloting of new approaches in 2009</p> <p>With this respect the following legislation was developed by SASW and approved by the Government (Criteria 3.1 and 3.3).</p> <p><i>Source: SPSP 2007-2009 AM5, p. 14.</i></p> <p>One of the key achievements of reforms in the area of child protection was the inclusion of this sector into the overall social protection of the population, which was strongly supported by the EC through its sectoral budget support programmes.</p> <p><i>Source: EPRD Final Report 2013-2014, p. 122.</i></p> <p>The current social assistance benefit is poverty focused. Coverage, exclusion of those in extreme poverty, excessive inclusion of non-poor for the receipt of benefits, and their adequacy as a safety net remained in the reporting period 2007-2014.</p> <p><i>Source: EPRD Final Report 2013-2014, p. iv.</i></p> <p>The targeted benefit may be replaced by a universal benefit for children. This benefit would not be means tested and its implementation would run counter to targeting the poorest. The later period (2014-2018) may, depending on how the law on universal benefits proceeds, render targeting less effective.</p> <p><i>Source: Field mission interviews</i></p> <p>Between 2007 and 2013, special needs of children have been addressed to a high extent in both EU policy dialogue and programmes.</p> <p><i>Source: EUD Survey.</i></p> <p>Final beneficiaries: poorest population, vulnerable families and children in difficult situations.</p> <p><i>Source: AAP 2009, p. 12.</i></p> <p>Final beneficiaries: The program targets poorest layers of population, families and children at risk of social exclusion, unemployed, children living in residential institutions, disabled adults and children, women living in rural areas, single parents, elderly living alone and skipped generation families.</p> <p><i>Source: AAP 2011, p. 11.</i></p>

#	Indicators	Evidence
		<p>The Social Protection Strategy is directly concerned with addressing the issues of vulnerable and at risk groups, including poor families, children, youth and women. [...]</p> <p><i>Source: AAP 2014, 3.</i></p> <p>Interventions must be designed to respect local conditions, in particular the mix of different ethnic groups in the region, representing sources of potential inter-ethnic conflicts caused by various social reasons (rural poverty, scarcity of resources such as irrigation water, land and pastures, etc.). Therefore, activities seek to integrate in the best possible way the needs of various ethnic groups (within regional development plans) and measures designed to reduce social conflict.</p> <p><i>Source: MIP Kyrgyzstan 2014-2020, p. 15.</i></p> <p>Targeting of the income support benefits is difficult. 70% of people work in the informal sector and there is no verification of their income. It is hard to determine agricultural income and therefore for determining eligibility there is imputed presumptive income based on the amount and quality of agricultural land owned. A similar process is used for animals – a family is presumed not to be poor if it owns 3 cows or 25 sheep. Such means testing is very difficult to perform and monitoring two times a year is very difficult, especially in remote areas, and especially given the lack of funds for transportation. Social assistance specialists are required to monitor 30% of recipients and there is never enough money for travel. It is also very difficult to prove property rights and income sources. A similar problem exists with transport vehicle ownership – a car has one nominal owner but is used in a different household. GoK has refused to consider reforms proposed by the World Bank.</p> <p><i>Source: Field mission interviews</i></p> <p>An example of a project tackling social exclusion is a Save the Children international project for the inclusion of children and mainstreaming rights of people with disabilities in 35 schools in 7 rayons. It provided an integrating inclusive education approach for in-service training curricula in teachers' training. Previously, an ADB-funded project succeeded in integrating inclusive education into pre-service training curricula. Thus, the in-service training was a logical follow on. There is a potential for sustainability, the project developed a manual that is still being used. Within the targeted 35 residential institutions (for disabled children, e.g. with hearing or visual impairment and autism) 400 children were brought back to schools. Raising the awareness and changing the attitudes of the parents of healthy children and the community was crucial. There was a decrease in bullying cases among peers and less prejudice. The community improved infrastructures of schools (in particular physical accessibility). Overall, the capacities of communities to identify their needs were strengthened and children empowered.</p> <p><i>Source: Field mission interviews.</i></p>
I-123	EU-supported interventions utilise census, economic and social data	<p>The sources of verification of indicators will be official statistical bulletins published by the National Statistical Committee (NSC) such as the Poverty and Food Security Bulletin, and reports and surveys of the ASW and the Department of Child Protection. The EU provided assistance with the food security updates since about 2002.</p> <p><i>Source: AAP 2010, p. 23.</i></p> <p>Most of the social protection indicators quoted in the Financial Agreement, covering social assistance payments and child protection, continued to be published once a year by the National Statistics Committee (NSC) in the Food Security and Poverty Bulletin. The exceptions were those related to the exclusion and inclusion errors for "social transfers," understood as Monthly Benefits for Low Income Families with Children (MBLIF ) and Monthly Social Benefits (MSB), which are the product of surveys, most recently in 2008 and 2011. [...]</p> <p><i>Source: EPRD Final Report 2013-2014, p. v.</i></p>

#	Indicators	Evidence
		<p>In terms of progress in the policy dialogue, the MoSP has accepted the need to collect and use baseline data to assess policy implementation and performance, an important step in establishing a stronger performance monitoring system. [...] The interest in data collection and analysis, the availability of stronger data together with the commitment to assess in a systematic way the performance of recently introduced policies will guarantee that future policy decisions will be increasingly informed by evidence.</p> <p><i>Source: Analysis EAMR 2011.</i></p> <p>There is widespread use of the data and expertise of the NSC. The most recent census was conducted in 2009 and planning is ongoing for 2020. There are annual and monthly calculations of the population as well. There is detailed analysis of the number of children and migrants. A joint survey of children was conducted with UNICEF. It is known that there were 2,064,000 children as of 1 January 2017, and they constituted 34% of the population.</p> <p><i>Source: Field mission interviews</i></p> <p>The number of migrants is calculated at 200,000, which is somewhat less than the figures obtained from border crossings, since border crossings may count persons several times a year. A detailed survey of children affected by migration was done, separating the effects by the absence of mother, father, or both, and distinguishing the oblasts. The survey concluded that 11% of children have one or both parents out of the country as labour migrants.</p> <p><i>Source: Field mission interviews</i></p>
I-124	Data gaps identified and adequately mitigated in design of EU support	<p>The Agency of Social Welfare (and before Ministry of Labour and Social Development) could not properly assess the possible budgetary and social implications of the proposed reforms, because the available data were very often contradictory. Social workers need training, since most of the data inconsistencies stem from the social registration documents (so-called “social passports”).</p> <p>Issues arose over reliability when it was realised that one key indicator (the share of the extreme poor receiving benefits) had been misreported in 2012. In addition, the figures for children in care presented only a limited picture as it covered only some of the relevant institutions, and hence gave numbers about a third of those quoted by other donors, notably UNICEF.</p> <p><i>Source: EPRD Final Report 2013-2014, p. v.</i></p> <p>While the NSC has continued to publish the social protection and childcare indices identified under AAP 2007-2009 in the Food Security and Poverty Bulletin (FSPB), doubts were raised as to the reliability of some of the data, its relevance in terms of policy determination, and its consistency with data published by World Bank and UNICEF. However, NSC often does collaborate with these institutions. Further, two key variables on social assistance inclusion and exclusion errors have remained unreported since 2011 because promised regular monitoring surveys by MoLSD have not been established.</p> <p><i>Source: EPRD Final Report 2013-2014, p. xvi.</i></p> <p>Database analysis and management systems in child protection are still weak due to low capacity and resources.</p> <p><i>Source: AAP 2010, p. 23.</i></p> <p>SPSP 2011 contains a statistics component and includes as specific objective: 4. Improving social protection related national statistics</p> <p><i>Source: AAP 2011, p. 8.</i></p> <p>Even allowing for better targeting, coverage of the MBLIF, the only poverty orientated benefit, does not tally with other poverty data.</p> <p><i>Source: EPRD Final Report 2013-2014, p. xiv.</i></p> <p>Besides the resident TA team, short term assistance related to Programme objectives has also been provided over recent years to support reforms in social benefit targeting, the preparation of an action plan for child protection, development of a medium term strategy for PFM reform, and [...] as well as to provide support for surveys to explore the exclusion and inclusion errors of the</p>

#	Indicators	Evidence
		MBPF and MSB and developments in childcare. <i>Source: EPRD Final Report 2013-14</i>

#### 4.1.2 EQ2

#	Indicators	Evidence
<b>JC 21 Social protection coverage and uptake extended / broadened with EU support</b>		
I-211	<p>Trends in social insurance (old-age pension, disability, unemployment, etc.) coverage rates, 2007-2013, e.g.</p> <p>-Proportion of work force actively contributing to a pension scheme</p> <p>Proportion of active workforce with qualifying for unemployment benefit</p> <p>Proportion of elderly receiving a pension, etc.</p>	<p>Between 2007 and 2013, EU support contributed to a high extent to improvements in the areas of parental responsibilities and social exclusion. However, EU support did not cover unemployment, sickness and health care, work accidents, employment related injuries, disability, old age, disability and survivor's insurance. This is an example of excellent donor coordination; the WB has advised on pension reform for many years, providing pension modelling expertise, capacity building and other support.</p> <p><i>Source: EUD Survey</i></p> <p><u>Pensions</u> According to ILO, 30% of working-age population 15-64 and 42.4% of labour force 15+ were contributing to a pension scheme in 2008. Data are not available to estimate a time trend.</p> <p><i>Source: World SP Report 2014-15, ILO, p. 269.</i> <a href="http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf">http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf</a>.</p> <p>In relation to effective coverage, in 2011, 100% of women and men above statutory pensionable age (60+) were receiving an old-age pension. Data are not available to estimate a time trend.</p> <p><i>Source: World SP Report 2014-15, ILO, p. 275</i> <a href="http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf">http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf</a>.</p> <p>The social insurance system consists mainly of pensions for former employees or farmers (for old age and disability) and their dependents (survivorship). Other social insurance benefits are sickness or maternity benefits for contributors, and funeral benefits for pensioners.</p> <p>Pensions are the main social protection tool in the country from the point of view of both coverage and the impact on welfare, and in 2007 accounted for some 80% of public social protection expenditure. As of end 2008, there were 569,000 pensioners (10.7% of the total population). Of these, 412,000 were in receipt of old-age pensions, 72,000 disability pensions and 85,000 survivorship pensions. Total expenditure on pensions in 2008 was KGS7.8bn, equivalent to 4.2% of GDP.</p> <p><i>Source: SPSP 2007-2009, AM5, p. 77.</i></p> <p>The total number of pensioners in 2012 was 550,000 of which 409,000 get age pensions (retirement), 89,000 disability pensions and 50,000 survivorship pensions (loss of breadwinner).</p> <p><i>Source: EPRD Final Report 2013-2014, p. 115.</i></p> <p>According to ILO (2008), there is no available data on coverage of non-contributory pension schemes. Information provided sets the level of benefit at 5.7 % of the average wage. ILO estimates that 100% should be legally covered (mandatory contributory: 56.1% out of which 43.5 % are women; non-contributory: 43.9 % out of which 56.5 % are women) for old age pension as a percentage of the working age population.</p> <p><i>Source: World Social Protection Report 2014/15, ILO 243 &amp; 264.</i> <a href="http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf">http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf</a></p> <p>Pensions are guaranteed to all citizens of the Kyrgyz Republic. In 2011, the average pension exceeded the minimum subsistence level. In 2012, the number of pensioners reached 551,976 people, including 413,958 old age pensioners, 89,216 disabled pensioners, and 48,802 survivor beneficiaries. At that, this number slightly exceeded the figures of the past 4 years.</p>

#	Indicators	Evidence
		<p><i>Source:</i> <a href="http://www.social-protection.org/gimi/gess/ShowCountryProfile.action?iso=KG">http://www.social-protection.org/gimi/gess/ShowCountryProfile.action?iso=KG</a>.</p> <p>The old-age pension is payable at age 63 with at least 25 years of covered employment in case of men or at age 58 with at least 20 years of covered employment in case of women. A partial pension is paid for those who have less than the required number of years of covered employment for a full old-age pension.</p> <p>A pension supplement is available to people aged 80 or older, veterans of the Second World War, workers associated with the Chernobyl catastrophe, persons with a Group I disability (requires constant attendance), caregivers of Group II (total disability with an 80% loss of mobility), and single persons with a Group II disability.</p> <p><i>Source:</i> <a href="https://www.ssa.gov/policy/docs/progdesc/ssptw/2014-2015/asia/kyrgyzstan.html">https://www.ssa.gov/policy/docs/progdesc/ssptw/2014-2015/asia/kyrgyzstan.html</a>.</p> <p><b>Social assistance</b> Monthly Social Benefit: MSB is a cash benefit paid to defined categories of individuals unable to work. The number of MSB beneficiaries increased gradually in recent years. The number of beneficiaries rose from 66,200 in 2010 to 70,507 in 2011 and 71,400 in 2012. It then rose rapidly from 71,266 at the beginning of 2013 to 76,292 by the middle of 2014. The amount paid for different categories increased considerably on the 1st of January 2010 (Government Resolution No: 822 of 29th December 2009), and again on the 1st of July 2011 (Government Resolution No: 314 of 4th April 2011). Further increases were programmed for 2012 and 2013 but did not occur due to budgetary constraints.</p> <p>To date, MSB beneficiaries have included children and adults with disabilities who are not eligible for pensions. At the beginning of 2014 the total number of disabled receiving MSB was 58,200, of whom 45.8% were disabled children, 44.5% adults disabled since childhood, and 9.7% adults subsequently disabled due of disease or accident. The number of disabled has grown by about 5% a year. The number of disabled probably should grow as it is a tiny proportion of the population, perhaps 1-2%.</p> <p>25% of MSB is paid to eligible individuals under the full care of the State either in residential institutions for children, except orphans, or for the elderly, or in prisons.</p> <p>The number of individual beneficiaries of MB/MBPF and MSB steadily increased from 424,662 in 2009 to 447,352 in 2012 (out of which 376,845 were MBPF and 70,507 MSB).</p> <p><i>Source: SPSP 2010 AM3, p. 21; field mission interviews.</i></p> <p>To date, MSB beneficiaries have included children with disabilities and adults with disabilities who are not eligible for pensions. At the beginning of 2014 the total number of disabled receiving MSB was 58,200, of whom 45.8% were disabled children, 44.5% adults disabled since childhood, and 9.7% adults subsequently disabled due of disease or accident. The number of disabled has grown by about 5% a year.</p> <p><i>Source: EPRD Final Report 2013-2014, p. 117.</i></p> <p><b>Monthly Benefit for Low Income Families:</b> In 2013 additional criteria were introduced for determining eligibility for the MBLIF, designed to reduce inclusion and exclusion errors and enhance the targeting of benefits. At the same time, systems were computerized at rayon level, which facilitated both monitoring and the addition and removal of beneficiaries as their situation changed and the higher Guaranteed Minimum Income raised the income level threshold for eligibility. These measures substantially reduced the number of beneficiaries.</p> <p>The number of beneficiaries of MBLIF was 362,000 in 2010; 376,845 in 2011; and 370,300 in 2012. By the start of 2013 numbers had fallen to 343,530, but rose again mid-year to 361,542 before falling again by mid-2014 to 327,645, largely because of the intensive application of tougher criteria, offsetting the 57% increase in the threshold GMI in 2012 and a further 10% increase in 2013, which would otherwise have been expected to significantly increase the number</p>

#	Indicators	Evidence
		<p>of eligible families (the reason for the increase at the start of 2013). Of the 336,228 children in receipt of the MBLIF at the start of 2014, equivalent to 6% of the population or 15 % of children, 77,075 were under the age of three (or 23% of the total) and 259,153 children aged three and over (or 77%).  <i>Source: EPRD 2013-2014, Annex 4</i></p> <p>The number of beneficiaries of MBLIF was 362,000 in 2010; 376,845 in 2011; and 370,300 in 2012. By the start of 2013 numbers had fallen to 343,530, but rose again mid-year to 361,542 before falling away again by mid-2014 327,645, largely because of the intensive application of tougher criteria, offsetting the 57% increase in the threshold GMI in 2012 and further 10% increase in 2013, which would otherwise have been expected to significantly increase the number of eligible families (the reason for the increase at the start of 2013). Of the 336,228 children in receipt of the MBLIF at the start of 2014, equivalent to 6% of the population or 15 % of children, 77075 were under the age of three (or 23% of the total) and 259,153 children aged three and over (or 77%).  <i>Source: AAP 2010, p. 20</i></p> <p>The social assistance system in Kyrgyzstan is reasonably well performing (Monthly Benefits and Monthly Social Benefits). But the system is still limited in the number of recipients they reach, and in the amount they transfer to those they reach, resulting in impact that is much lower than ideal. With the assistance of SPSP 2007-2009, the targeting of Monthly Benefits scheme was substantially improved. However, the coverage of the poor and the vulnerable by Monthly Benefits and also Monthly Social Benefits (the rationalisation of the latter will now also be specifically addressed under the proposed Programme) needs to be further scaled up and targeting further improved, bearing in mind budgetary constraints. The rationalisation of MSB is a new, additional element under the new proposed Programme.  <i>Source: AAP 2010, p. 16.</i></p> <p>The ongoing SPSP 2007-2009 makes significant contributions towards the rationalisation and modernisation of the system of social assistance entitlements. New eligibility criteria and access procedures for Monthly Benefits (MB) were developed and piloted, with substantial EU technical assistance input, requested by the partner Government. Based on the findings from the pilots new social assistance legislation was drafted and new criteria and access procedures were introduced decreasing substantially the inclusion error existing in the MB system. While progress has been made in the reduction of the exclusion error for MB under the SPSP 2007-2009, reforms should be continued under the proposed SPSP 2010 to further reduce substantially this exclusion error.  <i>Source: AAP 2010, p. 5.</i></p> <p>Work on reducing inclusion and exclusion errors in both MBLIF and MSB has been continuing, stimulated since mid-2012 by the need to contain the increase in numbers of beneficiaries, and hence the budget for social assistance transfers, particularly after substantive increases in benefit levels and/or the benefit threshold (the GMI) following approval of the Social Protection Strategy 2012-2014 in December 2011.  <i>Source: EPRD Final Report 2013-2014, p. vii.</i></p> <p>The level of benefits has increased, but the coverage has significantly narrowed. Increases in the GMI (by 70%) should have raised the number of beneficiaries but in fact they have fallen (by 20%), and quite sharply. This is the result of stronger criteria and better assessment of eligibility, rather than because of relative improvements in incomes and reduced poverty. In contrast, poverty in recent years has been increasing, most notably in the urban areas.  <i>Source: EPRD Final Report 2013-2014, p. xiv.</i></p> <p>In 2013 additional criteria were introduced for determining eligibility for the MBLIF, designed to reduce inclusion and exclusion errors and enhance the targeting of benefits. At the same time, systems were computerized at rayon level, which facilitated both monitoring and the addition and removal of</p>

#	Indicators	Evidence
		<p>beneficiaries as their situation changed and the higher GMI raised the income level threshold for eligibility. These measures substantially reduced the number of beneficiaries.</p> <p><i>Source: EPRD Final Report 2013-2014, Annex 4</i></p> <p>Despite its orientation towards poor families, there were two main difficulties with the UMB: the efficiency of its targeting, and its level.</p> <p>[...]</p> <p>A 2008 report on the effectiveness of the UMB indicated that both inclusion and exclusion errors of the UMB scheme were high. Although the UMB reached some two-thirds of families within the two lowest quintiles by income, many extremely poor families were excluded. At the same time, many non-poor were included among UMB recipients (some are even in the top quintile).</p> <p>[...] Another problematic area was the GMLC [...] Keeping the GMLC low reduces the number of families eligible for the UMB and hence has enabled Government to balance demand for the benefit with the budget resources available [...] The number of UMB recipients has, as a result, varied from 583,000 in 1998 to 455,000 in 2005, and since 2006 fallen from 475,000 to 451,000 at the end of 2007, and 361,600 at the end-2008.</p> <p>The Government recognized the need to improve the adequacy and targeting of the UMB; there was a consensus among officials and experts that UMB outdated and should be reformed. This is explicitly stated in the Government's "Country Development Strategy 2009-2011" and is the major reform in this area promoted by the EC-SPSP 2007-2009.</p> <p><i>Source: SPSP 2007-2009 AM5, p. 80.</i></p> <p><u>Unemployment</u> The registered unemployed amount to 95,400 people (Oct '05), although the real figure is thought to be much higher. The existence of a shadow economy that represents up to 50% of GDP makes official unemployment figures unreliable.</p> <p><i>Source: RSP CA 2007-2013, p. 48.</i></p> <p>The rate of unemployment in Kyrgyzstan is estimated at 8.2% in 2008 on the ILO definition. Neither national statistics nor ILO provide more recent data. However, according to other surveys the share of the labour force without jobs is much higher at 18%. Both figures are strongly affected by measurement issues related to the very high share of the informal economy in Kyrgyzstan.</p> <p><i>Source: SPSP 2009-2012, Annex 3</i></p> <p>According to the ILO, the percentage of unemployed receiving unemployment benefits decreased from 3.3% in 2007 to 0.9% in 2012. This is entirely consistent with a decline in formal sector employment.</p> <p>There are no non-contributory unemployment benefits.</p> <p><i>Source: World SP Report 2014-2015, ILO, p. 200 &amp; 309.</i></p> <p>The rate of informality is currently estimated to be 70%.</p> <p><i>Source: Field mission interviews</i></p>
I-212	EU support for social protection recognizes special needs of the informal sector.	<p>Between 2007 and 2013, special needs of the informal sector not been addressed particularly in both EU policy dialogue and programmes</p> <p><i>Source: EUD Survey</i></p> <p>However, the focus on poverty is to a large extent a focus on the informal sector, since persons in the informal sector, especially in rural areas, are likely to have low income.</p>
I-213	EU support for social protection recognizes special needs of children.	<p>Between 2007 and 2013, special needs of children have been addressed to a high extent in both EU policy dialogue and programmes</p> <p><i>Source: EUD Survey.</i></p> <p><u>Child protection</u> As a consequence, the CDS priorities in the areas of childcare and child protection were revisited and an emphasis was put on alternative social services for vulnerable children and their families.</p> <p><i>Source: AAP 2010, p. 14.</i></p> <p>Specific Condition 4: Improved management of vulnerable families and children in difficult situations has been achieved through both legal and institutional</p>

#	Indicators	Evidence
		<p>changes.</p> <p>Family and Child Support Departments (FCSDs) and Commissions on Child Affairs (CCAs) were established across the country (Criterion 4.1) by Government Decree No.285 of the 10th of June 2008 in the context of Presidential Decree No.390 of the 30th of August 2007. EC-SPSP Review Missions in 2008 and 2009 confirmed their operation and compliance in terms of organisation and staffing.</p> <p><i>Source: SPSP 2007-2009 AM5, p. 14.</i></p> <p>One of the key achievements of reforms in the area of child protection was the inclusion of this sector into the overall social protection of the population, which was strongly supported by the EC through its sectoral budget support programmes.</p> <p>From January 1, 2012 the Ministry of Social Protection of the Population was reorganised into the Ministry of Social Development, which included the Department for Child Protection as well as the Department for Social Assistance, This was an important political move in the view of streamlining child protection policies in the framework of the overall social protection in Kyrgyzstan. With this respect the new Strategy of Social Protection for 2012-2014 sets out priorities, development objectives and activities also for the social protection of families and children in difficult situations among other vulnerable groups of the population.</p> <p><i>Source: EPRD Final Report 2013-2014, p. 122.</i></p> <p>And, as noted above, the ongoing reorganization of Ministries resulting in a combined Ministry of Labour and Social Development with consolidated responsibility for social protection issues is a positive development. Thus, the need for meaningful and reasonable reforms in childcare is of urgent importance. To start the process of reforms, AAP 2010 included as a condition the requirement for Government to adopt an optimisation plan for residential institutions, elaborated jointly and agreed between all relevant agencies (but most notably MoLSD, MoEdu and MoH. For AAP2011, the requirement was to implement this plan. The plan is supposed to be based on the best interests of children, taking into account the real and assessed needs of children and the objective assessment of every institution.</p> <p><i>Source: EPRD Final Report 2013-2014, p. 122.</i></p> <p>Significant achievements were made between 2010 and 2012 that promise to improve child protection. A new version of the Child Code was promulgated in August 2012, introducing important changes to the legal framework applicable to children. The revision brought the Code into line with international human rights standards, such as the UN Convention on the Rights of the Child. UNICEF was very involved in this effort. Until recent years, the justice system in Kyrgyzstan, including that for children, was strictly punitive. The new Child Code creates strong “gatekeeping mechanisms,” helping to prevent children from being separated from their families. A decision to place a child permanently in residential care must now be taken by a court and be used only as a last resort. The Code still requires some amendments, especially as it still permits placement of a child into a residential facility for six months prior to adoption of a plan to assist the child.</p> <p>As a tool to advance the reform of the child protection system, an “Optimization Plan on the managing and financing of residential institutions 2013-2016” has been developed by the Government with strong assistance from both the EU’s technical assistance and UNICEF.</p> <p>There have been several relevant reorganizations of government agencies. Child protection was moved around as a function, first as a separate agency, then to the Ministry of Youth and Sports, to the Ministry of Labour, Employment and Migration, and it did not get sufficient support in those agencies. The former Agency of Social Welfare (ASW) was eventually incorporated into the Ministry of Labour, Migration and Youth, then in 2011 into the Ministry of Social Protection. This was a very positive change, and was advocated by UNICEF</p>

#	Indicators	Evidence
		<p>and civil society. Child protection is now successfully integrated into the broader framework of Kyrgyzstan's social protection system. Another recent reorganization created the unified Ministry of Labour and Social Development, which currently includes the Department for Child Protection as well as the Department for Social Assistance. In the same year, a National Social Protection Development Strategy was elaborated and endorsed by the Prime Minister, which includes a dedicated chapter on child care system reform.</p> <p>There is a "Coordination Council for the Protection of Children" at the Government lead by a vice prime minister. It is intended to resolve inter-agency matters, such as the Optimization Plan for children's residential facilities that are owned by the Ministry of Education, but have to be optimized with services to be provided by MLSD. There are conflicting reports as to how well this body works. Some CSOs view it as insufficiently engaged.</p> <p>It remains a challenge for MoLSD to obtain cooperation from other agencies. The MoLSD has to accomplish the task of deinstitutionalization of residential facilities it does not control. There is significant fragmentation of responsibility because the Ministry of Education is still responsible for the residential facilities for children in need of protection and handicapped children, while the MoLSD is responsible for implementing the Optimization Plan and for providing social services to the children. The TA is therefore provided to both Ministries and to the higher level interagency Coordination Council.</p> <p>Not only is there resistance to de-institutionalization from the MoEdu, but also resistance from the public. There is a strong cultural assumption from the Soviet era that institutionalizing children is appropriate if they require special care. Internal migrants, single mothers, and other families, when they are stressed, want to leave children in orphanages. If these families go to social services for help, they can be given very little support and will see orphanages as options. A CSO noted: "People will continue to use children's houses if they exist. Children's houses are seen as better than homes."</p> <p>The numbers of children in residential care fluctuate, but approximate figures are that there are a total of more than 8000 children in residential facilities, of whom 3600 are in boarding schools of an academic nature, approximately 2000 are in religious or private schools, 2000 are in residential schools for the deaf and the blind, 1200 are in residential orphanages, all facilities of the Ministry of Education. Approximately 440 are in a psycho-neurological centre operated by the MoLSD. The database developed by the EU TA allows for close monitoring of where the children are.</p> <p>Also early in the reporting period, local government was given the function of family and child protection services at the rayon level. There were 59 units established, in 57 oblasts and the 2 main cities, Osh and Bishkek. There were four people in each unit, and then this was reduced to three with overall reductions in government employment. The MoLSD was not sure that the units belonged to it, but they did not belong to local government, which in fact did not have authority to spend money on this. Most observers conclude that it is better that this function has been moved back to MoLSD at the rayon level. Social workers in the past used to work only with the elderly and they now need additional training to work with children and families. Rural regional services are still needed, and there still should be a role for local government. This is a point of contention and concern.</p> <p><i>Source: Field mission interviews.</i></p> <p>Referral mechanisms are of limited and variable effectiveness, let down by the lack of appropriate alternative care services. Failure to address this is likely to result in a severe problem in the future with disaffected youth, including graduates of the care system, excluded from society and the benefits of development. There is time to turn this around, however, and the proposed AAP2014 programme will be instrumental in this.</p> <p><i>Source: EPRD Final Report - December 2014 p. 60.</i></p> <p>There is some contention between the CSOs and the international</p>

#	Indicators	Evidence
		<p>organizations, on the one hand, and Government, on the other hand, as to how well the Optimization Plan is working. This revolves around whether the Jalalabad facility should have been renovated or abandoned. The Government believes that the facility needs to exist for children who cannot leave it and that existing conditions were deplorable. The torn down buildings allow for the development of a modern rehabilitation facility. Previous approaches in the facility amounted to warehousing of children. For example, the professions of physical therapy and occupational therapy were unknown and will be introduced through EU TA.</p> <p><i>Source: Field mission interviews</i></p> <p><u>Child benefit</u> MBLIF is assigned to children of eligible families who under the age of 16 and students under the age of 23. Children under the age of three are assigned a fixed monthly benefit equivalent to a multiple of the GMI, irrespective to the family's per capita aggregate income, though these children are considered while calculating the per capita aggregate income.</p> <p>[...] Between 2009 and 2010, a lump sum addition of KGS 40 was paid for each child under programmes supported by World Bank and EU (Response to Soaring Food Prices) to compensate for the hike in food prices in 2007 following the global financial crisis and subsequent recession. In 2012, this was absorbed in the increase of the GMI to KGS580.</p> <p>[...] An issue not addressed by the MBLIF is the identification and support of children in difficult situations. In 2013, based on assessment of families for the MBLIF, some 14,343 children were identified. MoLSD with UNICEF is undertaking a programme to identify such children, but they are not necessarily recipients of the MBLIF.</p> <p><i>Source: EPRD Final Report 2013-2014, p. 119.</i></p> <p>Among all non-contributory social protection programs, only the MBPF is explicitly targeted to the poorest and is the main cash benefit for children in the country. Among of the population eligible are: children with infantile cerebral paralysis and children with HIV/AIDS up to the age of 18 years, children born to mothers with HIV/AIDS, children with disabilities, orphans ineligible to pensions, children who lost their breadwinner ineligible to pension and mothers with many children (mother heroine) ineligible to pension and age 53 (43 for those living in remote areas).</p> <p>Additionally, between 2009 and 2010, a lump sum of KGS40 was paid for each child under programmes supported by the WB and the EU (Response to Soaring Food Prices) in order to compensate for the increase in food prices.</p> <p>An important very recent event is the adoption on June 21, 2017 in third reading of a law providing for universal child support benefits to replace the targeted social assistance benefit. At the time of the field mission, the law has not yet been signed, and it was not known how it will be implemented, of course, but there is a risk that it will reduce targeting of benefits to the poor. According to the new law on universal benefits, only a birth certificate and passport will be required to receive the fixed sum benefit (and even this is still a problem in many areas). The benefit would be paid to all families with children 0 to 3 years old and, for families with three or more children, also to those with children 3-14 years old. A fixed lump sum for a new-born is also part of the law. MoLSD experts stated that the poorest families are those with many children and they welcome the new law unlike the Ministry of Finance. According to information gathered from international stakeholders in the country during the field mission, the estimated cost of this law is 4 billion KGS yearly (approx. 50 mil EUR), which is equal to 1 per cent of GDP. International donors do not share the same position. UNICEF welcomed this law but the WB and IMF did not, and they are suggesting increasing energy tariffs for population to compensate for the additional budgetary burden. This law comes in the final year of the EU's phase-out in the country in the area of social protection. According to the MoF, this will have consequences not only in terms of money but more importantly, in terms of the absence of conditionalities.</p>

#	Indicators	Evidence
		<p>Source: <i>Field mission interviews</i></p> <p>The universal benefits law was signed by the President on 1 August 2017 to be effective 1 January 2018. The estimated cost as most recently reported by the EU team is 6 billion KGS yearly (approx. 73 mil EUR).</p> <p>Source: <i>Follow up to field mission</i></p>
<b>JC 22 Universal access to adequate health services put in place / strengthened with EU support</b>		
I-221	<p>Proportion of population with access to basic health services (e.g., living within 5 km of a health facility (e.g. <a href="http://www.who.int/healthinfo/indicators/2015/chi_2015_110_health_service_access.pdf?ua=1">http://www.who.int/healthinfo/indicators/2015/chi_2015_110_health_service_access.pdf?ua=1</a>))</p>	<p>The estimate of health coverage as a percentage of total population was 83% in 2001 (Estimate of health coverage as a percentage of total population. Coverage includes affiliated members of health insurance or estimation of the population having free access to health care services provided by the State).</p> <p>Source: <i>World SP Report ILO 2014-15, p. 291.</i>  <a href="http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf">http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf</a>.</p> <p>According to ILO, public health care expenditure amounted to 3.83% of GDP in 2012. According to WHO total expenditure on health reached 6.5% of GDP in 2014.</p> <p>Sources: <i>World SP Report 2014-15 ILO, p. 300.</i>  <a href="http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf">http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf</a>. WHO:  <a href="http://www.who.int/countries/kgz/en/">http://www.who.int/countries/kgz/en/</a>.</p> <p>Since independence, social services (notably health and education) have significantly deteriorated as a result of reduced government spending. Life expectancy has increased from 67 years in 1999 to 68 years in 2004. Infant mortality per 1000 births declined from 23 to 21 and basic school enrolment increased from 90 to 97% during the same period.</p> <p>Source: <i>RSP CA 2007-2013, p. 48.</i></p> <p>The ILO estimates that 41.1 health workers per 10,000 population are necessary to provide at least essential services to all in need. This target is met or exceeded not only by high-income countries but also by some low and lower-middle-income countries, including Armenia, Kyrgyzstan, Mongolia and Swaziland.</p> <p>Source: <i>World SP Report 2014-15 ILO, p.112.</i></p>
I-222	<p>Proportion of women receiving adequate ante-natal care. 2007-2013 (e.g., <a href="http://www.who.int/healthinfo/indicators/2015/chi_2015_76_antenatal_care.pdf?ua=1">http://www.who.int/healthinfo/indicators/2015/chi_2015_76_antenatal_care.pdf?ua=1</a>)</p>	<p>According to ILO 98.3% of live births were attended by skilled health staff.</p> <p>Source: <i>World Social Protection Report 2014-15 ILO, p. 291.</i>  <a href="http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf">http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf</a>.</p> <p>There is not data available regarding antenatal care (WHO)  <a href="http://www.who.int/gho/countries/kgz.pdf?ua=1">http://www.who.int/gho/countries/kgz.pdf?ua=1</a>.</p>
I-223	<p>Proportion of health costs paid out of pocket</p>	<p>Out of pocket expenditure in constant US\$ per capita has decreased from 16.6 US\$ per capita in 2007 to 12.8 US\$ per capita in 2011.</p> <p>Source: <i>World Social Protection Report 2014/15 ILO, p. 291.</i>  <a href="http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf">http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf</a></p>
<b>JC 23 Access to basic income security strengthened with EU support</b>		
I-231	<p>Programmes related to basic income security (e.g., unconditional cash transfers, non-contributory social pension, social assistance) in place with EU support</p>	<p>The ongoing SPSP 2007-2009 makes significant contributions towards the rationalisation and modernisation of the system of social assistance entitlements. New eligibility criteria and access procedures for Monthly Benefits (MB) were developed and piloted, with substantial EU technical assistance input, requested by the partner Government. Based on the findings from the pilots, new social assistance legislation was drafted and new criteria and access procedures were introduced decreasing substantially the inclusion error existing in the MB system. While progress has been made in the reduction of the exclusion error for MB under the SPSP 2007-2009, reforms should be continued under the proposed SPSP 2010 to further reduce substantially this</p>

#	Indicators	Evidence
		<p>exclusion error.  <i>Source: AAP 2010, p. 5.</i></p> <p>The level of MSB benefits has increased, but the coverage has significantly narrowed. Increases in the Guaranteed Minimum Income (by 70%) should have raised the number of beneficiaries but in fact they have fallen (by 20%), and quite sharply. This is the result of stronger criteria and better assessment of eligibility, rather than because of relative improvements in incomes and reduced poverty. In contrast, poverty in recent years has been increasing, most notably in the urban areas.  <i>Source: EPRD 2013-2014, p. xiv.</i></p> <p>The MBLIF is the main poverty reduction programme in Kyrgyz Republic. It is a means-tested cash benefit for the poorest families with children intended to cover the gap between the per capita aggregate income of family members and an indigence line, known as the guaranteed minimal income (GMI). The current scheme, which is the modification of the Unified Monthly Benefit (UMB) programme specified by the Law on State Benefits, No.15/1998, was introduced from the 1st of January 2010 under a new Law on State Benefits, No.318, approved on the 29th of December 2009. The reforms and improvement of the system of social assistance to poor families [MBLIF] have been one of the main areas of involvement of EU SPSP programmes during the last five years. To improve the previous system and to reduce inclusion and exclusion errors, new criteria to define the family income (estimated potential income from land, existence of some durable assets in the household) and the GMI were introduced.</p> <p>After piloting and assessing the impact of above-mentioned improvements in 7 rayons, the system was introduced in the country from 1 January 2010, with the adoption of all the required legislation in the end of 2009.  <i>Source: EPRD 2013-2014, Annex 4.</i></p>
I-232	In-kind transfers (e.g., food and in-kind transfers for work) in place with EU support	<p>In addition to the MSB and MBLIF, there are some minor benefit programmes funded from the local authority budget and targeted at the poor in the capital city of Bishkek.</p> <p>Privileges or preferential pricing are for certain categories of citizens for transport, communications, energy, medicines, health services, housing, vacations and utilities were made available to 38 different categories of privileged citizens, together amounting to 238,800 recipient households. Depending on the category, privileged persons are eligible for 100%, 50% or 25% price discounts up to a quota (social norms of consumption). The difference between market prices and amounts actually paid by privileged categories within social norms is paid to the energy/utility providers by the Ministry of Labour and Social Development. The Government made an effort to monetize part of these privileges some time ago: as of 2007, 42% of all privilege-related spending was monetized, the remaining 58% being paid in-kind. The EU position is that the privileged benefit are not targeted, and that whatever benefits remain ought to be monetized.  <i>Source: SPSP 2007-2009 AM5, p. 82.</i></p> <p>Compensation/Privileges</p> <p>Overall, the number of beneficiaries receiving such compensations was reduced over 2013 and 2014, although there was an increase for three categories.  <i>Source: EPRD Final Report 2013-2014, p. viii.</i></p> <p>Privilege Benefits Compensated (Monetized)</p> <p>As noted above, before 2010 privileged or preferential pricing were applied for certain categories of citizens for transport, communications, energy, medicines, health services, housing, vacations and utilities. The list of privileged citizens included 38 categories.</p> <p>In its efforts to increase the efficiency of the social assistance system and to improve the poverty reduction process the Government reformed the scheme of</p>

#	Indicators	Evidence
		<p>preferential pricing by monetizing privileges and providing compensation allowances to the privileged categories from 1 January 2010. This is in line with advice by many donors that monetization is much preferable to in kind benefits. At the same time the list of categories was reduced from 38 to 25.</p> <p>Source: <i>EPRD Final Report 2013-2014</i>, p. 120.</p> <p>The current information is that close to all privileges have been monetized.</p> <p>Source: <i>Field mission interviews</i></p>
<b>JC 24 Gender inequalities in social protection coverage reduced</b>		
I-241	Conditional and unconditional cash transfer programmes for mothers and children in place with EU support	<p><i>The latest data shows that fewer than 5 % of female-headed poorest families receive social benefits. There are therefore serious gender considerations to be considered by the SPSP in its work with the social assistance reforms lead by the ASW.</i></p> <p>Source: <i>AAP 2010</i>, p. 20.</p> <p>Gender is included as a cross-cutting issue in the SPSP 2011</p> <p>Source: <i>AAP 2011</i>, p. 12.</p> <p>See also I-211 on social assistance coverage.</p>
I-242	Maternity programmes in place, offer adequate coverage, and operational with EU support	<p>Parental responsibility has been one of the most important thematic areas of EU support to social protection between 2007 and 2013.</p> <p>Source: <i>EUD Survey</i>.</p> <p>Maternity benefit: 100% of the insured's monthly average wage is paid for the first 10 working days; 10 times the basic rate from the 11th day up to 126 calendar days before and after the expected date of childbirth (may be extended to 140 days if there are complications during childbirth). The basic rate is KBS 100.</p> <p>Source: <i>SSA</i>.</p> <p><a href="https://www.ssa.gov/policy/docs/proqdesc/ssptw/2014-2015/asia/kyrgyzstan.html">https://www.ssa.gov/policy/docs/proqdesc/ssptw/2014-2015/asia/kyrgyzstan.html</a></p>
I-243	Social assistance coverage of the elderly, disaggregated male/female if possible	<p>Social services include services for vulnerable groups of the population. In practice, these services are almost exclusively limited to residential institutions for children, people with disabilities, and the elderly. There is also a poorly funded system of home-based social services for the elderly and people with disabilities.</p> <p>Source: <i>SPSP 2007-2009 AM5</i>, p. 83.</p> <p>See I-211 on social assistance coverage. Gender-disaggregated data not available.</p>

#### 4.1.3 EQ3

#	Indicators	Evidence
<b>JC 31 EU support to social protection coordinated with MSs</b>		
I-311	Evidence for regular coordination efforts between EC and EU MSs in field of social protection at global level	<p>At country level, close coordination on cooperation issues is ensured with EU MS. Co-operation has been implemented notably in the framework of political initiatives, i.e. Rule of Law Initiative and Education Initiative. In addition, co-operation with DFID has been close in the field of Public Finance Management (PFM). With other donors, the main theme of interactions is to seek synergies between different actions. In addition, joint positions are sought as well vis-à-vis the Government, thus seeking better negotiating position. There is a very active donors' Council in the country and in addition to that, eight donors (ADB, DFID, EC, Germany, IMF, Swiss, UN, World Bank) have created a Joint Country Support Strategy, which implies how these seven donors support the implementation of the Country Development Strategy in Kyrgyzstan.</p> <p>Source: <i>EAMR 2010</i>, p. 14.</p> <p>Eight of the main donors, including the EU and the two most active EU Member States in the development co-operation with Kyrgyzstan, i.e. Germany and the UK, are members of the KRDP (Kyrgyz Republic Development Partnership), who were previously partners to the JCSS (Joint Country Support Strategy).</p> <p>Source: <i>MIP Kyrgyzstan 2014-2020</i>, p.3.</p>

#	Indicators	Evidence
I-312	EU participates in / manages joined-up approaches (e.g., joint programming, MDTFs, joint monitoring, etc.) including social protection components	<p><i>Note: EUD did not answer this question in the Survey.</i></p> <p>The Joint Country Support Strategy in Kyrgyzstan and the new Joint Country Partnership Strategy in Tajikistan aim to increase the effectiveness and efficiency of aid through enhanced coordination. <i>Source: CA IP 2011-2013, p. 12.</i></p> <p>Public Financial Management MDTF managed by the WB <i>Source: EUD Survey.</i></p> <p>A Development Partners Coordination Council (DPCC) has been established to facilitate and strengthen coordination amongst major donor organisations active in the Kyrgyz Republic. This approach has facilitated the conduct of joint reviews and joint policy analyses, while enhancing policy dialogue with the government. <i>Source: AAP 2010, p. 8.</i></p> <p>In addition, there are a number of sector-related coordination mechanisms. For example, under the leadership of the Ministry of Finance a technical task force was created to lead and guide the PFM reform. In addition, a Multi-Donor Trust Fund (MDTF) to support PFM reforms was established as a joint initiative of the Swedish International Development Agency (SIDA), Swiss Development Cooperation, UK Department for International Development (DFID), the European Union (EU contributes EUR 2.8 million to the MDTF) and the World Bank (WB). <i>Source: AAP 2010, p. 8.</i></p> <p>The European Commission, along with Sweden and Germany, declared commitment to participate in the Joint Country Support Strategy process at the Kyrgyz Development Forum in May 2007. Following the Conference two donor workshops were held that put in motion the Joint Country Support Strategy (JCSS) 2007-2010. The JCSS was developed in line with the CDS and the EU became associated with the process in the second half of 2008. <i>Source: AAP 2010, p. 16.</i></p> <p>The current PFM Action Plan covering 2012-2015 was approved in 2012 and is based on the need for continuing reforms after slow implementation of the previous 2010-2012 action plan, and to address issues identified in last PEFA assessment which was conducted in 2009 [...] This action plan is supported by technical assistance under a Multi-Donor Trust Fund (MDTF) since 2012, co-financed by EU, DFID and SECO. <i>Source: AAP 2014, p. 6.</i></p>
I-313	EU strategy, programming and programme documents related to SP refer to EU Member States' policies and support	<p>The EC has sought to coordinate the preparation of the 2007-2013 CA Strategy at an early stage with all the relevant donors, including Member States. Constructive and open discussions were held with all key players. Current and future priorities of other donors have been factored into this strategy in order to ensure cohesion and complementarity. At the strategy development and programming stage, no major risks of duplication of effort have been identified. <i>Source: RSP CA 2007- 2013, p. 25.</i></p> <p>This MIP is fully consistent with the political objectives of the EU Strategy for Central Asia. The MIP reflects the principles and priorities of the Agenda for Change. It applies the principle of concentration by focusing the assistance on three sectors and requires the EU and its Member States to work together, including on the programming of assistance and reporting on results <i>Source: MIP Kyrgyzstan 2014-2020, p.3.</i></p>
<b>JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection</b>		
I-321	Evidence of suitably qualified staff formally designated and actually deployed to support social protection at country level	<p>In the EUD (at the country level) there was one person specifically responsible for issues related to social protection during the evaluation period (between 2007 and 2013). This continues to date, and both Government sources and civil society actors report without exception that the EUD person specifically responsible for social protection issues is very engaged and accessible for both policy design discussions and EU related questions. Indeed, the feedback is</p>

#	Indicators	Evidence
		<p>that this involvement is integral to the technical assistance being provided. <i>Source: EUD Survey.</i></p> <p>There is some suggestion, however, that the conditionalities agreed upon for the current period are less relevant and that the Government is less optimistic about meeting them than in the previous reporting period. <i>Source: Field mission interviews</i></p> <p>Significant progress has been made with respect to the social protection policy framework, and this was evident in 2011 in that all major policy documents: the MTDP, the MTBF, and the new draft Social Protection Strategy essentially had goals and objectives that reflected those of the EU and promoted activities to reach targets that were essentially the same as those promoted by the EU under the SPSP and related interventions. <i>Source: SPSP 2010 AM3, p. 34.</i></p>
I-322	Evidence of EU active engagement in regional fora on social protection	<p>For country level, see above.</p> <p>The EC has sought to coordinate the preparation of the regional 2007-2013 CA Strategy at an early stage with all the relevant donors, including Member States. Constructive and open discussions were held with all key players. <i>Source: RSP CA 2007- 2013, p. 25.</i></p>
<b>JC33 EU effectively participates in global policy dialogues on social protection</b>		
<i>JC not covered by the analysis at case study level</i>		

#### 4.1.4 EQ4

#	Indicators	Evidence
<b>JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection</b>		
I-411	EU promotes and facilitates social dialogue (government, trade unions, employers' organisations) and dialogue with civil society through its social protection programmes	<p>The EU has promoted national social dialogue between the government and civil society through joint work on the sector strategy with CSOs, involvement of the CS in monitoring of the implementation of the SP sector strategy and the introduction of government-NSA contracting out mechanism for the provision of social services. <i>Source: EUD Survey</i></p> <p>NGOs are regarded by GoK as essential partners for the implementation of reforms. <i>Source: AAP 2009 p. 8.</i></p> <p>Being a potentially powerful vehicle for improving people's livelihood, local authorities play a crucial role in implementing development programmes in the provinces, especially in the poorest rural areas (Jalal-Abad, Naryn, Osh, Batken regions). Priority will therefore also be given to further increase the capacity of the local authorities, to develop further the policy dialogue between local self-government, local authorities, regional and central government, civil society organizations and donors, and to ensure that the related reform process continues. <i>Source: MIP Kyrgyzstan 2014-2020, p. 15.</i></p> <p>Accordingly, since 2010 the Government has hosted at least annual coordination meetings with all donors and civil society to report on progress and plan actions for the subsequent year <i>Source: MIP Kyrgyzstan 2014-2020, p. 16.</i></p> <p>A Strategy for the Development of Social Protection of the Population of the Kyrgyz Republic for 2012-2014 has been elaborated by an inter-ministerial working group with the support of the Delegation and has been adopted in November.</p> <p>[...] The Delegation considers the development of the Strategy a major step forward, for the policy directions taken but also in terms of the process undertaken which has considerably strengthened the role of the civil society in the country. The technical working group has adopted a highly participatory methodology allowing different civil society actors to voice their views so as to</p>

#	Indicators	Evidence
		<p>integrate their opinions and proposals.</p> <p>[...] The participatory process the Government has engaged in with the civil society for the development of the Strategy, has guaranteed that the concept of social protection which has been adopted does not limit itself to social assistance cash benefits but includes a much broader perspective and mandate. Additionally, there has been a shift in the way social protection is conceived: The Ministry of Social Protection consider its responsibility to cooperate with local NGOs and all the stakeholders for service delivery and the Strategy outlines the cooperation and outsourcing modalities</p> <p><i>Source: Analysis EAMR 2011.</i></p> <p>In budget support, with the aim of developing the national Social Protection strategy the Government has established a working group which includes representatives of civil society organizations. The working group meetings and workshops have given an entirely new opportunity for the CSOs to voice their concerns, to have their specific expertise recognized and most importantly to directly inform the development of social and child protection policies. The expert group of the Ministry of Social Protection reported that the establishment of the working group in the framework of the budget support operation has led to very fruitful consultation with civil society and has been a learning experience for the staff.</p> <p>As a result of the ongoing consultative processes there has been an increased understanding of the key role CSOs can play in the development and delivery of social services for vulnerable groups of the population. The Ministry of Social Protection has decided to develop public-private partnerships with the aim of increasing social service provision. These partnerships have been included in the upcoming multiannual programme.</p> <p><i>Source: Analysis EAMR 2011.</i></p> <p>CSOs were consulted during the implementation of the Optimization Plan for the management of child care institutions. A joint study visit and training program was organized for line Ministries and CSOs involved in child protection issues. The visit resulted in the creation of an ongoing policy group committed and able to contribute with relevant expertise to the reform process.</p> <p><i>Source: Analysis EAMR 2013.</i></p> <p>Finally, also reflecting the objective of phasing out EU support to the social protection programmes, the strengthening of the role of Civil Society Organizations in the provision of social services is another specific objective.</p> <p><i>Source: AAP 2014, p. 9.</i></p> <p>MoLSD not only outsourced the implementation of the seven “pilot” social services under the Social Services Action Plan 2014-2016 to NGOs/CSOs through the Law on State Social Order, but extended this to other NGO activities including, inter alia, other social services.</p> <p><i>Source: EPRD Final Report 2013-2014, p. xi.</i></p> <p>Introduction of outsourcing should have added to capacity, but the reality is that it has highlighted the lack of capacity among the NGO community.</p> <p><i>Source: EPRD Final Report 2013-2014, p.xiv.</i></p> <p>Expected results:</p> <p>[...] Strengthened Civil Society Organizations (including community based organisations) in their local level decision-making and development processes;</p> <p>[...]</p> <p><i>Source: MIP Kyrgyzstan 2014-2020, p. 15.</i></p> <p><i>Note: See also I-622 on capacity of civil society.</i></p>
I-412	Evidence for strengthened capacity of social partners (trade unions and employers' organisations) to participate in social	<p>Between 2007 and 2013, social partners (trade unions and employers' organisations) and civil society were highly involved in defining priorities for EU support to social protection.</p> <p><i>Source: EUD Survey</i></p>

#	Indicators	Evidence
	protection policy dialogue	
I-413	SP mainstreamed in other policy dialogues where relevant, e.g. trade and migration	Social protection is very much a part of the policy dialogue on migration. This is primarily but not exclusively a factor in child protection. There is evidence that children of migrants eat less, go to school less, develop worse and are generally significantly disadvantaged.
<b>JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms</b>		
I-421	In policy dialogue, EU advocates for LA involvement in design, delivery, and monitoring of social protection services under supported reforms	<p>EU Programmes focus on central government so the EU advocated for the involvement of LAs in design, delivery and monitoring of SP services to a low extent.  <i>Source: EUD Survey</i></p> <p>A policy reform agenda regarding decentralisation of social services was also established which included the creation of a network of child protection units at regional (rayon) level.  <i>Source: AAP 2010, p. 14.</i></p> <p>Social services include services for vulnerable groups of the population. These services are provided through institutions for children (boarding schools and orphanages), people with disabilities, and the elderly, as well as through Social Protection Departments, now Social Development Departments (SDDs), operating at rayon and municipal levels. The reforms in this area were strongly supported by the EC during the last few years.  <i>Source: EPRD Final Report 2013-2014, p. 120.</i></p> <p>Family and Child Support Departments were established in 2007-2008 at rayon and municipal level to provide social services to vulnerable families. Later, from January 2011, these Departments were merged into social service departments. The objective was to strengthen the coordination between these services, provide more targeted services and to ensure more effective use of human resources. For a year, the units responsible for families and children were merged with those delivering services to the disabled and elderly, but after restructuring in October 2013, the Family and Child Support Unit was again separated from the unit dealing with the disabled and the elderly.  <i>Source: EPRD Final Report 2013-2014, p. 121.</i></p> <p>Being a potentially powerful vehicle for improving people's livelihood, local authorities play a crucial role in implementing development programmes in the provinces, especially in the poorest rural areas (Jalal-Abad, Naryn, Osh, Batken regions). Priority will therefore also be given to further increase the capacity of the local authorities, to develop further the policy dialogue between local self-government, local authorities, regional and central government, civil society organizations and donors, and to ensure that the related reform process continues.  <i>Source: MIP Kyrgyzstan 2014-2020, p. 15.</i></p>
I-422	In policy dialogue, EU advocates for NGO and private sector involvement in design, delivery, and monitoring of social protection services under supported reforms	<p>The EU advocated for the involvement of CS in design, delivery and monitoring of SP services to a high extent. However, the EU did not advocate for the involvement of the private sector.  <i>Source: EUD Survey</i></p> <p>[...] The strengthening of the role of Civil Society Organizations in the provision of social services is another specific objective.  <i>Source: AAP 2014, p. 9.</i></p> <p>In budget support, with the aim of developing the national Social Protection strategy the Government has established a working group which includes representatives of civil society organizations. The working group meetings and workshops have given an entirely new opportunity for the CSOs to voice their concerns, to have their specific expertise recognized and most importantly to directly inform the development of social and child protection policies. The expert group of the Ministry of Social Protection reported that the establishment of the working group in the framework of the budget support operation has led</p>

#	Indicators	Evidence
		<p>to very fruitful consultation with civil society and has been a learning experience for the staff.</p> <p>As a result of the ongoing consultative processes there has been an increased understanding of the key role CSOs can play in the development and delivery of social services for vulnerable groups of the population. The Ministry of Social Protection has decided to develop public-private partnerships with the aim of increasing social service provision. These partnerships have been included in the upcoming multiannual programme.</p> <p><i>Source: Analysis EAMR 2011.</i></p> <p><i>See also I-411.</i></p>
I-423	National and international NGOs and private sector firms with specialist expertise contracted for service design and delivery under supported reforms	<p>4. The possibilities of sub-contracting non-state actors for the provision of community social services, particularly in remote and rural areas, have not been sufficiently explored;</p> <p><i>Source: AAP 2014, p. 8.</i></p> <p>Non-Governmental Organisations (NGOs) It is foreseen that these will play a key role for the provision of social services to the beneficiaries.</p> <p><i>Source: AAP 2011, p. 11.</i></p> <p>MoLSD not only outsourced the implementation of the seven “pilot” social services under the Social Services Action Plan 2014-2016 to NGOs/CSOs through the Law on State Social Order, but extended this to other NGO activities including, inter alia, other social services.</p> <p><i>Source: EPRD Final Report 2013-2014, p. xi.</i></p> <p>MoLSD has successfully initiated the outsourcing of social service provision under the Law on State Order, but needs assessments of communities and the selection of pilots leaves much to be desired. [...] MoLSD in this respect has been more reluctant than MoF in supporting the rapid expansion of social services, but it has also to be recognized that the capacity of the civil service sector to identify, design, and implement the provision of alternative services is extremely limited.</p> <p><i>Source: EPRD Final Report 2013-2014, p. xv.</i></p> <p>Delivery of social services has until recently been primarily through local authorities and NGOs. Supported by AAP2 010/2011 the piloting of outsourcing under the State Order Law was initiated in seven Rayons, following the Social Services Action Plan 2014-2016.</p> <p><i>EPRD Final Report 2013-2014, p. 121.</i></p> <p>An example of international NGO involvement is the Save the Children project for inclusion of children with disabilities in 35 schools in 7 Rayons. See I-122.</p> <p><i>Source: Project documentation</i></p>

#	Indicators	Evidence
<b>JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU</b>		
I-431	Evidence of social partners and civil society organisations (e.g., advocacy NGOs, research organisations) involved in EU-supported policy development events on SP including international fora.	<p>The EU supports CSOs that are engaged in advocacy for marginalized groups of internal labour migrants. The Protection of Children NGO is engaged in providing services to internal migrants located in Bishkek, staffing five help centres in the five large new buildings outside Bishkek. 95% of the people come for help with obtaining documents (passports, birth certificates, propiskas, etc.). People coming for help never had documents to begin with, because in rural areas many adults have no documentation, so when a child is born they cannot document the child in the absence of documents from parents. The NGO tries to help people in Bishek with both legal support and advocacy. A survey in one of the buildings found that 1563 people, half of them children, never had any documents. This has enormous implications for social protection, as social protection cannot be accessed without documents. This is a post-Soviet problem. During the Soviet era there was control over the population and documents were issued.</p> <p><i>Source: Field mission interviews</i> <i>Note: See I-411</i></p>
I-432	Regional and global networks of social protection stakeholders supported.	<p>A policy reform agenda regarding decentralisation of social services was also established which included the creation of a network of child protection units at regional (rayon) level.</p> <p><i>Source: AAP 2010, p. 14.</i></p> <p>CDS 2009-2011 also explicitly recognizes the need and importance of establishing a system of social services for vulnerable families and children according to the requirements of the Children's Code, implying both deinstitutionalization and the decentralization of these services through the creation of a network of special bodies offering services on child protection, support to adopting and foster families, inter-agency coordination of all child protection activities, and the raising of the population's awareness on child and family protection issues.</p> <p><i>Source: SPSP 2007-2009 AM5, p. 6.</i></p>

#### 4.1.5 EQ5

#	Indicators	Evidence
<b>JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially</b>		
I-511	Appropriate capacity development measures supported by EU	<p>Many steps have been taken in the process of establishing the legislative and institutional framework for the reforms, and in building the institutional and personnel capacity to manage their implementation</p> <p><i>Source: SPSP 2007-2009 AM5, p. 17.</i></p> <p>Major steps have been taken to address structure, functions and capacities of the rayon SDDs, and support appropriate staffing and qualifications, although it is not clear that this was done on the basis of a proper functional analysis within each rayon. A training programme aimed at the requalification of social protection specialists and social workers at rayon level has eventually been developed, although to date only delivered in a limited number of rayons.</p> <p><i>Source: EPRD Final Report 2013-2014, p. xiv.</i></p> <p>Although training has supported improvements at ministry level, these have tended to be undermined by a continuing lack of senior management understanding.</p> <p><i>Source: EPRD Final Report 2013-2014, p. xv.</i></p> <p>The issue of capacity within MoLSD to properly manage its full responsibilities for social protection, including benefits and services, especially for child protection has been repeatedly noted during this and earlier EU Social Protection SPSPs between 2007 and 2012. It remains an issue to be addressed and is a core element in the proposed new AAP 2014 SP&amp;PFM</p>

#	Indicators	Evidence
		<p>SRC. While there has been improvement in the quality of outreach through the rayon/municipality departments, including improved salaries to attract and retain quality staff, basic upgrading of the quality and skills of staff in the area of child protection still needs to be addressed through comprehensive career development training and requirements for suitable qualifications and certification.</p> <p><i>Source: EPRD Final Report 2013-2015, p. xiii.</i></p> <p>The presence of an embedded TA is instrumental to increasing capacity within the line ministries, as well as increasing knowledge on the EU and on the budget support instrument.</p> <p><i>Source: AAP 2014, p. 7.</i></p> <p>The SPSP 2007-2009 is supported by a resident technical assistance team in the Ministry of Finance. The team supports the Government of Kyrgyzstan with the implementation of the SPSP and provides policy advice and skill development in areas of public financial management and social protection.</p> <p><i>Source: AAP 2010, p. 15.</i></p> <p>Besides the resident TA team, short term assistance related to Programme objectives has also been provided over recent years to support reforms in social benefit targeting, the preparation of an action plan for child protection, development of a medium term strategy for PFM reform, and [...] as well as to provide support for surveys to explore the exclusion and inclusion errors of the MBPF and MSB and developments in childcare.</p> <p>[...] Support from the Programme has undoubtedly strengthened MoSD's case for budget allocations in the face of budgetary constraints, but human resource capacity, while improved through training and technical assistance remains weak.</p> <p><i>Source: EPRD Final Report 2013-14, p. 89 &amp; 93.</i></p>
I-512	Weaknesses in SP legal frameworks, identification, registration, payment, etc. systems analysed, appraised, and addressed with EU support	<p>Increases in the level of individual poverty targeted cash transfers have not been accompanied by the anticipated increase in the number of beneficiaries, in part because MoLSD has changed the eligibility criteria and re-assessed the beneficiaries. It is therefore important to keep surveying the exclusion and inclusion error for all categories of beneficiaries of social assistance. This could be achieved by introducing performance auditing at all levels; [...]</p> <p><i>Source: AAP 2014, p. 8.</i></p> <p>Capacity constraints range from shortcomings in the legislative and regulatory framework, lack of administrative and managerial professionalism, and shortfalls in crucial technical skills. A telling example can be found in the sector of social protection where there are acute problems resulting from the fragmentation in the management structure in place in the Agency of Social Welfare and the Ministry of Labour, Employment and Migration. ASW is responsible for social cash transfers and services to elderly and people with disabilities (see above 2.2.2), while the Child Protection Department (CPD) manages social services to children at risk. The CPD resorts however under the Ministry of Labour, Employment and Migration, rather than under the ASW.</p> <p><i>Source: AAP 2010, p. 9.</i></p> <p>The current management and administrative fragmentation in this area is considered by all stakeholders as counterproductive to achievement of social protection objectives and hinders in particular the implementation of the existing Action Plan on Child Protection;</p> <p><i>Source: AAP 2010, p. 15.</i></p> <p>Although the system is working in practice, it is in great need of strengthening and there is an urgent requirement for a needs assessment covering each rayon individually. Reporting on child protection activities by the FCSDs and others also appears to be weak. There is no real data on children at risk (FCSDs have instead been working on a general children's register), particularly those in institutionalised care. There appears to be no overall</p>

#	Indicators	Evidence
		<p>mapping of services, no accurate information on the numbers of children in care, and no individual assessment of children in care and no individual child development plans or plans for deinstitutionalisation.</p> <p><i>Source: SPSP 2007-2009 AM5, p. 16.</i></p> <p>Despite its orientation towards poor families, there were two main difficulties with the Unified Minimum Benefit: the efficiency of its targeting, and its level.</p> <p>[...] A 2008 report on the effectiveness of the UMB indicated that both inclusion and exclusion errors of the UMB scheme were high. Although the UMB reached some two-thirds of families within the two lowest quintiles by income, many extremely poor families were excluded. At the same time, many non-poor were included among UMB recipients (some are even in the top quintile).</p> <p>[...] Another problematic area was the Guaranteed Minimum Level of Consumption [...] Keeping the GMLC low reduces the number of families eligible for the UMB and hence has enabled Government to balance demand for the benefit with the budget resources available [...] The number of UMB recipients has, as a result, varied from 583,000 in 1998 to 455,000 in 2005, and since 2006 fallen from 475,000 to 451,000 at the end of 2007, and 361,600 at the end-2008.</p> <p>[...] To improve the UMB system, more specifically inclusion and at some extent exclusion errors, new criteria to define the family income (estimated potential income from land, existence of some durable assets in the household) were piloted and introduced, as well as the GMLC was replaced by the Guaranteed Minimum Income (GMI).</p> <p>After piloting and assessing the impact of above-mentioned improvements in 7 rayons, the system was introduced in the country from 1 January 2010, with the adoption of all the required legislation in the end of 2009.</p> <p><i>Source: SPSP 2007-2009 AM5, p. 80.</i></p> <p>An Action Plan covering implementation of the Strategy over 2012-2014 was approved by Ministerial Order No: 45 of 10 April 2012. Of key significance is the progressive increase in the Guaranteed Minimum Income (GMI), the threshold for benefit payments, towards the extreme poverty line, with the action plan indicating achievement of 50% of the extreme poverty line (EPL) in mid-2012, 75% in mid-2013, and full parity in mid-2014</p> <p><i>Source: SPSP 2010 AM3, p. 8.</i></p> <p>Weaknesses in external audit remain but are being addressed.</p> <p><i>Source: EPRD Final Report 2013-2014, p. iii.</i></p> <p>Work on reducing inclusion and exclusion errors in both MBLIF and MSB has been continuing, stimulated since mid-2012 by the need to contain the increase in numbers of beneficiaries, and hence the budget for social assistance transfers, particularly after substantive increases in benefit levels and/or the benefit threshold (the GMI) following approval of the Social Protection Strategy 2012-2014 in December 2011.</p> <p><i>Source: EPRD Final Report 2013-2014, p. vii</i></p>
I-513	EU support takes SP governance issues into account and addresses gaps and deficiencies	<p>Complementary assistance will include Technical Assistance to support the Government to implement its social development strategy, manage its budgetary resources, monitor performance and ensure transparency and reporting. In addition, technical expertise will provide support to the implementation of the PFM reform strategy.</p> <p><i>AAP 2014, p. 11.</i></p> <p>The development of the internal audit system has been a focal point of assistance of EU and other donors (namely WB and DFID), and is a priority of the Multi-Donor Trust Fund on PFM.</p> <p><i>Source: AAP 2010, p. 12.</i></p> <p>The overall objective of SPSP 2010 is to support pro-poor Government policies and contribute to the enhancement of public accountability, good governance and transparency in public spending.</p>

#	Indicators	Evidence
		<p><i>Source: AAP 2010, p. 17.</i></p> <p>Governance is included as a cross-cutting issue in the SPSP programme  <i>Source: AAP 2010 &amp; 2011.</i></p> <p>In addition, accountability and transparency of the system will be enhanced, by supporting the establishment of effective grievance mechanisms.  <i>Source: AAP 2011, p. 6.</i></p> <p>Specific Condition 1: Adoption of the 2010-2012 MTBF by the Government, including the medium term expenditure planning for the sectors of social protection and agriculture.  <i>Source: SPSP 2007-2009 AM5, p. 12.</i></p> <p>One of the main shortcomings after years of PFM reform has been the limited public access to the appropriated annual Budget. The budget has never been published in full in the official journal of the National Assembly (Jogorku Kenesh) and there has never been a systematic attempt to make printed and electronic versions available to public bodies, the private sector and the general public. This has been reflected in the low score of the relevant PEFA indicator (PI 10). The proposed SPSP intends to address this issue.  <i>Source: AAP 2010, p. 11.</i></p> <p>In 2012, the Kyrgyz Republic scored only 20 on the eight indicators used in the Open Budget Index (OBI). Although an improvement on the score of 15 in 2010, this was well below the Government's target of 25 and the average of 43 for countries in the Central Asia region. Oversight of, and engagement in, the budgetary process by the legislature and the supreme audit institutions was reported being the weakest in the region.</p> <p>[...] A new MoF website <a href="http://www.okmot.kg">www.okmot.kg</a> was set up in 2012 with inter alia a "Transparent Budget" or "Open Budget" portal, providing easily understandable information on central and local Government debt, revenues and expenditure in Kyrgyz, Russian and English, to provide free access to information on 'the performance of public bodies and local self-government' as required by the Law on Access to Information.  <i>Source: EPRD Final Report 2013-2014, p. iv.</i></p> <p>In the area of PFM, the SPSP 2007-2009 contributed to the establishment of the internal audit department in MoLSD and its successor institution, the ASW. Internal audits are now routinely conducted and information and analysis should be used for improving systems.  <i>Source: AAP 2010, p. 17.</i></p> <p>A threat to sustainability with the EU phasing out of SP is that the reduced number of categories of non-means tested beneficiaries and the number of beneficiaries within existing categories may, in the absence of conditionality, be expanded by the Parliament.  <i>Source: Field mission interviews</i></p>
<b>JC 52 Nationally defined social protection floors promoted</b>		
I-521	Evidence that the EU advocates in policy dialogue with government to adopt the national social protection floor approach	<i>No information was found.</i>
I-522	EU support to SP coordinated with ILO country and regional offices	<i>No information was found.</i>
<b>JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered</b>		
I-531	EU supported social protection schemes designed / administered on	See JC 52 for references to fiscal analyses done in the context of EU budget support.

#	Indicators	Evidence
	the basis of sound financial and actuarial analysis	
I-532	Evidence of EU supporting the transition to sustainable national financing for social protection	<p>The Programme aims to continue developments in the field of social protection supported under earlier budget support programmes since 2007. However, it is aimed at phasing out EU support to the sector and hence seeks to consolidate achievements and ensure that sustainable systems and management capacities are in place.  <i>Source: AAP 2014, p. 1.</i></p> <p>Between 2007 and 2013, EU support contributed to a high extent to sustainable improvements in the overall country's social protection systems. The improvements can be associated with the EU sector support programme with budget support conditions and technical assistance.  <i>Source: EUD Survey</i></p> <p>The entire social assistance scheme cannot be improved comprehensively without reforms in other existing social assistance schemes, such as Monthly Social Benefits and Privileges/Compensations. This holistic consideration of the social assistance is at the core of the proposed Programme, rather than focus on components, which was more the case under the current SPSP 2007-2009;  <i>Source: AAP 2010, p. 15.</i></p> <p>It is too early to make a full assessment of the achievements of the Programme in terms of its expected results, particularly with respect to their impact and sustainability. Furthermore, the process of reform, begun under earlier programmes, is to continue under the proposed AAP2014 SRC for SP and PFM.  <i>Source: EPRD Final Report 2013-2014, p. xiv.</i></p> <p>Significant progress was made in the social protection policy framework up to 2011 when the current Strategy was finalised, but this progress has since not been sustained. The AAP 2010 Final report pointed to a crumbling of the consensus and this seems to have continued. The call for a longer term Government level vision, within which developments in social assistance and social services provision and management over the medium term can be determined, has been disregarded and there appears to be an absence of overall Government direction. Unless this situation is resolved, there must be doubts as to the medium term impact and longer-term sustainability of developments supported by the AAP 2011 programme.  <i>Source: EPRD Final Report 2013-2014, p. xv.</i></p> <p>For phasing out support for social protection the continuation of the sector approach through budget support seems suitable as it builds on the use of partner country systems and provides a recognized platform for policy dialogue between the EU and the Government. Budget support can help integrating social protection mechanisms into national budget and planning processes in a framework of government accountability to parliament and people. Moreover, the phase-out programme will consolidate the ongoing sector budget support to the Government to implement its "Social Protection Development Strategy 2012-2014" (being updated and scheduled for endorsement by the end of 2014) and the "Optimisation Plan for the Management and Financing of Childcare Institutions for 2014-2016"  <i>Source: MIP Kyrgyzstan 2014-2020, p. 15.</i></p> <p>With the phasing out of budget support to SP, the EU conditionalities focused on inclusion &amp; exclusion and targeting are already endangered by the universal benefits law.</p> <p>The EU pushes to reduce the number of children in residential care institutions and <i>encourages</i> contracting with NGOs for the provision of services; also, the EU supported developing alternative ways of care. This</p>

#	Indicators	Evidence
		<p>process might slow-down and there is a risk of re-institutionalization. There is a bureaucratic imperative for institutions to maintain themselves.</p> <p><i>Source: Field mission interviews</i></p>
I-533	Evidence of poverty impacts and redistributive effects analysed and monitored at all stages of EU support to SP	<p>The level of benefits has increased, but the coverage has significantly narrowed. Increases in the GMI (by 70%) should have raised the number of beneficiaries but in fact they have fallen (by 20%), and quite sharply. This is the result of stronger criteria and better assessment of eligibility, rather than because of relative improvements in incomes and reduced poverty. In contrast, poverty in recent years has been increasing, most notably in the urban areas.</p> <p><i>Source: EPRD 2013-2014, p. xiv.</i></p> <p>While budget process developments are part of a broader PFM reform process committed to by Government, the Programme has undoubtedly had an influence on the timetable and quality of these improvements, indeed at times defining the coverage and timing of reforms Government. The Programme has been instrumental in keeping Government to its agenda, and the results are impressive.</p> <p><i>Source: EPRD Final Report 2013-2014, p. xv.</i></p> <p>During the last three years, the increase of the privileges budget has been at much higher rates than the increase in the MB and MSB budgets. It means that while regressive distribution of privileges has been levelled by more even allocation of funds between the rural and urban eligible people, the overall spending has become significantly less pro-poor.</p> <p><i>Source: SPSP 2009-2012, Annex 4.</i></p>
I-534	Evidence of intergenerational equity issues considered in the design of the EU support to SP.	<p>The EU support is focussed on the most vulnerable generation, the children, who constitute 34% of the population of Kyrgyzstan.</p>
<b>JC 54 Government social protection programmes consolidated and rationalized where necessary</b>		
I-541	Evidence for improved institutional structure and procedures of agencies responsible for social protection with EU support	<p>Over the past year the Government has expressed its strong political commitment to the Social Protection reform Agenda with concrete steps such as creating a Ministry for Social Protection, setting up regional family and child protection offices, increasing the social protection budget and revising the eligibility criteria for social assistance benefits. In addition, it should be also noted that the Government is in the process of formulating a separate formal social protection sector strategy to be approved at the highest political level in October 2011</p> <p><i>Source: AAP 2011, p. 3.</i></p> <p>A revised and comprehensive social protection strategy inclusive of child protection is being formulated, to be approved in October 2011 and the situation has significantly improved with regard to the organisational structure of the social protection sector.</p> <p><i>Source: AAP 2011, p. 5.</i></p> <p>The new Government decided to transform the Social protection agency into a Ministry and mandated the transfer of Child Protection functions under the newly established Ministry of Social Protection. Progress has been made in resolving the institutional fragmentation in the social and child protection sector, at central and at regional level thus contributing significantly to the identification of vulnerable families and children in difficult situations.</p> <p><i>Source: AAP 2011, p. 6.</i></p> <p>Family and Child Support Departments were established in 2007-2008 at rayon and municipal level to provide social services to vulnerable families. Later, from January 2011, these Departments were merged into social service departments that are part of the MoLSD. The objective was to strengthen the coordination between these services, provide more targeted services and to ensure more effective use of human resources. For a year,</p>

#	Indicators	Evidence
		<p>the units responsible for families and children were merged with those delivering services to the disabled and elderly, but after restructuring in October 2013, the Family and Child Support Unit was again separated from the unit dealing with the disabled and the elderly.  <i>Source: EPRD Final Report 2013-2014, p. 121.</i></p> <p>The authorised body in the area of child protection is the Child Protection Department of the Ministry of Labour and Social Development. Although having an entity that is officially authorised to manage child protection is an important concept, the status of a department in MoLSD does not provide for adequate power to manage, coordinate and monitor the child protection sector all over the country, including the national as well as local levels.  <i>Source: EPRD Final Report 2013-2014, p. 122</i><i>The ongoing SPSP 2007-2009 makes significant contributions towards the rationalisation and modernisation of the system of social assistance entitlements. New eligibility criteria and access procedures for Monthly Benefits (MB) were developed and piloted, with substantial EU technical assistance input, requested by the partner Government.</i>  <i>Source: AAP 2010, p.5.</i></p> <p>As noted above, the most recent Government reorganization has consolidated social protection functions in the Ministry of Labour and Social Development, which is now responsible for social assistance benefits, child protection and most social services to the vulnerable.</p> <p>There is still significant fragmentation: the MoEdu remains responsible for the residential facilities for children, which should provide not only educational but also social services to vulnerable children. One of the conditions for the receipt of Budget Support is a 3% annual reduction in the number of children in institutional settings. There is an institutional challenge, however, with the MoEdu responsible for the facilities and children, while the MoLSD must provide services and implement the optimization plan. This requires inter-agency cooperation, always a great challenge.</p> <p>The approaches developed by the TA team and the Government are appropriate: the implementation is overseen by a Vice Prime Minister responsible for both agencies, the TA is provided to both agencies, and a database of vulnerable children located in residential institutions is available online to three agencies: the MoEdu, the MoLSD and the Ministry of Health. The challenges will remain throughout the process of optimization. For instance, the MoEdu, while making a plan to close 3 residential facilities for children in difficult circumstances, plans to use the buildings for two purposes: as special needs educational day facilities (for handicapped and other special needs children) and also as crisis centres for children requiring social protection, as an alternative to long-term residential facilities. Given that MoLSD is expending effort and resources to provide social protection facilities, it would seem that creation of new crisis centres by the MoEdu would both interfere in another agency's task and potentially duplicate or misallocate resources.</p> <p><i>There is still discussion over the role that local government should play. The present system is that local government can identify a needy family, provide the information about a child at risk, but has no services to offer. There is some discussion over the need to amend the local government law to provide it with the responsibility and resources to provide some of these services.</i></p>
I-542	Evidence for established / improved coordination mechanisms across all public agencies with SP responsibility	<p><i>On the 20th of June 2007 the Kyrgyz Government issued a Decree N 175 to establish a Working Group for the elaboration of the Social Development Concept 2007 -2012. The concept is elaborated in order to coordinate the activities of the reform directions in the social sector and the MoLSD is chairing the working group.</i>  <i>Source: AAP 2009, p. 4.</i></p>

#	Indicators	Evidence
		<p>An interagency working group was established by Government Order No.375 of 26th July 2012 to work on improvements to the 'system of assignment of monthly benefits for low income families with children', essentially to improve targeting and reduce inclusion and exclusion errors of the MBLIF.</p> <p><i>Source: EPRD Final Report 2013-2014, p. viii.</i></p> <p>An interagency working group to coordinate implementation of the Plan (OP) was established by MoLSD Order No.7 of the 5th of February 2013. At the same time, each of the three key ministries has established its own internal working group, while working groups have also been created with local self-government, rayon departments, institution management, and local NGOs for development of transformation plans for each targeted institution.</p> <p><i>Source: EPRD Final Report 2013-2014, p.ix.</i></p> <p>In the reporting period, coordination between ministries has only marginally improved, institutions reluctant to put aside individual institutional interests for a broader national or Government agenda, perhaps because Government itself has been reluctant to take the lead (and provide the vision) on longer term social protection policy objectives.</p> <p><i>Source: EPRD Final Report 2013-2014, p. xiv.</i></p> <p>However, in the most recent period, effective coordination is provided by an inter-agency coordinating council, the "Coordination Council for the Protection of Children," overseen by a vice prime minister, in which all relevant agencies participate and which is advised by international donors, including the EU. This is the body responsible for the Optimization Plan.</p> <p><i>Source: Minutes of meeting No. 2 on 11 April 2017 of the interagency coordination council on juvenile justice.</i></p>
I-543	Universal approaches favoured over targeted ones where appropriate (in EU support)	<p><i>The recent adoption of a law on universal benefits payable to parents on behalf of children is presented as a significant step to include poor families and families in distress who do not know how and where to apply. The move is controversial, however, as it will have significant fiscal effects and, many fear, will reduce the effectiveness of poverty targeting.</i></p> <p><i>Source: Field mission interviews</i></p> <p>The <i>Strategy for the Development of Social Protection of the Population of the Kyrgyz Republic for 2012-2014</i>, approved by Government in December 2011, proposes development in four main thematic areas: (i) children and families in difficult situations; (ii) persons with disabilities; (iii) the elderly; and (iv) persons at risk (mostly those living in residential institutions and prisons, and the homeless); and addresses this through six administration and management elements. While the Strategy addresses most of the key issues for social protection, considerable emphasis is placed on social assistance payments (the social safety net) which constitutes some 90% of the social protection budget but have been criticised as inadequate as a safety net and insufficiently pro-poor.</p> <p><i>Source: EPRD Final Report 2013-2014, p. ii.</i></p>

#### 4.1.6 EQ6

#	Indicators	Evidence
<b>JC 61 Social protection as a human right promoted at all levels</b>		
I-611	Thematic, regional and country strategies and interventions incorporate rights-based approach to SP	<p>[...] alongside transparency and oversight, fundamental EU values of human rights, rule of law, and democracy, as expressed in the country risk assessment (also a precondition for EU budget support eligibility), should also be presented and clearly transmitted as <i>a priori</i> conditions of criteria for support, in a way that leaves no doubt as to compliance;</p> <p><i>Source: EPRD Final Report 2013-2014, p. xvi.</i></p> <p>The EU's experience with policy dialogue in the sector, its added value for reinforcing a human rights based approach to social and child protection,</p>

#	Indicators	Evidence
		and coherence with the other human dimensions of development, will increase the prospects of achieving the desired results. <i>Source: MIP Kyrgyzstan 2014-2020, p. 15.</i>
I-612	Evidence that EU advocates for a rights-based approach in global fora	<i>Indicator not relevant at country level.</i>
<b>JC 62 EU support addresses concerns about excluded populations</b>		
I-621	Gender, disability, ethnic minority, children's, etc. issues mainstreamed in EU SP support	<p>It [SPSP] will also pay particular attention to promote equal and non-discriminatory access to social services and benefits as well as the continuous identification of protection gaps. <i>Source: AAP 2014, p. 9.</i></p> <p>Social exclusion has been one of the most important thematic areas of EU support to social protection between 2007 and 2013. Social services for vulnerable people started to develop. <i>Source: EUD Survey</i></p> <p>Gender is included as a cross-cutting issue in the SPSP 2011 <i>Source: AAP 2011, p. 12.</i></p> <p>Social services include services for vulnerable groups of the population. These services are provided through institutions for children (boarding schools and orphanages), people with disabilities, and the elderly, as well as through Social Protection Departments, now Social Development Departments (SDDs), operating at rayon and municipal levels. The reforms in this area were strongly supported by the EC during the last few years. <i>Source: EPRD Final Report 2013-2014, p. 120.</i></p> <p>The two following cross-cutting issue is particularly important in this focal sector:</p> <p>Gender: Due to the high labour migration by men, there are a significant number of female farmers and women-headed households. The empowerment of women and practical opportunities given within the programme will increase their capacities for active involvement in management of the income generating schemes, as well as improved active participation in the local development process. [...] <i>Source: MIP Kyrgyzstan 2014-2020, p. 16.</i></p> <p><i>Note: See also I-543 for government's list of target groups.</i></p>
I-622	NGO/CSO capacity to advocate in for SP needs of excluded populations strengthened	<p>The Review noted that capacity constraints within the participating ministries and the related NGO community remained of paramount importance for the implementation of both the Government's Strategy and the EU sector programme. The inadequacies of the NGO community were particularly evident during MoLSD attempts to implement, <i>inter alia</i>, the Optimization Plan 2013-2016 and the Social Services Action Plan 2014-2016, and MoEdu transformation of childcare institutions. Civil society organizations with the knowledge and capacity to design, implement, and manage alternative childcare services are few in number and limited in experience, a factor that not only seriously constrained the speed of implementation of agreed action plans but also the quality of that implementation. <i>Source: EPRD Final Report 2013-2014, p. xiii.</i></p>
<b>JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage)</b>		
I-631	Trend in non-contributory pension as percentage of average wage	<p>There is not sufficient data to evidence trends. According to the ILO, non-contributory pension scheme (the social pension) was 5.7% of the average wage in 2008. <i>Source: World SP Report 2014-2015, ILO, p. 264. <a href="http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf">http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf</a></i></p>
I-632	Trend in adequacy of social assistance benefits	<p>Targeting of social benefits and adequacy improved. Social services for vulnerable people started to develop.</p>

#	Indicators	Evidence
		<p><i>Source: EUD Survey</i></p> <p>Similarly with the changes to the benefit system, while there is broad acceptance of responsibilities towards disadvantaged children there remains a gap as to Government's responsibility to provide an overall safety net for the poor. Financial allocations continue to focus on compensation as either victims or servants of the state. Even for the child based monthly benefits, despite improvements in targeting and higher levels of payments, particularly since January 2010, there remains much to be done to make them more effective, including changes to further reduce the exclusion error, address the needs of the urban poor, and more adequately cover the minimum subsistence needs of socially and economically vulnerable families.</p> <p><i>Source: SPSP 2007-2009 AM5, p. 17.</i></p> <p>Despite its orientation towards poor families, there were two main difficulties with the UMB: the efficiency of its targeting, and its level.</p> <p>[...] A 2008 report on the effectiveness of the UMB indicated that both inclusion and exclusion errors of the UMB scheme were high. Although the UMB reached some two-thirds of families within the two lowest quintiles by income, many extremely poor families were excluded. At the same time, many non-poor were included among UMB recipients (some are even in the top quintile).</p> <p>[...] Another problematic area was the GMLC [...] Keeping the GMLC low reduces the number of families eligible for the UMB and hence has enabled Government to balance demand for the benefit with the budget resources available [...] The number of UMB recipients has, as a result, varied from 583,000 in 1998 to 455,000 in 2005, and since 2006 fallen from 475,000 to 451,000 at the end of 2007, and 361,600 at the end-2008.</p> <p>The Government recognized the need to improve the adequacy and targeting of the UMB; there was a consensus among officials and experts that UMB outdated and should be reformed. This is explicitly stated in the Government's "Country Development Strategy 2009-2011" and is the major reform in this area promoted by the EC-SPSP 2007-2009.</p> <p><i>Source: SPSP 2007-2009 AM5, p. 80.</i></p> <p>Changes in the level of social assistance benefits have tended to be offset by a tightening of eligibility criteria and the application of more effective mechanisms for assessing eligibility introduced in 2013. Issues about the poverty focus of benefits, their adequacy as a safety net, and their coverage of those in extreme poverty, however, remain.</p> <p><i>Source: EPRD Final Report 2013-2014, p. iv.</i></p> <p>In January 2010, when introduced, the GMI was KGS282. The GMI has been increased steadily since then, in part due to the Specific Conditions of the EU programmes. It rose to KGS 310 in July 2010, KGS 370 in July 2011, KGS 580 in November 2012, KGS 640 in November 2013, and KGS 705 in November 2014.</p> <p>The estimated average size of [MBLIF] benefits for beneficiaries has risen from KGS 210 in 2009 to KGS 298 in 2010, KGS 340 in 2011, KGS 405 in 2012, and KGS590 in 2013.</p> <p><i>Source: EPRD 2013-2014, Annex 4</i></p>
I-633	Trend in adequacy of unemployment benefit	<p>The amount of the individual benefit ranges from 250 to 1.000 KGS per month, with an average of 450 KGS per month. The economic and poverty reduction significance of the unemployment benefits scheme is limited, with high under-registration and hidden unemployment. Only 3.000 unemployed in the Republic receive the benefit, most of which are residents of Bishkek.</p> <p><i>Source: SPSP 2009-2012, Annex 3.</i></p>
I-634	Social protection expenditure as proportion of GDP:	<p>Total public social protection and health expenditure as proportion of GDP has steadily increased from 1990 (8.65%) to 2012 (9.58%).</p> <p>Total public social protection expenditure excluding health care amounted to</p>

#	Indicators	Evidence
	<p>Spending on working age population.</p> <p>Spending on the elderly.</p> <p>Spending on children</p>	<p>5.75% of GDP in 2012.</p> <p>Public social protection expenditure for older persons reached 1.54% of GDP in 2010.</p> <p>Public social protection expenditure for children amounted to 0.33% of GDP in 2010.</p> <p>Social benefits for persons of active age (excluding general social assistance) reached 3.11% and general social assistance was only 0.02% of GDP in 2010.</p> <p>Source: <i>World SP Report 2014-2015, ILO, p. 300 &amp; 309.</i> <a href="http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf">http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf</a></p> <p>According to WB data, public spending on Social Assistance Programs (cash transfers) amounted to 2.5% of GDP in 2014.</p> <p>Source: <a href="http://datatopics.worldbank.org/aspire/country/kyrgyz-republic">http://datatopics.worldbank.org/aspire/country/kyrgyz-republic</a>.</p> <p>The spending for social assistance (MB and MSB – cumulative) in 2010 has increased by 73% compared to 2009. Spending has increased relative to GDP as well, and for the first time reached the level of 1% of GDP, which is still lower than in most peer countries.</p> <p>Source: <i>AAP 2010, p. 7.</i></p> <p>The spending for social benefits in 2010 has increased substantially compared to 2009, approximately by 73%. Spending has increased relative to GDP as well, and for the first time reached the target of 1% specified in CDS. This clearly shows the willingness of the GoK to increase pro-poor spending to alleviate the negative impact of increasing energy tariffs.</p> <p>[...] The increase of privileges budget reflects (1) the fact that from January 01 all the privileges were monetized (<i>Note: this was an FSP 2006 condition, which was only partially fulfilled in 2007</i>); (2) the increase of energy tariffs. There are now 25 privileged groups instead of previous 38. There are however, frequent initiatives to increase the number of privileged groups. MoLSD experts noted that the existence of the EU conditionality in this regard was extremely helpful. Termination of budget support linked to this indicator may result in the creation of additional groups through Parliamentary or public initiatives.</p> <p>Source: <i>SPSP 2009-2012, annex 4.</i></p>

#### 4.1.7 EQ7

#	Indicators	Evidence
<p><b>JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context</b></p>		
I-711	<p>The choice of modalities and implementing partners reflects clearly identified comparative advantages and institutional capacity needs and constraints</p>	<p>A general lesson learnt from over a decade of budget support in the Kyrgyz Republic is that using Government processes and systems to deliver development aid offers an effective and focused platform for dialogue and cooperation.</p> <p>Source: <i>AAP 2014, p. 7.</i></p> <p>Between 2007 and 2013, EU support contributed to a high extent to sustainable improvements in the overall country's social protection systems. The improvements can be associated with the EU sector support programme with budget support conditions and technical assistance.</p> <p>One of the main lessons learnt regarding channels of support from the period 2007-2013 was that budget support accompanied with TA is the right channel. Budget support conditions accompanied with policy dialogue and specific TA provide the right incentive for sustainable reforms</p> <p>Source: EUD Survey</p> <p>Budget support has enhanced the quality of the policy dialogue between the partner government and the EU Delegation, thus contributing to continuous reform progress, as it goes to the heart of institutions and their capacity for</p>

#	Indicators	Evidence
		<p>delivery of public services. Budget support has considerably boosted the stature of the EU as a reliable, involved and proactive development partner. <i>Source: AAP 2010, p. 14.</i></p> <p>The logic of General Conditions as eligibility criteria points to the need for ongoing rather than periodic compliance, so failure should result in withdrawal of the instalment not simply postponement of disbursement. Indeed, failure early in the Programme suggests it should be closed or renegotiated since the Government is no longer eligible for budget support; <i>Source: EPRD Final Report 2013-2014, p. xvi.</i></p> <p>For phasing out support for social protection the continuation of the sector approach through budget support seems suitable as it builds on the use of partner country systems and provides a recognized platform for policy dialogue between the EU and the Government. Budget support can help integrating social protection mechanisms into national budget and planning processes in a framework of government accountability to parliament and people. Moreover, the phase-out programme will consolidate the ongoing sector budget support to the Government to implement its "Social Protection Development Strategy 2012-2014" (being updated and scheduled for endorsement by the end of 2014) and the "Optimisation Plan for the Management and Financing of Childcare Institutions for 2014-2016" <i>Source: MIP Kyrgyzstan 2014-2020, p. 15.</i></p>
I-712	The approach employed by the EU fosters high quality dialogue between the EU and national stakeholders	<p>One of the core lessons learnt from over a decade of budget support in the Kyrgyz Republic is that using government process and systems to deliver development aid offers a more effective and focussed platform for dialogue and cooperation. <i>Source: AAP 2010, p. 13.</i></p> <p>Under the SPSP 2007-2009 an intensive political dialogue with the Government of Kyrgyzstan has been solidly established. <i>Source: AAP 2010, p. 16.</i></p> <p>Policy dialogue with the Government and line ministries is regularly undertaken by the Delegation primarily around the current SPSP, in the form of ad hoc meetings and at least twice a year during the programme Steering Committee meetings. <i>Source: MIP Kyrgyzstan 2014-2020, p. 16.</i></p> <p>The reliability of EU support and commitment to the sector, and its consistency in dialogue has helped maintain the process of reform even during times of political uncertainty; <i>Source: AAP 2014, p. 7.</i></p> <p>The main activities to implement the budget support package are ongoing and directed policy dialogue, financial transfer against specific performance, ongoing monitoring and periodic assessment of performance against targets and indicators.</p> <p>[...] The Conditions and Indicators were derived through dialogue with Government, and are largely based on existing Government policy documents <i>Source: AAP 2014, p. 11&amp;15.</i></p> <p>Notwithstanding the high turnover of high-level interlocutors in the past year, the policy dialogue with Government and relevant line Ministries, Ministry of Finance (MoF), Ministry of Social Development (MoLSD), Ministry of Education (MoEdu) continued to be conducted on a regular basis, on the basis of the Financing Agreement and of the national strategies for social and child protection.</p> <p>[...] The working relationships with the targeted line ministries are excellent. The Delegation has timely access to information on programme implementation, progress and challenges. <i>Source: Analysis EAMR 2013.</i></p> <p>In Social Protection, Policy dialogue has been conducted on a regular basis</p>

#	Indicators	Evidence
		<p>with the Ministry of Social Protection and the Ministry of Finance in order to support the development of a Social Protection Strategy, and the fulfilment of the conditionalities foreseen under the SPSP 2010 programme, [...]</p> <p><i>Source: EAMR 2011, p. 3.</i></p> <p>In the time after the reporting period, strong policy engagement continued. The EUD mission remained active in the policy dialogue with the government counterparts and the TA was a daily source of policy discussion. Government counterparts report that the conditionalities are a useful tool to improve policy outcomes.</p> <p><i>Source: Field mission interviews</i></p>
I-713	The aid delivery methods and channels used promote ownership of SP by national stakeholders	<p>GoK is committed to reform the social protection in general and child protection in particular. More specifically it aims to increase the efficiency of social assistance that has not always targeted the poorest families and the creation of non-institutionalised approaches to children in difficult situations. [...] The CDS is committed to the rationalisation of social assistance in order to better target the poorest families, to increase the levels of UMB and at the same time make the reform fiscally sustainable.</p> <p><i>Source: AF N° 1 2008, p. 3.</i></p> <p>The Government efficiently implements PFM reforms and soundly manages public financial resources. There is credible commitment on behalf of the Government to improve PFM system (Annex 2, Section 4).</p> <p><i>Source: AAP 2009, p. 6.</i></p> <p>Ownership of national stakeholders of social protection was rated high by the EUD at the beginning and at the end of the period under evaluation, as well as in 2016.</p> <p><i>Source: Survey to the EUD to Kyrgyzstan, 2016.</i></p> <p>In the lack of strong Government leadership on a medium to longer-term vision, uncertainties exist with respect to forward strategies for social and child protection, and the commitment to implementation through adequate budget provision. Even institutional reforms introduced under AAP 2010 appear to be the subject of potential change. Policies at ministerial level seem set on maintaining institutional budgets rather than meeting agreed overall social objectives: there is no clear commitment to adequate provision of an effective safety net to contain poverty while promoting systems to promote incomes and reduce dependency, nor of deinstitutionalizing vulnerable children and supporting a swift transition to individual child centred solutions less damaging to child development.</p> <p><i>Source: EPRD Final Report 2013-2014, p. xvi.</i></p> <p>In the most recent time period, there has been high level social protection discussion by the Government. For instance, the 2nd Assessment Based National Dialogue (ABND) on Social Protection Floors took place in Bishkek, from 17 to 19 February 2016. The 2nd ABND was the most important event at the national level on social protection issues and involved more than 60 representatives of different organizations, including Government, Parliamentary Committee on Social Policy, civil society and social partners, UN agencies and other international organizations. It was hosted by the MoLSD. There was a session on health, and 3 sessions on income security of children, working-age people and elderly.</p> <p><i>Source: Field mission interviews</i></p>
<b>JC 72 EU financed interventions in the social protection field are mutually reinforcing</b>		
I-721	Financing instruments (bilateral vs. regional, geographic vs. thematic) are combined to exploit complementarities and promote synergies	<p>Several national and international non-state actors involved in delivering services at field level and in the provision of advocacy to Government and Parliament, such as HelpAge International, Handicap International, Save the Children, Danish Church Aid, also funded by EU instruments such as EIDHR, IFS and others.</p> <p><i>Source: AAP 2014, p. 8.</i></p> <p>All ongoing stand-alone programmes financed under the DCI include also</p>

#	Indicators	Evidence
		<p>an NGO grant component. This aspect was very visible in 2011, during which the Delegation launched six calls for proposals (DCI Prison Reform, DCI Vocational Education, DCI Agro-processing, DCI Irrigation, EIDHR and NSA) making almost 7 million EUR available for NGOs in Kyrgyzstan, a record in terms of allocation for civil society (CS).</p> <p><i>Source: Analysis EAMR 2011.</i></p> <p>The World Bank has been supporting the computerization of the benefits system, and is set to undertake studies of inclusion and exclusion errors and graduation from benefits. In addition the WB addressed the targeting of social assistance through work on a proxy means test.</p> <p>UNICEF is actively involved in all aspects of child protection reform, which impinge also on benefits for poor families with children. USAID previously supported a functional analysis of several social sector ministries, including MoLSD, and the amendment to the Law on Social Order, used for contract CSOs for services. GIZ is assisting in the reform of the Medical Social Expert Commissions that determine the rights of the disabled to benefits, as well as training for outreach staff and the piloting of computerization of social passports.</p> <p>Budget support supporting the implementation of various reform policies is provided by the World Bank and the Asian Development Bank and support to PFM reform is provided by WB, SECO, DFID, ADB, USAID and UNDP.</p> <p><i>Source: AAP 2014, p. 8.</i></p> <p>EU programming documents (AAPs) contain a subheading regarding the complementarity of the SPSP with other country initiatives such as:</p> <ul style="list-style-type: none"> <li>- the 2008 EU Response to Soaring Food Prices (RSFP) programme (EUR 5 million)</li> <li>- In the field of PFM reform, the Programme will cooperate closely with the MDTF that has been established to coordinate donor interventions and organise reforms by means of a PFM Action Plan.</li> <li>- "Enhancement of living standards and rural development in Kyrgyzstan", (EUR 4.5 million).</li> <li>- DFID has been active in the Kyrgyz Republic since 1997. Key themes of DFID support are governance, service delivery, accountability and the implementation of the National Health Strategy.</li> <li>- In addition, there will be synergies with the EU project "Support to Civil Service Reform in the Kyrgyz Republic" that is working on improving operational efficiency and service delivery effectiveness of Government of Kyrgyzstan</li> </ul> <p><i>Source: AAP 2010 &amp; 2011.</i></p> <p>In addition, there are a number of sector-related coordination mechanisms. For example, under the leadership of the Ministry of Finance a technical task force was created to lead and guide the PFM reform. In addition, a Multi-Donor Trust Fund (MDTF) to support PFM reforms was established as a joint initiative of the Swedish International Development Agency (SIDA), the Swiss Development Cooperation, UK Department for International Development (DFID), the European Union (EU contributes EUR 2.8 million to the MDTF) and the World Bank (WB).</p> <p><i>Source: AAP 2010, p. 8.</i></p> <p><i>The first year of EC-SPSP 2007-2009 for Kyrgyzstan, covering Fiscal Year (FY) 2008, was financed under the Development Cooperation Instrument (DCI) Food Security Thematic Programme Annual Action Plan for 2007 (AAP2007). The second and third years, covering respectively FY2009 and FY2010, are being financed under the DCI for (Central) Asia, with the current year falling under AAP2009.</i></p> <p><i>Source: SPSP 2007-2009 AM5, p. 2.</i></p> <p>Moreover, following the world food crisis of 2008 and the subsequent global economic slowdown, three new food security programmes were developed</p>

#	Indicators	Evidence
		<p>under the EU Food Security Thematic Programme and the EU Global Food Facility to assist the government of Kyrgyzstan in financing their response to the food crisis and the consequences it caused locally. Source: EU Central Asia cases studies and strategy, p. 27.</p>
I-722	<p>EU support to SP in partner countries has been reinforced by the mobilisation of expertise from EU Member States (via instruments such as TAIEX/Twinning or the SOCIEUX facility)</p>	<p><i>There is no evidence.</i></p>
<p><b>JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored</b></p>		
I-731	<p>Frequency of delays in implemented interventions related to SP</p>	<p>The FA for the third year of the programme has yet to be signed, delayed by the events of April 2010 and the consequent changes to Government and constitution planned. <i>Source: SPSP 2007-2009, AM5, p. 3.</i></p> <p>Budgetary financing for EC-SPSP supported agencies in 2010 appears to have been broadly adequate and timely. <i>Source: AAP 2011, p. 4.</i></p> <p>Third fixed instalment - 2009</p> <p>Although the Review was concerned about the record of Government's timely and in-full payment of social benefits (notably the UMB), a General Condition for both programmes and a Specific Condition for EC-RSFP), it nonetheless after explanation from Government confirmed compliance for both fixed instalments and recommended release of the EUR 3mn and EUR 2mn accordingly. <i>Source: SPSP 2007-2009, AM5, p. 4.</i></p> <p>The final (Sixth) disbursement of EU SPSP 2007-2009 was made in July 2011, the delay is in part the result of the political developments in 2010 and their aftermath. This in turn led to the postponement of the signature of the AAP2010 EU SPSP Financing Agreement until September 2011, pushing implementation into 2012.</p> <p>Following the Presidential election on the 30th October 2011, formation of a new Government took place only in December 2011. This delayed finalisation and approval of the state budget for FY2012 until April 2012, further delaying the fielding of the Second Instalment Review until the last week of April. <i>Source: SPSP 2010 AM3, p. 3.</i></p> <p>For the Third Instalment, the review in August/September 2014 recommended partial payment of €4.50mn of the €5.00mn instalment, but in the event full disbursement of €5.00mn was made before the end of 2014. [...] By the time of the FRM, a report on progress in implementation of the Strategy indicated that eight activities scheduled for 2013 remained as 'not implemented' and five as being implemented but behind schedule [...] While the Strategy is a comprehensive and valid approach to social protection development, the timeframe envisaged for implementation was evidently over optimistic. The Review concluded, however, that there has been sufficient progress in implementation to satisfy the General Condition. <i>Source: EPRD Final Report 2013-2014, p. I &amp; ii.</i></p> <p>Progress in the implementation of the Optimization Plan continued to be variable through 2014, but generally behind schedule. [...] On the 27th August 2014, the Optimization Plan was amended by Government Decree No.490 "On the introduction of amendments and changes to the Decree of the Kyrgyz Government "On the optimization of management and financing of child care institutions for 2013-2016 dated</p>

#	Indicators	Evidence
		<p>December 7, 2012 No.813”, extending its overall timeframe by two years to 2018 and the schedule for individual components as yet uncompleted beyond 2014. This late amendment essentially undermined the requirement for implementation on schedule as the schedule was changed.  <i>Source: EPRD Final Report 2013-2014, p. ix.</i></p> <p>MoLSD not only outsourced the implementation of the seven 'pilot' social services under the Social Services Action Plan 2014-2016 to NGOs/CSOs through the Law on State Social Order, but extended this to other NGO activities including, inter alia, other social services. The tender was launched in December 2013, selections made by a mixed Government/NGO panel and contracts awarded at the end of March 2014 (although only eight proposals were received for the seven services).  Funding constraints delayed the release of initial payments to the seven pilots to May, [...]  <i>Source: EPRD Final Report 2013-2014, p. xi.</i></p> <p>The Optimization Plan is already ten years behind fundamental changes in childcare and protection introduced in other CIS countries, and a plan that envisages only one social service being established through outsourcing per oblast per three or four year period is woefully inadequate.  <i>Source: EPRD Final Report 2013-2014, p. xiv.</i></p> <p>Timely and Full Payment of MBLIF and MSB  MBPF and MSB payments appeared to have been made in full and on-time. Beneficiaries increasingly receive benefits through banks, often with the use of an electronic payment card, but many still receive their benefits through deliveries by the post office. Arrears were at a minimum and could be explained by the administrative delays in the process of signing up new beneficiaries.  <i>Source: EPRD Final Report 2013-2014, p. vii.</i></p> <p>There is some indication that after the reporting period 2007-2013 the Government perceives that there has been delay in reaching agreements and in providing TA to affected agencies.</p> <p>The stakeholders were all quick to express appreciation for EU TA in the areas of legislative drafting, development of standards, training of social workers, planning for deinstitutionalization, renovation of the Jalalabad facility, and study tours. There was universal agreement that the TA in the reporting period 2007-2013 was extremely effective. As to the current period, there is some suggestion that the TA has not been as timely and that the relationship became somewhat more difficult. Several different reasons were given:</p> <ol style="list-style-type: none"> <li>1) The conditionalities are difficult because they are written too vaguely and allow for different interpretations, so there can be disputes between the implementing Ministries and the EU.</li> <li>2) The conditionalities are too harsh and cannot be met.</li> <li>3) Parliament and the public do not accept some of the conditionalities, such as the de-institutionalization of children who require special services.</li> <li>4) The conditionalities were developed with a long lead time, perhaps 2-3 years before the agreement was signed, and then when the agreement was signed they were no longer relevant. Or they may become too burdensome or objectionable during the term of the agreement. The new law on universal benefits runs counter to the targeting conditionality since it will assist all income levels.</li> </ol> <p><i>Source: Field interviews</i></p>
I-732	Transaction costs are minimised for all parties involved	The Review noted that capacity constraints within the participating ministries and the related NGO community remained of paramount importance for the implementation of both the Government's Strategy and

#	Indicators	Evidence
		<p>the EU sector programme. The inadequacies of the NGO community were particularly evident during MoLSD attempts to implement, <i>inter alia</i>, the Optimization Plan 2013-2016 and the Social Services Action Plan 2014-2016, and MoEdu transformation of childcare institutions. Civil society organizations with the knowledge and capacity to design, implement, and manage alternative childcare services are few in number and limited in experience, a factor that not only seriously constrained the speed of implementation of agreed action plans but also the quality of that implementation.</p> <p><i>Source: EPRD Final Report 2013-2014, p. xiii.</i></p> <p>The issue of capacity within MoLSD to properly manage its full responsibilities for social protection, including benefits and services, especially for child protection has been repeatedly noted during this and earlier EU Social Protection SPSPs between 2007 and 2012). It remains an issue to be addressed and is a core element in the proposed new AAP2014 SP&amp;PFM SRC. While there has been improvement in the quality of outreach through the rayon/municipality departments, including improved salaries to attract and retain quality staff, basic upgrading of the quality and skills of staff in the area of child protection still needs to be addressed through comprehensive career development training and requirements for suitable qualifications and certification. Links with rayon/municipality and ayil okmotu administrations, and with communities, still need to be rationalised and strengthened.</p> <p><i>Source: EPRD Final Report 2013-2014, p. xiii.</i></p> <p>Despite significant support through TA, training, study tours, and the disbursement conditions, capacity at the centre remains weak, as evidenced by the slow implementation of the 2012-2014 strategy and the struggles to define policy for the medium term. Introduction of outsourcing should have added to capacity, but the reality is that it has highlighted the lack of capacity among the NGO community.</p> <p><i>Source: EPRD Final Report 2013-2014, p.xiv.</i></p>
I-733	Monitoring and evaluation allows for adjustment of SP support responding to performance and context	<p>Establishment and Monitoring of Social Services Standards</p> <p>While a body of standards for a range of services exists that together might be considered a '<i>standards framework</i>' and MoLSD has approved a set of instructions on what monitoring should comprise (MoLSD Order No.63 of 14th August), there remains an uncertain institutional framework for the monitoring of standards, and no current or future budgetary allocations proposed to support such a structure.</p> <p>[...] Thus, while a description of what constitutes monitoring exists, a credible system for monitoring does not. Nonetheless, as the first step in this process was the drafting and approval of a monitoring system by MoLSD, the Review reluctantly finds the Criterion fulfilled.</p> <p><i>Source: EPRD Final Report 2013-2014, p. xi.</i></p> <p>The main activities to implement the budget support package are ongoing and directed policy dialogue, financial transfer against specific performance, ongoing monitoring and periodic assessment of performance against targets and indicators. It includes reporting on progress and issues arising in the implementation of reforms and Government empowerment and capacity development through the commitment to fulfil specific reform requirements and hence to comply with disbursement conditions.</p> <p><i>Source: AAP 2014, p. 11.</i></p> <p>As far as the Ministry of Social Protection is concerned, there is a need for capacity development on policy implementation, monitoring and evaluation to guarantee an effective roll out of the reform process. [...] The Ministry of Social Protection will establish a quality standard framework for services and develop a monitoring system [...] Strengthening the capacities of Government institutions in collecting relevant statistics it is part of an ongoing efforts in the budget support programme.</p>

#	Indicators	Evidence
		<p><i>Source: AAP 2011.</i></p> <p>In 2013 additional criteria were introduced for determining eligibility for the MBLIF, designed to reduce inclusion and exclusion errors and enhance the targeting of benefits. At the same time, systems were computerized at the rayon level, which facilitated both monitoring and the addition and removal of beneficiaries as their situation changed and the higher GMIs raised the income level threshold for eligibility. These measures substantially reduced the number of beneficiaries.</p> <p><i>Source: EPRD 2013-2014, Annex 4.</i></p>

#### 4.1.8 EQ8

#	Indicators	Evidence
<b>JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs</b>		
I-811	Institutional structures / mechanisms in place to coordinate SP policies and interventions across MSs and other international donors	<p>Donor coordination is currently implemented through the Development Partners Coordination Council (DPCC) established by the Government and chaired by the Prime Minister. The DPCC has 22 members drawn from donors, including two active EU Member States, various Government agencies and civil society organizations. A DPCC Working Group (WG) on Social and Child Protection is chaired by EU and UNICEF and meets regularly. On the Government side, oversight and coordination of strategy implementation is managed by the Coordinating Council of the Social Protection Strategy and its Secretariat.</p> <p><i>Source: AAP 2014, p. 11.</i></p> <p>Specific coordination mechanisms have been established promoting a division of labour among major donors such as the Development Partners Coordination Council (DPCC) established in 2004, today with 22 members including two active EUMS; a DPCC Working Group (WG) on Social and Child Protection co-chaired by EU and UNICEF; and interagency working groups to improve MBPF targeting and coordinate the implementation of the Optimisation Plan for the Management and Financing of Childcare Institutions.</p> <p><i>Source: Field mission interviews</i></p> <p>Formal government-led donor coordination has been relatively weak in the past: at country level, coordination and harmonisation of external assistance is through in-country consultative groups (ICGs) in the Kyrgyz Republic and Tajikistan. Formal and informal donor meetings for coordination and information sharing are also frequent in all countries.</p> <p>The EC has sought to coordinate the preparation of the 2007-2013 CA Strategy at an early stage with all the relevant donors, including Member States. Constructive and open discussions were held with all key players. Current and future priorities of other donors have been factored into this strategy in order to ensure cohesion and complementarity. At the strategy development and programming stage, no major risks of duplication of effort have been identified.</p> <p><i>Source: RSP CA 2007- 2013, p. 25.</i></p> <p>In the sector of social protection there are several standing and ad hoc coordination processes in which the EU actively participates.</p> <p><i>Source: AAP 2010, p. 8.</i></p> <p>In addition, a Development Partners Coordination Council Working Group (DPCC WG) on Social and Child Protection is in place. The EU Delegation chairs the working group together with UNICEF. Coordination meetings on social protection issues take place at least twice a year.</p> <p><i>Source: MIP Kyrgyzstan 2014-2020, p. 16.</i></p> <p>A Development Partners Coordination Council (DPCC) has been established to facilitate and strengthen coordination amongst major donor</p>

#	Indicators	Evidence
		<p>organisations active in the Kyrgyz Republic. This approach has facilitated the conduct of joint reviews and joint policy analyses, while enhancing policy dialogue with the government.</p> <p>In addition, there are a number of sector-related coordination mechanisms. For example, under the leadership of the Ministry of Finance a technical task force was created to lead and guide the PFM reform. In addition, a Multi-Donor Trust Fund (MDTF) to support PFM reforms was established as a joint initiative of the Swedish International Development Agency (SIDA), the Swiss Development Cooperation, UK Department for International Development (DFID), the European Union (EU contributes EUR 2.8 million to the MDTF) and the World Bank (WB).</p> <p><i>Source: AAP 2010, p. 8.</i></p> <p>The Kyrgyz Government established a working group tasked with formulating the Social Protection policy/strategy for 2011-2015. The group gathered all key stakeholders in the sector, civil society, donors and international organizations having an expert role in this process, including the Delegation, UNICEF, WB and GIZ. The Ministry of social protection was actively involved in the coordination of this process, ensuring that donors' priorities are aligned to the national strategy.</p> <p><i>Source: AAP 2011, p. 4.</i></p> <p>Close coordination also on cooperation issues is ensured with EU MS. Co-operation has been implemented notably in the framework of political initiatives, i.e. Rule of Law Initiative and Education Initiative. In addition, co-operation with DFID has been close in the field of Public Finance Management (PFM). With other donors the main themes of interactions is to seek synergies between different actions. In addition, joint positions are sought as well vis-à-vis the Government, thus seeking better negotiating position. There is a very active donors' Council in the country and in addition to that, eight donors (ADB, DFID, EC, Germany, IMF, Swiss, UN, World Bank) have created a Joint Country Support Strategy, which implies how these seven donors support the implementation of the Country Development Strategy in Kyrgyzstan.</p> <p><i>Source: EAMR 2010, p. 14.</i></p> <p>The World Bank has been supporting the computerization of the benefits system, and was prepared to undertake studies of inclusion and exclusion errors and graduation from benefits. UNICEF is actively involved in all aspects of child protection reform, which impinge also on benefits for poor families with children. USAID also previously supported a functional analysis of several social sector ministries, including MoLSD, and the amendment to the Law on Social Order, used for contract CSOs for services. (USAID is no longer active as a donor in Kyrgyzstan.)</p> <p><i>Source: AAP 2014, p. 8.</i></p> <p>One of the key players in SP is the WB. WB is keen to collaborate with the EC because of the latter's experience in BS to this sector. The child protection sector is supported by UNICEF and NGOs.</p> <p><i>Source: AAP 2009, p. 8.</i></p> <p>During the development of the SPSP/sector budget support for Social Protection and Public Finance Management, the cooperation with UNICEF and WB was exemplary, e.g. in terms of sharing policy and programming documents or relevant studies. When it comes to advocacy (e.g. on children's rights) important steps are taken in close coordination with these and other partners.</p> <p><i>Source: Analysis EAMR 2013.</i></p> <p>During design work on the SPSP programme in Social Protection and Public Finance Management, cooperation with UNICEF, WB and GIZ has been excellent, in terms of sharing of policy and programming documents and relevant studies. There is sometimes overlapping of activities due to the different organizational needs, priorities and approaches to development</p>

#	Indicators	Evidence
		<p>cooperation. The important steps in advocacy are taken in close coordination with the other partners.</p> <p><i>Source: Analysis EAMR 2011.</i></p>
I-812	EU is able to leverage its support by generating funding from other sources	<p>The SPSP has been key to leverage national funds. The AAP 2014 foresees the phasing out of support to this sector in the country.</p> <p>The EU also contributes to the MDFT led by the WB and other donors supporting the PFM reform which undoubtedly complements the implementation of the SPSP.</p>
<b>JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment)</b>		
I-821	DEVCO / NEAR -financed SP support cross-refers to policies and strategies of other relevant DGs and avoids duplication and conflicts	<i>There is no evidence.</i>
I-822	Existence of inter-DGs coordination on SP.	<i>There is no evidence.</i>

## 4.2 Overview of EU-funded key interventions

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>	<i>Implementing partner(s)</i>
<b>2007-2013</b>				
DCI-ASIE	SPSP Social Protection and PFM 2007 (-2009)	2007-2009	9,000,000	Partner Gvt
DCI-ASIE	SPSP Social Protection and PFM 2009 (2010)	2010-2012	13,000,000	Partner Gvt
DCI-ASIE	SPSP Social Protection and PFM 2011	2012-2015	13,000,000 <sup>9</sup>	Partner Gvt
<b>2014-2017</b>				
DCI-ASIE	SPSP Social Protection and PFM 2014	2015-2017 <sup>10</sup>	30,000,000 <sup>11</sup>	Partner Gvt
EIDHR	Promoting, protecting and enforcing the rights of persons with disabilities	2014-2016	355,970	NGO <sup>12</sup>
DCI-HUM	Stop Silence about Violence against Children	2014-2016	854,597	NGO <sup>13</sup>
DCI-Thematic	EU-SPS global programme	Since 2015	(no specific country allocation)	Other <sup>14</sup>

<sup>9</sup> BS and complementary support (TA)

<sup>10</sup> 2015-2017 were planned as a three-year phase out; now the phase out might continue to 2018.

<sup>11</sup> 26mil EUR BS and 4mil complementary support (TA)

<sup>12</sup> *Save the Children Nederland*

<sup>13</sup> Regional Office of Danish Church Aid in Central Asia

<sup>14</sup> OECD + Finland + EU (but other donors involved as well)

### 4.3 List of people interviewed

<i>Surname</i>	<i>First name</i>	<i>Organisation/ Unit</i>	<i>Responsibility</i>
Abdullaeva	Gulhumar	National Statistics Committee	Senior specialist of the social statistics unit
Akmatalieva	Aida	DFID	Head of DFID Programmes in KR
Akjolov	Nurbek	Ministry of Finance	Head of the Office of Program Assistance and Coordination of International Aid
Asambaeva	Cholpon	GIZ	Senior Adviser
Bisembin	Damir	State Secretariat for Economic Affairs (SECO)	Senior Program Officer for Economic Affairs
Borsanaeva	Dhamila	Save the Children	Save the Children former project Coordinator
Brudzinsky	Robert	EU Delegation	Attaché, Project Manager, Operations Section
Chynybaeva	Rimma	National Statistics Committee	Head of the Department of social-demographic statistics and employment market
Esengeldieva	Gulmira	NGO (Resource Centre for Elderlies)	Executive Director
Griadasova	Anastasia	Danish Church Aid	Country Representative
Gukasian	Galina (Gayane)	ECORYS – implementer of EU technical assistance	Coordinator of EU technical assistance
Ismailova	Djamila	MLSD	Department of state allowances and monetary compensations
Ismatova	Chinara	World Bank Project Implementation Unit (PIU) at MLSD	Head of the PIU
Itikeeva	Mira	NGO Protection of Children	Director of NGO Protection of Children
Jumabaeva	Janyl	MLSD	Department for Social Protection (Child Protection)
Kadyrova	Aidai	NGO Babushka Adoption	Director
Kalmirzaeva	Cholpon	MLSD	Head of analysis and coordination unit
Kasymov	Erdenet	Ministry of Finance	Representative of the Office of Program Assistance and Coordination of International Aid
Kuzminskiy	Volodymyr	Oxford Policy Management Ltd. - implementer of EU technical assistance	EU Project Team Leader
Mamataipova	Cholpon	MLSD	Head of Department of the development of social services for handicapped and elderly people
Mambetalieva	Mariam	Ministry of Finance	Head of the Department of Healthcare and Social Protection
Mambetova	Saltanat	Ministry of Education	Department for supplementary, school and extracurricular education
Mirzoeva	Faroghat	Save the Children	Central Asia Director

Okoeva	Gulmira	MLSD	Head of monetary compensation unit
Orozbaeva	Kanykei	National Statistics Committee	Head of department of statistics of sustainable development and environment
Samoghleb	Galina	National Statistics Committee	Head of household statistics unit
Sarandrea	Lucio	UNDP	Chief Technical Adviser on Rule of Law
Toichueva	Meerim	Danish Church Aid	Country Representative
Uturova	Dinara	Government of Kyrgyz Republic	Formerly the EU Coordinator within the Prime Minister's Office
Zaichenko	Elena	UNICEF	Child Protection Programme Officer

## 4.4 Bibliography

### 4.4.1 EU strategy and programming

- European Community - Regional Strategy Paper for Assistance to Central Asia for the period 2007-2013
- ETF - Central Asia Regional Strategy Paper 2017-2020
- European Commission: Central Asia Indicative Programme 2007-2010
- European Commission: Central Asia DCI Indicative Programme 2011-2013
- European Commission: Multiannual Indicative Programme - Regional Central Asia 2014-2020
- European Commission: Multiannual Indicative Programme for the Kyrgyz Republic 2014-2020
- Annual Action Plan for Kyrgyz Republic - Commission Decision and annexes: 2008, 2009, 2010, 2011, 2014, 2015, 2016.
- Annual Action Plans for Central Asia - Commission Decision and annexes: 2007, 2009, 2010, 2011, 2014, 2015, 2016.

### 4.4.2 National framework

- ABD (2007): Country partnership strategy - Kyrgyz Republic Joint country support strategy 2007-2010.
- Kyrgyz Republic (2009): Country development strategy 2009-2011
- Ministry of Labour and Social Development - Optimization Plan for Residential Children's Facilities (2017).
- Ministry of Labour and Social Development - Listing of the number of children in various residential facilities as of March 2017.

### 4.4.3 Project documentation

The team reviewed the available project documentation (action fiches/TAPs, grant contracts, implementation and monitoring reports, evaluations, etc.) of the following interventions (see also details in the list presented in Annex 2):

- SPSP Social Protection and PFM 2007 (-2009).
- SPSP Social Protection and PFM 2009 (2010).
- SPSP Social Protection and PFM 2011.
- SPSP Social Protection and PFM 2014.
- Promoting, protecting and enforcing the rights of persons with disabilities.
- Stop Silence about Violence against Children.
- EU-SPS global programme.

### 4.4.4 Evaluation and studies

- European Commission (2007): the European Union and Central Asia - the New Partnership in Action
- European Commission (2008): Annual Report on the European Community's development and external assistance policies and their implementation in 2007
- European Commission (2009): Annual Report on the European Community's development and external assistance policies and their implementation in 2008
- European Commission (2010): Annual Report on the European Community's development and external assistance policies and their implementation in 2009
- ADB (2010): Emergency assistance - social protection
- European Commission (2011): Annual Report on the European Community's development and external assistance policies and their implementation in 2010
- European Commission (2011): European Union-Central Asia Development Cooperation
- European Commission (2012): Annual Report on the European Community's development and external assistance policies and their implementation in 2011
- European Commission (2013): Annual Report on the European Community's development and external assistance policies and their implementation in 2012
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- European Commission (2015): Annual Report on the European Community's development and external assistance policies and their implementation in 2014
- European Commission (2016): Annual Report on the European Community's development and external assistance policies and their implementation in 2015
- IMF (2016): Kyrgyz Republic Selected Issues
- USAID/Kyrgyz Republic (2014): Country development cooperation strategy FY 2015-FY 2019
- World Bank (2014): Kyrgyz Republic - Public Expenditure Review Policy Notes
- World Bank (2017): “A Resilient Economy on a Slow Growth Trajectory” Kyrgyz Republic Economic Update No. 5, Spring 2017.

#### 4.4.5 Other

- External Assistance Management Report (EAMR) for Kyrgyzstan 2009, 2010, 2011, 2012, 2013, 2014, 2015.
- Minutes of meeting No. 2 on 11 April 2017 of the interagency coordination council on juvenile justice.

#### 4.4.6 Web links

- ILO Social Protection country profile: <http://www.social-protection.org/gimi/gess/ShowCountryProfile.action?iso=KG>
- ILO Annual World Social Protection Report: [http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms\\_245201.pdf](http://ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf)
- ISSA / US Social Security Administration Social Security Programmes Around the World annual report: <https://www.ssa.gov/policy/docs/progdesc/ssptw/>
- ILO-International Social Security Inquiry: <http://www.ilo.org/dyn/ilossi/ssimain.home>
- World Bank Atlas of Social Protection (ASPIRE) <http://datatopics.worldbank.org/aspire/>
- UNICEF Website: <https://www.unicef.org/kyrgyzstan/protection.html>
- Child Protection Website of the MLSD: <http://children.mlsp.gov.kg/>
- National Statistical Committee Website: <http://www.stat.kg/en/publications/>





# Evaluation of EU support to social protection in external action 2007-2013

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Final Report  
Volume II  
Country Report – Malawi  
January 2018

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*Evaluation carried out on behalf of the European Commission*



The evaluation was carried out by:  
Landis MacKellar – Team Leader

Contributions from:

Ana Maria Femenia Garcia – Team Member

Zehra Kacapor-Dzihic – Team Member

Tino Smail – Team Member

Lena Zezulin – Team Member

Georg Ladj – Quality Control

Ana Vilar – Backstopping

Dominika Socha & Jana Bobokova – Evaluation  
Managers

The evaluation is being implemented by Particip GmbH (leader) and AETS and managed by the DG NEAR A4 Multi-annual Financing Framework, programming and evaluation unit.

The author accepts sole responsibility for this report, drawn up on behalf of the Commission of the European Union. The report does not necessarily reflect the views of the Commission.



## Country Report – Malawi

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## List of acronyms

ANC	Anti-Natal Care
CBT	Community Based Targeting
COM	EU communication
CRIS	Common External Relations Information System
CSO	Civil Society Organisation
CSP	Country Strategy Paper
CSSC	Community Social Support Committee
DC	District Commissioner
DEVCO	Directorate General for International Cooperation and Development (EU)
DG	Directorate General (EU)
DP	Development Partner
DSWO	District Social Welfare Office
DTP	Direct Transfers Programme
EC	European Commission
ECHO	Directorate General for European Civil Protection and Humanitarian Operations
ECRP	Enhanced Community Resilience Programme
EDF	European Development Fund
EP&D	(Department of) Economic Planning and Development
EQ	Evaluation Question
EU	European Union
EU-SPS	EU Social Protection Systems Programme
EUD	European Union Delegation
EUR	Euro
FISP	Farm Input Subsidy Programme
GDP	Gross Domestic Product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
HDI	Human Development Index
HIV/AIDS	Human Immunodeficiency Virus/ Acquired Immune Deficiency Syndrome
HQ	Headquarters
IGPWP	Income Generation Public Works Programme
IHS	Integrated Household Survey
ILO	International Labour Organisation
IT	Information Technology
JC	Judgement Criterion
KfW	Kreditanstalt für Wiederaufbau
LA	Local Authorities
MDG	Millennium Development Goals
MDTF	Multi-donor Trust Fund
MEAL	Monitoring, Evaluation, Accountability and Learning
MGDS	Malawi Growth and Development Strategy
MIP	Multi-annual Indicative Programme
MIS	Management Information System
MK	Malawi Kwacha
MNSSP	Malawi National Social Support Programme

MS	(EU) Member State
NAO	National Authorising Officer
NGO	Non-governmental Organisation
NSNS	National Safety Net Strategy
NSSP	National Social Support Policy
PMT	Proxy-means testing
PWP	Public Works Programme
RIDP	Rural Infrastructure Development Programme
ROM	Results-Oriented Monitoring
SCT	Social Cash Transfer Programme
SCTP	Social Cash Transfer
SOCIEUX	Social Protection European Union Expertise in Development Cooperation
SP	Social Protection
SPF	Social Protection Floor
TAIEX	Technical Assistance and Information Exchange instrument
TIP	Targeted Input Programme
UBR	Unified Beneficiary Registry
UK	United Kingdom
UN	United Nations
UNC	University of Northern Carolina
UNDP	United Nations Development Programme
UNICEF	United Nations International Children's Emergency Fund
USD	United States Dollar
VSL	Village Saving Loans
WB	World Bank



# 1 Introduction

## 1.1 Purpose of the country report

This report is framed within the field phase of the evaluation. During the inception phase, the evaluation framework was developed, i.e. the EU's intended intervention logics of its support to social protection (SP) in partner countries were reconstructed and the Evaluation questions (EQs) were designed. During the desk phase, overall strategy and policy documents and selected project documentation were reviewed, an online survey to the EUDs was conducted and several stakeholders were consulted. The desk report outlined preliminary answers to the EQs and it proposed a list of countries to be visited in the field phase. From a long list of 45 countries and a shortlist of 14 desk case countries, 11 countries were selected for the field phase. The overall objective of the field visits is to verify preliminary findings to the EQs.

The field cases have the main focus on the bilateral support provided in a given country, but also assess the complementarity and coherence with the major social protection (SP) programmes taking place in this country.

The outline of the country report follows the structure of the evaluation matrix to ensure a consistent and harmonised data collection approach. However, as EU interventions implemented under major SP programmes cover a variety of different topics, not every intervention is relevant for all the evaluation questions. This tailored case study approach ensures that resources are spent in an efficient way.

Therefore, the present country report cannot be considered a country evaluation but rather one of the inputs for the elaboration of the final report. The field cases allow for a detailed examination of certain elements at the Indicator and Judgement Criterion level and provide a picture of the EU support in different contexts. The report aims at providing country specific examples on a set of issues that are relevant for the worldwide exercise.

## 1.2 Reasons for selection of the country

The *Malawi* country case study has been selected for the following reasons:

- Large EDF-funded intervention in the area of social protection.
- Unconditional cash transfer programme targeting the poor.
- Low income country with a population exposed to a high level of vulnerability.
- Delegation Agreement to an EU MS (Germany).

Table 1 Interventions selected for the case study analysis

Financing instrument	Title	Implementation period	EU contribution (EUR)	Implementing partner(s)
<b>2007-2013</b>				
FOOD	Innovative approaches to cash delivery for the Malawi Social Cash Transfer Programme	2011-2016	2,719,408	Germany/KFW, NGO
EDF	Improving effectiveness of Malawi Social Cash Transfer Programme <sup>1</sup>	2014-2017	650,000	UNICEF
EDF	Social Cash Transfer Programme	2012-2017	34,150,000	Germany
<b>2014-2017</b>				
	No new intervention launched. But one (title: "SoSuRe") in the pipeline with a tentative start in early 2018.			

Source: CRIS and Particip analysis (2016)

### 1.3 Context of EU support

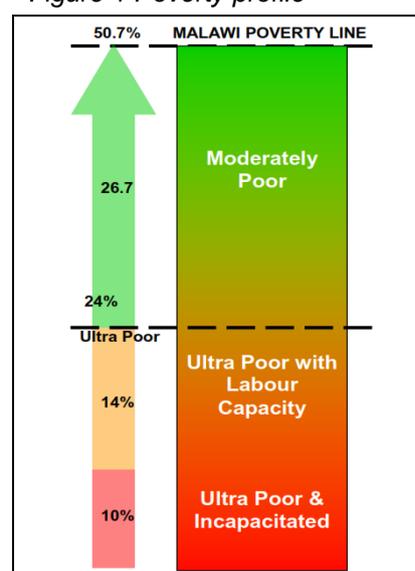
#### Country context and overview of the national social protection system<sup>2</sup>

The Republic of Malawi is among the poorest countries in the world. The Human Development Index (HDI) in 2014 ranked Malawi 174<sup>th</sup> out of 189 countries. Extensive reliance on basic farming methods and reliance on rain-fed agriculture (agriculture employs more than 80% of the population), together with a growing population, has made food security a recurrent challenge as well as adding to pressures on land use, soil fertility and forest resources. Exogenous climate induced shocks are a major source of vulnerability. In recent years Malawi has suffered from weather shocks at an increasing frequency, including simultaneous floods and droughts in early 2015, followed by another major drought in 2016.

According to the Malawian National Statistical Office (Integrated Household Survey – IHS, 2010), the poverty headcount has fallen only marginally from 52.4 % in 2005 to 50.7 % in 2010 – see Figure 1.

The proportion of ultra-poor people (people in extreme poverty)<sup>3</sup> actually increased from 22.2 % in 2005 to 25.7 % in 2010. The incidence of rural poverty increased slightly from 55.9 % in 2005 to 56.6 % in 2012, while urban poverty fell sharply from 25 % in 2004 to 17 % in 2011. The depth (how far the poor are from the poverty line) and the severity (how distant the poor are from the poverty line and how unequal

Figure 1 Poverty profile



Source: 2015 (WB): Accelerating a targeting best practice.

<sup>1</sup> Remark: The financing decision of the programme under which this project was financed relates to the 2007-13 financing cycle. Although it started in 2014, this intervention is thus categorized in the 2007-13 period.

<sup>2</sup> Mostly information from: 2016 MoFEPD - Review of the NSSP 2012-2016

<sup>3</sup> Monetary poverty is measured in Malawi by comparing a household's annual consumption per capita with the national poverty lines. The IHS2 poverty lines have been updated to IHS3 prices to guarantee the same minimum standard of welfare across surveys: MK37,002 for total poverty and MK22,956 for ultra-poverty. The total poverty line is the sum of the food (ultra) poverty line, which represents the minimum amount of money required to afford a food bundle that provides the minimum required caloric intake, plus an additional allowance for non-food items.

consumption is distributed among the poor) of poverty increased. The pattern of income distribution has become more skewed, with the Gini coefficient increasing from 0.390 in 2005 to 0.439 in 2013.

Malawi's Growth and Development Strategy II 2011-16 (MGDS II) highlights the ambition of the Government of Malawi (GoM) to reduce poverty, extreme poverty and food insecurity through a multidimensional strategy focussing on economic development, productivity enhancement, as well as providing a social safety net for its poor and vulnerable residents. Social Protection ("Social Support and Disaster Risk Management") is the third pillar of the MGDS II. A specific National Social Support Policy (NSSP) was developed and the Malawi National Social Support Programme (MNSSP) was designed to operationalize the NSSP over the period of 2012-2016, based on its vision of "*enhanced quality of life for those suffering from poverty and hunger and improved resilience of those who are vulnerable to risks and shocks*" – see also box below.

The social protection policy framework laid out in the NSSP identifies three groups as potential beneficiaries of social protection schemes: (1) extreme- or ultra-poor, who include orphan-headed households and the elderly who are destitute and will need support no matter what; (2) able-bodied extreme poor households with low productivity or with very few assets and small landholdings, who, with supplemental income and complementary capital or agricultural inputs, could be assisted to improve their productivity; and (3) the moderately poor, whose consumption from subsistence agriculture keeps them in a reasonable position but will require an occasional safety net.

Excluding the Farm Input Subsidy Programme (FISP), Malawi's public spending on SP is low by international standards. According to the Malawi Poverty Assessment carried out by the World Bank in 2016, the budget for SP in 2014-15 was USD 53.2 million (excl. pension). This amount was only 2.9% of total government expenditure and approximately 0.8% of GDP.

#### **Box 1**      *Overview of the NSSP*

The NSSP has four strategic objectives:

- To provide welfare support to those that are unable to construct a viable livelihood;
- To protect the assets and improve the resilience of poor and vulnerable households;
- To increase the productive capacity and assets of poor and vulnerable households to move them out of poverty;
- To establish coherent and progressive social protection synergies by ensuring strong positive linkages to influence economic and social policies, and disaster management.

Five intervention areas have been prioritised:

- Social Cash Transfers,
- Targeted support to School Meals,
- Public Works Programmes,
- Village Savings and Loans Programmes,
- Micro-Finance Programmes.

*Source: 2016 MoFEPD - Review of the NSSP 2012-2016.*

The MNSSP is not the first attempt of the GoM to rationalising the many competing social support programmes into centrally coordinated, government-directed and nationwide programme. A National Safety Net Strategy (NSNS) was already adopted in 2002. It included four main components: Public Works Programme (PWP); Targeted Input Programme (TIP); Targeted Nutrition Programme (TNP); and Direct Transfers Programme (DTP).

#### **EU cooperation**

The EU has a long history of co-operation in the areas of Food Security, Rural development, Agriculture and Natural Resources in Malawi. It was actively involved in the international responses given to the recurrent food crises which affected the country in the last decades. Since the late 1990s, the EU has also been continuously involved in national social safety nets programmes, including Public Works Programmes (PWP). However, social protection has

never been a major sector of co-operation. The table below gives an overview of the main areas of cooperation and the related planned MIP allocations under the 10<sup>th</sup> and 11<sup>th</sup> EDF funding cycles.

Table 2 Overview of 10<sup>th</sup> & 11<sup>th</sup> EDF initial MIP allocations

	10 <sup>th</sup> EDF (2008-2013)	11 <sup>th</sup> EDF (2014-2020)
<b>Sector 1</b>	<b>General Budget Support</b> EUR 158-180 million	<b>Governance</b> EUR 120 million
<b>Sector 2</b>	<b>Agriculture and food security</b> EUR 113-135 million	<b>Sustainable agriculture</b> EUR 250 million
<b>Sector 3</b>	<b>Regional interconnection / road infrastructure</b> EUR 68-90 million	<b>Education</b> EUR 160 million
<b>Support measures / Non-focal sectors</b>	<b>Governance, Regional Integration - Trade, HIV/AIDS &amp; Gender and Capacity-Building</b> (Technical cooperation facility) EUR 45-90 million	<b>Technical cooperation facility &amp; support to the NAO</b> EUR 15 million <b>Support to CSO</b> EUR 15 million
<b>Total</b>	<b>EUR 451 million (enveloppes A+B)</b>	<b>EUR 560 million</b>

Source : 10<sup>th</sup> and 11<sup>th</sup> EDF CSPs/MIPs.

In the last decade, the EU funded two major interventions targeting the rural poor through PWP:

- Under the 9<sup>th</sup> EDF, the Income Generation Public Works Programme (IGPWP) was implemented from 2005 to 2011 in 15 of the country's poorest districts. It focussed on community based road rehabilitation and maintenance, forestry and small scale irrigation development.
- Under the 10<sup>th</sup> EDF, the Rural Infrastructure Development Programme (RIDP) was implemented from 2011 to 2015 with a total EU contribution of EUR 35.25 million. Interventions under the Small Scale Rural Infrastructure Development component (RIDP component 1) focussed on a variety of activities (road rehabilitation and maintenance, bridge upgrading, catchment conservation and irrigation) and were implemented based on district development plans, in response to demand from the community and in collaboration with the District Councils. The interventions were implemented in the 15 beneficiary districts in which IGPWP operated and two additional districts.

In 2012, the EU started funding the Social Cash Transfer Programme (SCTP), an unconditional cash transfer scheme targeted to labour-constrained, ultra-poor households. The SCTP started as a pilot in Mchinji district in 2006. In 2016, the SCTP was funded by four main donors (the EU, Germany/KFW, the World Bank and Irish Aid) and was covering eighteen of Malawi's twenty-eight districts. Out of the 10 remaining districts that were not covered, one will be covered by Irish Aid and at least six by the World Bank from 2017 on. Further details are provided in Annex 5.

In 2017, the EU foresees to launch the Social Support for Resilience Programme (SoSuRe), a follow-up intervention to the SCTP programme with a broader scope. The budget planned for this intervention amounts to EUR 50 million. It will have a strong focus on food and nutrition insecurity and could be structured around three main (complementary) components:

- SCTP: This component could help consolidating and expanding the scope of the existing support to the SCTP (including by expanding the number of beneficiaries and generating linkages to other social and economic services to reinforce resilience).
- MNSSP systems strengthening: This component could, for instance, help building the capacity of key institutions and strengthening the MNSSP district and community

implementation structures. It could also contribute to the expansion/national roll-out of the pilot Unified Beneficiary Register.

- Resilience: This component (through direct grants to NGOs) could help scaling up proven resilience building interventions.

## 2 Findings

### 2.1 EQ1: Relevance

*To what extent has EU support to social protection responded to clear overall strategic objectives on social protection and to specific needs of partner countries, including problems of poverty, vulnerability and social exclusion?*

#### *Summary answer*

SP did not feature prominently in the EU-Malawi country cooperation strategy, and the specific EU-funded SP interventions did not reflect any plan of the EU to contribute to developing an overarching framework for SP in the country. The EU still supported a social cash transfer programme which was well-designed, fully aligned with the national social support policy framework and relevant given the country context.

#### **2.1.1 JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.**

EU support has been fully aligned with the national social support policy framework which is developed in the MNSSP 2012-2016. It reinforces the thematic strategic pillar 1 (social cash transfers) of the national policy.

The EU has placed a special focus on the poor and the most vulnerable and put a strong emphasis on systems strengthening in its support to the SCTP. This is consistent with the 2012 EU policy on social protection (COM(2012)446). However, the EU policy was not used as a reference document to inform the design of the support. EU support to SCTP is closely related to the EU strategic orientations in the areas of rural development, agriculture and food security.

The SCTP programme appears more as a “natural” evolution of what the EU and other partners had been doing in the country and the region. The decision to support the SCTP was actually based on: i) a successful pilot programme implemented at the level one district since 2006; and ii) converging findings about the increased effectiveness of cash transfer schemes in Malawi compared of other forms of social safety net interventions.

The EU follow-up programme that is planned to be launched in late 2017 / early 2018 has a strong emphasis on nutrition and food security.

#### **2.1.2 JC 12 Needs and target groups clearly identified in the design of EU support.**

The SCTP targets the 10% most vulnerable households in each district<sup>4</sup>, with the objective of reducing poverty, hunger and starvation among the ultra-poor and labour constrained households. The scheme put an explicit focus on vulnerable groups, including children, women, elders, disabled.

The process of identification of potential eligible households and the selection of actual beneficiaries for the SCTP is following a structured process that was consolidated over time. The targeting process includes a proxy-means test. The formula used relies on data from the most recent national Integrated Household Survey (IHS).

There are debates around the thin lines separating the different categories of poor and the cyclic nature of poverty in Malawi. But, overall, the SCTP focus on the “ultra-poor and labour constrained households” is largely perceived as relevant, in particular given the fact that other safety nets programme (e.g. PWP) were not covering these target groups well.

<sup>4</sup> This arbitrary 10% coverage cap was set to allow covering several districts with the limited resources available.

Targeting errors exist, but the evidence gathered from various sources (external evaluations, internal reporting, interviews) shows that, overall, the quality of targeting is satisfactory when compared to experiences in other countries or when compared to other social safety nets implemented in Malawi. With respect to the “10%” cap which has direct implications on the overall targeting mechanism, partners are currently assessing the possibility of rising it to a higher level to increase coverage in each district.

The pilot programme implemented since 2006 allowed identifying strengths and weaknesses at the institutional level which were taken into account in the EU design. The EU placed a particular emphasis on the development of a robust internal Management Information System (MIS) which turned out to be crucial for the scaling up of the SCTP.

The EU also supported the piloting of new modalities of payment to enhance the delivery mechanisms while taking into account the evolution which were taking place at technology level in the country (e.g. eBanking/ ePayment mechanisms).

## 2.2 EQ2: Basic social protection

*To what extent has EU support to social protection helped to improve access to adequate social services and basic income for all, and in particular for those in need of protection?*

### *Summary answer*

The EU made notable contributions to ensuring increased access to basic income and social services among beneficiaries of the supported Social Cash Transfer Programme (SCTP) scheme in the targeted districts. The EU, by supporting the programme in selected districts, played a catalytic role in drawing other donors into the pool. The programme has been particularly beneficial to children and households headed by women or elderly persons. Impact studies have identified an income multiplier effect (i.e., the observed income increase in beneficiary households exceeds the transfer itself), which may result from increased use of agricultural implements and inputs.

### 2.2.1 JC 21 Social protection coverage and uptake extended / broadened with EU support.

The EU made important contributions to non-contributory SP schemes through its important investment in the national social cash transfer programme (the SCTP). The SCTP focussed on the “ultra-poor and labour constrained households” which were not adequately covered by other safety nets programme (e.g. PWP). Given the scale of poverty in Malawi and the structure of the economy (importance of subsistence agriculture; informal sector covering almost 90% of employed persons), social security was not a priority focus of the EU support to SP in Malawi.

The SCTP was substantially expanded since the EU started supporting it. The number of beneficiaries increased from 29,000 households in seven districts in 2012 to 170,000 households in 18 districts in early 2017. By covering the costs of the programme in seven districts, EU support has played an instrumental role in the scaling up of the national social cash transfer scheme.

According to interviews carried out, the EU has also had a catalytic effect on the funding of the SCTP. This is illustrated by the fact that other DPs – such as the WB – joined the programme shortly after the EU started its support. Partners (Government and DPs) recently decided to cover all districts of the country by the end of 2017.

The EU-supported SCTP recognises the special needs of the children. The SCTP has explicit children-specific objectives such as increased school enrolment and improved health and nutrition status. The collaboration between the EU and some implementing partners – such as

UNICEF – in the context of the SCTP programme ensured that the special needs of children were adequately taken into account.

The 2016 Endline Impact Evaluation shows strong effects of the SCTP scheme on children's school participation and material well-being. However, compared to household economic and consumption impacts, the impacts on young child health and nutrition are less pronounced. There are indicators on child nutrition (stunting and underweight), which did not register any difference between SCTP and non-SCTP households.

### **2.2.2 JC 22 Universal access to adequate health services put in place / strengthened with EU support.**

The development of universal access to basic health services was not a focus of the support. However, the EU support to SCTP had explicit objectives related to improved nutrition and maternal health. The impact evaluation completed in 2016 shows mixed outcomes in these areas. For instance, the study shows positive effects on prevalence of wasting among children ages 6-59 months and on treatment-seeking behaviours for beneficiary children with fever. However, no significant effect was found on indicators of child nutrition such as the prevalence of stunting or on maternal health indicators such as skilled birth attendance. This is consistent with research on nutrition and child health, which shows that improvements in these areas are of a multi-faceted and complex nature.

### **2.2.3 JC 23 Access to basic income security strengthened with EU support.**

More than 100,000 vulnerable households in 18 districts of the country were benefiting from cash transfers under the SCTP scheme in early 2017. As explained under EQ5, although some weaknesses and risks persisted, the scheme increasingly relied on sound systems and mechanisms.

Despite the relatively low value of each transfer, the regularity of the payments, which has been satisfactory in most districts, ensured that the cash transferred represented a significant and predictable additional income source, easing consumption smoothing and promoting resilience for the beneficiaries. This has been confirmed by evidence from various sources (e.g. external impact evaluation, interviews with key informants, internal monitoring).

The external impact evaluation of the SCTP scheme carried out in two districts revealed that the SCTP has also had a multiplier effect on household income (i.e., the observed increase in household income is significantly higher than the transfer received). The study found increased ownership of agricultural tools and use of inputs, which might help explain the pathway through which households have raised their incomes.

### **2.2.4 JC 24 Gender inequalities in social protection coverage reduced.**

The SCTP has not targeted specifically women or the elderly. However, given the characteristics of poverty in Malawi and the focus of the scheme, these target groups turned out to be core beneficiaries of the scheme. Almost three-quarters of the beneficiary households were women-headed households in early 2017, and, in around half of the cases, the beneficiary household was headed by an elderly person.

## 2.3 EQ3: European approaches and policy dialogues

*To what extent has EU cooperation with partner countries and participation in policy dialogues in the social protection field promoted European and international principles and values in that area?*

### Summary answer

The EU has not taken a leadership role regarding SP in Malawi and did not advocate for a specific model of SP. But, given the size of its support and its high level of engagement in policy dialogue, it became a vital partner for the strengthening and the implementation of the national SP strategic framework. It was a driving force in donor coordination, and its emphasis on systems strengthening and innovative delivery methods were valued by all stakeholders.

### 2.3.1 JC 31 EU support to social protection coordinated with MSs

The EU has closely coordinated its efforts with EU MSs active in the Malawian SCTP scheme both during design and implementation stages. During design stage, the EU decided to channel most of its support through a delegation agreement with an EU MS (Germany/ KFW). The EU also used lessons learnt from a large UK-funded intervention (the Enhanced Community Resilience Programme - ECRP) to improve the design of its support. During implementation, the EU engaged in regular dialogue with relevant EU MS agencies (KFW, GIZ, Irish Aid) and involved them in activities such as the European Development Days, where a webinar was organised around the SCTP programme<sup>5</sup>.

There has been a tendency to geographic fragmentation of the SCTP scheme because of the decision of DPs to focus on (and fund) separate districts. As highlighted in interviews, more could have been done in terms of supporting the SCTP as one consistent intervention with a harmonised approach among DPs.

### 2.3.2 JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection

EU engagement in policy dialogue has been consistent with European and international principles. The EU did not advocate for a specific model of SP; rather, it “followed the stream,” supporting joint efforts established around the national SCTP scheme and building on successful past experience in Malawi and in other countries. That said, the EU’s engagement in SP in Malawi was strongly influenced by the EU resilience agenda and, more recently, by the increasing emphasis on nutrition / food security aspects in the EU external support strategies. Although the EU did not follow a specific strategy for SP in the country, it placed emphasis on systems strengthening, through the attention paid to on ownership, the testing of innovative delivery models (ePayment), support to capacity building, etc.

Despite the relatively low level of attention given to SP in the EU-Malawi cooperation strategy and the competing priorities of EUD staff, the EU has been an increasingly active partner in national SP policy dialogue. It participated in all relevant dialogue platforms (e.g. SCTP coordination meetings, joint review of the national social support policy) in recent years. The launch of a new large EU-funded SP intervention in 2017 prompted the EU to take a more prominent role in future policy dialogue and negotiate an official participation in the national social support policy’s steering committee. The mobilisation of additional resources from HQ through the ASiST facility in 2016 (in particular, to help with the design of a new EU

<sup>5</sup> <https://www.eudevdays.eu/sessions/social-cash-transfers-malawi>

intervention) enhanced the engagement of the EU in SP policy dialogue at the crucial moment when the national social support policy was undergoing a stakeholder-driven review exercises and the future national strategy for SP was under discussion.

### **2.3.3 JC 33 EU effectively participates in global policy dialogues on social protection**

*JC not covered by the analysis at case study level.*

## **2.4 EQ4: Social partners and civil society**

*To what extent has EU support contributed to successfully involving the social partners and civil society, including the private sector and local authorities, in policy development in the social protection field?*

### *Summary answer*

The EU contributed to successfully involving civil society in policy development related to SP through, for instance, supporting national dialogue platforms and actively involving civil society in the pilot-testing of innovative tools. The EU also involved the private sector (e.g. banks, telecommunication companies) in the development of improved social support delivery systems. That said, it appears that the role of civil society in the area of SP (e.g. in terms of advocacy or accountability) was not exploited to the full. The EU has already better integrated these aspects in the design of its future support.

### **2.4.1 JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection.**

During most of the period under review, the EU was not a leading actor in national dialogue on SP. But, the EUD actively participated in and supported the relevant national coordination / dialogue platforms.

The EU also supported international NGOs for pilot activities whose results were largely discussed with all relevant stakeholders. This contributed to giving NGOs a stronger voice at national level.

Some stakeholders interviewed (incl. DPs and CSOs) highlighted that the EU could have done more in terms of: i) strengthening national dialogue on SP through CSOs, ii) advocacy at Government level to increase decision-makers' interests and engagement in the SCTP scheme; iii) mobilising stakeholders to consolidate accountability mechanisms. The new EU programme that might be launched in late 2017/early 2018 integrates well these aspects.

### **2.4.2 JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms.**

The EU involved international NGOs to develop innovative approaches linked to both social support and community resilience building. For instance, the EU has supported UNICEF and indirectly the international NGO Concern Worldwide to develop a "graduation strategy" and implement pilot experiences on graduation in 2016-2017. The EU had also supported the international NGO Save the Children to develop innovative approaches to cash transfer delivery in 2012-2013.

The EU has involved the private sector (e.g. banks, telecommunication companies) in the development of improved social support delivery systems (e.g. electronic-payment). In the new support programme to be launched in 2017/2018, the EU has also recognised the potential role of private companies in the SP and resilience building areas in terms of possible corporate

social responsibility interventions (e.g. expanding the dissemination of sponsored solar lamps, mobile phones).

### **2.4.3 JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU.**

Overall, EU support to the SCTP has given opportunities to the EU to encourage the involvement of a wide range of stakeholders in dialogue platforms at national, regional, global levels. The SCTP has been showcased in several international events and is used by the EU to share experience with a variety of stakeholders at the international level. In addition, the EU, together with ILO, UNDP, UNICEF and IrishAid (all close partners to the EU in Malawi), is developing a specific Regional African Social Protection Training Package on Social Cash Transfers, called TRANSFORM, to support building, improving and managing social assistance programmes, concerning their economic, legal and administrative dimensions.

## **2.5 EQ5: Social protection systems**

*To what extent has EU support contributed to sustainable improvements in social protection systems?*

### *Summary answer*

The EU, together with other DPs, has been instrumental in strengthening implementation of the national social cash transfer scheme (SCTP). However, the focus so far has mainly been on establishing sound systems and mechanisms, and gradually expanding the scheme. Although DPs, including the EU, have advocated for stronger financial contributions from the Malawian government, the scheme remains largely externally funded and issues of financial sustainability are becoming increasingly important with the scaling up of the programme. It is not evident that top national decision-makers have clearly perceived the need to make tangible progress towards national financing. Interest in broad strategic approaches to social protection has been low given the scale of extreme poverty in the country.

### **2.5.1 JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially.**

EU support has had a strong focus on strengthening the implementation of the SCTP scheme. The joint efforts of the EU, other DPs and the government led to several achievements in terms of institutional strengthening, including:

- Increased capacity of the line ministry in charge of the programme (MoGCDSW) as illustrated by the creation of a dedicated unit in charge of the SCTP scheme and the related increase in human resources. Although some key positions are vacant and capacity development needs remain very important, interviewees highlighted an overall increase in the lead ministry's capacity to manage the programme.
- Increased capacity at district level: Accountants were deployed by the government at district level for the payment and financial reporting of the SCTP. Substantial investments were also made (mostly with DPs' external funding) to equip district teams with IT equipment, cars, etc.
- Development of a set of procedures and a Management Information System (MIS): The SCTP scheme now relies on a comprehensive and functional MIS that has been fine-tuned over time. In parallel, procedures for identification/registration, payment and reporting were established and strengthened.
- Development of a Unified Beneficiary Registry – a large database under which data on 50% of the poorest households in Malawi will be collected and ranked. This tool which is

being gradually operationalised will strengthen the targeting process of the SCTP and the related MIS. It may also have wide-reaching effects on all SP interventions in Malawi.

- The EU contributed to above improvements through different means such as regular policy dialogue (e.g. to advocate for the mobilization of adequate human resources at central and district level), funding of pilot-tests (e.g. ePayment), funding of equipment (IT, cars, etc.), analytical work and financial/audit reports, etc. It also supported the establishment of a “Management Consultant” team (contracted by KfW) which ensured the co-management (with the MoGCDSW) of the SCTP, helped strengthening procedures, provided on-the-spot training, etc.

### **2.5.2 JC 52 Nationally defined social protection floors promoted.**

Some stakeholders underscored that SCTP addresses some aspects of the SPF framework. A few stakeholders also underlined the over-emphasis of that initiative (SCTP) on economic poverty and the need to adopt more holistic approaches. However, SPF was not a key dimension of the EU support in Malawi. The concept of SPF did not get much traction among SP partners who, in view of the extent of poverty in the country, preferred to avoid an over-ambitious broad approach and first make sure that very basic schemes work. The debate around SPF seems to have also been overshadowed by the increasingly important place taken by other initiatives such as the EU’s “resilience” agenda or, more recently, in the area of nutrition, the WB’s 1,000 days approach.

### **2.5.3 JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered.**

So far, DPs’ and Government’s efforts were mostly focussed on: i) establishing systems and mechanisms to make the SCTP scheme work; ii) gradually expanding the SCTP to cover all districts of the country. DPs have supported the development of costed-plans to examine different long term scenarios at fiscal level. However, the use of these studies remained limited according to the interviews carried out. The SCTP is facing important challenges in terms of sustainability, including: i) ensuring sound financial management (without tight supervision by external stakeholders/DPs) and ii) ensuring the long-term financing of the scheme by increasing the Government’s financial contributions, something for which the DPs (including the EU) have been continuously advocating. There were recently positive signs as illustrated by the Government’s decision to increase its financial contributions to the SCTP in mid-2017. But, overall, the situation has not significantly evolved and the SCTP remain financed essentially by external donors. Two factors can explain these limited evolutions: i) the SCTP receives very limited political attention, in part because it is not seen an important “vote winner”; ii) Malawi remains a “donor darling” and some national decision-makers are confident that the country can rely on external donors to fund actions targeting the most vulnerable.

### **2.5.4 JC 54 Government social protection programmes consolidated and rationalized where necessary.**

EU support has contributed to improving the SCTP’s institutional structure and procedures which are fully integrated in the institutional environment of the relevant ministries (MoGCDSW and the Poverty Reduction and Social Protection Unit at the MoFEPD). In recent years, the main stakeholders perceived that the systems and procedures were sound enough to expand the scheme to all districts of the country. In 2017, the management responsibilities were still shared between the MoGCDSW and a team of external experts in many districts (14 districts).

But the MoGCDSW, thanks to increased capacity, was managing directly the implementation of the SCTP in four districts.

Moreover, the EU active involvement in policy dialogue has helped to consolidate national coordination mechanisms. The 2016 stakeholder-driven review process of the MNSSP is an illustration of the good dialogue taking place in the sector and of the efforts made by the different stakeholders to harmonise and rationalise the various social assistance programmes implemented in the country.

Ensuring synergies between SP interventions will be a central objective of the revised national social support policy (the Government plans to finalise the new strategic framework by the end of 2017). In recent years, there have already been a few attempts to link social protection programmes to other interventions. In particular, the EU financed the development of a national “graduation” strategy (see a definition of the concept of “graduation” in the box below) based on a “linkages and referral system” aimed at enhancing linkages between SCTP and other SP interventions and livelihood services.<sup>6</sup> The SCTP Graduation Strategy developed in 2016 suggested to follow a twin-track approach, where certain beneficiaries with – even constrained – productive capacity would be enabled to graduate from the scheme, while households without any productive potential, e.g. elderly households heads with a high number of school-going children, would be in need of a social cash assistance in a long-term.

*Box 2 The Graduation Approach in area of Social Protection*

The ‘Graduation Approach’ may be defined as (i) reaching a state in which one has exited/escaped (extreme) poverty, based on a given poverty metric and, therefore, can be considered ready to ‘graduate’ from the interventions dedicated to enable this transition; or (ii) the act of going through a set of phased-in and overlapping interventions meant to improve the well-being of their participants.

Since its inception in Bangladesh in 2002, the Graduation Approach has received much attention. Beyond a positive media acclaim, momentum has gathered behind graduation as an important social policy instrument. There has been a proliferation in the implementation of new graduation-inspired programmes. Primarily, graduation has been advanced as an effective means to combat extreme poverty and embodies part of the ‘big push’ to achieve Sustainable Development Goal 1: “End poverty in all its forms everywhere”. It is one of the most evaluated poverty reduction programmes, and its putative results are resoundingly positive, which helps explain the surge in interest. However, the increased enthusiasm and visibility enjoyed by the Graduation Approach has not been free from controversy. Significant concerns linger — centring on targeting efficacy and equity and what happens post-graduation (i.e. after households exit the programme) — and impact results have been vehemently contested. The buzz continues to grow although the debate on its role and effectiveness remains to be settled.

*Source: International Policy Centre for Inclusive Growth (2017) - Policy in focus - Debating graduation.*

The first experiences on graduation showed that, given the many prevailing constraints (the scale of poverty in the country, the inadequate coverage / quality of basic services, the lack of capacity to provide broader social services, the high costs of a classic graduation approach and the lack of funding to cover these costs, etc.), it was not realistic to expect to implement a holistic graduation approach in Malawi. Moreover, it appeared that, given the design of the SCTP and its focus on “labour constrained” households, it was difficult to foresee a sustainable

<sup>6</sup> The idea was that support / advisory activities implemented in beneficiary communities especially during the monthly payments would improve SCTP beneficiaries access to and use of basic services (e.g. education, health) and of services offered by other national SP or livelihood interventions such as the Village Savings and Loans programme. Increased use of these services would help certain SCTP beneficiaries to substantially increase their income, improve their well-being and graduate from the SCTP scheme.

graduation of SCTP beneficiaries from the scheme and a focus on graduating from “ultra-poverty” and targeting households which are not necessarily SCTP beneficiaries might be more adequate. In 2016, the Government explained to the relevant international partners that the development of strategies focussing on graduation was not a priority in the short term and graduation will not be a core element of the new NSSP. Concern Worldwide which took over an EU-funded project from UNICEF will continue pilot activities on graduation with Irish Aid support. In its future SP programme (SoSuRe), the EU also plans to continue supporting activities focusing on graduation and enhancing linkages with other national interventions focusing on increasing poor households’ resilience.

In its future SP programme, the EU also plans to develop approaches to better link humanitarian assistance with SP interventions with the objective of developing “shock responsive SP systems”. In particular, the ongoing development of the Unified Beneficiary Register (UBR) and its linkages to the new national ID System should ensure comprehensive household information for registration and targeting of both social support and humanitarian interventions in the future. Currently, targeting for humanitarian assistance is based on the annual Malawi Vulnerability Assessment Committee (MVAC) assessment. Some recent experiences to link MVAC and the UBR for targeting purpose<sup>7</sup> highlighted several obstacles. UBR is focusing on the poorest households and uses elements of PMT, while humanitarian interventions may be relevant for “less poor” households as well. Moreover, explaining the differences between the various interventions and their targeting to the beneficiary communities remains a challenge. The importance of community involvement in the targeting process led to a situation where several communities decided to impede households from benefitting from both humanitarian assistance and SP interventions (prevention of “double dipping”) because they perceived MVAC as a seasonal safety net, rather than a humanitarian intervention. There are also still many open questions on the development of the UBR and its use for humanitarian assistance. Beyond issues related to data protection, some stakeholders underscored that humanitarian assistance needs up-to-date and quality data which the UBR cannot easily offer given the costs that would be associated to such updates and such detailed checks. At the time of this review, there were still many open questions regarding the updating process of the UBR registry.

## 2.6 EQ6: Social exclusion

*To what extent has EU support to social protection contributed to reducing social exclusion and, finally, poverty?*

### *Summary answer*

Although issues of targeting persist, there is a consensus among stakeholders involved that the national social cash transfer scheme (SCTP) does reach the most vulnerable groups of the population. There has been an increasing number of households receiving regular cash transfers since the start of the EU intervention and evidence from monitoring and evaluation reports clearly shows that these amounts were beneficial for the recipients. While amounts transferred remain very low, the regularity and predictability of payments have substantially increased the well being of recipients.

<sup>7</sup> A pilot test was carried out by United Purpose in collaboration with WFP in 2016/2017. It was the first time that SCTP’s beneficiaries were explicitly included in the MVAC beneficiary list for humanitarian transfers.

### **2.6.1 JC 61 Social protection as a human right promoted at all levels.**

Social protection was not a key area of cooperation in the last two EU financing cycles. Consequently, dialogue on human rights taking place at strategy level was not directly linked to SP interventions.

There are some references to human rights in the project documentation related to the SCTP programme and there are obvious links between the intervention and human rights promotion given the focus of the programme on the most vulnerable and special attention to women and children. However, the programme did not follow a rights-based approach per se.

At national level, there is only limited evidence that SP is increasingly seen as a right in Malawi. However, at community level, in the specific areas targeted by the SCTP scheme, there are converging elements showing that beneficiaries are increasingly seeing the social support received as a right. The implementation of the SCTP relied on clear procedures and was accompanied by substantial investment in awareness raising activities which gave a stronger voice to the most vulnerable people local/community level.

### **2.6.2 JC 62 EU support addresses concerns about excluded populations.**

The SCTP clearly targets the most vulnerable population (labour constrained) with a strong focus on women and children. The focus on the most vulnerable people is a distinctive feature of the SCTP scheme (compared to other social assistance provided in the country). It should be noted that the interventions put a strong emphasis on the economic dimension of poverty / vulnerability.

### **2.6.3 JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage).**

There has been debate concerning the level of SCTP transfers with many stakeholders arguing that the amounts transferred were low, and there have been efforts to adjust the level of transfers in recent years. However, ensuring the regularity of payment (predictability) was considered by all as the main priority and substantial investments were made into this aspect. In general, there is a consensus among stakeholders interviewed that, despite the fact that the level of transfers has remained low, the amounts were still significant given the relatively good predictability. An increasing number of households have received regular payments since EU support started and evidence from monitoring and evaluation reports clearly shows that these amounts were beneficial for the recipient households.

## **2.7 EQ7: Modalities**

*To what extent has the approach (financing instruments, modalities and channels) employed by the EU been appropriate and efficient for strengthening social protection in partner countries?*

### *Summary answer*

The approach adopted to implement EU support to SP in Malawi was an appropriate one given the objectives pursued, the context of the EU-Malawi cooperation, and the rich past experience of the partners chosen by the EU in the country. Moreover, despite some delays, EU support has been implemented in an efficient way, minimising costs for all parties involved. SP remains a small area in the EU portfolio in Malawi and the SCTP programme is not well connected to other EU interventions in the country. There have been limited examples of synergies between the programme and interventions financed via other EU instruments.

### **2.7.1 JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context.**

The EU used a project approach to support the SCTP. More specifically, the EU established a Delegated Agreement with an EU MS (Germany/ KfW) and a Contribution Agreement with UNICEF. The modality and implementing partners chosen were appropriate given UNICEF's and Germany's past engagement in Malawi in the thematic areas covered by the intervention.

While the EU provided substantial support to NGOs in various areas of cooperation in Malawi and promoted the role of civil society in all relevant fora, the EU direct support to NGOs was limited in the context of the SP interventions (only one grant to Save the Children for the pilot-test of ePayment modalities). Some stakeholders interviewed (including on the DPs side) highlighted that more could have been done to support NGOs. The new programme that the EU plans to launch in the coming months will have a substantial component directed to the civil society.

Channelling EU funds through KfW was the right choice to make given the multiple DPs already involved in the sector and the fact that KfW had already initiated key activities to support the SCTP. Channelling of funds through an EU MS institution did not prevent the EUD to remain active in the supervision of the programme and in policy dialogue with the Government and other stakeholders. The institutional setup adopted by KfW with the line ministry "co-managing" the programme with a consultancy firm allowed putting emphasis on ownership while minimising fiduciary risks and enhancing the programme's effectiveness. It was an appropriate setup given the important persisting constraints at the level of the Government of Malawi's institutional capacities. However, more could have been done to avoid geographic fragmentation and support the SCTP as one consistent intervention with harmonised procedures among DPs; e.g. pooling resources to finance all districts in a consistent way.

Budget support was suspended by most DPs in light of a financial scandal which emerged in late 2013/early 2014. The EU still remains reluctant to use budget support and some stakeholders noted an increase in fiduciary risks in recent years. However, the WB plans to launch a large budget support operation by the end of 2017 with the view to address policy and institutional constraints (including in terms of fiscal management) that amplify Malawi's vulnerability to climate shocks. The WB intends to use this operation to enhance the policy dialogue around SP issues and consolidate the ongoing scaling up of the SCTP scheme and other social assistance interventions.

### **2.7.2 JC 72 EU financed interventions in the social protection field are mutually reinforcing.**

There are limited examples of synergies between the SCTP programme (geographic/bilateral instrument) and interventions financed via other EU instruments (thematic, regional). This is in part explained by the fact that SP is not a concentration area in the EU-Malawi cooperation strategy and there was very limited use of thematic programmes for SP-related activities in Malawi. To explain the low use of thematic programmes in the SP area, some stakeholders put forward that there has been an increasing emphasis on migration issues in the EU global programmes which came at the expense of the SP area.

Malawi is indirectly covered by the EU-SPS global programme via a twin programme independently managed by Germany (GIZ). GIZ closely coordinates with the EU-SPS stakeholders.

The SOCIEUX facility was not used in Malawi despite an attempt in 2016. Various reasons were highlighted, including: i) the mismatch between the type of support offered and demand on Government side, which can be seen either as a limited capacity to understand the country

context or stringent rules which limit the type of support that can be offered and ii) the “low pro-activeness” of the facility to actually promote activities to potentially relevant stakeholders in the country. However, the EUD benefited from technical support provided through the EU Advisory Service in Social Transfers (ASiST). The expert mobilised has substantially contributed to ongoing reviews at national level and the formulation of the new EU programme.

There is good coordination between the EUD and ECHO, and several links between the support to the SCTP and humanitarian assistance were made in recent years. However, there is still room for further enhancing these linkages. In particular, the EU is still lacking a joint (internal) decision-making process regarding its response to external shocks. While ECHO and DEVCO are trying to work together, their good intentions are limited by the persisting inadequate mechanisms to ensure continuity of funding.

### **2.7.3 JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored.**

Overall, EU support has been implemented in an efficient way, minimising costs for all parties involved. Significant delays were encountered during the start-up phase (2013-2014) mainly because of the electoral context, staffing problems in the main line ministry and some divergences between the Government and DPs on the distributions of responsibilities (including financial responsibilities) for the management of the SCTP. These delays had only a limited impact on subsequent phases.

In Malawi, it is well known that employees of the public sector supplement their low salaries through per diems and other non-salary payments. Moreover, a large part of the staff involved in the SCTP were not full-time on these interventions. Consequently, staff’s commitment has tended to be affected in cases where competition in the demand for time to implement prioritised SCTP activities has been slowed down due to diversion to ‘more lucrative initiatives’.

The SCTP was both monitored internally (by the MoGCDSW) and externally (done by KfW, the EU and other DPs). The (external) monitoring of the EU-funded SCTP programme (including the monitoring of the implementation of activities and the delivery of the outputs and the financial monitoring) relied on a sound framework with clear procedures. The SCTP MIS has been a core element of the programme’s M&E system. In addition, the SCTP and, more generally, the MNSSP are closely monitored by a variety of stakeholders (Government, DPs, Civil Society) at national level. Regular feedback is provided by project management to the MNSSP Technical Committee and the multi-stakeholder forum established to monitor the programme.

A ROM mission was carried out in 2017 to monitor EU support to the SCTP. Moreover, the EU has financed (via UNICEF) the implementation of a broad impact evaluation of the SCTP scheme which was widely used. The new programme that the EU plans to launch in 2017 builds on the wealth of knowledge that was generated in the past years.

## **2.8 EQ8: Coherence, added value**

*To what extent has EU support to social protection been coherent with other EU sector policies and to what extent has it added value to the EU Member States’ and other donors’ interventions?*

### *Summary answer*

The EU was a driving force in donor coordination and its funding capacity proved to be instrumental in leveraging funds from other stakeholders. The EU has also put a premium on innovation and has been open to risk taking initiatives, which was valued highly by all stakeholders. Finally, it proved to be able to work closely with the Government allowing enhanced policy dialogue related to the STCP. However, the

EU could have also better used its trust and financial weight to exert stronger influence on Government's positions which impact the programme's sustainability.

### **2.8.1 JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs.**

The EU was a driving force in donor coordination. It has closely coordinated its efforts with EU MSs active in the Malawian SCTP scheme both during design and implementation stages. The strongest linkages were naturally built with Germany given the fact that KfW was chosen as the main channel of EU support.

EU's support to the SCTP was a turning point in the programme's history. In 2013-2014, with EU and German funding, the SCTP moved from a pilot experience to a large scale scheme which will eventually cover the whole country in late 2017.

Beyond the important role played by the EU in terms of funding, stakeholders interviewed saw several other main added values in EU support such as: i) its openness to risk taking initiatives as illustrated by the EU active support to the development of innovative methods of payment, ii) the active role played at policy dialogue level and its capacity to work closely with the Government, iii) its investment in analytical work and its capacity to build on past (EU's or other DPs') experience in the country.

EU and Germany's joint efforts have played a catalytic role in terms of convincing stakeholders to commit to a stronger engagement in the SCTP scheme. In 2017, the WB decided to provide most of the funding necessary for the expansion of the SCTP to the remaining 10 districts. The sustained support of the DPs and the recent engagement of the WB were also seen as crucial in the Government's decision to increase its financial contributions to the SCTP in 2017.

### **2.8.2 JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment).**

The EU and the Government of Malawi have exchanged on links between Development and Trade issues in the context of trade agreements with the SADC region and EPA negotiations. Malawi already benefits from preferential treatment in terms of non-reciprocal, duty- and quota-free access for its exports to the EU market under the Generalised System of Preferences: Everything But Arms (EBA) regime. That said, there are no relevant linkages between EU support to SP in Malawi and other EU policies, but also no particular inconsistencies observed in terms of Policy Coherence.

### 3 Key overall findings

There are clearly converging findings regarding the **overall positive performance** of the SCTP both in terms of the systems/procedures supporting it and in terms of the outcomes achieved. But, there are also still many areas of improvement, including in terms of delivery/payment mechanisms, targeting, overall institutional capacity, etc.

Social protection did not feature strongly in the EU-Malawi cooperation strategy (which covers many other competing priorities) and the EU did not take a leadership role in terms of policy dialogue on social protection in the country. But, it still **actively participated at all key levels of dialogue** in recent years and EU engagement actually increased over time. Its involvement in policy dialogue and its continuous and active follow up of the implementation of the SCTP scheme were appreciated by all partners interviewed.

There have been some attempts to **link social protection programmes to other interventions** (including humanitarian assistance and food security/resilience interventions), but results have not been very satisfactory so far and, overall, efforts remain limited. This area could still receive considerable more investment in the future although the challenges associated to such endeavours should be clearly recognised from the outset and expectations should remain realistic.

Main success factors potentially interesting for similar experiences in other countries:

- The **phased approach** followed (development of sound mechanisms adapted to the country, generating evidence on the successful aspects of the experience, geographic expansion, systems strengthening) ensured a smooth scaling up and consolidation process.
- The **co-management** systems adopted by partners (with the recruitment of an external consultancy firm to closely work with the relevant line ministry) ensured good overall performance of the programme despite adverse factors related to weaknesses in the national institutional environment.
- Good **coordination** between donors and continuous support allowed various inputs (pilots, evaluations, capacity building efforts, policy advices, external communication) to combine into a successful experience which strengthened over time.
- At EU level, **flexibility and openness** to risk taking initiatives (e.g. ePayment) made the EU appear as a valuable partner and contributed to enhancing the supported programme.
- At EU level, although **human resources** were somewhat stretched over several interventions/ areas of cooperation, staff involvement in dialogue and follow up activities turned out to be crucial for the success of the programme. Capacity of EU staff to understand the local context appears as an important factor of success.

Other general elements which might be worth taken into account or building on in future support include:

- **Coordination (in particular, donor coordination) worked well.** There are examples of donors speaking with one voice. EU, KFW, and Irish Aid joint commitments have had a catalytic effect on the involvement of other partners (e.g. WB recent engagement in the SCTP scheme). In general, the SCTP represents a good case of harmonised efforts (especially when compared to PWP). But, in the absence of a strong leadership on the government side, some aspects of donor coordination will probably remain sub-optimal. Moreover, more could be done (starting at reporting level) to consider the SCTP as one programme and hence avoid the current tendency towards fragmentation across districts/donors.

- Overall, **the M&E of the SCTP has been sound** and important resources have been invested by partners into evaluation activities. The mission has been too short to explore potential areas of improvement in detail. It seems that more could have been done in terms of having a more dynamic monitoring system in place to gather evidence (including anecdotal evidence) in a structured way. In the future, more efforts to better understand issues of adherence to the scheme and beneficiaries' response to changes operated, and to better assess needs at community level (not only the beneficiaries households), could help making better adjustments during implementation and could inform discussions on overall improvements to be potentially introduced in the scheme (including in terms of enhancing the targeting).
- There are **emerging concerns** regarding potential risks associated to the **scaling up** of the programme which could be summarised around two key points:
  - a) **Financial sustainability**: This point does not relate only to the need to continue strengthening government's engagement (recent advocacy efforts should be continued and even be extended), but also to the need to produce more precise estimations of the level of resources (investment and recurrent costs) required to make sure new features such as the UBR will effectively function and will fully play the role they are expected to play.
  - b) **Accountability**: Tight financial management will need to continue given the high level of fiduciary risks in all sectors of cooperation in Malawi. "Reputational" risks (coming from potential mismanagement cases related to the SCTP scheme, but also from other social protection schemes being implemented in the country such as the PWP) will need to be adequately mitigated as their effect on the sustainability of the programme can be important. Future support to CSOs could place a stronger emphasis on the important role they can play on various accountability issues and on the importance of supporting harmonised (accountability) mechanisms across organizations, geographical levels and sectors (including humanitarian assistance).

## 4 Annexes

### 4.1 Evaluation Matrix: Indicator level information

#### 4.1.1 EQ1: Relevance

#	Indicators	Evidence
<b>JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.</b>		
I-111	Objectives of EU support respond to clear overall strategic orientations on social protection	<i>Indicator not relevant at country case study level. See the analysis carried out at the global level in the main report of the evaluation.</i>
I-112	Objectives of EU support aligned to national SP policy framework	The action document of the SCTP programme makes clear references to the relevant national strategic frameworks: <i>"The overall objective is two-fold: to contribute to the poverty reduction efforts of the Government of Malawi as set out in the draft National Social Support Policy (NSSP) and Malawi Growth and Development Strategy II (MGDS II) as well as to contribute to the Millennium Development Goals (MDGs) with special reference to MDG 1c, 2, 4, 5 and 7 by supporting the Government of Malawi in lifting a large number of ultra-poor, labour constrained households sustainably above the food poverty line."</i> <i>Source: 2012 SCTP action document</i> Although DPs were heavily involved in it (they brought more than 90% of the funding), the SCTP programme has been a government led initiative.
I-113	Design of EU support based on participatory approaches involving partner key national institutions (MoF, Central Banks), social partners and civil society	Two key ministries were involved in the design of the intervention: the Ministry of Economic Planning and Development (MoEPD), and the Ministry of Gender, Child and Social Welfare (MoGCSW). Civil society were only indirectly involved in the design. <i>Source: Interviews and 2012 SCTP action document.</i>
I-114	EU support to SP addresses emerging EU policy concerns such as migration, refugees, and security	The SCTP programme does not explicitly try to address EU policy priorities such as migration. But, it explicitly covers climate change and environmental sustainability issues. <i>Source: Interviews and 2012 SCTP action document</i>
<b>JC 12 Needs and target groups clearly identified in the design of EU support</b>		
I-121	EU-supported interventions based on sound analyses of opportunities (including fiscal space), and problems and barriers (including in terms of institutional environment) to achieving universal access to social protection	The SCTP programme was not aiming at achieving universal access to social protection in the short/medium term. Issues of financial sustainability (in terms of both gradual increase in government funding and involvement of new development partners) have been discussed from the start of the programme. But, these issues were more intensely discussed in the last three years after the SCTP scheme was scaled up (from seven to 17 districts between 2011 and 2012) and recent plans of GoM and DPs to continue the expansion of the programme to cover all the districts of the country by the end of 2017. A costed SCTP Strategic Plan was elaborated by UNICEF in collaboration with the various partners involved in 2016. <i>Source: Interviews and 2012 SCTP action document.</i> Needs in terms of capacity building of the MoGCSW were identified from the start although no precisely described in any documents reviewed. There has been converging views between stakeholders that the MoGCSW would need strong support for the implementation of the SCTP scheme.
I-122	EU-supported interventions based on correctly identified	The SCTP scheme focusses on households being ultra-poor (unable to meet the most basic urgent needs, including food and essential non-food items such as soap and clothing) and labour-constrained (defined as having no member 'fit

#	Indicators	Evidence
	uncovered and underserved groups	<p>to work' or having the ratio of 'not fit to work' to 'fit to work' of more than three). These households clearly represents underserved groups.</p> <p>Very often the household consists of a grandmother and her grandchildren or even great grandchildren. Other households consist of a single mother with more than three children.</p> <p><i>Source: Interviews and 2012 SCTP action document.</i></p>
I-123	EU-supported interventions utilise census, economic and social data	<p>The design of the SCTP programme used data from the Integrated Household Survey of 2010 (IHS 3), the most recent Malawi Poverty and Vulnerability Assessment, the 2008 census of the population.</p> <p>However, no detailed analytical work was carried out specifically during the design of the EU-funded programme. The programme actually relied on the pilot programme launched in 2006 and the overall analytical work carried out at the level of the SCTP scheme. Updated data from more recent household surveys and studies were regularly used to adjust the overall design of the SCTP scheme (including aspects of targeting).</p> <p><i>Source: Interviews and 2012 SCTP action document.</i></p>
I-124	Data gaps identified and adequately mitigated in design of EU support	<p>No specific data gap was explicitly identified in the project documentation. The documentation does underline the establishment of a dedicated Management Information System (MIS), funded by Germany through KfW, to strengthen the monitoring of the initiative.</p> <p>The EU and the other DPs involved collected a variety of data through different means (e.g. case management system of the SCTP scheme, field visits, pilot activities in specific districts, baseline survey and endline impact evaluation) during the implementation of the programme. This fed into discussions around potential improvements of the SCTP scheme. However, some interviewed stakeholders highlighted the fact that more could have been done to better understand the needs of the SCTP beneficiaries, how they were using the funds received and what were the main barriers to greater effectiveness in the programme.</p> <p><i>Source: Interviews, 2012 SCTP action document, 2013-2017 KfW SCTP implementation reports</i></p>

#### 4.1.2 EQ2: Basic social protection

#	Indicators	Evidence
<b>JC 21 Social protection coverage and uptake extended / broadened with EU support</b>		
I-211	Trends in social insurance (old-age pension, disability, unemployment, etc.) coverage rates	Social security was not a focus of EU support to SP in Malawi.
I-212	EU support for social protection recognizes special needs of the informal sector.	<p>The EU-funded SCTP programme targets ultra-poor and labour constrained households which are not part of the formal economy.</p> <p>The Malawi Labour Force Survey 2013 estimated that nine out of ten (89 percent) employed persons in Malawi are predominately engaged in informal employment (this is similar to many Sub-Saharan African countries which tend to have between 85 percent and 95 percent of the labour force in the informal economy). In recent years, the informal economy has experienced a growth which is related to the formal sector does not create sufficient jobs.</p> <p><i>Source: 2016 Danish Trade Union / Ulandssekretariatet - Malawi Labour market profile.</i></p>
I-213	EU support for social protection recognizes special needs of children.	<p>The SCTP has explicit children-specific objectives such as increased school enrolment and improved health and nutrition status.</p> <p><i>Source: 2012 GoM - MNSSP (National Social Support Programme)</i></p> <p>The collaboration between the EU and UNICEF in the context of the SCTP programme ensured that the special needs of children were adequately taken into account.</p> <p><i>Source: project documentation and interviews</i></p> <p>Over 65% of the members of SCTP beneficiary households are 25 years or younger.</p> <p><i>Source: 2016 SCTP MIS.</i></p> <p>The Endline Impact Evaluation shows strong effects of the SCTP scheme on children's school participation and material well-being. However, compared to household economic and consumption impacts, the impacts on young child health and nutrition are less pronounced. There are indicators on child nutrition (stunting and underweight), which did not register any difference between SCTP and non-SCTP households. The 2017 KFW SCTP interim report explains that this is consistent with research on nutrition and child health, which shows that children's nutrition and health are of a rather multi-faceted and complex nature.</p> <p><i>Source: 2016 UNC - Endline Impact Evaluation and 2017 KFW – SCTP interim report.</i></p>
<b>JC 22 Universal access to adequate health services put in place / strengthened with EU support</b>		
I-221	Proportion of population with access to basic health services	<p>The 2016 SCTP Endline evaluation highlights significant positive effects of the programme on healthcare seeking behaviour, including for beneficiary children.</p> <p><i>Source: 2016 SCTP Endline evaluation</i></p> <p>The 2015-16 Malawi Demographic and Health Survey provides information on general trends in health indicators. For instance, it shows positive trends in maternal health indicators over the last ten years, but a stagnation in some child health indicators compared to the situation observed in 2010 – see Annex 5.</p> <p><i>Source: 2016 GoM - DHS 2015-16</i></p> <p>EU support to SCTP was launched in 2012 but actually started in 2013. Moreover, it focussed on only a few districts. It is thus difficult to measure the impact of the programme at national level on indicators such as access to health.</p>
I-222	Proportion of women receiving adequate ante-natal care.	<p>Annex 5 shows the evolution of key health indicators in the past decade.</p> <p><i>Source: 2016 GoM - DHS 2015-16</i></p> <p>But, as explained above, given the focus and the timing of the supported intervention, it is difficult to measure the impact of the programme at national</p>

#	Indicators	Evidence
		level on indicators such as access to health.
I-223	Proportion of health costs paid out of pocket	The 2016 SCTP Endline evaluation does not show any impact on health expenditure. <i>Source: 2016 SCTP Endline evaluation</i>
<b>JC 23 Access to basic income security strengthened with EU support</b>		
I-231	Programmes related to basic income security (e.g., unconditional cash transfers, non-contributory social pension, social assistance) in place with EU support	EU support's main focus was on putting in place and expanding a cash transfer scheme targeting the most vulnerable. Documents reviewed (e.g. implementation/monitoring reports, evaluations) and interviews carried out show that the programme has been largely successful. The SCTP scheme was substantially expanded since the EU started supporting it. The number of beneficiaries increased from 29.000 households in seven districts in 2012 to 170.000 households in 18 districts in early 2017. Regularly of payment in the districts covered by the EU funding is seen as very satisfactory. <i>Source: interviews and various documentation reviewed (e.g. 2016 KfW - SCTP Year 3 implementation report)</i>
I-232	In-kind transfers (e.g., food and in-kind transfers for work) in place with EU support	This was not a focus of EU support.
<b>JC 24 Gender inequalities in social protection coverage reduced</b>		
I-241	Conditional and unconditional cash transfer programmes for mothers and children in place with EU support	The SCTP scheme is not specifically targeting mothers and children but still has a strong focus of these categories of the population. Almost three-quarters of the beneficiary households were women-headed households in early 2017. <i>Source: 2016 KfW - SCTP Year 3 implementation report</i>
I-242	Maternity programmes in place, offer adequate coverage, and operational with EU support	This was not a focus of EU support in Malawi.
I-243	Social assistance coverage of the elderly, disaggregated male/female if possible	The SCTP scheme is not specifically targeting elderly, but given its focus on vulnerability and labour-constrained households, this category of population was important in the final coverage of the intervention. In around half of the cases, the beneficiary household was headed by an elderly person

### 4.1.3 EQ3: European approaches & policy dialogues

#	Indicators	Evidence
<b>JC 31 EU support to social protection coordinated with MSs</b>		
I-311	Evidence for regular coordination efforts between EC and EU MSs in field of social protection at global level	<i>Indicator not relevant at country case study level.</i>
I-312	EU participates in / manages joined-up approaches (e.g., joint programming, MDTFs, joint monitoring, etc.) including social protection components	There is no pool funding or MDTF on SP in Malawi. That said, most of the EU support was channelled through KfW. It is also important to note that all DPs involved in the SCTP used the same overall procedures and the same MIS. <i>Source: interviews</i>
I-313	EU strategy, programming and programme documents related to SP refer to EU Member States' policies and support	<p>“All the districts of the country are currently supported by different donors, including the EU (...), Germany-KfW (...), Ireland (...) and the World Bank (...), in addition to the one supported by Government. Finally, DFID, whose ECRP is coming to a close in 2017, has indicated that its follow-on work is likely to echo the proposed EU action, and to have more emphasis on cash transfers.” <i>Source: 2017 SoSuRe action document</i></p> <p>There is good coordination between the EU and EU MS on SP interventions, but more generally, on resilience related interventions in Malawi. <i>Source: interviews</i></p> <p>“Development partners, such as GIZ, ILO and UNICEF, have supported policy and systems strengthening and provided technical assistance to Government counterparts including for the review of the MNSSP; and the analytical work to inform phase 2 of the MNSSP. They have also supported the development of the UBR for SCTP and PWP (...) GIZ is also implementing an EU supported Social Protection System strengthening (...) initiative. UK-DFID, Norway, Ireland, USAID, WFP and FAO, are closely coordinating their activities, particularly those in the area of resilience building and very recently shock-responsive social protection around the MNSSP. (...) At regional level, ILO, UNDP, UNICEF, IrishAid and the EU have started to design a specific Regional African Social Protection Training Package on Social Cash Transfers, called TRANSFORM, to support building, improving and managing social assistance programmes, concerning their economic, legal and administrative dimensions” <i>Source: 2017 SoSuRe action document</i></p>
<b>JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection</b>		
I-321	Evidence of suitably qualified staff formally designated and actually deployed to support social protection at country level	<p>Since 2012, there has always been more than one person specifically responsible for issues related to SP at the EUD. The inputs of relevant EUD staff in dialogue platforms were valued highly by the stakeholders interviewed. Interviews also highlighted that the presence of a Malawian expert at the EUD contributed to: i) fine-tuning the EU response to the specific institutional environment in the country; ii) building strong working relationships with Government officials. <i>Source: interviews and eSurvey.</i></p> <p>In 2016, the EUD benefitted from support provided through the Advisory Service in Social Transfers (ASiST)<sup>8</sup>. The expert mobilised has substantially contributed to ongoing reviews and the formulation of the new EU programme. <i>Source: interviews</i></p>

<sup>8</sup> <https://europa.eu/capacity4dev/hunger-foodsecurity-nutrition/document/advisory-service-social-transfers-asist>

I-322	Evidence of EU active engagement in regional fora on social protection	“ILO, UNDP, UNICEF, IrishAid and the EU have started to design a specific Regional African Social Protection Training Package on Social Cash Transfers, called TRANSFORM, to support building, improving and managing social assistance programmes, concerning their economic, legal and administrative dimensions” <i>Source: 2017 SoSuRe action document</i>
<b>JC33 EU effectively participates in global policy dialogues on social protection</b>		
<i>JC not covered by the analysis at case study level</i>		

#### 4.1.4 EQ4: Social partners

#	Indicators	Evidence
<b>JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection</b>		
I-411	EU promotes and facilitates social dialogue (government, trade unions, employers' organisations) and dialogue with civil society through its social protection programmes	EU interventions participate in the strengthening of the national coordination structures for social protection. According to the EUD, CSOs and, to a lesser extent, trade unions play a role in shaping the direction of social protection in the country in the context of these national coordination structures.
I-412	Evidence for strengthened capacity of social partners (trade unions and employers' organisations) to participate in social protection policy dialogue	This was not a focus of the support.
I-413	SP mainstreamed in other policy dialogues where relevant, e.g. trade and migration	There are no explicit linkages between these areas and SP. It is noteworthy that neither SP nor migration features predominantly in the EU-Malawi country cooperation strategy.

#	Indicators	Evidence
<b>JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms</b>		
I-421	In policy dialogue, EU advocates for LA involvement in design, delivery, and monitoring of social protection services under supported reforms	<p><i>“Sub-national Government structures (through the Ministry of Local Government) are at the centre of implementing various NSSP interventions, representing a genuine embodiment of decentralisation. SCTP has well devolved implementation structures down to the community level including extension officers and Community Social Support Committees, who are important pivots between the districts and the beneficiaries. Indeed, the programme has two dedicated Social Support Officers in each district and very recently accounting staff dedicated to the programme. Going forward, Government plans to harmonise community structures implementing various NSSP interventions by piggy-backing on the strength of SCTP district and community structures. Capacity at district level remains a particular challenge since there are high vacancy rates and the implementation of the programme causes additional administrative burden on district social support staff. This action will address this challenge by placing a major focus on building capacity and implementing delivery systems that reduces the administrative burden in the districts.”</i></p> <p>Source: 2017 SoSuRe action document</p> <p>Interviews confirmed that the SCTP has placed a strong emphasis on involving and building the capacity of decentralised actors.</p>
I-422	In policy dialogue, EU advocates for NGO and private sector involvement in design, delivery, and monitoring of social protection services under supported reforms	<p><i>“<u>Non-state actors</u> (...) play a significant role in supporting the NSSP. (...) international NGOs such as Save the Children, Concern Worldwide, Christian Aid and United Purpose have pioneered innovative approaches linked to both social support and community resilience building, often through add-ons to the MNSSP beneficiaries, such as providing training in business skills, VSL, climate smart agriculture, nutrition diversification and livelihoods diversification. The NGO Gender Coordination Network coordinates over 50 different NGOs around issues of gender related to social protection. The <u>private sector</u> also has a potentially expanded role both in terms of improved social support delivery systems (e.g. electronic-payment) and in terms of possible corporate social responsibility interventions (e.g. expanding the dissemination of sponsored solar lamps, mobile phones). As part of developing this action, these non-state actors were all consulted.”</i></p> <p>Source: 2017 SoSuRe action document</p>
I-423	National and international NGOs and private sector firms with specialist expertise contracted for service design and delivery under supported reforms	<p>The EU has supported UNICEF and indirectly the international NGO Concern Worldwide to develop a graduation strategy in 2016-2017. The EU had also supported the international NGO Save the Children to develop innovative approaches to cash transfer delivery in 2012-2013.</p> <p>Banks and the main telecommunication company were also involved in the experimentation on new approaches to cash transfer delivery.</p> <p>Active engagement of both NGOs and private companies is foreseen in the new EU-funded programme to be launched in 2017/2018.</p>

#	Indicators	Evidence
<b>JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU</b>		
I-431	Evidence of social partners and civil society organisations (e.g., advocacy NGOs, research organisations) involved in EU-supported policy development events on SP including international fora.	The SCTP has been showcased in several international events (including for two successive years at the General Assembly of the UN and as a side event at the UN Women Commission for the Status of Women). <i>Source: 2017 SoSuRe action document</i>
I-432	Regional and global networks of social protection stakeholders supported.	At regional level, ILO, UNDP, UNICEF, IrishAid and the EU have started to design a specific Regional African Social Protection Training Package on Social Cash Transfers, called TRANSFORM, to support building, improving and managing social assistance programmes, concerning their economic, legal and administrative dimensions. <i>Source: 2017 SoSuRe action document</i>

#### 4.1.5 EQ5: Social protection systems

#	Indicators	Evidence
<b>JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially</b>		
I-511	Appropriate capacity development measures supported by EU	<p>Apart from providing direct cash transfers to households, the EU contribution is also used for improving "infrastructure" necessary for the implementation of the SCTP. It supports the strengthening of financial management and implementation, as well as monitoring and evaluation capacities of the SCTP. <i>Source: 2017 KfW implementation report Year 3</i></p> <p>There were only two persons involved in the line ministry (MoGCDSW) and no real unit/division in charge when the EU intervention started.</p> <p>The ministry has now a dedicated team (#12-13 persons) working on the programme. The EU together with other DPs (Germany, UNICEF, Irish Aid, etc.) have been actively advocating for this increase of staff. <i>Source: interviews with Government officials and DPs</i></p> <p>In recent years, the SCTP programmes faced a number of issues related to the line ministry's limited capacities. In particular, MoGCDSW failed to provide an adequate number of dedicated accountants allowing to ensure sound financial reconciliation and accounting of SCTP activities, particularly at district level, presents a continued challenge. Moreover, the Ministry has been unable to ensure regular maintenance of programme equipment such as vehicles, IT equipment and office installations due to funding constraints. As a result, many assets have had a shortened life span and repair and replacement of assets was conducted in a rather erratic manner.</p> <p>Despite these difficulties, the overall implementation of the SCTP has continuously improved. As confirmed by progress reports, yearly audits and the recent process evaluation, overall implementation of SCTP Programme has achieved a solid level and it is providing relevant, regular and reliable support to the target groups.</p> <p>Substantial effort has gone into establishing and strengthening the systems of the SCTP. Particularly compared to other programmes under the NSSP, the performance of the SCTP – despite persisting deficiencies – is notable. <i>Source: interviews and implementation reports</i></p>
I-512	Weaknesses in SP legal frameworks, identification, registration, payment,	The EU supported the piloting of an electronic delivery system for social cash transfers which lead the Government to generalise the social cash transfers delivery through e-payment from 2017/2018 on. Interviews have highlighted the positive role played by the EU in this evolution.

	etc. systems analysed, appraised, and addressed with EU support	<p><i>Source: project documentation and interviews with Government officials, DPs and NGOs</i></p> <p>The EU (with other development partners) also promoted the development of a Unified Beneficiary Registry (UBR) which will also be generalised from 2017/2018 on.</p> <p><i>Source: interviews</i></p>
I-513	EU support takes SP governance issues into account and addresses gaps and deficiencies	<p>The joint EU-German programme embraces all levels of governance and aim at strengthening capacities and systems in all relevant ministries, public entities, local authorities.</p> <p><i>Source: project documentation and interviews.</i></p> <p>“Good governance is a crosscutting issue for the SCTP as there are already two interventions which are expected to lead to improved transparency and accountability: the first e-payment pilot programme funded by the EDF will test alternative innovative approaches to delivering cash transfers to the beneficiaries; the second is the Management Consultancy that will a) develop a Management Information System (MIS) and b) ensure overall financial management Funding for these two specific activities come from the German Government through KfW. The e-payment system and MIS are expected to enable monitoring of the payments and processes of the SCTP thus additional transparency will be created and authorities on national, district and community level will increasingly be held accountable for their actions.”</p> <p><i>Source: 2012 SCTP Action document</i></p> <p>Financial management of the SCTP by Government entities remains weak and very dependent on external support. The SCTP “management consultant” team still plays a crucial role in ensuring adequate budgeting, financial reporting and oversight, and, more generally, smooth implementation of the overall SCTP scheme. These issues are regularly raised in DPs-Government dialogue.</p> <p><i>Source: interviews</i></p>
<b>JC 52 Nationally defined social protection floors promoted</b>		
I-521	Evidence that the EU advocates in policy dialogue with government to adopt the national social protection floor approach	<p>As illustrated by the very limited references to the SPF concept in project documents and as confirmed in the field mission interviews, this area was not a key dimension of EU support in Malawi.</p> <p><i>Source: project documentation</i></p> <p>Interviews with government officials and other DPs show that, in general, the concept of SPF did not get much traction among SP partners in Malawi. While some noted the over-emphasis of current initiatives on economic poverty and some underlined that the SCTP addresses some aspects of the SPF framework, all stakeholders interviewed highlighted the inadequacy of the overall SPF framework to the Malawian context. The main explanation put forward relates to the extent of poverty in the country and the need to first make very basic schemes work.</p> <p><i>Source: interviews</i></p> <p>Moreover, the debate around SPF seems to have been gradually overshadowed by the increasingly important place taken by the “resilience” agenda, which was strongly supported by the EU.</p> <p><i>Source: interviews</i></p>
I-522	EU support to SP coordinated with ILO country and regional offices	<p>According to interviews, there has been good coordination with ILO country and regional offices.</p>
<b>JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered</b>		
I-531	EU supported social protection schemes designed / administered on the basis of sound financial and actuarial analysis	<p>DPs (with UNICEF in the lead) supported the development of a costed strategic plan for the SCTP. However, the use of these studies remained limited according to the interviews carried out. This might be explained by the fact that it was still in draft form until very recently.</p> <p><i>Source: interviews and 2016 UNICEF &amp; GoM - SCTP Costed Strategic Plan</i></p> <p>As explained under I-513, financial management of the SCTP by Government</p>

		entities remains weak and very dependent on external support. <i>Source: interviews</i>
I-532	Evidence of EU supporting the transition to sustainable national financing for social protection	DPs (including the EU) have been continuously advocating for increased Government's commitments. There were recently positive signs as illustrated by the Government's decision to increase its financial contributions to the SCTP in mid-2017. But, overall, the situation has not significantly evolved and the SCTP remain financed essentially by external donors. <i>Source: interviews and review of the documentation (incl. implementation reports and documentation – e.g. action doc – for new programmes)</i>
I-533	Evidence of poverty impacts and redistributive effects analysed and monitored at all stages of EU support to SP	These issues were not a focus of EU support.
I-534	Evidence of intergenerational equity issues considered in the design of the EU support to SP.	These issues were not a focus of EU support.
<b>JC 54 Government social protection programmes consolidated and rationalized where necessary</b>		
I-541	Evidence for improved institutional structure and procedures of agencies responsible for social protection with EU support	In 2017, the management responsibilities were still shared between the MoGCDSW and a team of external experts in many districts (14 districts). But the MoGCDSW, thanks to increased capacity, was managing directly the implementation of the SCTP in four districts. <i>Source: interviews and project documentation (implementation reports).</i>
I-542	Evidence for established / improved coordination mechanisms across all public agencies with SP responsibility	Within the MNSSP, there is the National Social Support Technical Committee, chaired by the MoFEP&D, which is responsible for providing technical oversight over all five programmes under the MNSSP, while the National Social Support Steering Committee, chaired by the Chief Secretary to the Office of the President and Cabinet is responsible for policy oversight and resource mobilisation for the five MNSSP programmes. Members in both Committees are representatives of several ministries, bilateral and multilateral donors as well as civil society organisations. KfW and the EU Delegation are members of the Technical Committee and for the new phase of MNSSP both are expected to be members of the Steering Committee. See also section 1.3 of this case study report and annex 4. <i>Source: interviews and project documentation (e.g. 2017 SoSuRe action document)</i>
I-543	Universal approaches favoured over targeted ones where appropriate (in EU support)	Given the extent of poverty in Malawi, this was not a focus of the support.

#### 4.1.6 EQ6: Social exclusion

#	Indicators	Evidence
<b>JC 61 Social protection as a human right promoted at all levels</b>		
I-611	Thematic, regional and country strategies and interventions incorporate rights-based approach to SP	The National Social Support Policy (NSSP) provides a holistic framework which supports social and economic human rights and freedoms for designing, implementing, coordinating, monitoring and evaluating social support interventions. "Social support should promote the realisation of human rights enshrines in Chapter IV of Malawi's Constitution (...) Implement communication strategies from a human rights perspective (communities should not be passive recipients) but should take full control of their development". <i>Source: 2012 MNSSP.</i>

#	Indicators	Evidence
		<p>SP was not an area of cooperation explicitly foreseen in the 10<sup>th</sup> EDF CSP. The CSP still make several references to human rights and notes: “<i>while mechanisms are in place to hold the executive to account, their effectiveness is limited and human rights-based approaches are not mainstreamed.</i>” (10<sup>th</sup> EDF CSP)</p> <p>There are some references to the promotion of human rights through SP interventions in the EU project documentation. For instance: “<i>By targeting the ultra-poor households, the SCTP aims to support households with their basic needs such as food requirements and access to healthcare, which is linked to the very basic human right to life, Article 1 of the universal declaration of human rights.</i>” (2012 SCTP action document).</p> <p>Although the details on the strategy that is envisaged remain limited, the new programme that the EU plans to launch intends to go one step further in terms of rights-based approach. The action document indicates: “<i>the current targeting of MNSSP is inconsistent and sometimes inequitable: the action proposes to improve and expand its coverage, and to transition it gradually towards a more inclusive rights-based, life-course approach (...)</i> The primacy of the SCTP as the flagship for the NSSP also sits well with the priorities of the EU, which see rights-based entitlement programmes, in particular in the form of unconditional cash transfers, as a suitable vehicle for social protection.”</p> <p>Source: 10th and 11th CSP, project documentation (e.g. 2017 SoSuRe action document), etc.</p> <p>A stakeholder interviewed noted: “By providing funds unconditionally to vulnerable people, we give them a chance to make a choice, and reinforce self-esteem and self-determination. When we talk to beneficiaries of the programme, we see that they do make intelligent choices.”</p> <p>Source: interviews</p>
I-612	Evidence that EU advocates for a rights-based approach in global fora	<i>Indicator not relevant for the country case study.</i>
<b>JC 62 EU support addresses concerns about excluded populations</b>		
I-621	Gender, disability, ethnic minority, children’s, etc. issues mainstreamed in EU SP support	<p>These issues are extensively mainstreamed in the EU supported intervention. Labour constrained households (the focus of the SCTP scheme) are defined by the ratio of members that are ‘not fit to work’ to those ‘fit to work’. ‘Unfit’ means being outside of economically active ages (below 18 or above 64 years), having a chronic illness or disability or being otherwise unable to work.</p> <p>Source: project documentation</p>
I-622	NGO/CSO capacity to advocate in for SP needs of excluded populations strengthened	<p>The EU supported international NGOs for pilot activities (see JC 42) whose results were largely discussed with all relevant stakeholders. This contributed to giving NGOs a stronger voice at national level.</p> <p>The EU also supported NGOs through a variety of other interventions (not explicitly SP related) which contributed to strengthening the advocacy role of NGO/CSO.</p>
<b>JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage)</b>		
I-631	Trend in non-contributory pension as percentage of average wage	These issues were not a focus of EU support.
I-632	Trend in adequacy of social assistance benefits	<p>There has been a lot of debate around the level of SCTP transfers with many stakeholders arguing that the amounts transferred were low, and there have been efforts to adjust the level of transfers in recent years. However, ensuring the regularity of payment (predictability) was considered by all as the main priority and substantial investment were made into this aspect. In general, there is a consensus among stakeholders interviewed that, despite the fact that the level of transfers has remained low, the amounts were still significant given the relatively good predictability.</p>

#	Indicators	Evidence
		<i>Source: interviews</i>
I-633	Trend in adequacy of unemployment benefit	Social transfers to 'labour constrained' households could be seen as a form of unemployment benefit. But SCTP actually focused on vulnerability/extreme poverty. The objective was not to put in place a comprehensive system to provide unemployment benefits. These issues were not an explicit focus of EU support to Malawi.
I-634	Social protection expenditure as proportion of GDP: Spending on working age population / the elderly / children	Such statistics are not available in Malawi. According to the people interviewed during the field mission, there has been some increase in public expenditure for social protection. However, social assistance interventions (and the whole national budget) still remain very dependent on external (donor) funding.

#### 4.1.7 EQ7: Modalities

#	Indicators	Evidence
<b>JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context</b>		
I-711	The choice of modalities and implementing partners reflects clearly identified comparative advantages and institutional capacity needs and constraints	The EU used a project approach to support the SCTP. More specifically, the EU established a Delegated Agreement with an EU MS (Germany/ KfW), a Contribution Agreement with UNICEF. The modality and implementing partners chosen were appropriate given UNICEF's and Germany's past engagement in Malawi in the thematic areas covered by the intervention. <i>Source: interviews and project documentation</i>
I-712	The approach employed by the EU fosters high quality dialogue between the EU and national stakeholders	According to the eSurvey responses, policy dialogue between the EU and the government covered issues such as: i) efficiency in the delivery of social cash transfers; ii) targeting of PWP (selection of catchment areas is rather than covering whole districts); iii) linkages within national social protection programmes. <i>Source: eSurvey</i>
I-713	The aid delivery methods and channels used promote ownership of SP by national stakeholders	The eSurvey response indicate a good level of ownership by the national stakeholders. The governance and institutional structures of the main interventions implemented allowed for a strong involvement of relevant government entities and for close dialogue between the government and its international partners. Yet, while policy ownership is there, it is not matched by financial ownership (which nonetheless slowly improved). <i>Source: eSurvey</i>
<b>JC 72 EU financed interventions in the social protection field are mutually reinforcing</b>		
I-721	Financing instruments (bilateral vs. regional, geographic vs. thematic) are combined to exploit complementarities and promote synergies	There are limited examples of synergies between the SCTP programme (geographic/bilateral instrument) and interventions financed via other EU instruments (thematic, regional). This is in part explained by the fact that SP is not a concentration area in the EU-Malawi cooperation strategy and there was very limited use of thematic programmes for SP-related activities in Malawi. To explain the low use of thematic programmes in the SP area, some stakeholders put forward that there has been an increasing emphasis on migration issues in the EU global programmes which came at the expense of the SP area. <i>Source: interviews and project documentation</i>
I-722	EU support to SP in partner countries has been reinforced by the mobilisation of expertise from EU Member States (via instruments such as	The SOCIEUX facility was not used in Malawi despite an attempt in 2016. Various reasons were highlighted, including: i) the inadequacy between the type of support offered and the demand on Government side which can be seen either as a limited capacity to understand the country context or stringent rules which limit the type of support that can be offered; ii) the "low pro-activeness" of the facility to actually sell activities to potentially relevant stakeholders in the country. The EU benefited from support provided through the Advisory Service in Social

#	Indicators	Evidence
	TAIEX/Twinning or the SOCIEUX facility)	Transfers (ASiST) <sup>9</sup> . The expert mobilised has substantially contributed to ongoing reviews and the formulation of the new EU programme. <i>Source: interviews.</i>
<b>JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored</b>		
I-731	Frequency of delays in implemented interventions related to SP	After a slow start to the activities at the beginning of the programme due to delays in targeting and setting-up of the implementation structures, most of the initial challenges were overcome. <i>Source: 2017 KfW SCTP Implementation report Year 3</i> Delays encountered during the start-up phase (2013-2014) mainly because of: i) the MoGCDSW's initial unwillingness to accept financial controls over project funds through the "Management Consultant" team recruited by KfW; ii) insufficient staffing by the Government; iii) reluctance of staff to attend planning meetings (due to discontent over change to Daily Subsistence Allowance rules and regulations); and iv) substantial diversion of time and capacities at ministerial and district level due to the 2014 presidential and parliamentary elections. <i>Source: interviews</i>
I-732	Transaction costs are minimised for all parties involved	"Evidence indicates considerable variations in the cost-effectiveness of MNSSP programmes. (...) SCT has relatively low non-transfer costs and considerable household impacts." <i>Source: 2016 MoFEPD - Review of the Nssp 2012-2016</i>
I-733	Monitoring and evaluation allows for adjustment of SP support responding to performance and context	The Sctp was both monitored internally (by the MoGCDSW) and externally (done by KfW, the EU and other DPs). The (external) monitoring of the EU-funded Sctp programme (including the monitoring of the implementation of activities and the delivery of the outputs and the financial monitoring) relied on a sound framework with clear procedures. The Sctp MIS has been a core element of the programme's M&E system. In addition, the Sctp and, more generally, the MNSSP are closely monitored by a variety of stakeholders (Government, DPs, Civil Society) at national level. Regular feedback is provided by project management to the MNSSP Technical Committee and the multi-stakeholder forum established to monitor the programme. <i>Source: interviews, KfW/EU implementation reports, Sctp M&amp;E manual, minutes of MNSSP meetings, etc.</i>

<sup>9</sup> <https://europa.eu/capacity4dev/hunger-foodsecurity-nutrition/document/advisory-service-social-transfers-asist>

#### 4.1.8 EQ8: Coherence, added value

#	Indicators	Evidence
<b>JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs</b>		
I-811	Institutional structures / mechanisms in place to coordinate SP policies and interventions across MSs and other international donors	“Within the SCTP, which was often cited as the most coordinated of the five MNSSP programmes, there are four distinct financing models between the five sources of funding. Timelines for funding often are not aligned and the burden of management and reporting for the differing models falls to the District level. Some progress has been made in aligning financial procedures and requirements, specifically the management of EU funds for the SCT by KfW, and the joint financial audits of the SCT between Irish Aid and the EU” <i>Source: 2016 MoFEPD - Review of the NSSP 2012-2016</i>
I-812	EU is able to leverage its support by generating funding from other sources	EU and Germany’s joint efforts have somewhat played a catalytic role in terms of convincing stakeholders to commit to a stronger engagement in the SCTP scheme. In 2017, the WB decided to provide most of the funding necessary for the expansion of the SCTP to the remaining 10 districts. The sustained support of the DPs and the recent engagement of the WB were also seen as crucial in the Government’s decision to increase its financial contributions to the SCTP in 2017. <i>Source: interviews</i>
<b>JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment)</b>		
I-821	DEVCO-financed SP support cross-refers to policies and strategies of other relevant DGs and avoids duplication and conflicts	Project documentation related to EU support to SP does not make any reference to policies and strategies of other DGs than DEVCO and ECHO. The EU and the Government of Malawi have exchanged on links between Development and Trade issues in the context of trade agreements with the SADC region and EPA negotiations. “Malawi continues to benefit from preferential treatment in terms of non-reciprocal, duty- and quota-free access for its exports to the EU market under the Generalised System of Preferences: Everything But Arms (EBA) regime. The EU is Malawi’s largest trading partner in terms of total exports (24.3 %), followed closely by South Africa (and other members in the SADC region) and China.” <i>Source: 11<sup>th</sup> EDF CSP.</i>
I-822	Existence of inter-DGs coordination on SP	Indicator not relevant at country case study level.

## 4.2 Overview of EU-funded key interventions

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>
<b>2007-2013</b>			
FOOD	Innovative approaches to cash delivery for the Malawi Social Cash Transfer Programme	2011-2016	2,719,408
EDF	Social Cash Transfer Programme	2012-2017	34,150,000
EDF	Improving effectiveness of Malawi Social Cash Transfer Programme	2014-2017	650,000
EDF	Rural Integrated Development Programme (RIDP)	2011-2015	37,992,976 <sup>10</sup>
<b>2014-2017</b>			
	No new intervention launched in the last years. But one programme (“SoSuRe”) in the pipeline with a tentative start date for early 2018.		

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<sup>10</sup> The component that supported a SP intervention through PWP (“Road rehabilitation and maintenance”) received a final budget of 21,584,658 EUR (after amendment).

### 4.3 List of people interviewed

<i>Surname</i>	<i>First name</i>	<i>Responsibility</i>	<i>Organisation/ Unit</i>
Rego	Carlota	Project Manager	EUD
Trabada	Fernando	Team Leader - Social Sectors and Infrastructure	EUD
Kachingwe	Gideon	SCTP secretariat	Ministry of Gender, Child and Social Welfare
Kansinjiro	Laurent	Social welfare officer	Ministry of Gender, Child and Social Welfare
Schommers	Amrei	Programme Manager	KfW
Masi	Patience	Project Coordinator	KfW
Radermacher	Ralf	Team Leader - Social Protection	GIZ
Felix	Celine	Social Protection specialist	UNICEF
Rocha-Rebello	Phina	Programme Manager	Irish Aid
Mswoya	Chipo	Programme Manager	World Bank
Juergens	Florian	Social Protection specialist	ILO
Mwamlima	Harry	Director	Ministry of Economic Planning and Development
Msusa	Bessie	Chief economist	Ministry of Economic Planning and Development
Campbell	Heather	Director	United Purpose
Elmont	Chantal	Resident consultant	Ayala Consulting
de Barra	Caoimhe	Director	Concern Worldwide
Banda	Emmanuel	M&E (MEAL) Senior Manager	Save the Children
Mungoni	Hyghten	Senior Program Manager	Save the Children
Tsoka	Maxton Grant	Professor / Director	University of Malawi - Centre for Social Research

## 4.4 Bibliography

### 4.4.1 EU strategy and programming

- 10<sup>th</sup> EDF Malawi-EU country strategy paper and indicative programme for 2008-2013
- 11<sup>th</sup> EDF Malawi-EU indicative programme for 2014-2020

### 4.4.2 Project documentation

The team reviewed the available project documentation (action fiches/TAPs, grant contracts, implementation and monitoring reports, evaluations, etc.) of the following interventions (see also details in the list presented in Annex 2):

- Social Cash Transfer Programme (SCTP);
- Innovative approaches to cash delivery for the Malawi Social Cash Transfer Programme;
- Rural Integrated Development Programme (RIDP);
- SoSuRe.

### 4.4.3 Evaluation and studies

- DFID (2014): ECRP Mid-term evaluation
- FAO (2017): From protection to production – SCTP & agriculture in SSA
- GoM (2016): Malawi DHS 2015-16
- ILO (2016): Unified Beneficiary Registry & MIS for SP
- MoFEPD (2016): Review of the NSSP 2012-2016
- NORAD (2017): Country evaluation brief
- OPM & GIZ (2016): Streamlining targeting mechanisms in Malawi
- OPM (2016): Malawi ePayment Supply/Demand-Side Assessments
- Save the Children (2016): E-payments Lessons from MWI
- UNC & UNICEF (2016) SCTP Impact Eval
- UNICEF (2016): Child poverty in Malawi
- UNICEF (2016): Costed SCTP Strategic Plan
- WB (2016): Malawi Poverty Assessment
- WB (2016): Malawi Country opinion survey report
- WB (2017): Malawi Pathways to Prosperity

### 4.4.4 Other

- Danish Trade Union (2016): Malawi Labour Market Profile
- EU (2011-2015): External Assistance Management Reports (EAMRs) for Malawi
- EU (2014): 2014-2017 CSO roadmap Malawi
- GIZ (2015): Social protection programme – Brief
- GIZ (2017): Social protection programme Implementation report 2016-17
- GoM (2011): Social Support Policy
- GoM (2012) GDSII 2011-2016
- GoM (2012): MNSSP
- GoM MoFEPD (2012-2016): Minutes of the NSSP Technical committee meetings
- GoM/MoFEPD (2011): Minutes of the NSSP launching event
- Malawi DPs (2016): Minutes of the monthly SCTP donor coordination meeting
- Malawi DPs (2016): minutes of the NSSP bi-monthly DP meetings
- UNICEF (2015): “SCTP: to graduate or to be exited” note on graduation
- UNICEF (2016): Fiche on Social protection & SCTP in Malawi
- WB (2016): MASAF IV – 2<sup>nd</sup> additional financing – project information document
- WB (2017): Agri & Fiscal management DPO – programme document

### 4.4.5 Web links

- [https://eeas.europa.eu/delegations/malawi\\_en](https://eeas.europa.eu/delegations/malawi_en)
- <http://mnssp.org/>
- <http://www.gender.gov.mw/>

- <http://www.finance.gov.mw/>
- <https://europa.eu/capacity4dev/hunger-foodsecurity-nutrition/document/advisory-service-social-transfers-asist>

## 4.5 Overview of the Malawi SCTP

### 4.5.1 Introduction

Locally known as the Mtukula Pakhomo, the Malawi Social Cash Transfer Programme (SCTP) is an unconditional cash transfer scheme targeted at labour-constrained, ultra-poor households. It pursues several objectives, including tackling extreme poverty, improving children's school enrolment and attendance, and improving the nutrition, economic, and general well-being of beneficiaries.

### 4.5.2 History

The intervention began as a pilot in Mchinji district in 2006. Between 2009 and 2016, the scheme has expanded to reach 18 out of 28 districts in Malawi. The programme has experienced impressive growth beginning in 2012, and most notably in the last two years. By early 2017, the SCTP had reached over 170,000 beneficiary households. The scheme will be rolled out to the rest of the country by end of 2017.

### 4.5.3 Institutional set-up and funding

The SCTP is administered by the Ministry of Gender, Children, Disability and Social Welfare (MoGCDSW) with additional policy oversight provided by the Poverty reduction and Social Protection Unit of the Ministry of Finance, Economic Planning and Development (MoFEPD).

UNICEF Malawi, which is involved in the SCTP since its inception, provides overall technical support and guidance. KfW has recruited a "Management Consultant" team to co-manage the SCTP with the MoGCDSW, help strengthening the SCTP-related systems and procedures, provide on-the-spot training, etc. The Management Consultant team has also developed a Management Information System for the whole programme.

Funding for the programme was largely provided by the Global Fund to Fight AIDS, Tuberculosis and Malaria until 2012. In 2011-2012, the German Government (through KfW) and the GoM signed an agreement to provide substantial funding for paying arrears in existing areas. In 2013, Irish Aid signed an agreement to expand into one new district, and in 2014, KfW and the EU topped-up donor contributions to enable full coverage in the seven existing districts, as well as scale-up into eight additional districts. In 2014, GoM increased its involvement by engaging in a "government-funded" district (Thyolo). The WB also started funded new districts and now plans to cover all remaining districts by the end of 2017

There are several coordination mechanisms the Government of Malawi uses to harmonize donor contributions to the SCTP. In particular:

1) the Social Support Steering Committee is chaired by the Chief Secretary (Office of the President). Members are all line ministries (minister-level) that are responsible for implementing programmes that are part of the NSSP. Representatives of civil society organisations and development partners are also present. The purpose of the Steering Committee is to provide policy guidance, advice on resource mobilisation and oversight of the implementation of the MNSSP five key programmes.

2) the Social Support Technical Committee is chaired by the Permanent Secretary of the MoFEP&D. It is composed of all line ministries (technical level) implementing programmes under the NSSP, development partners and civil society representatives. The Technical Committee is supposed to meet quarterly, providing direction, overall guidance and recommendations on implementation.

3) the SCTP Coordination Meetings, which are supposed to take place on a monthly basis, are convened by the Directorate of Social Support Services, the unit within the MoGCDSW responsible for implementing the SCTP. At technical level, detailed workplans, budget and progress in implementation are discussed among the MoGCDSW and all donors supporting the SCTP.

In addition to the Government-Donor coordination mechanisms, donors have founded a group called Development Partners Coordination Group on Social Protection to coordinate activities around social protection. One permanent agenda item on a broader social protection agenda is the coordination of activities in the SCTP.

#### 4.5.4 Targeting/Identification

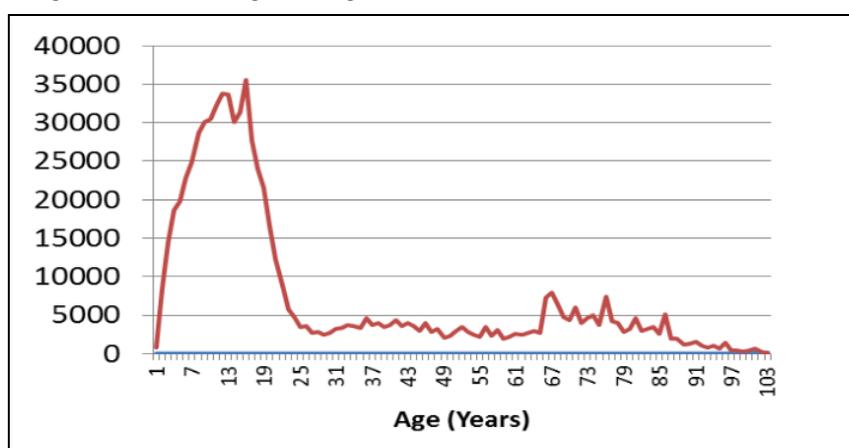
Eligibility criteria are based on a household being ultra-poor (unable to meet the most basic urgent needs, including food and essential non-food items such as soap and clothing) and labour-constrained (defined as having no member 'fit to work' or having the ratio of 'not fit to work' to 'fit to work' of more than three). Household members are defined as 'unfit to work' if they are below 19 or above 64 years of age, or if they are aged 19 to 64 but have a chronic illness or disability, or are otherwise unable to work.

The programme uses a combination of community based targeting (CBT) and proxy means testing (PMT). Beneficiary selection is done through a community-based approach with oversight provided by the local District Commissioner's (DC's) Office and the District Social Welfare Office (DSWO). Community members are appointed to the Community Social Support Committee (CSSC), and the CSSC is responsible for identifying households that meet these criteria and creating a list. These lists are to include 12 to 15 per cent of the households in each Village Cluster, and after further screening, the list is narrowed in order to achieve a target coverage rate of 10 per cent. The ultra-poor eligibility condition is then implemented through a proxy means test (PMT).

#### 4.5.5 SCTP beneficiaries

In November 2016, the number of total beneficiary households under the SCTP was 169,524. The figure below show the age range of SCTP Beneficiaries and illustrates the importance of the young people and elderly covered by the scheme. Over 65% of the members of beneficiary households are 25 years or younger.

Figure 2 Age Range of SCTP Beneficiaries



Source: SCTP MIS data extracted on November 2016 (KFW).

#### 4.5.6 Results/Impact

The first evaluation of the programme, the 2007-2008 impact evaluation of the pilot project in Mchinji, demonstrated that the Malawi Pilot Scheme had a range of positive outcomes including increased food security, ownership of agricultural tools and curative care seeking. Since that time, the programme has witnessed some changes in targeting and operations, and significant expansion with the expectation that improvements will lead to even stronger impacts for the larger target population.

A large impact evaluation exercise<sup>11</sup> was carried out between 2013 and 2016 to provide impact estimates of the SCTP on a range of indicators covering the main objectives of the intervention. The analysis focussed on two districts (Salima and Mangochi) and was based on a mixed methods approach:

- The quantitative design consisted of a Baseline (conducted in June-August 2013), a Midline (conducted November 2014-January 2015), and an Endline (conducted October-November 2015). Half of village clusters (VCs) in the study sample were randomized out to a delayed-entry control group; the final sample consists of 1,678 households from 14 VCs in the treatment group, and 1,853 households from 15 VCs in the control group.
- The qualitative study also included baseline, midline and endline data collections, each conducted shortly after the quantitative surveys. The study consisted of an innovative 'embedded' longitudinal design in which 16 treatment households from the quantitative sample were selected for in-depth interviews (IDIs) of caregivers and adolescents; key informant interviews (KIIs); and beneficiary and non-beneficiary focus group discussions (FGDs).

The evaluation showed that the SCTP had significant positive effects across various indicators. For instance, compared to non-beneficiary households, SCTP households had higher levels of food consumption and food security (higher number of meals per day and less worry about food). Furthermore, they had accumulated more assets, such as agricultural tools and livestock, resulting in higher productivity with regards to crop and livestock production. In addition, children living in SCTP households had higher school enrolment levels than the ones living in non-beneficiary households. They were also less likely to have low height for their weight (wasting) and experienced higher material well-being in terms of ownership of bedding and changes of clothes. The evaluation also highlighted some indicators on which the impact was positive, but less pronounced, e.g. indicators related to young child and adult health. There were also indicators which did not register any difference between the treatment and the control groups, e.g. on child nutrition (stunting and underweight).

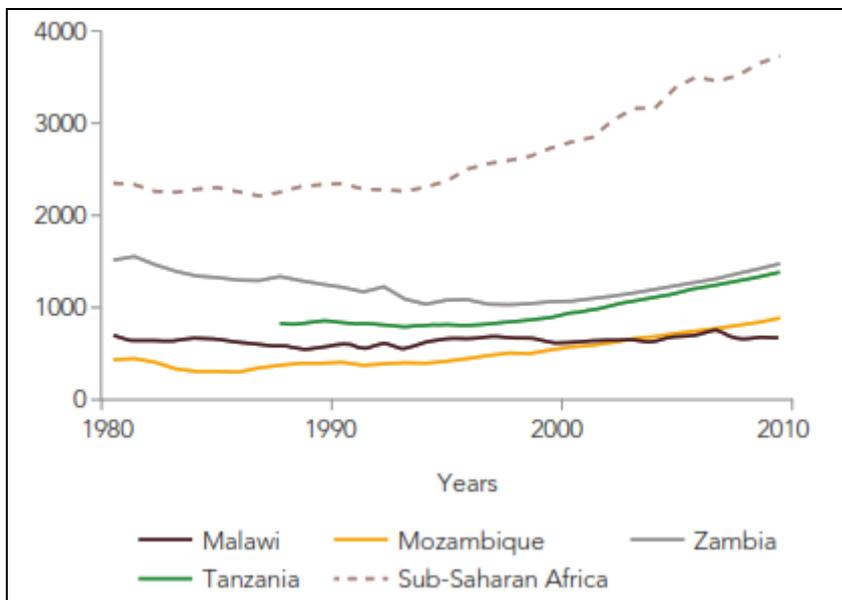
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<sup>11</sup> [https://www.unicef.org/evaldatabase/index\\_94228.html](https://www.unicef.org/evaldatabase/index_94228.html)

## 4.6 Tables, Statistics

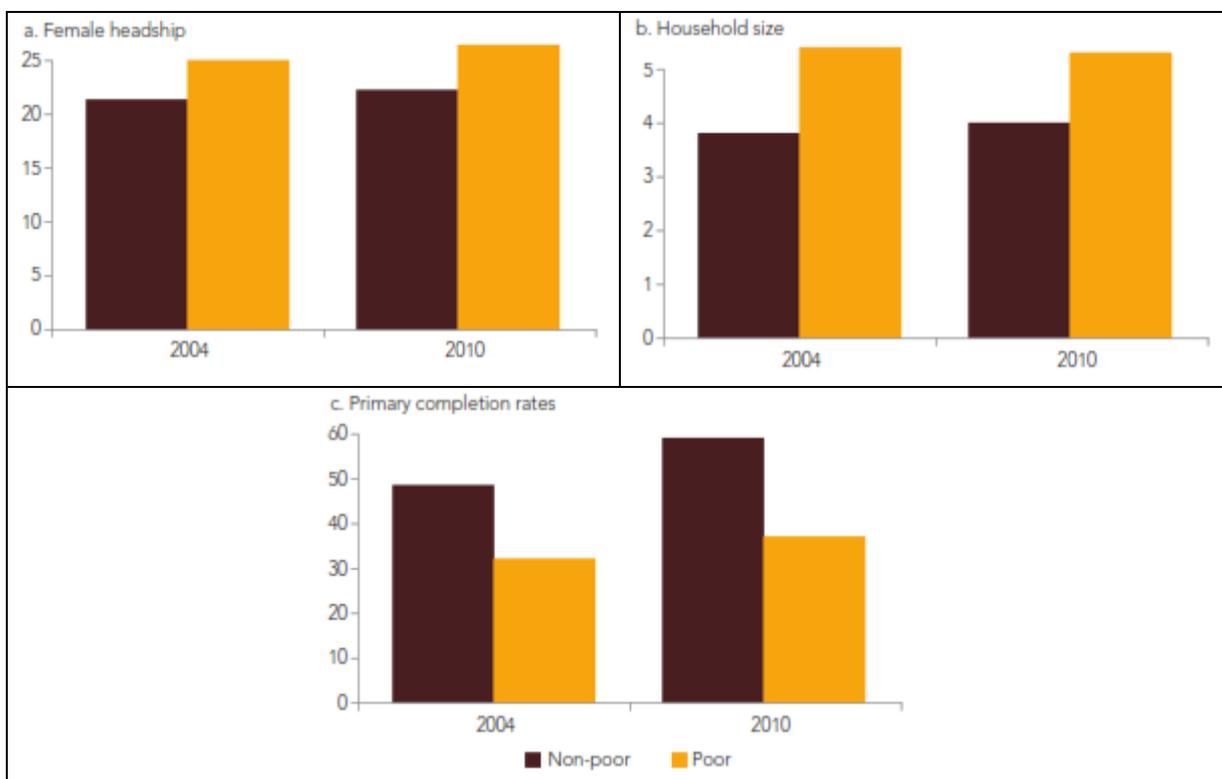
### 4.6.1 Economic and poverty data

Figure 3 GDP per capita for Malawi and selected countries (1980-2011)



Source: 2015-2016 Malawi DHS

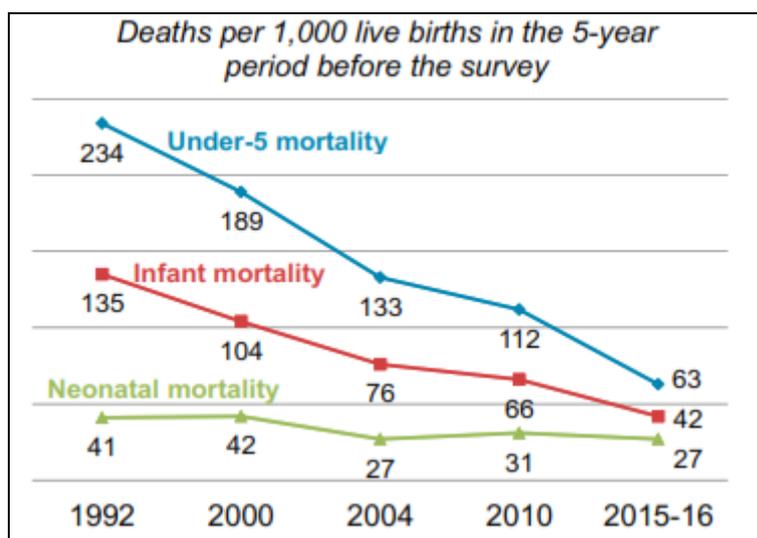
Figure 4 Selected characteristics by poverty status



Source: 2016 WB - Malawi Poverty Assessment team calculations based on IHS2 and IHS3.

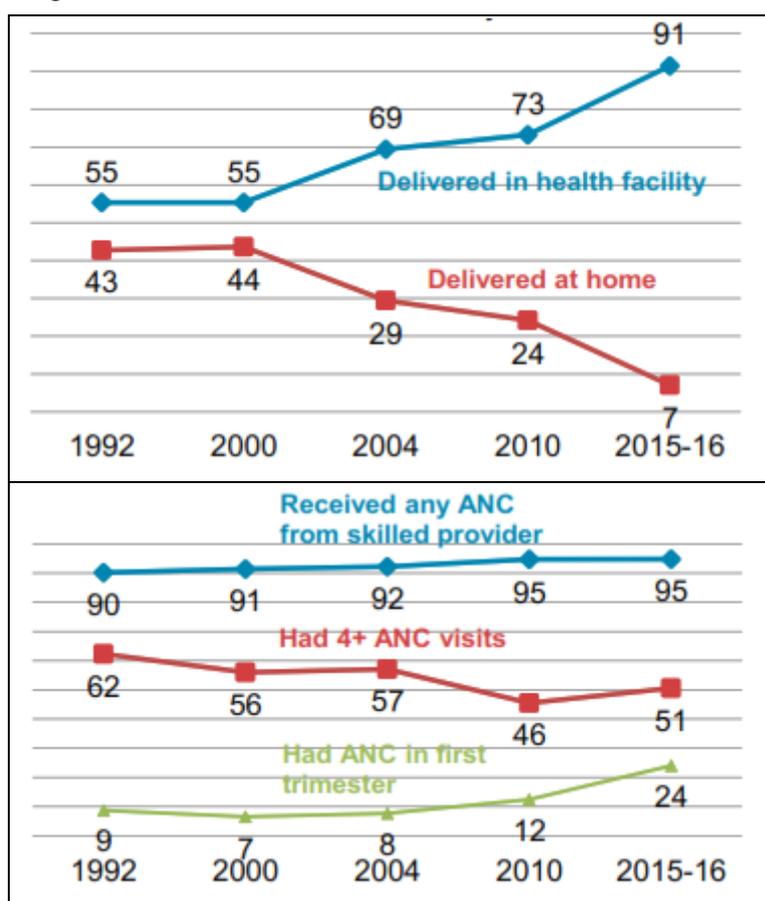
#### 4.6.2 Statistics from the 2015-2016 DHS

Figure 5 DHS - Trends in early childhood mortality rates



Source: 2015-2016 Malawi DHS

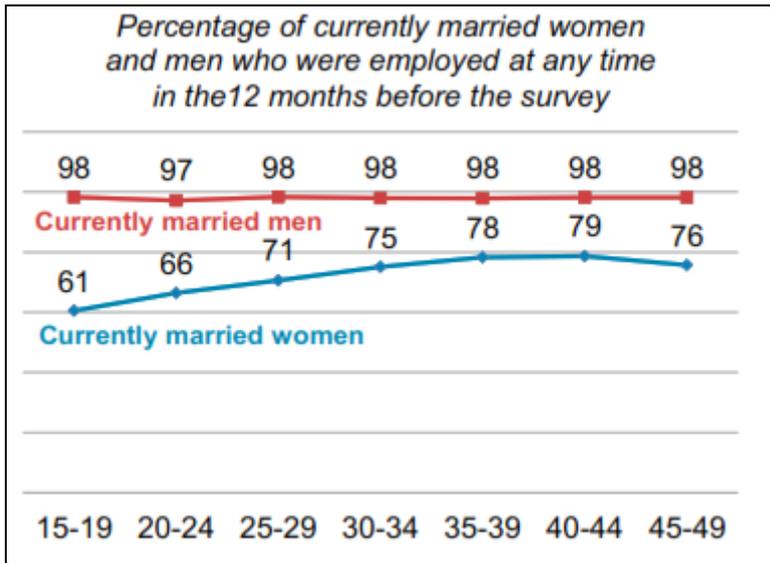
Figure 6 DHS - Evolution in institutional deliveries and ANC<sup>12</sup>



Source: 2015-2016 Malawi DHS

<sup>12</sup> Percentage of live births in the 5 years before the survey (ANC for the most recent birth)

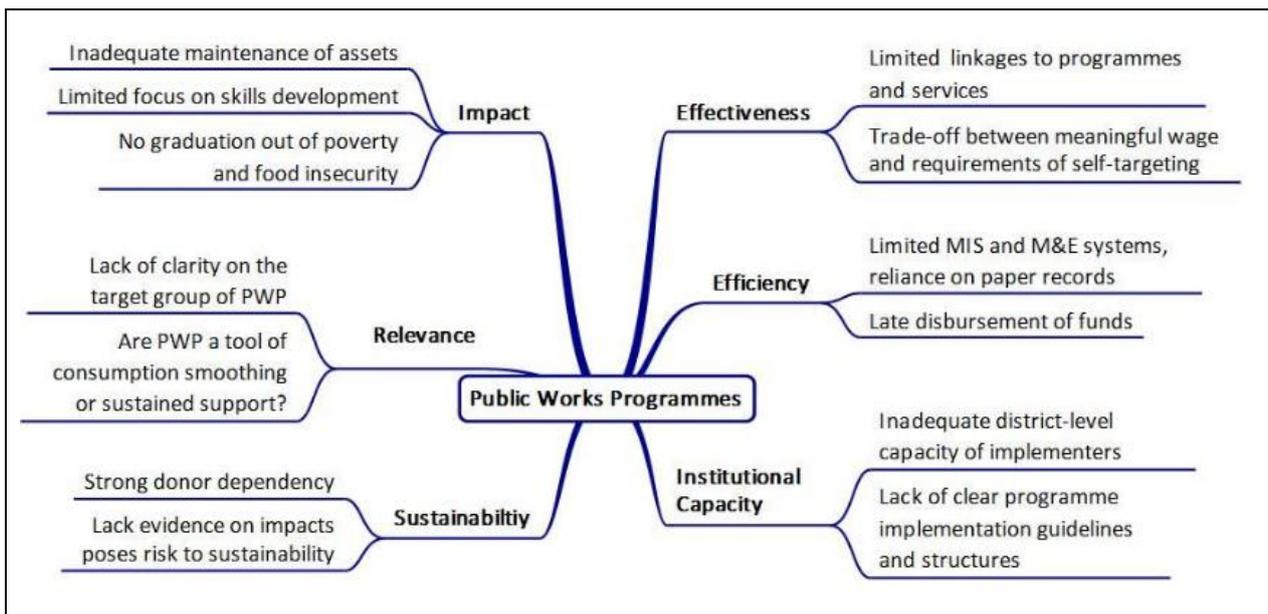
Figure 7 DHS - Employment by Age



Source: 2015-2016 Malawi DHS

#### 4.6.3 Summary of key challenges of PWP

Figure 8 Summary of key challenges of Public Works Programme



Source: 2016 MoFEPD - Review of the NSSP 2012-2016



# Evaluation of EU support to social protection in external action 2007-2013

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Final Report

Volume II

Country Report – Moldova

January 2018

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*Evaluation carried out on behalf of the European Commission*



The evaluation was carried out by:  
Landis MacKellar – Team Leader

Contributions from:  
Ana Maria Femenia Garcia – Team Member  
Zehra Kacapor-Dzihic – Team Member  
Tino Smail – Team Member  
Lena Zezulin – Team Member  
Georg Ladj – Quality Control  
Ana Vilar – Backstopping  
Dominika Socha & Jana Bobokova – Evaluation  
Managers

The evaluation is being implemented by Particip GmbH (leader) and AETS and managed by the DG NEAR A4 Multi-annual Financing Framework, programming and evaluation unit.

The author accepts sole responsibility for this report, drawn up on behalf of the Commission of the European Union. The report does not necessarily reflect the views of the Commission.



# Country Report – Moldova

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## List of acronyms

AA	Association Agreement
AP	Action Plan
CBC	Cross Border Cooperation
CE	Council of Europe
CNAS	Casa Națională de Asigurări Sociale (National Social Insurance House)
CSO	Civil Society Organisation
CSP	Country Strategy Paper
DFID	Department for International Development
EBRD	European Bank for Reconstruction and Development
EC	European Commission
EEAS	European External Action Service
EESC	European Economic and Social Committee
EG-PRSP	Economic Growth and Poverty Reduction Strategy Paper
ENP	European Neighbourhood Policy
ENPI	European Neighbourhood and Partnership Instrument
ETF	European Training Foundation
EU	European Union
EUD	European Union Delegation
FSP	Food Security Programme
GAMM	Global Approach to Migration and Mobility
GDP	Gross Domestic Product
GoM	Government of Moldova
IDP	Internally Displaced Persons
ILO	International Labour Office
IMF	International Monetary Fund
IOM	International Office for Migration
IPA	Instrument for Pre-Accession
MDP	Multi-Donor Programme
MISMES	Migrant Support Measures from and Employment and Skills Perspective
MSIF	Moldova Social Investment Fund
MLSPF	Ministry of Labour Social Protection, and Family
MTEF	Medium Term Expenditures Framework
NCEM	National Confederation of Employers from Moldova
NCTU	National Confederation of Trade Unions
NCU	National Coordination Unit
NDS	National Development Strategy
NGO	Non-Government Organisation
NHIC	National Health Insurance Company
NIP	National Indicative Programme
OECD	Organisation for Economic Cooperation and Development
P4EC	Partnership for Every Child
PAR	Public Administration Reform
PFM	Public Finance Management
PSRP	Poverty Reduction Strategy Paper

SA	Social Assistance
SBSS	Social Sector Budget Support
SIDA	Swedish International Development Cooperation Agency
SP	Social Protection
SPIAC-B	Social Protection Inter-Agency Cooperation Board
SPSP	Sector Policy Support Programme
TA	Technical Aid to the Commonwealth of Independent States
TACIS	Technical Assistance
UNDP	United Nation Development Programme
UNICEF	United Nations Children's Fund
WB	World Bank
WHO	World Health Organisation



# 1 Introduction

## 1.1 Purpose of the country report

This report is prepared in the field phase of the evaluation. During the inception phase, the evaluation framework was developed, i.e. the EU's intended intervention logics of its support to social protection (SP) in partner countries were reconstructed and the Evaluation questions (EQs) were designed. During the desk phase, overall strategy and policy documents and selected project documentation were reviewed, an online survey of the EUDs was conducted and several stakeholders were consulted. The desk report outlined preliminary answers to the EQs and it proposed a list of countries to be visited in the field phase. From a long list of 45 countries and a shortlist of 14 desk case countries, 11 countries were selected for the field phase. The overall objective of the field visits is to verify preliminary findings to the EQs. The purpose of the field visit is to focus on the bilateral support in the country, and to also assess whether the social protection programmes overall are well designed.

The outline of the country report follows the structure of the evaluation matrix to ensure a consistent and harmonised data collection approach. However, as EU interventions implemented under major SP programmes cover a variety of topics, not every intervention is relevant for all the evaluation questions. This tailored case study approach ensures that resources are spent in an efficient way.

Therefore, the present country report cannot be considered a country evaluation but rather one of the inputs for the elaboration of the final report. The field cases allow for a detailed examination of certain elements at the Indicator and Judgement Criterion level and provide a picture of the EU support in different contexts. The report aims at providing country specific examples on a set of issues that are relevant for the worldwide exercise.

It should be noted that, while a few support activities were implemented in Transnistria, comprehensive data is not available for the region of Transnistria and that the information is based on what is available for the rest of Moldova without necessarily reflecting that region.

## 1.2 Reasons for selection of the country

The *Moldova* country report has been selected for the following reasons:

- Regional and sub-regional representation: the country illustrates the specific context of the European Neighbourhood East region
- Moldova is one of the top recipient countries of EU financial contributions in the area of SP in the Eastern Neighbourhood
- The type of aid received is of interest, as EU assistance was mainly provided as budget support
- Attempts have been made in Moldova to improve the targeting of social assistance (including mainstreaming of children, the disabled and the elderly)
- The country presents an interesting case to analyse complementarity and coherence with EU policies (e.g. migration) as well as the relationship of SP support with health finance reform
- The country has benefited from bilateral support from EU member countries that is complementary to EU support
- Moldova has the most severe demographic challenge in the region, with the most rapidly aging population and a declining workforce due to both low births and migration
- Involvement of the Civil Society Platform

The table below provides an overview of the main SP interventions implemented by the EU in the period 2008-2013.

*Table 1 Interventions selected for the case study analysis*

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>	<i>Implementing partner(s)</i>
ENI	Addressing needs of vulnerable layers of population in the Republic of Moldova	2008-2010	1,152,144	Various NGOs
ENI	EC Trust Fund in Moldova for Regional Development and Social Protection	2008-2012	12,500,000	Ministries of Health, Social Protection and Education and World Bank
ENI	Assistance to reform in the Moldovan social assistance sector (Social Sector Budget Support)	2008-2013	20,000,000	Government of Moldova
ENI	Addressing the Negative Effects of Migration on Minors and Families Left Behind	2010-2012	1,500,000 and 500,000 co-financed by the Italian Ministry of Labour and Social Policies	Ministry of Labour Social Protection and Families with the Italian Ministry of Labour
ENI	Developing short break foster care service for children with disabilities in the Republic of Moldova	2011-2012	197,220	Partnership for Every Child

*Source: CRIS and Particip analysis (2016)*

### 1.3 Context of the EU support

#### **Country context and overview of national social protection system**

Moldova remains the poorest country in Europe. It is subject to economic fluctuations resulting from any changes in remittances received from its migrant worker diaspora. The World Bank calculated that remittances were 21.7% of GDP in 2016, down from a peak 34.4% in 2006. Many Moldovans are entitled to Romanian citizenship by virtue of descent from a parent born during the period of the union of Romania and Moldova 1918-1940. Their migration to work in the EU is therefore legal. The ILO estimates that 25% of Moldovans will be migrant workers at some point. The frozen conflict in Transnistria (where some half a million live) is another complicating factor.

The SP sector in Moldova started to be reformed in 1998, with the adoption of the *Strategy of Pension Reform* and the *Strategy of Social Assistance System Reform*. Between 1999 and 2003, three laws were adopted in the sector: Law on State Social Insurance Pensions; Law on the Public System of Social Insurance; and Law on Social Assistance. The new legislation defines the specific types of benefits, services, and resources and identifies the main vulnerable groups, such as children, families with children, disabled and elderly.

These reforms created a dual social protection system divided into (i) state social insurance, based on contributory principles, risk determination and solidarity between generations; and (ii) social assistance, based on non-contributory principles and identifying beneficiaries through assessment of needs and vulnerability, and expressed in cash benefits and social services. However, the reforms launched during this period did not produce the intended results, due to the continuing economic downturn and reduction in formal employment. Social insurance continues to struggle. The expected results have not been achieved, requiring a robust social assistance strategy.

The social protection system is managed by the Ministry of Labour, Social Protection and Family (MoLSPF), which plays a key role in development, coordination and implementation of

social protection policies for vulnerable groups in the following areas: (i) protection of children and families at risk; (ii) protection of disabled people and elderly; (iii) adoption; (iv) gender equality; (v) preventing and combatting domestic violence and human trafficking. The MoLSPF is also responsible for managing the performance of sectoral institutions that administer benefits and social services.

The social insurance system is administered by the *Cassa Națională de Asigurări Sociale*, the National Social Insurance House (CNAS), which collects and distributes financial resources generated from state social insurance contributions paid by employers and employees. The Republican Fund for Social Support of the Population is an autonomous body under the MoLSPF that provides material and humanitarian aid to socially vulnerable layers of the population, including pensioners, disabled persons, families with many children, and persons at risk who require assistance. The Commission for Medical Examination of Vital Functions is a state institution under the MoLSPF which evaluates the work capacity of working age persons. The decision of the Commission provides for one of three grades of disability, which offers the right to either a pension in the public social insurance system or to a social allowance.

Moldova is experiencing significant ageing. According to the World Bank, driven by low and decreasing fertility and high net emigration, the population in Moldova is expected to shrink, while the share of older people (population aged 65+) expands.<sup>1</sup> By 2060, the Bank expects population to drop by 29%, or 1.2 million people, and the share of older people to triple to 30%.

Sections of Social Assistance and Family Protection administer the social assistance system at the local level. These are the public administration bodies at the rayon level. Their main functions are the identification of people in need, and the provision of support to services or cash benefits.

The planning of resources for social protection is carried out annually according to the laws on the state social insurance budget and state budget and is managed by CNAS through six special purpose funds. The process for strategic planning of financial resources for social protection policies was implemented through the introduction of the Medium Term Expenditure Framework in 2004. Currently, social protection within the MTEF is divided into nine programmes that are reflected in the NDS.

Annual costs continue to be estimated by the CNAS and by the Ministry of Finance (based on their internal use norms). The link between budgetary allocations for the social sector in the MTEF, state social insurance budget and the national public budget remains unclear, which diminishes the ability of MoLSPF to monitor the implementation of reforms for each program separately and to evaluate their impact on vulnerable groups. The cost of social protection programmes is continually growing. The social protection budget represents 60% (without pensions) of public expenditure on social needs. In 2008, it had reached 30% of total expenditures of the national public budget and represented 12% of GDP, having grown by 15.5% from 2000.

Donor assistance to the Moldovan social protection sector was considerable over the transition period and focused on poverty reduction, reform of the overall system, protection of abandoned children, etc. The effectiveness of donor support varied, depending on the political will to implement a number of sensitive policies and the quality of advice provided. It was also dependent on donor coordination which initially was relatively weak. However, there are examples of very targeted and effective donor coordination.

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<sup>1</sup> Source: World Bank study: A Human Rights-Based Approach to the Economic Security of Older People in Moldova (January 2017), page 10

The social protection system, its institutional framework and human resources, were consolidated by implementing projects of major importance funded by EU/TACIS, EU/PSA, WB, UK Department for International Development (DFID), Swedish International Development Co-operation Agency (SIDA), UNICEF, and UNDP.

Moldova has also undergone a number of government reorganizations of its social protection agencies. The most recent reform (in process in June 2017) is an effort to reduce the number of central government agencies, which is in part a budgetary measure. One possibility being discussed is to combine social protection and health into a single Ministry of Social Protection and Health. This may be accompanied by separating labour from social protection and combining it with the Ministry of Economy.

It should also be noted that the government reorganizations have been made in the context of some instability due to repeated attempts to change the constitution. Finally, there is a significant effort to decentralize the institutions of social protection.

### **EU cooperation**

The co-operation between the Republic of Moldova and the EU came into force in July 1998 with the signing of the *EU-Moldova Partnership and Cooperation Agreement*. The Strategic Objectives of the EU co-operation with Moldova is covered by the *European Neighbourhood and Partnership Instrument (ENPI), Country Strategy Paper (CSP) 2007-2013* of March 2007, and the *ENPI National Indicative Programme (NIP)* covering three priority areas: Support for Democratic Development and Good Governance; Support for Regulatory Reform and Administrative Capacity Building; Support for Poverty and Economic Growth.

*Table 2           References to Social Protection in EU programming documents*

<b>Cycle</b>	<b>Relevant focal sector(s)</b>	<b>Related SP objectives</b>
<b>2007-2013</b>	Support to SP systems not explicitly mentioned in the initial CSP, but MIP 2011-2013 includes a broad sector ('Social and human development') which covers three sub-areas: 1/ Social protection; 2/ Health system reform; 3/ Labour market reform & education	MIP 2011-2013: "To implement a social assistance policy addressing the issue of extreme poverty and social welfare generally, including the social protection of women and children, in an effective and efficient manner, reflecting the pace of economic progress." (...) "The social protection approach has to go hand in hand with an active economic development policy at local level, also covered in the present NIP (priority area 3)."
<b>2014-2020</b>	Support to SP systems not explicitly mentioned in the CSP. <sup>2</sup>	n/a

*Source: Particip's analysis of EU programming documents*

The main EU-financed intervention in Moldova has been through budget support. The institutional co-operation through the EU-Moldova Co-operation Council, the EU-Moldova Co-operation Committee and four subcommittees enables both sides to pursue political and sectoral dialogues, and to follow the implementation of the ENP Action Plan. The relations between EU and Moldova were recently reinforced by the signature of the Association Agreement in June 2014. The document strengthens the political, economic and trade relations between the two parties, while increasing the EU financial assistance to the country. The assistance is being used for key reforms in the justice, education, economic development and energy sectors. The EU has also funded investment in air and road infrastructure, as well as Cross-Border Co-operation (CBC) projects. In addition, Moldova benefits from thematic programmes, mainly supporting civil society and regional programmes linked with Trans-European networks.

<sup>2</sup> The new sectors of cooperation are: Public administration reform; Agriculture and rural development; Police reform and border management.

## 2 Findings

### 2.1 EQ1: Relevance

*To what extent has EU support to social protection responded to clear overall strategic objectives on social protection and to specific needs of partner countries, including problems of poverty, vulnerability and social exclusion?*

#### *Summary answer*

The overall strategic objective of reducing poverty and protecting the vulnerable is advanced by a variety of programmes including budget support and technical assistance to social protection activities and social assistance programmes. The assistance is targeted to the needs of Moldova and to the realities of its difficult economic position.

#### **2.1.1 JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.**

EU support to reforms was in line with the main strategic document of the country – the Moldova 2020 National Development Strategy, which sets seven development objectives. The document is *de facto* a Poverty Reduction Strategy Paper (PRSP), but none of the objectives are directly related to poverty reduction and/or social protection, as it is expected that poverty will decline if high and sustainable economic growth is achieved. One of the priorities was the reform of the pension system, which was expected to be modernised to become more equitable and financially affordable. The PRSP was adopted in 2013 as a continuation of the previous Economic Growth and Poverty Reduction Strategy Paper adopted in 2004 and covering the period until 2007. EU assistance in the sector of social protection is based on the 2009 assessment of social protection and social inclusion<sup>3</sup>, which represents a detailed diagnosis of the country's situation in the field and the related areas.

Moldova takes part in the Civil Society Forum, and established a National Platform that organises various activities. The Working Group *Social & Labour Policies and Social Dialogue*, set up in November 2012, focuses on social policy, employment, social rights and social dialogue.

At present, the consultation of social partners and civil society takes place through the EU-Moldova Civil Society Platform, which complements the political bodies existing within the framework of the Association Agreement (AA) between the European Union and the Republic of Moldova. It enables civil society organizations from both sides to monitor the implementation process, and prepare its recommendations to the relevant authorities. Trade unions participate in the social dialogue with the objective of promoting the basic principles of the European social model. Their participation takes place in the development of programmes, laws and other regulations referring to the rights and professional, labour, economic and social interests of its members.

#### **2.1.2 JC 12 Needs and target groups clearly identified in the design of EU support.**

The EU *Study on Social Protection and Social Inclusion in Moldova*, on the basis of which support to social protection in 2007-13 was designed, provided a deep diagnosis of the overall social protection and social welfare system, with emphasis on poverty reduction and social inclusion issues. Sections were dedicated to the pension system, health care and long-term care. The analysis was carried out in a cross-sectorial perspective: social protection aspects were linked with the education system, with the informal economy, and with the labour market.

<sup>3</sup> European Commission: Study on Social Protection and Social Inclusion in Moldova. Chisinau, December 2009.

The assessment included an overview of regional disparities in Moldova (across “rayons” and urban-rural). Vulnerable groups identified were children, the disabled, and the elderly. In addition, the study identified institutional capacity and administrative reform needs in social protection.

## 2.2 EQ2: Basic social protection

*To what extent has EU support to social protection helped to improve access to adequate social services and basic income for all and in particular for those in need of protection?*

### *Summary answer*

EU support in the evaluation period has assisted the development of adequate social protection in many dimensions. It improved the targeting of social assistance in the context of sector budget support and associated TA. The EU supported rehabilitation of community centres where social services are provided and increased the availability of social services for vulnerable groups such as the disabled. The EU supported institutional reform that increased capacity for the de-institutionalization of children from residence facilities, contributing to a sharp decline in the number of children in residential institutions. Programmes particularly addressed the needs of the families of migrant workers. Along with the World Bank, the EU contributed to expanding access to basic health services, in particular by rehabilitating rural facilities, although health conditions in Moldova remain far from ideal.

### **2.2.1 JC 21 Social protection coverage and uptake extended / broadened with EU support.**

Old-age pension coverage in Moldova has collapsed from near-universal coverage in the Soviet era to the point where now only about 40% of the working age population is making contributions to social insurance. In part this is because of a relatively high informality rate (10.9% of the workforce), in part because of the high incidence of self-employment and work in agriculture, and in part due to outright evasion. Another factor is emigration of working age people and consequent accelerated ageing of the population that remains. A thorough social insurance pension reform was undertaken in 2016 with World Bank support. The EU has not been involved in social insurance, but has instead concentrated on supporting social assistance reform through its social sector budget support programme. This contributed to better social protection coverage by improving the targeting mechanism. .

With EU support, a number of initiatives in favour of children were undertaken. The reform of the residential system started in 2007, and it aimed to halve the number of children in residential institutions by 2012, integrating them into either their own families or a similar social setting. The impact of these reform measures was seen in the first year of their implementation (2008), as a drop of 22% was achieved in the number of children placed in residential institutions. While deinstitutionalization of children from residential facilities has been successful in the last decade, there are still two sets of challenges: providing adequate community social services, and eliminating economic incentives to institutionalization, particularly those that arise as a result of decentralization.

### **2.2.2 JC 22 Universal access to adequate health services put in place / strengthened with EU support.**

The EU has a long history of supporting health sector reform in Moldova. Following TA under TACIS in 2000-2007, there was health sector budget support in the amount of EUR 46.6 million in 2008-2013, including EUR 3 million in WHO TA supported by the EU. Outputs included a strengthened health policy analysis unit, review and revision of the Health System Development Strategy, and capacity building for public health. The EU-WB Trust Fund (Euro 12.5 million) refurbished 35 centres providing primary care and social services. In addition, it

initiated some computerization assistance that has been leveraged into continuing work by the WB to develop a database of social assistance and social services.

Yet despite EU support and the presence of a relatively dense health care system along the Soviet model, access to basic health care remains highly unsatisfactory in Moldova. Despite health insurance reform, (the national system covers about 70% of the population) about 40% of all health care spending is out of pocket. Only some three-quarters of pregnant women make their first antenatal visit before 12 weeks of pregnancy. Low physician salaries and long waiting times give rise to a culture of informal payments. At the same time pharmaceutical prices, not covered by health insurance, are much higher than international index prices.

### **2.2.3 JC 23 Access to basic income security strengthened with EU support.**

With reforms to the social assistance system supported by the EU's sector budget support programme "Assistance to reform in the Moldovan social assistance sector" (2008-2013; Euro 20 million), 71,000 families become eligible for cash support. The funds allocated for needs-based social assistance amount to 5% of total public expenditures on social assistance. Sufficient funds were earmarked for this purpose and the needed additional fiscal space was created. The government included in the 2009 – 2011 MTEF a Programme (Programme VII) entitled *Protection against social exclusion* with the goal to provide social assistance to persons in particularly difficult situations. TA financed by the EU helped to improve the targeting mechanism so that the government was better able to reach the most vulnerable groups.

### **2.2.4 JC 24 Gender inequalities in social protection coverage reduced.**

There has been significant progress in establishing the legal basis for gender equality in Moldova but as frequently occurs, implementation lags. Wage inequality persists. The inadequacy of social protection and assistance programmes for the elderly contains a deep implicit gender bias, because women are more likely than men to survive into extreme old age, with sharply rising risks of disability, living alone, and other close correlates of poverty and exclusion. They are less likely than men to have been in formal sector employment covered by social insurance. Elderly women are also discriminated against since social assistance for the elderly mainly targets veterans and war invalids.

The social insurance and social assistance programmes in Moldova provide several maternity and child benefits. Under the social insurance scheme, maternity leave and allowances for sick/disabled child are granted. Parental leave is also allowed. However, all these benefits will apply only to those working with formal labour contracts. Uninsured women receive, under the social assistance scheme, a one-off birth allowance and a childcare allowance up to the age of 1.5 years.

The EU support for social assistance reform contributed to putting in place a system of allowances that significantly benefit women, children, and families. The social assistance scheme provides, based on an income test, allowances for child care from the age of one and a half up to 16 years. Non-targeted social assistance benefits are granted for disabled children and persons disabled from childhood, as well as for families with four or more children under 18 years of age. Means-tested benefits of social assistance type are granted to low income families in the form of monthly allowance for child care between 1.5 and 16 years of age. Families with many children and with disabled children are equally entitled to material and humanitarian aid.

## 2.3 EQ3: European approaches and policy dialogues

*To what extent has EU cooperation with partner countries and participation in policy dialogues in the social protection field promoted European and international principles and values in that area?*

### *Summary answer*

The EU support promoted needs-based targeted social assistance, social inclusion of the vulnerable (including the de-institutionalization of children in residential institutions) and poverty relief. These important European values were strengthened by cooperation with other European bilateral donors. Coordination with MSs and other donors has been relatively good.

### **2.3.1 JC 31 EU support to social protection coordinated with MS.**

Moldova is a “donor darling” and support to the social protection sector over the period 2004-2011 totalled EUR 83.056 million, provided by nine donors and four implementing agencies. Apart from EU, the principal donors in Moldova are the World Bank, EBRD and UNDP/UNICEF, the USA and Canada, and, among EU MSs, Sweden, UK, the Netherlands, Germany, Italy, Czech Republic, Denmark, Poland, Latvia, Lithuania and Romania. Switzerland and Norway are providing assistance, as well. Donor activities focus in particular on social and economic development and issues related to good governance (Public Administration Reform and Public Financial Management). Government-led donor coordination is working reasonably well but effective inter-ministerial coordination and information sharing remain sub-optimal. EU coordinates its interventions with MSs.

### **2.3.2 JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection.**

Based on interviews with officials in social protection agencies, EUD staff currently in Moldova actively participates in policy dialogue with the social protection agencies and with NGOs. Similar engagement was reported during the assessment period as well. EU TA contributed significantly to de-institutionalization of children requiring protection.

### **2.3.3 JC 33 EU effectively participates in global policy dialogues on social protection**

*JC not covered by the analysis at case study level*

## 2.4 EQ4: Social partners and civil society

*To what extent has EU support contributed to successfully involving the social partners and civil society, including the private sector and local authorities, in policy development in the social protection field?*

### *Summary answer*

EU support has been very effective in partnering with civil society in Moldova and with local government. More responsibility is being devolved to local government, although not always matched with the decentralised resources necessary to take on expanded responsibilities. Civil society has led the development of policies in child protection, in particular with respect to deinstitutionalization and improvement of services. The for-profit private sector was not evident as a significant element in social protection.

#### **2.4.1 JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection.**

Social dialogue in Moldova meets the country's international obligations (ILO conventions in particular). The EU has worked closely with the ILO in Moldova. The major employers' organisation has called for improvements in social dialogue. However, the important contextual fact to keep in mind is that the proportion of the Moldovan workforce covered by collective bargaining agreements is very low – less than one in five workers. Moldova has a thriving CSO and NGO sector, with many organisations active in areas broadly related to social protection. The EU has actively supported civil society through, for example, the Civil Society Platform. NGOs have been particularly active in the context of the EU-Moldova Mobility Partnership 2008-2011.

#### **2.4.2 JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms.**

One of the priorities of the EU-Moldova Action Plan is to ensure respect for the freedom of association and foster the development of civil society and the enhancement of effective dialogue between the different political forces of the country. In this respect, the EU calls the Moldovan authorities to facilitate and support civil society development, enhanced dialogue and co-operation. The Civil Society Platform is evidence of this commitment.

Despite reforms supported by the EU, the social protection system of Moldova remains centralized from both a political and administrative point of view, while the analytical and strategic planning capacities, including the capacity to absorb external assistance, are not strong. . Implementation of administrative decentralization of authority without fiscal decentralization of resources undermines the capacity of local public authorities to support the sustainability of community-based social services. Lack of financial resources within territorial-administrative unit budgets does not allow LAs to meet the demand for social services, resulting in heavily institutionalised and costly care.

The EU actively supported NGOs in the area of child protection. The project “Developing short break foster care service for children with disabilities in the Republic of Moldova” was implemented by Partnerships for Every Child (P4EC), previously the Moldovan branch of the British NGO Every Child, and now an independent local entity. Within this mission, P4EC worked to give children the chance to grow up in loving families and communities, helping to strengthen families to prevent children from being separated.

#### **2.4.3 JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU.**

Following the EU recommendations regarding the involvement of CSOs in policy development, the Moldova 2020 strategy is being monitored and evaluated jointly with the National Participation Council. This body is an important platform in strategy implementation, formed out of civil society representatives, which is consulted at the implementation stage through a review of monitoring and evaluation reports and through formulation of recommendations. Special importance is attributed to the opinions and contributions of organizations working in interrelated areas, such as gender equality, human rights, environment protection and others.

With the establishment of EU-Moldova Civil Society Platform, the Moldovan CSOs become part of the regional network. The platform is member of European Economic and Social Committee (EESC), which is a bridge between Europe and organised civil society.

## 2.5 EQ5: Social protection systems

*To what extent has the approach (financing instruments, modalities and channels) employed by the EU been appropriate and efficient for strengthening social protection in partner countries?*

### *Summary answer*

The budget support in the assessment years and in more recent years was coupled with technical assistance to provide support for developing better social protection policies and implementation mechanisms. The technical assistance was delivered in some cases directly to the government agencies, and in other cases through the experience and expertise of an NGO. Among initiatives supported were institutional reorganisation and reform, revision of the benefit system, and analysis of fiscal sustainability; all of this more in the area of social assistance than social insurance.

### **2.5.1 JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially.**

The EU's main support to social protection reform consisted of social assistance budget support ("Assistance to reform in the Moldovan social assistance sector") and budget support to health sector reform. Both provided capacity building, the former building on the institutional analysis in the 2009 *Study on Social Protection and Social Inclusion in Moldova*. Under "Assistance to reform in the Moldovan social assistance sector" the Ministry of Labour, Social Protection and Families was reorganised twice to reinforce its institutional and political capacities. In addition, 900 social workers were trained. The benefits system was reformed and institutional capacity to estimate resource needs and the impacts of various financial scenarios was strengthened. TA under the programme also contributed to the drafting of new social assistance legislation and improvements in the targeting of groups in need. At local level, the project "Developing short break foster care service for children with disabilities" contributed to strengthening the institutional capacity of local authorities and NGOs to ensure the rights of children with disabilities to quality family-based care.

### **2.5.2 JC 52 Nationally defined social protection floors promoted.**

While Moldova is not formally committed to the social protection floor approach, from 2014-2016 the ILO provided TA aimed at strengthening social protection, including extending it to the informal sector and farmers. While the EU was not involved in this, it has collaborated with the ILO in Moldova in several projects related to social protection covering occupational safety and health and migration / human trafficking issues.

### **2.5.3 JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered.**

As analysed in the 2009 *Study on Social Protection in Moldova* and agreed upon by all stakeholders, the social insurance (mostly pension) system is in precarious shape, affected by demographic decline and labour market developments – reduction of the employed population, increase in unemployment and the large number of returning emigrants. The Prime Minister responded in August 2016 by convening a group representing the social partners, civil society, and experts to examine options for pension reform. The EU's involvement has been mostly in social assistance, and under its budget support programme, the fiscal sustainability of reforms was extensively analysed. When the proposed reforms were piloted in three regions, a Poverty Impact Assessment was performed and, based on its positive conclusions, the system was rolled out nationwide. EU support has helped improving the financial sustainability of Moldovan social assistance, mostly by the introduction of improved targeting measures.

### **2.5.4 JC 54 Government social protection programmes consolidated and rationalized where necessary.**

Social protection in Moldova covers a dizzying range of categorical benefits that are not needs-based, inter alia, Chernobyl victims, veterans of the campaign in Afghanistan, and long-distance commuters; in addition to more usual target groups such as the disabled. The multiplicity of special programmes has not been streamlined as much as the Government would wish, because each one benefits an interest group. However, there has been some consolidation of social assistance benefits with the support of the EU's sector budget support programme. Moreover, the introduction of improved targeting and a comprehensive database allows for avoidance of duplication.

## **2.6 EQ6: Social exclusion**

*To what extent has EU support to social protection contributed to reducing social exclusion and, finally, poverty?*

### *Summary answer*

Because of the high overall rate of poverty and the inadequate (albeit improving) level of social assistance, social exclusion remains high in Moldova. This is particularly the case in rural, geographically isolated areas. EU support has, however, contributed to ameliorating the situation, particularly through the social assistance system, which with EU support has experienced institutional reform and improved targeting. Taken as a whole, EU support has helped reducing gender disparities in social protection. EU support for social assistance reform has effectively complemented World Bank support for social insurance reform. With EU support, there has also been a contribution to reduced exclusion through the improved provision of social services in rural areas and the de-institutionalization of children formerly in residential facilities.

### **2.6.1 JC 61 Social protection as a human right promoted at all levels**

Government social protection policies in Moldova to which the EU aligns are consistent with a rights-based approach. However, as the National Ombudsman has observed, the quantum of benefits is so low that it cannot be considered that the human right to social protection is respected in the country.

### **2.6.2 JC 62 EU support addresses concerns about excluded populations.**

The exclusion issues identified by the *EC Report on Social Protection and Social Inclusion in Moldova* have been mainstreamed during the implementation of various projects and programmes. The improved targeting accomplished under EU budget support has implicitly benefited women, the disabled, the Roma, etc. Social assistance benefits have disproportionately supported women and children. The social service centres established with support of the EU-WB trust fund have benefited excluded groups. Disabled children and their caregivers were the specific target group of a jointly financed EU-Italian project. The capacity and sustainability of Moldovan CSOs, along with their ability to serve and advocate for excluded groups, improved with EU support.

### **2.6.3 JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage).**

In 2015, the average old-age social insurance pension (1,192 lei) represented only 25.84% of average wage, but it had increased 20% since 2012. New indexation rules adopted in 2016 are meant to address the inadequacy of social insurance pensions and will apply to social assistance, as well. The adequacy of social assistance payments has been on an improving trajectory.

The monthly allowance for child care increased from 675.3 Lei in 2010 to 1097 Lei in 2014, in case of insured persons. For non-insured, the allowance passed from 250 Lei to 400 Lei over the same period. When comparing the amount of child allowance with the subsistence level for children, the benefit represented in 2014 70.9% of the subsistence level in case of insured persons and 25.8% for non-insured. EU support strengthened the capacity of the MLSPF staff leading the policy dialogue and recommending approaches to increasing the benefit.

## 2.7 EQ7: Modalities

*To what extent has the approach (financing instruments, modalities and channels) employed by the EU been appropriate and efficient for strengthening social protection in partner countries?*

### *Summary answer*

The main modality used was budget support, which, given a reasonable level of PFM and public administration reform, was rational and had the effect of reducing transaction costs. Timely TA of adequate quality was provided. Projects complemented budget support. Many of these were implemented by NGOs, in addition to which, the EU generally supported the strengthening of civil society in Moldova. Increased NGO involvement in the delivery of social services is an example of this.

### **2.7.1 JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context.**

Aid modalities were selected according to the specific needs and priorities of the country and channels according to potential impact and effectiveness. Consequently, starting with 2007, less importance was given to technical assistance and sector budget support became the predominant tool of EU social assistance support. Given reasonably sound PFM and ongoing public administration reform, the budget support modality was appropriate. TA supplied under budget support significantly improved the policy making capacities of the Ministry of Labour, Social Policy, and Family. Priorities were adequately discussed with government and civil society, as a result of which national ownership was good, although an evaluation concluded that conditionality could have been better applied. Civil society implementing channels were used where appropriate.

### **2.7.2 JC 72 EU financed interventions in the social protection field are mutually reinforcing.**

A range of instruments, each complementary to the other, were used, with ENPI (bilateral, regional, and cross-border) being the largest and bilateral support being by far the most important for social protection. DCI thematic budget lines on migration, Investing in People, and Food Security were used, as were Taiex and Twinning, although not much evidence has been found of their deployment in areas closely related to social protection. The Instrument for Stability provided support focused on Transnistria and which included addressing pension rights, health insurance coverage, and other social protection issues arising from the conflict. A range of implementing partners, including government, international institutions such as UN agencies and the Council of Europe, and international and national NGOs were used according to their expertise and capacity. The selection of implementing organisations combined private and non-governmental expertise, local and foreign organisations, respectively national and international institutions for a mutually reinforcing approach to social sector challenges.

### **2.7.3 JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored.**

EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored, although delays were experienced that reduced the

effectiveness of TA -- specific technical assistance for the development of administrative capacity did not start until months after the main budget support programme. The scope and timing of projects was not always well coordinated with budget support programmes.

However, overall, the capacity of beneficiary institutions to absorb the assistance and achieve the proposed results, in particular at central government level, was good. The reorganisation of the Ministry of Social Protection, Family and Children, which took place twice between 2005 and 2007 with the support of EU technical assistance, had a significant impact on its institutional fitness for purpose. TA delivered appears to have been of good quality.

Monitoring and evaluation of EU interventions in the field of social protection took place at several levels. The EU carried out its own periodic assessments and evaluations, including special studies dedicated to social protection in the country. National monitoring takes place through specific mechanisms, such as the MLSPF system of policy monitoring and evaluation introduced in 2009 with EU support. Independent monitoring was done by NGOs either globally, of the overall EU assistance (the “Viitorul” assessment), or on sectorial basis (child protection, disability, etc.).

## 2.8 EQ8: Coherence, coordination, added value

*To what extent has EU support to social protection been coherent with other EU sector policies and to what extent has it added value to the EU Member States’ and other donors’ interventions?*

### *Summary answer*

The EU support has been coherent with other EU policies, most notably in the area of migration and the rights of the child. Through the sheer size and predictability of its support, as well as the availability of the budget support modality, the EU has added value. There has been a certain amount of leverage, most significantly in the form of a joint trust fund with the World Bank that was used to improve social services in the rural areas. Complementarity was good, particularly the EU’s support for social assistance reform complementing the World Bank’s support for social insurance reform.

### **2.8.1 JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MS.**

Moldova is a small country, as a result of which the donor community is closely knit and meets often. In addition, the GoM has long been committed to coordination, the aid effectiveness agenda, and national ownership. The EU provided technical assistance to the installation of an aid coordinating unit at the Ministry of Foreign Affairs and European Integration (subsequently reinforced by a coordination unit in the State Chancellery) and the EUD and the unit communicate often. EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs. The strongest example of complementarity is that the EU has taken the lead in reforming social assistance while the World Bank has taken the initiative in supporting the reform of social insurance.

### **2.8.2 JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment).**

Social protection support has been highly coherent with EU policies in the area of migration and return; an example of the first is the EU’s social protection portfolio’s emphasis on the welfare of children in Moldova. Overall Policy Coherence for Development in Moldova now occurs in the context of the 2014 Association Agreement, preceded over the evaluation period by the Partnership and Co-operation Agreement of 1998. Over the evaluation period, the major area for PCD was migration, where the EU supported the IOM-implemented project “Supporting the implementation of the migration and development component of the EU–Moldova Mobility

Partnership.” The Extended Migration Profile developed in 2012 involved the bringing together of all ministries, including Ministry of Social Protection, Family and Child, to discuss all facets of migration and development, including links with social protection. The EU has also collaborated with the ILO in the areas of migration and the challenges to reinsertion of returning emigrants.

### 3 Key overall findings

Moldova is characterised by a set of extreme challenges: it has a declining population, a large proportion of the working age population consists of labour migrants outside the country, and a frozen conflict (Transnistria) on its borders creates instability and discourages investment.

**EU budget support and technical assistance were important in promoting enhanced social protection for the most vulnerable people** in Moldova. Specifically, Moldova is transitioning from a reliance on categorical programmes to means-tested assistance and is focused on increasing the level of social assistance. In addition, social services to the most vulnerable are being provided at the local level through improved service providers. In the decade from 2007 to 2017, Moldova has engaged in a successful deinstitutionalization effort with EU support, significantly reducing the number of institutionalized children.

The EU support has been provided through a multi-faceted approach, **involving international agencies, bilateral donors, and through the efforts of both international and local implementing partners.**

## 4 Annexes

### 4.1 Evaluation Matrix: Indicator level information

#### 4.1.1 EQ1

#	Indicators	Evidence
<b>JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.</b>		
I-111	Objectives of EU support respond to clear overall strategic orientations on social protection	<i>See the analysis carried out at the global level in the main report of the evaluation.</i>
I-112	Objectives of EU support aligned to national SP policy framework	<p>EU support under the CSP 2007 – 2013 was elaborated around the overall objective to promote economic growth and poverty reduction on the basis of the EU-Moldova Action Plan and the Economic Growth and Poverty Reduction Strategy Paper (EG-PRSP).</p> <p><i>Source: Country Strategy Paper 2007-2013</i></p> <p>Some of EU interventions assisted the Government of Moldova to address the needs of the vulnerable layers of population:</p> <p>The project “Technical Assistance accompanying the ENPI 2007 Moldova Social Sector Budget Support in the Republic of Moldova” has as a main goal the optimisation of the social assistance system of Moldova through the transition towards means-tested targeted programmes for most vulnerable groups of population, improvement of public finance management and public administration reform.</p> <p>The project “Assistance to reform in the Moldovan social assistance sector” contributed to a new social assistance system by elaborating the principles and modalities for the reform of social payments, respectively the adoption of new social assistance legislation.</p> <p>The project “Addressing needs of vulnerable layers of population in the Republic of Moldova” assisted the government to address the needs of vulnerable layers of population, and is therefore highly relevant for the existing needs. The activities were carried out within three components: Monitoring of the better targeted social assistance system, Training, and Coordination, and information flow in the social sector. Trying to avoid duplication with other donors’ activities, the project focused on proposing norms, fraud prevention and detection, and on training of the advanced level trainers and ensure a cascade approach for lower levels.</p> <p>The project “Developing short break foster care service for children with disabilities in the Republic of Moldova” objective was to increase the ability of the social protection system to address the rights of children with disabilities to quality family based social care. The activities of the project were related to: the development of a Short Break Foster Care model for children with disabilities; pilot testing of the model in two regions; integration of the model into local level service provisions and national level policy debate. This was undertaken through three key strategies: building the capacity of local authorities to develop and deliver the model; strengthen national child care system and improve social policies; effective communication and advocacy campaigning.</p> <p><i>Source: Project fiches</i></p> <p>Although the main long-term strategy of the country (Moldova 2020) does not address vulnerability issues, the National Development Strategy (NDS) 2008-2011 and the corresponding Action Plan included social inclusion measures in two key programmes: labour market insertion and new economic and social opportunities for disadvantaged groups. At the same time, the government elaborated in 2014 the <i>Strategy for Child Protection 2014 – 2020</i>, and in 2016 the corresponding <i>Action Plan 2016 – 2020</i> for its Implementation. The Action</p>

#	Indicators	Evidence
		<p>Plan contains 125 actions structured in three categories: ensuring the necessary conditions for raising and educating children in the family environment; preventing and combating violence, neglect and exploitation of children, promotion of non-violent practices in children's up-bringing and education; and reconciling the family and professional life to ensure the child's harmonious growth and development.</p> <p>Sources: <a href="http://lex.justice.md/md/353459/">http://lex.justice.md/md/353459/</a> ; <a href="http://childhub.org/en/child-protection-news/moldova-action-plan-2016-2020-implementation-strategy-child-protection-2014">http://childhub.org/en/child-protection-news/moldova-action-plan-2016-2020-implementation-strategy-child-protection-2014</a></p>
I-113	Design of EU support based on participatory approaches involving partner key national institutions (MoF, Central Banks), social partners and civil society	<p>Consultations with the Moldovan authorities on the Country Strategy Paper began in September 2005. It was agreed at that stage that the future assistance strategy had to be based on jointly agreed policy objectives while selecting a limited number of priority areas where EC financial assistance could be expected to have most impact. During a second mission in December 2005 draft programming documents were discussed with the National Coordinator and the National Coordinating Unit as well as with the Ministry of Foreign Affairs which is in charge of coordinating the political aspects of Action Plan implementation.</p> <p>As part of the Civil Society Forum, Moldova established its National Platform in March 2011. Since then, the Platform has organised multiple activities to raise awareness about the EU-Moldova AA, the DCFTA and advantages of choosing the "European path". The platform conducted 19 regional meetings with the local representatives, farmers and SME owners concerning the benefits of EU integration and opportunities that DCFTA offers. Also, 14 seminars on the process of EU integration and campaigns on increasing awareness through publications, information points and online resources were carried out.</p> <p>Source: <a href="http://archive.eap-csf.eu/en/national-platforms/republic-of-moldova/">http://archive.eap-csf.eu/en/national-platforms/republic-of-moldova/</a></p> <p>One of the five Working Groups is the Social &amp; Labour Policies and Social Dialogue, set up at the fourth CSF meeting in Stockholm in November 2012. It focuses on social policy, employment, social rights and social dialogue.</p> <p>Source: <a href="http://www.eap-csf.md/index.php?option=com_content&amp;view=article&amp;id=210:wg5&amp;catid=31:wg&amp;Itemid=92">http://www.eap-csf.md/index.php?option=com_content&amp;view=article&amp;id=210:wg5&amp;catid=31:wg&amp;Itemid=92</a></p> <p>Since 2009, the EU-Moldova political dialogue considerably deepened. Moldova managed to ensure a consistent "track record" in implementation of reforms, aiming at strengthening the rule of law and improving the business climate. The new Programme of the Government of Moldova, approved in January 2011, commits to active involvement of the society, all political forces and relevant external actors in order to transform Moldova in a truly European state with a clear pathway towards EU accession. Regular meetings of EU and Moldovan high officials are taking place within the framework of political dialogue meetings on various issues, including social protection.</p> <p>Currently, the consultations between EU and CSOs is carried out through the EU-Moldova Civil Society Platform, which is made up of 9 members from both parties, representing the European Economic and Social Committee (EECS) and large European civil society networks, on the one side, and civil society organisations from Moldova, on the other side.</p> <p>Source: <a href="http://www.eesc.europa.eu/?i=portal.en.events-and-activities-eu-moldava-01">http://www.eesc.europa.eu/?i=portal.en.events-and-activities-eu-moldava-01</a>.</p> <p>At highest level, the Trade Unions participate in the consultation process through the National Trade Union Confederation. One of the objectives of NTUC is the promotion of basic principles of the European social model. To achieve this objective, the NTCU participates in development of programmes, laws and other regulations whose purpose is to regulate the rights and professional, labour, economic and social interests of its members.</p> <p>Source: <a href="http://sindicat.md/about-ntucm/">http://sindicat.md/about-ntucm/</a></p> <p>The coordination with the Ministry of Finance takes place for Budget Support programmes, which include three main SP components:</p>

#	Indicators	Evidence
		<ul style="list-style-type: none"> <li>• The Social Assistance programme, implemented in 2007, for which EUR 21 million were disbursed.</li> <li>• Reform of health care system, implemented over the period 2009 – 2013, for which EUR 53 million were allocated.</li> <li>• Economic stimulation of Rural Areas, implemented over the period 2010-2016, with a budget of EUR 59 million.</li> </ul> <p>Source: <i>EU Budget Support to Eastern Partner Countries. 2014 Report on Budget Support provided to Moldova, Georgia and Ukraine.</i></p> <p>Co-operation with the Central Bank takes place only on capacity building of the institution. No SP issues are involved.</p> <p><a href="http://eeas.europa.eu/archives/delegations/moldova/documents/press_corner/press-release_twinning_bnm_30.06_en.pdf">http://eeas.europa.eu/archives/delegations/moldova/documents/press_corner/press-release_twinning_bnm_30.06_en.pdf</a>.</p>
I-114	EU support to SP addresses emerging EU policy concerns such as migration, refugees, and security	<p>The EU – Moldova policy dialogue on migration and the social protection of migrants was concretised in the EC Trust Fund report MISMES. The report represents a contribution to an informed policy dialogue on migration in the context of employment and skills.</p> <p>Source: <i>ETF: Migrant Support Measures from an Employment and Skills Perspective (MISMES). 2015.</i></p> <p><a href="http://www.etf.europa.eu/webatt.nsf/0/74448D14C3CF2E3CC1257E9A002CABBE/\$file/MISMES%20Moldova.pdf">http://www.etf.europa.eu/webatt.nsf/0/74448D14C3CF2E3CC1257E9A002CABBE/\$file/MISMES%20Moldova.pdf</a>.</p> <p>The policy concern about the impact of migration on families was addressed through an EU funded two year project implemented jointly by the MLSPF and the Italian Ministry of Labour. It was the first hands on implementation experience for MLSPF.</p> <p>The program resulted in research that provided qualitative and quantitative evidence for policy making on families experiencing migration through a screening survey of all children in social service agencies already as well as children of migrants. The survey was administered in 2013 by more than 1000 social workers. One immediate impact included identifying 4-5% of children found needing support who were previously unknown to social service agencies. Long term impacts included changes to legal definitions of children in need and introduction of regular assessments.</p> <p>One of the results of the project was a change in the definitions of children at risk in the law on Social Protection. Instead of “children without parental care” it is “children separated from their families.” The law now covers all children who are at risk. There is now a requirement that for children of single parents (if the sole parent is a migrant), and for children of two parents (if they are both migrants), there has to be a twice a year check up by the educational system, which includes all aspects of child welfare. Training was part of the program, the new law was passed in June to be effective in January, and MLSPF did training for six months with 1150 social workers and 800 mayors.</p> <p>The project ended and the practice of twice a year check-ups continues. The data provided gives a very multi-dimensional view of the children. It covers some 5% of children, or 40,000. The National Strategy for Child Protection (2014-2020) is informed by this data.</p> <p>The objective of working with children of migrants is support, not protection. The program builds on resilience and innovations. The children need psycho-emotional assistance, not protection, to help both the children and the parents deal with the separation. The children of most migrants are not “left behind” without contact. The expansion of legal migration, and telephone and IT technology (Skype) has made a difference, even compared to 10 years ago. Parents can check in daily and remain in contact because they are generally living in stable, legal conditions with access to technology. They MLSPF plans to develop a telephone platform so that parents can call in for help and advice. Some labour migrants are working 7 days a week and for them it is harder. The children are often with grandparents who are two generations out of date with a world has really changed. “Imagine a grandmother who has a cataract and reads in Cyrillic letters who is supervising the homework of a child in Latin</p>

#	Indicators	Evidence
		<p>letters.” Children emotionally threaten parents, parents can be the hostages of children who are raised on the streets and TV and avoid authority. The children do not have a family model, and in the future it is hard for them to form their own families. They lack parenting skills, they were raised by people with very out of date skills.</p> <p>The children need to understand that the main motive for the migrant work is to benefit the children, and that parents are working hard, subject to loneliness, separation, humiliating work conditions, poor living conditions, all for their sake. Children need to know the parents do it for them, and that the children can and need to help the parents.</p> <p>The program is an example of very practical and sensitive bilateral assistance. Italy experienced labour migration, with women especially, leaving to go to the United States, and then returning. Some of the older civil servants in the social protection system of Italy still remember the experience of their own migrant families and are very sensitive to the strain this puts on families. They are deeply understanding of and concerned about Moldovan migrants and understand why migration takes place, out of the love of family, as well as the costs and perils.</p> <p><i>Source: Field mission interview with MLSPF representative</i></p> <p>An important part of the ILO-EU collaboration has been the provision of technical expertise to improve national legal frameworks on migration and to combat human trafficking. For instance, a project in Europe involved national legislative reform processes regarding anti-trafficking legislation as well as on the regulations of private employment agencies. See EQ5.</p>
<b>JC 12 Needs and target groups clearly identified in the design of EU support</b>		
I-121	EU-supported interventions based on sound analyses of opportunities (including fiscal space), and problems and barriers (including in terms of institutional environment) to achieving universal access to social protection	<p>The EC Study on Social Protection and Social Inclusion in Moldova includes an extensive analysis of access of the population to health.</p> <p>The Study on Social Protection and Social Inclusion in Moldova presents an extensive statistical annex with various data over the period 1990 – 2006: macroeconomic data, demographic indicators, health care expenditures, labour market indicators (employment and activity rates, unemployment, and wage rate), education data, etc.</p> <p><i>Source: Study on Social Protection and Social Inclusion in Moldova, <a href="http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova">http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova</a>.</i></p> <p>The study identified three vulnerable categories of population: children, disabled persons, and elderly. The same vulnerable groups were identified by the regional study carried out in 2010 by EC: <i>Social protection and social inclusion in Belarus, Moldova and Ukraine</i>.<sup>4</sup> This report adds the Roma minority to the vulnerable categories of population.</p> <p>The <i>Study on Social Protection and Social Inclusion in Moldova</i> identifies the needs of the country in terms of institutional capacity. The social protection system is still centralized from both a political and administrative perspective. Locally, all branches of Cassa Națională de Asigurări Sociale (CNAS, the National Social Insurance House) and National Health Insurance Company (NHIC) report directly to the central bodies with no independent decision-making authority or opportunity to directly participate in implementation of local social policies.</p> <p><i>Source: <a href="http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova">http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova</a>.</i></p>
I-122	EU-supported interventions based on correctly identified uncovered and	<p>The TA designed within the framework of <i>CSP 2007 – 2013</i> is based on an extensive analysis of the social protection sector elaborated by EU in 2009: <i>Study on Social Protection and Social Inclusion in Moldova</i>. The document identifies the following most vulnerable categories of population: children,</p>

<sup>4</sup> Vasily Astrov; Mario Holzner; Sebastian Leitner; Hermine Vidovic: Social protection and social inclusion in Belarus, Moldova and Ukraine - Synthesis Report. Contract no. VT/2008/017. Vienna, June 2010.

#	Indicators	Evidence
	underserved groups	disabled persons, and elderly. Other studies, for example the UN Women Summary Vulnerability Study <sup>5</sup> include other vulnerable groups, such as Roma minority, non-orthodox minorities and trafficked persons. However, Moldova 2020, which represents the main strategic document of the government ( <a href="https://www.imf.org/external/pubs/ft/scr/2013/cr13269.pdf">https://www.imf.org/external/pubs/ft/scr/2013/cr13269.pdf</a> ) does not address the vulnerability issues, but treats poverty as a general phenomenon. See I-112 for additional information on projects targeting disadvantaged groups.
I-123	EU-supported interventions utilise census, economic and social data	The CSP 2007-2013 includes a statistical annex that presents the main economic indicators over the period 2000 – 2005 (GDP, Budget deficit, trade statistics, etc.) and social indicators (education, health care, etc.) over the same period. See also use of data from research conducted as part of the support provided by Italy on migrant children. <i>Source: 1. Republic of Moldova Country Strategy Paper 2007 – 2013</i> <a href="https://eeas.europa.eu/enp/pdf/pdf/country/enpi_csp_moldova_en.pdf">https://eeas.europa.eu/enp/pdf/pdf/country/enpi_csp_moldova_en.pdf</a> . The <i>Moldova 2020</i> strategy contains detailed statistical information with respect to the main sectors of the strategy (education, infrastructure, energy, business environment, public finance, and social protection (mostly pension indicators)). <i>Source: Moldova 2020: National Development Strategy.</i> <a href="https://www.imf.org/external/pubs/ft/scr/2013/cr13269.pdf">https://www.imf.org/external/pubs/ft/scr/2013/cr13269.pdf</a> .
I-124	Data gaps identified and adequately mitigated in design of EU support	Given the insufficiently reliable national statistics, the EU – Moldova Action Plan includes a specific measure (Measure 41, section <i>Other Key Areas</i> ) referring to the adoption of statistical methods fully compatible with European standards in relevant statistical areas, and institution building of the Department for Statistics and Sociology. <i>Source: EU – Moldova Action Plan.</i> <a href="http://www.e-democracy.md/files/realizarea-pauem-en.pdf">http://www.e-democracy.md/files/realizarea-pauem-en.pdf</a> . Together with other development partners, the EU contributed support to the successful implementation of the 2014 Census.

#### 4.1.2 EQ2

#	Indicators	Evidence
<b>JC 21 Social protection coverage and uptake extended / broadened with EU support</b>		
I-211	Trends in social insurance (old-age pension, disability, unemployment, etc.) coverage rates, e.g. Proportion of work force actively contributing to a pension scheme (2011) Proportion of unemployed receiving unemployment benefits (2011) Proportion of elderly receiving a pension, etc. (2011)	The legal coverage of old age pensions as a percentage of the working-age population (contributory mandatory scheme) represented 43.1% in 2011 (41.3% for women). The same year, the proportion of the work force actively contributing to a pension scheme was 33.6%, and the proportion of elderly receiving a social insurance pension was 72.8%. <i>Source: ILO 2014 Report on Social Protection</i> <a href="http://www.ilo.org/global/research/global-reports/world-social-security-report2014/WCMS_245201/lang--en/index.htm">http://www.ilo.org/global/research/global-reports/world-social-security-report2014/WCMS_245201/lang--en/index.htm</a> . In 2013 only 43.9% of the working age population contributed to social insurance pensions, and 43.6% for the poorest quintile. <i>Source: World Bank data</i> <a href="http://databank.worldbank.org/data/download/aspire/Table7_Coverage12_Programs.htm">http://databank.worldbank.org/data/download/aspire/Table7_Coverage12_Programs.htm</a> . Contributions to the CNAS by persons in the age bracket 15-64 have declined significantly due to low labour force participation, informality and migration. At present only slightly above 30% of persons this age bracket contribute. Contribution rates are high in percentage terms: 23% paid by employers and 6% paid by employees. <i>Source: World Bank study, A Human Rights-Based Approach to the Economic</i>

<sup>5</sup> [http://www.credo.md/site-doc/Vulnerable\\_Taxonomy\\_in\\_Moldova\\_-\\_Summary.Serghei\\_Ostaf.UN\\_Women-JILDP.2011.pdf](http://www.credo.md/site-doc/Vulnerable_Taxonomy_in_Moldova_-_Summary.Serghei_Ostaf.UN_Women-JILDP.2011.pdf).

#	Indicators	Evidence
		<p><i>Security of Older People in Moldova (January 2017)</i></p> <p>The pension reform law of December 2016 introduced a number of very important pension reforms and the MLSPF has worked extremely hard with the CNAS to develop implementation rules. The reform included a gradual increase in retirement age and also better lifetime consumption smoothing by introducing valorization of income. Valorization requires updating income to reflect change in the value of money, to be phased in starting on April 1. The new formula requires some normative acts to further define the calculation of pensions. In addition, there is a threat to sustainability presented by military and other uniformed service pensions transferred to CNAS, several other pension implementation questions, and other reforms, including possibly introduction of basic pensions. The law adopted a formula that will reflect valorization for years of service after 1999, implemented on a monthly basis. Wages for 1999 and 2000 were real, and the adjustment is for the years 2001-2008. However, these changes while critically important for current retirees, will not affect the drop in contributors. Note that TA provided to this social insurance reform was financed by WB, not the EU.</p> <p>Source: <i>Field mission interviews</i></p> <p>The share of unemployed persons receiving unemployment benefits in 2011 was 11.4%.</p> <p>Source: <i>ILO 2014 Report on Social Protection.</i></p>
I-212	EU support for social protection recognizes special needs of the informal sector	<p>The <i>Study on Social Protection and Social Inclusion in Moldova</i> includes a special section on the situation of the informal sector in Moldova. In 2008, according to the National Bureau of Statistics, some 10.9% of all persons employed in the economy, including those in subsistence agriculture, worked in the informal sector and 31.1% had an informal job. At the same time, the data of the sociological survey carried out by the Labour Institute (supported by ILO), revealed that every fifth employee of the 1400 respondents works without a collective labour contract, and 16.4% of these are not even aware of such a contract. Every fourth respondent worked on the basis of a verbal agreement.</p> <p>Source: <a href="http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova">http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova</a>.</p> <p>In December 2016 a pension reform law was adopted that addresses issues related to part of the informal sector. There is a category of “fixed tariff contributors” for the non-agricultural self-employed persons (holders of patents, notaries, attorneys, etc.). These persons may voluntarily contribute a fixed annual tariff to CNAS to obtain pension credit for the minimum old age pension. There are approximately 30,000 such contributors.</p> <p>In addition, Moldova has two special subsidized programmes for the agricultural sector. One program concerns agricultural workers who are employed. The state subsidizes their contribution rates: agricultural employers pay 15% of wage, employees pay 6% and the state contributes 6% to bring the contribution rate to 28%, still once percentage point below the general CNAS rate.</p> <p>Another program concerns self-employed farmers, who contribute a minimal amount on their own behalf to CNAS. After 2009 this coverage is on a voluntary basis. The annual contribution rate is set in the annual budgetary law. It was 1752 lei in 2016 and will be 1920 lei in 2017.</p> <p>A 2016 ILO study concluded that farmers are increasingly not covered by social security of any kind. The coverage decreased precipitously: there were 197,778 persons covered in 2008, and only 1,302 persons covered in 2015, which is less than 1% of those covered in 2008. The majority of those not contributing reported that they lacked funds to do so. Among those respondents of the ILO survey who do not pay contributions to CNAS, 55% said that they cannot afford it. When asked if they would pay more to get a higher pension benefit, 51.9% of respondents would not. These extremely low contributions are subsidized by the state. Farmers are paid a minimal pension that is lower than the minimal pension paid by CNAS to other contributors, set</p>

#	Indicators	Evidence
		<p>at 844.71 lei at the time of the report.  <i>Source: ILO 2016 report Extending the Social Security Coverage for Farmers in the Republic of Moldova</i></p>
I-213	EU support for social protection recognizes special needs of children	<p>The <i>Study on Social Protection and Social Inclusion in Moldova</i> identifies the children as the most vulnerable category of population, in particular institutionalised children. The surveys carried out on child needs concluded that the organization of residential institutions for children at risk (at the structural, functional, and technological levels) does not meet the needs of these children in compliance with the usual standards. The majority of these institutions do not have adequate physical conditions to fulfil their mission (e.g. high physical wear-and-tear, poor use of premises, and impersonalized care facilities). At the same time, the residential system is relatively expensive. The total cost of providing care varies from one type of institution to another, and also within institutions. The general estimates of annual care costs for one child from the residential system provide the following values: a minimum average of EUR 369.5, a medium of EUR 1,689.9, and a maximum of EUR 3840.7.  <i>Source: Study on Social Protection and Social Inclusion in Moldova</i>  <a href="http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova">http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova</a>.</p> <p>Until recently, institutionalization was still perceived by authorities as the main modality for protecting children at risk. Residential services were provided through 67 residential institutions, which are under the Ministry of Education and Youth. There were different reasons given for institutionalising children: 36% of children were placed in institutions due to some handicap, 16% due to the death of parents, 27% due to parental poverty, 19% due to problems in the family, and 4% due to parental unemployment. Some children were institutionalised due to school failure (1.6%) and lack of primary educational institutions in their locality (0.2%). 80-95% of institutionalized children had parents.</p> <p>A determined deinstitutionalization program has resulted in the reduction of institutionalized children from approximately 12,000 in 2007 to 2,000 ten years later. The EU has supported many NGOs working in this area, and they have provided very successful interventions and support. The 67 residential institutions were reduced to 20. There is not as sharp a decrease in institutions as in children, because institutions continue to stay open with very few children. There are vested interests in favour of keeping the institutions open (employment, etc.). Continuing challenges include limited skills and funding.</p> <p>As a preventative approach, an independent Gatekeeping Commission was piloted and introduced in 2007, to stand between public child protection workers at the rayon level and the residential facility. The Commissions act at the local level to examine every case separately and make decisions on the protection of children identified at risk. Decisions to place a child into an institution involve specialists that are independent. Otherwise, the child protection authorities and the residential facility both have a vested interest in institutionalizing the child. It is the rayon social assistance department which must provide services if a child is not institutionalized. There are 15 such Commissions for Protection of Children at Risk, which play a very important role in the "gatekeeping" process. Out of the all children identified in 2007 as being at risk, the commissions examined 1,458 cases of which 51% were prevented from being institutionalised; 24% were reintegrated into their biological family; 6% were placed under guardianship/tutorship; 5% were placed in family-like orphanages; 1% were placed in foster-parent families; and only 13% of assessed children were admitted to the residential system.  <i>Source: Study on Social Protection and Social Inclusion in Moldova</i>  <a href="http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova">http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova</a>.</p> <p>Institutionalization in Chisinau did not decrease, because its institutions accept nationwide referrals, and because of incentive structures. In the rayons,</p>

#	Indicators	Evidence
		<p>gatekeeping is independent. In Chisinau it is not. As one of two areas with the status of a municipality Chisinau makes its own rules. In the whole country last year a total of 110 children were newly admitted. 100 were in Chisinau. The Ministry of Education lacks authority to close the Chisinau homes.</p> <p>Decentralization reform has unintended consequences. The 2015 law on local authorities requires them to self-finance their services from their own revenues and many authorities have low revenues. They have to pay for social services to special needs and vulnerable children. If they direct the children to residential centres, the costs there will be paid for by the national government. Thus local governments will have enormous incentives to cut back on preventative services and to simply move the children to the national budget funded homes.</p> <p>Residential facilities serve various interests in locales. In one case an institution closed, but the local authority did not want it to closed, as it was a way to get money from the national budget into the local area, and support local jobs.</p> <p>In one case a facility was for learning disabled children, but only one child out of 86 was learning disabled and none of them had certifications of disability. It took two years and two months just to close that one place, to plan for staff and infrastructure.</p> <p>Children have moved to mainstream schools, and have satisfactory adaption. They did suffer physical and emotional abuse and are now talking about it. The deinstitutionalized special needs children are not yet well supported in communities and there is a 2011-2020 inclusive education program.</p> <p>Also relevant, the component 2.3 (<i>Economic and social reform and development</i>) of the EU-Moldova Action includes a measure (18) aimed at redirecting public expenditure to significantly address child poverty and to increase primary school enrolment.</p> <p>Source: EU – Moldova Action Plan. <a href="http://www.e-democracy.md/files/realizarea-pauem-en.pdf">http://www.e-democracy.md/files/realizarea-pauem-en.pdf</a></p> <p>The Project “Developing short break foster care service for children with disabilities in the Republic of Moldova” targeted outcomes included: increased capacity to ensure the rights of children with disabilities to quality family-based care; shifting in professional and public attitudes towards supporting children with disabilities and their families to prevent family separation using short-term substitute family based care as opposed to residential care; and national support for models of short break foster care for children with disabilities and promotion nationwide replication. There is, however, some concern about the sustainability of the program, with foster families first increasing and recently decreasing. One of the problems is that payment for foster parents is the same, whether it is an infant or an older child.</p> <p>Source: <i>Final Project Evaluation</i>.</p>
<b>JC 22 Universal access to adequate health services put in place / strengthened with EU support</b>		
I-221	Proportion of population with access to basic health services (e.g., living within 5 km of a health facility <sup>6</sup> )	Physical access to health care is not an issue in Moldova. 87% of households are located within 5 km and one hour’s walk of the closest primary health care facility. The share of households within 5 km to a primary care centre was 93% in urban and 82% in rural areas. Physical access of the population to primary care is affected by strong regional differences in the geographical distribution of medical personnel. Since the re-profiling of some health care specialists as family doctors during the reforms, the state failed to provide proper conditions for family doctors to operate under, especially in rural areas. In some regions of Cantemir, Rezina and Cimislia districts, coverage by family doctors is 50–60% of that needed. This situation is partly due to poor working conditions, underdeveloped infrastructure and lack of modern medical equipment. Low motivation and lack of incentives for primary care personnel are other major reasons for staffing deficiencies in primary care facilities, especially in rural areas.

<sup>6</sup> e.g. [http://www.who.int/healthinfo/indicators/2015/chi\\_2015\\_110\\_health\\_service\\_access.pdf?ua=1](http://www.who.int/healthinfo/indicators/2015/chi_2015_110_health_service_access.pdf?ua=1)

#	Indicators	Evidence
		<p>Access to health care is measured by WHO through several indicators in case of Moldova. One of them is the number of insured persons, which increased from 2.2 million in 2005 to 2.84 million in 2011. This represents around 70% of population. According to national statistics, this proportion represented 74% in 2010. However, a quarter of these insured people have only the basic government package, meaning that they incur substantial out-of-pocket costs. The uninsured population is heavily concentrated in rural areas.</p> <p>A second indicator expressing the access to health care is the number of visits to primary health-care physician per person per year. According to WHO, in 2010 an average of 2.9 such visits were recorded (2.8 in 2005).</p> <p><i>Source: WHO: Barriers and Facilitating Factors in Access to Health Services in the Republic of Moldova. 2012.</i>  <a href="http://www.euro.who.int/_data/assets/pdf_file/0018/183510/e96775-final.pdf">http://www.euro.who.int/_data/assets/pdf_file/0018/183510/e96775-final.pdf</a>.</p> <p>Household surveys provide information regarding the overall utilization rates of health services. There is a clear trend of higher utilization by higher quintiles, the insured population, women and urban population. A somewhat lower proportion of the population reported seeking health services in the four weeks prior to the 2010 survey (23.3% in 2008, 19.3% in 2010). Public sector services (91.1%) are used much more than private sector (9.1%). Higher rates of health services utilization are documented for women (23% women versus 15.4% men), the urban population (22.9% urban versus 16.8% rural) and the insured population (23.0% insured versus 9.0% uninsured). The survey also reported twice as many respondents in the highest quintile as in the lowest seeking health care in the past four weeks (24% quintile V, 9% quintile I). This is indicative of continuing inequitable access to health services.</p> <p><i>Source: WHO: Barriers and Facilitating Factors in Access to Health Services in the Republic of Moldova. 2012.</i>  <a href="http://www.euro.who.int/_data/assets/pdf_file/0018/183510/e96775-final.pdf">http://www.euro.who.int/_data/assets/pdf_file/0018/183510/e96775-final.pdf</a>.</p> <p>Another important aspect of availability and affordability of health care is the cost of medicines, which is significantly higher in the Republic of Moldova when compared to international prices. The prices of even the lowest priced generics were five times higher than the international reference price and patients were paying 30-40% more for most generics sold in both public and private sectors. The share of pharmaceutical expenditure within total health expenditure almost doubled between 2003 and 2010 (from 17.8% to 34.2%), with a peak of 45.6% recorded in 2005.</p> <p><i>Source: WHO: Barriers and Facilitating Factors in Access to Health Services in the Republic of Moldova. 2012.</i>  <a href="http://www.euro.who.int/_data/assets/pdf_file/0018/183510/e96775-final.pdf">http://www.euro.who.int/_data/assets/pdf_file/0018/183510/e96775-final.pdf</a>.</p> <p>The EU-WB Trust Fund "Moldova Regional Development and Social Protection Project" (TACIS/2008/165350) addressed needs in several related sectors: environmental, social and health. The project built waste water treatment plants, refurbished road infrastructure and refurbished and equipped community service centres. The service centres address both health and social issues and are part of the decision to use a primary care approach to health. Ultimately, 35 (the target was 30) community social service centres have been refurbished in 2009-2012. It is estimated that this network of community centres serves 2800 beneficiaries per day, or 35,000 beneficiaries overall. 58% of those who use them are women and girls. The centres provide a number of health and social services:</p> <ul style="list-style-type: none"> <li>• Primary health care services</li> <li>• School and social inclusion of disabled children and youth</li> <li>• Access to educational services</li> <li>• Kinesiotherapy (physical therapy)</li> <li>• Speech therapy</li> <li>• Social assistance services</li> <li>• Psychological service;</li> </ul>

#	Indicators	Evidence
		<ul style="list-style-type: none"> <li>• Child protection, foster care and temporary placement;</li> <li>• Medical services.</li> </ul> <p>Overall quality of the centres was found satisfactory at the conclusion of the project. Local government budget support has been allocated for them, but this will remain a continuing challenge. The centres were chosen competitively and the buy-in by local communities was significant. Leadership training includes the need to maintain community support.</p> <p><i>Source: Final World Bank Project Implementation Support Mission and Implementation Completion and Results Mission Aide-Memoire November 5-12, 2012.</i></p> <p>This support for social services was leveraged for additional development of social protection systems through follow-on WB work. The centres were provided with computers and IT training for all of the persons working on social assistance. Technical assistance was also provided to start putting together a database. After that project ended a new one was started by the WB, which continues assistance in the database and IT area. It was to end 30/06/2017 but was extended for six months. Based on the results of the previous work, it is developing an IT social protection system that covers the whole country with a series of modules. The system has from the beginning tracked data on social assistance (ajutorul social) and heating benefits. Additional modules will cover social services, standards of quality, and complaints. The database simplifies avoiding fraud and errors.</p> <p><i>Source: Field mission interviews</i></p>
I-222	Proportion of women receiving adequate ante-natal care. 2007-2013 <sup>7</sup>	<p>The percentage of women making their first antenatal visit before 12 weeks of pregnancy hovered around 75% in 2005-2010:</p> <ul style="list-style-type: none"> <li>• 2005: 77.0,</li> <li>• 2006: 81.7,</li> <li>• 2007: 77.6,</li> <li>• 2008: 74.9,</li> <li>• 2009: 75.0,</li> <li>• 2010: 76.0.</li> </ul> <p><i>Source: WHO: Barriers and Facilitating Factors in Access to Health Services in the Republic of Moldova. 2012.</i>  <a href="http://www.euro.who.int/data/assets/pdf_file/0018/183510/e96775-final.pdf">http://www.euro.who.int/data/assets/pdf_file/0018/183510/e96775-final.pdf</a>.</p>
I-223	Proportion of health costs paid out of pocket	<p>The share of private households' out-of-pocket payments on health within total health expenditure varied little over the period 2005 – 2009, declining from 39.3% to 37.5%:</p> <ul style="list-style-type: none"> <li>• 2005: 39.3,</li> <li>• 2006: 38.4,</li> <li>• 2007: 38.4,</li> <li>• 2008: 37.5,</li> <li>• 2009: 37.5,</li> </ul> <p>In 2011, the out-of-pocket expenditures for hospital admission amounted to USD 93.7 per person per year.</p> <p><i>Source: WHO: Barriers and Facilitating Factors in Access to Health Services in the Republic of Moldova. 2012.</i>  <a href="http://www.euro.who.int/data/assets/pdf_file/0018/183510/e96775-final.pdf">http://www.euro.who.int/data/assets/pdf_file/0018/183510/e96775-final.pdf</a>.</p> <p>In general, the Moldovan population has an overall expectation of making direct, Out-of-Pocket payments when accessing health care. These are defined as direct expenditures incurred either formally or informally by the patients and frequently mentioned as barriers to the affordability of health services. According to a survey conducted by WHO in transition countries, they occur more often in the Republic of Moldova than in other countries. Respondents stated that they usually/always (30%) and sometimes (18%) pay informally for</p>

<sup>7</sup> E.g., [http://www.who.int/healthinfo/indicators/2015/chi\\_2015\\_76\\_antenatal\\_care.pdf?ua=1](http://www.who.int/healthinfo/indicators/2015/chi_2015_76_antenatal_care.pdf?ua=1).

#	Indicators	Evidence
		health services. In 2011, about every fifth person (22.2%) hospitalized reported having paid formally out of pocket for some hospital services, with an average of 1449 lei and a median of 700 lei. A much higher percentage (37.9%) admitted to making informal payments directly to health staff, with an average of 1193 lei and a median of 400 lei.
<b>JC 23 Access to basic income security strengthened with EU support</b>		
I-231	Programmes related to basic income security (e.g., unconditional cash transfers, non-contributory social pension, social assistance) in place with EU support	<p>Through the 2008-2013 project “Assistance to reform in the Moldovan social assistance sector” (Euro 20 million), the EU contributed to raising the efficiency and effectiveness of the social assistance system in Moldova. A new methodology of income-based testing was proposed in 2008 and adopted by the government. The methodology was evaluated in 2009 and an assessment of the incidence on poverty reduction was carried out. The intervention ended up with the simplification of the social assistance system, which comprised 18 different types of transfers. Consequently, the available resources were more directed towards those in need.</p> <p><i>Source: Review of ENPI 2007 Sector Policy Support Programme (SPSP) 2nd Review Final Report. Framework Contract Beneficiaries, Lot 11. Letter of Contract N° 2008/165085, September 2009.</i></p> <p>In 2013, the non-contributory pension represented USD 4.1 per month, which is the equivalent of 1.6% of the average wage in the economy. In 2009, 0.6% of population aged 60+ was eligible for this benefit.</p> <p><i>Source: ILO SP Report 2014-15 <a href="http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf">http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf</a>.</i></p>
I-232	In-kind transfers (e.g., food and in-kind transfers for work) in place with EU support	<p>The Food Security Programme, implemented in 2006 – 2007, helped the government to finance programmes and promote reforms aiming to improving food security.</p> <p><i>Source: Review of ENPI 2007 Sector Policy Support Programme. September 2009.</i></p> <p>In line with best practices, in-kind support has been phased out and replaced with targeted social assistance.</p>
<b>JC 24 Gender inequalities in social protection coverage reduced</b>		
I-241	Conditional and unconditional cash transfer programmes for mothers and children in place with EU support	<p>The Law on Social Support (drafted with EU assistance – Project “Assistance to reform in the Moldovan social assistance sector”) was implemented in two stages (October 2008 and January 2009) in all localities of the country. 1,148 social assistants were employed to assess the needs for social support. In May 2009, a total of 13,165 vulnerable families received support and 80.6% of the applicants were women.</p> <p>With the adoption of the Law on Social Support, the quantum of benefits awarded to families with children were increased. The one-off indemnity at birth increased from 1200 lei (2008) (approx. EUR 260) to 1400 lei (2009) for the birth of the first child, respectively from 1500 lei (2008) (approx. EUR 330) to 1700 lei (2009) (approx. EUR 374) for the birth of every other child.</p> <p><i>Source: Review of ENPI 2007 Sector Policy Support Programme (SPSP) 2nd Review Final Report. Framework Contract Beneficiaries, Lot 11. Letter of Contract N° 2008/165085, September 2009.</i></p>
I-242	Maternity programmes in place, offer adequate coverage, and operational with EU support	<p>Maternity benefits are granted under the social insurance scheme to women on maternity leave, including to unemployed wives supported by husbands. Parental leave is also allowed. They represent 100% of the average monthly income insured for the last six months.</p> <p>Allowances are also paid in case of child sickness or disability, granted to the mother up to 7 years old or a child with disabilities up to the age of 16. The amount of the allowance depends on the period of contribution and represents from 60%, 70%, or 100% of the average monthly wage over the previous 6 months.</p> <p>A one-off allowance on the birth of a child is granted to all insured women for childbirth as a fixed amount of EUR 78.3 for the first child, and EUR 97.9 for the second child and subsequent children. The allowance for child care up to</p>

#	Indicators	Evidence
		<p>the age of 3 years is granted to employed women and apprentices, as well as wives supported by husbands, on expiry of maternity leave. It represents 25% of the average monthly income in the last six months, but not less than EUR 15.8 in 2009.</p> <p>Source: EC. Study on Social Protection and Social Inclusion in Moldova. December 2009.</p>
I-243	Social assistance coverage of the elderly, disaggregated male/female if possible	<p>Social assistance for the elderly is mainly targeted at supporting veterans and war invalids. These groups of beneficiaries receive, in addition to the pension, up to 11 social compensatory benefits. In contrast, elderly people without honours from the state benefit only from the old age pension, which represents 14.9% of household revenues. This amount covers only 55.4% of the survival minimum. This situation does not allow for a decent living in retirement, as the effects of annual indexation of pensions are insignificant.</p> <p>Source: Study on Social Protection and Social Inclusion in Moldova <a href="http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova">http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova</a>.</p> <p>However, in December 2016 a pension reform law was passed that will valorize incomes from the year 2000 and adjust pensions. See I-211 above.</p>
Other relevant information		<p>In recent years, Moldova made a significant progress with respect to gender equality. The major achievement includes the adoption of Law 121/2012 on combatting gender discrimination in employment, education and access to services and goods available to the public. A Council for the prevention and elimination of discrimination and ensuring of equality was established in 2013. An Action Plan was elaborated for the period of 2013-2015 for the implementation of the National Programme for gender equality for 2010-2015. The action plan was approved with a new objective: ensuring gender equality in the security, legal and military service.</p> <p>Source: <a href="https://rm.coe.int/CoERMPublicCommonSearchServices/DisplayDCTMContent?documentId=09000016805969a6">https://rm.coe.int/CoERMPublicCommonSearchServices/DisplayDCTMContent?documentId=09000016805969a6</a></p> <p>However, the gender pay gap remains relatively high and has not changed between 2011 and 2014: for one unit paid to men, the women receive 0.87 units for identical jobs.</p> <p>Source: Annual Review of Labour Relations and Social Dialogue in Moldova. 2015. <a href="http://library.fes.de/pdf-files/bueros/bratislava/12447.pdf">http://library.fes.de/pdf-files/bueros/bratislava/12447.pdf</a></p> <p>The political leadership of Moldova recognizes the need to promote gender equality in the society; a number of government documents were adopted in this area. There are favourable political conditions in the light of the Moldovan course towards integration into the European Union.</p> <p>Source: <a href="https://rm.coe.int/CoERMPublicCommonSearchServices/DisplayDCTMContent?documentId=09000016805969fa">https://rm.coe.int/CoERMPublicCommonSearchServices/DisplayDCTMContent?documentId=09000016805969fa</a></p>

#### 4.1.3 EQ3

#	Indicators	Evidence
<b>JC 31 EU support to social protection coordinated with MSs</b>		
I-311	Evidence for regular coordination efforts between EC and EU MSs in field of social protection at global level	<i>Indicator not relevant at country level</i>
I-312	EU participates in / manages joined –up approaches (e.g., joint programming, MDTFs, joint monitoring, etc.)	EU took part in the elaboration of Harmonisation Action Plan prepared in 2008, which embodies the five principles as set out in the Paris Declaration on Aid Effectiveness of March 2005: (i) Ownership; (ii) Alignment; (iii) Harmonisation; (iv) Managing for Results; (v) Mutual Accountability. This was enhanced by the Accra Agenda for Action 2008 on country ownership and increased focus on

#	Indicators	Evidence
	including social protection components	delivering results and more accountable and transparent information on results for the public. <i>Source: Review of ENPI 2007 Sector Policy Support Programme (SPSP) 2nd Review Final Report. Framework Contract Beneficiaries, Lot 11. Letter of Contract N° 2008/165085, September 2009.</i> See I-313 below about EU coordination with several member states. In addition, the EU funded a joint activity with the WB and the EU's support for social assistance reform complemented the World Bank's support for social insurance reform.
I-313	EU strategy, programming and programme documents related to SP refer to EU Member States' policies and support and inversely	EU coordinates its interventions with other member states. From the EU-28, Sweden, the United Kingdom (UK), the Netherlands, Germany, Italy, the Czech Republic, Denmark, Poland, Latvia, Lithuania and, starting from 2007, Romania provide assistance to Moldova. See also I-114 above for a description of an Italian program to assist children of migrants, which resulted in change to legislation and introduced a screening procedure for children at risk. Interventions in the social protection sector are from SIDA (social sector and pro-poor economic growth), DFID (pro-poor economic growth). DFID and the Netherlands participate in the World Bank in the Poverty Reduction Support Credit. The GTZ was implementing (at the moment of CSP elaboration) six projects in social care. <i>Source: Country Strategy Paper 2007 – 2013.</i>
<b>JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection</b>		
I-321	Evidence of suitably qualified staff formally designated and actually deployed to support social protection at country, regional and HQ level	EUD has staff highly experienced in social protection and familiar with the challenges of Moldova. In particular it includes staff that has worked in the area of child protection.
I-323	Evidence of EU active engagement in regional fora on social protection.	Indicator not relevant at country level.
<b>JC33 EU effectively participates in global policy dialogues on social protection</b>		
<i>JC not covered by the analysis at case study level</i>		

#### 4.1.4 EQ4

#	Indicators	Evidence
<b>JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection</b>		
I-411	EU promotes and facilitates social dialogue (government, trade unions, employers' organisations) and dialogue with civil society through its social protection programmes	The first priority of CSP 2007-2013 is the political dialogue and reform, with the objective to foster the development of civil society, including social and economic sector. <i>Source: CSP 2007-2013.</i> The EU and ILO jointly financed workshops and consultations in Moldova to draft the national action plan to prevent and combat trafficking in human beings. During these events, the Moldovan trade unions developed an action plan to combat trafficking, which was thereafter endorsed by the national confederation. <i>Source: ILO and EU, Partners for decent work and social justice. <a href="http://www.ilo.org/wcmsp5/groups/public/@europe/@ro-geneva/@ilo-brussels/documents/publication/wcms_195135.pdf">http://www.ilo.org/wcmsp5/groups/public/@europe/@ro-geneva/@ilo-brussels/documents/publication/wcms_195135.pdf</a>.</i> The employers' organisations of Moldova elaborated a proposal for improving social dialogue in the country. The document recommends several institutional

#	Indicators	Evidence
		<p>changes at government level to adapt the social dialogue process to the one existing in EU countries.  <i>Source: NCEM: Policy proposals for a Better Social Dialogue. Chisinau, October 2015.</i></p> <p>In August 2008, a National Strategy for the Development of Civil Society 2008 - 2011 (later endorsed by Parliament) was signed between the Moldovan Government and a group of 33 civil society organisations. In September 2008, a National Council for Participation held its constituent meeting. The Council provides the institutional framework for consultation between civil society, including economic operators, and public authorities at all levels of government.  <i>Source: Review of ENPI 2007 Sector Policy Support Programme (SPSP) 2nd Review Final Report. Framework Contract Beneficiaries, Lot 11. Letter of Contract N° 2008/165085, September 2009.</i></p> <p>A new strategy was elaborated in 2011 (Strategy for Developing the Civil Society for 2012 – 2015 and the Action Plan for Implementing the Strategy in Moldova). One of the objectives of this new strategy is to strengthen the access and participation of civil society in the implementation of state policies through social contracting.</p> <p>Half of the 8200 CSOs registered in Moldova in 2012 worked in social area and education. The strategy envisages that, under the law on social services, the corresponding regulations will be adopted at central and local levels to give effective access for CSOs to social contracts.  <i>Source: <a href="http://www.fhi360.md/docs/MD_Strategy_2012-2015_unofficial_translation_ENG.pdf">http://www.fhi360.md/docs/MD_Strategy_2012-2015_unofficial_translation_ENG.pdf</a>.</i></p> <p>A significant number of CSOs in Moldova are involved in social protection area. Their involvement is either direct, through provision of social services to specific categories of vulnerable populations, or indirect, by assessing and/or monitoring the situation of particular groups in need. For example, the NGO “Partnership for Every Child” elaborated the “Vision for Specialised Child Protection Services in the Republic of Moldova.  <i>Source: <a href="http://www.p4ec.md/en/news/default.aspx">http://www.p4ec.md/en/news/default.aspx</a>.</i></p> <p>See also I-13 on role of civil society and social partners.</p>
I-412	Evidence for strengthened capacity of social partners (trade unions and employers’ organisations) to participate in social protection policy dialogue	<p>The existing state policies and legislation in the area of labour relations and social dialogue are to a large extent aligned to the international agreements to which Moldova subscribed. Such legislation is largely aligned to the European standards and norms, in line with the provisions of the EU-Moldova Association agreement.</p> <p>However, the tripartite social dialogue continues to have certain specific aspects that need further improvement, in view of the alignment of the legislation to EU norms and standards in general and in view of the Association Agreement with the EU, in particular.  <i>Source: Annual Review of Labour Relations and Social Dialogue in Moldova. 2015. <a href="http://library.fes.de/pdf-files/bueros/bratislava/12447.pdf">http://library.fes.de/pdf-files/bueros/bratislava/12447.pdf</a>.</i></p> <p>In Moldova, the tripartite social dialogue is undertaken by the National Confederation of Employers from Moldova (NCEM) and the National Confederation of Trade Unions (NCTU). The NCEM represents the majority of employers in Moldova and has therefore a strong role in negotiations. The NCTU evolved from the mergers of the National Confederation of Trade Unions and the Free Trade Unions Confederation. The NCTU still struggles to develop a consolidated trade union movement in the country, as the Trade Density Rate in in 2013 represented only 17.7%; consequently, the Collective Bargaining Coverage Rate is also low: 18.7% in 2009 and 17.7% in 2010. In 2015, the NCEM published a detailed proposal for improving the social dialogue in Moldova. The document formulates six recommendations for better exploring the potential of social dialogue in the country and develop a culture of real social dialogue  <i>Source: ILO: Policy Proposal for a Better Social Dialogue. October 2015. <a href="file:///C:/Users/zaman/Downloads/31958_en_3eng.pdf">file:///C:/Users/zaman/Downloads/31958_en_3eng.pdf</a>.</i></p>

#	Indicators	Evidence
I-413	SP mainstreamed in other policy dialogues where relevant, e.g. trade and migration	<p>The EU-Moldova Action Plan contains a special section on migration issues (legal and illegal migration, readmission, visa, and asylum). Several measures are detailed in the AP: Assess the scale of illegal migration to, via and from Moldova and monitor migratory movements (Measure 44); Supporting the efficient management of migration flows (Measure 45); Approximation of Moldovan legislation to the EU norms and standards, implementation of the 1951 UN Convention relating to the status of refugees and the 1967 Protocol relating to the status of refugees, including the right to seek asylum and respect for the principle of non refoulement (Measure 46); Approximation of the system of state authorities responsible for implementation and realisation of legislation on asylum and refugees to EU norms and standards (Measure 47).</p> <p>The EU – Moldova policy dialogue on migration and the social protection of migrants was concretised in the ETF report MISMES. The report represents a contribution to an informed policy dialogue on migration in the context of employment and skills.</p> <p><i>Source: ETF: Migrant Support Measures from and Employment and Skills Perspective (MISMES). 2015.</i>  <a href="http://www.etf.europa.eu/webatt.nsf/0/74448D14C3CF2E3CC1257E9A002CABBE/\$file/MISMES%20Moldova.pdf">http://www.etf.europa.eu/webatt.nsf/0/74448D14C3CF2E3CC1257E9A002CABBE/\$file/MISMES%20Moldova.pdf</a>.</p> <p>Project “EC Trust Fund in Moldova for Regional Development and Social Protection” links the social protection with regional development. Specifically, the project includes a component on the construction of a wastewater treatment in Orhei municipality.</p> <p>The National Agency of Employment, a subdivision of the MLSPF, has competencies in the implementation of state policy in the migration domain, including the implementation of international mechanisms and standards of national legislation in the field of social protection of migrants, as well as the implementation of intergovernmental agreements regarding labour activity and the social protection of migrant workers.</p> <p><i>Source: IOM: Extended Migration Profile of the Republic of Moldova. 2012.</i>  <a href="http://publications.iom.int/system/files/pdf/110_emp_report_updated.pdf">http://publications.iom.int/system/files/pdf/110_emp_report_updated.pdf</a></p> <p>In 2008, Moldova was one of the first countries to sign its Declaration of Mobility Partnership with the EU. If initially the EU-Moldova Mobility Partnership was designed as an inter-state co-operation framework, in 2010, it became open for other interested actors, including civil society and international organisations. The emphasis shifted to “migration and development”. A total of 124 projects have been implemented since 2008 in the context of the Mobility Partnership.</p> <p><i>Source: ETF: Migrant Support Measures from and Employment and Skills Perspective (MISMES). 2015.</i>  <a href="http://www.etf.europa.eu/webatt.nsf/0/74448D14C3CF2E3CC1257E9A002CABBE/\$file/MISMES%20Moldova.pdf">http://www.etf.europa.eu/webatt.nsf/0/74448D14C3CF2E3CC1257E9A002CABBE/\$file/MISMES%20Moldova.pdf</a>.</p> <p>Significant progress has been made in enabling Moldovan citizens to transfer social security benefits from Moldova to the country of destination, or from a host country to Moldova. Seven agreements have been signed since with Bulgaria, Portugal, Greece, Romania, Luxembourg, Austria, Czech Republic and Estonia. The negotiators were supported in negotiating agreements through the IOM-implemented and EC-funded project ‘Supporting the implementation of the migration and development component of the EU-Moldova Mobility Partnership’.</p> <p><i>Source: The European Union - Republic of Moldova Mobility Partnership 2008-2011: Evaluation Report.</i> <a href="http://www.mfa.gov.md/img/docs/eu-moldova-mobility-partnership-evaluation.pdf">http://www.mfa.gov.md/img/docs/eu-moldova-mobility-partnership-evaluation.pdf</a>.</p>
<b>JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms</b>		
I-421	In policy dialogue, EU advocates for LA involvement in design, delivery, and monitoring	Regarding Local Authorities, the most relevant guidance document (although post-2013) is the Communication Empowering Local Authorities in partner countries for enhanced governance and more effective development outcomes ( <a href="https://ec.europa.eu/europeaid/sites/devco/files/communication-local-">https://ec.europa.eu/europeaid/sites/devco/files/communication-local-</a>

#	Indicators	Evidence
	of social protection services under supported reforms	<p><i>authorities-in-partner-countries-com2013280-20130515_en_4.pdf</i>).</p> <p>Local governance in Moldova is fragmented and underfinanced and can provide only few services, thus negatively impacting the vulnerable and poor population. Consequently, in 2010, the central government elaborated the Decentralization Strategy including fiscal decentralization. The document was aimed at increasing transparency in the use of public funds, more independence of the local public authorities and greater citizen participation in the decision-making process. However, the Moldovan Parliament decided to halt the implementation of the strategy, which was finally adopted after two years of debates.</p> <p>In addition, the implementation of the Strategy for Regional Development 2013-2015, which implements the decentralisation strategy, is slow due to underfunding (only 1% of the state budget allocated for regional development) and limited capacity of functionaries. The strategy does not provide sufficient clarity on roles and responsibilities of Regional Councils and Agencies, and coordination mechanisms between the Ministry of Regional Development and Construction and line ministries is unclear. Key regional development agencies (Gagauzia, Chisinau, and Transnistria) are not yet established.</p> <p>Source: <a href="http://archive.eap-csf.eu/assets/files/Downloads/english/Draft_National_Decentralization_Strategy_eng.pdf">http://archive.eap-csf.eu/assets/files/Downloads/english/Draft_National_Decentralization_Strategy_eng.pdf</a></p>
I-422	In policy dialogue, EU advocates for NGO and private sector involvement in design, delivery, and monitoring of social protection services under supported reforms	<p>Participatory democracy via civil society involvement was considered as a promising supplement to representative democracy and entered EU documents such as the White Paper on European Governance (EC 2001) and the draft Constitutional Treaty (2004).</p> <p>Among EU institutions, it was the Commission which particularly focused on civil society participation. The EC White Paper on European Governance assigned a key function to civil society for the implementation of good governance by openness, participation, accountability, effectiveness and coherence.</p> <p>Source: <i>Barbara Finke: Civil society participation in EU governance</i>  <a href="http://www.europeangovernance-livingreviews.org/Articles/lreg-2007-2/download/lreg-2007-2BW.pdf">http://www.europeangovernance-livingreviews.org/Articles/lreg-2007-2/download/lreg-2007-2BW.pdf</a>.</p>
I-423	National and international NGOs and private sector firms with specialist expertise contracted for service design and delivery under supported reforms	<p>There is an Alliance of Active NGOs in the Field of Social Protection of Family and Child in Moldova, the Alianța Protecției Sociale a Copilului și Familiei (APSCF). The member NGOs are very diverse and work on different topics: Roma, autism, disabled, HIV positive, etc.  <a href="http://www.aliantacf.md/">http://www.aliantacf.md/</a></p> <p>There are 89 NGOs engaged in child protection. Some are very local, not active, but this is a very strong source of lobbying and expertise. They participated in advocacy and in drafting the 2014-2020 Strategy for Child Protection. They work at three levels: 1) grass roots with children and families; 2) rayon level and 3) national policy with Ministries of Social Protection, Health and Education.</p> <p>One example is Children Communities Families, Moldova that is active on behalf of children under the age of three in particular and was engaged in assistance to residential institutions to deinstitutionalize.</p> <p>Another example is the Project “Developing short break foster care service for children with disabilities in the Republic of Moldova” was implemented by <i>Partners for Every Child</i>, previously a Moldovan branch of the British NGO Every Child but now an independent body.</p> <p>EU also supported work by Association Motivatie, which addresses social protection needs of the disabled.</p>
<b>JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU</b>		
I-431	Evidence of social partners and civil	Civil Society Organisations, through the EU-Moldova Civil Society Platform, are involved in EU-supported activities. The Platform published recently a Report

#	Indicators	Evidence
	society organisations (e.g., advocacy NGOs, research organisations) involved in EU-supported policy development events on SP including international fora	<p>on the rule of law and good governance in Moldova, which formulates a series of recommendations for reinforcing the rule of law and governance in the country. Fighting corruption is the central aspect of the proposed measures. <i>Source: Dumitru Fornea: Rule of Law and Good governance in the Republic of Moldova.</i> <a href="http://www.eesc.europa.eu/resources/docs/final_report_en.pdf">http://www.eesc.europa.eu/resources/docs/final_report_en.pdf</a>.</p> <p>Another report of the Platform deals with the issue of political dialogue and reforms, respectively with aspects related to freedom, security and justice. <i>Source: Ion Guzun: Report on Rule of Law and Good Governance in the Republic of Moldova.</i> <a href="http://www.eesc.europa.eu/resources/docs/report_ion-guzun-eng.pdf">http://www.eesc.europa.eu/resources/docs/report_ion-guzun-eng.pdf</a>.</p> <p>The Moldovan NGO “Contact” has an important role in monitoring the government policies in the field of social protection and social assistance. In 2008, Contact published a practical guide for policy implementation in this sector (<a href="http://www.contact.md/doc/brosura.pdf">http://www.contact.md/doc/brosura.pdf</a>)</p> <p>NGOs were deeply involved in the drafting and adoption of the 2014-2020 Strategy for Child Protection.</p> <p>The 2015-2018 activity on Strengthening the capacity of CSOs for inclusive participation in society of the most marginalised parents and children builds on the earlier efforts. <i>Source: Children, Communities, Families, Moldova Interim report 2015-2016.</i></p> <p>Moldovan child protection NGOs participate in an EU wide campaign to promote deinstitutionalization called Opening Doors, contributing to the Human Rights dialogue in Brussels. <i>Source: Children, Communities, Families, Moldova interview.</i></p>
I-432	Regional and global networks of social protection stakeholders supported	Indicator not relevant at country level.

#### 4.1.5 EQ5

#	Indicators	Evidence
<b>JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially</b>		
I-511	Appropriate capacity development measures supported by EU	<p>Through the implementation of the social sector budget support programme “Assistance to reform in the Moldovan social assistance sector,” the institutional and human capacity of main stakeholders and beneficiaries of the project was significantly improved. A total of 1,135 social workers were trained by the project. In May 2009, the MLSPF organised a training seminar for all the operators from Social Assistance and Family Protection Departments. <i>Source: Review of ENPI 2007 Social Sector Policy Support Programme. 2<sup>nd</sup> Review Final Report.</i></p> <p>The process of planning the activity of ministries and other central administrative authorities was improved substantively by introducing strategic planning and elaboration of 2009-2011 Institutional Development Plans. At the same time, methodological materials on the policy development, monitoring and evaluation system were put in place. According to the 2009 Review, a broad based Public Administration Reform agenda was in place under the Central Public Administration Reform project of the Government, supported by multilateral and bilateral donors including the EU. A number of thorough functional and institutional reorganizations within Government were carried out with the support of TA provided under the social assistance budget support programme. Nevertheless, some delay occurred because of political inconsistency. The third component of the project was designed for reforming the public administration of the country. The project was implemented in line with the Central Public Administration Reform Strategy in the Republic of</p>

#	Indicators	Evidence
		<p>Moldova and the 2008-2009 Government Activity Programme "Progress and Integration."</p> <p>Source: Field mission interviews</p> <p>Under "Assistance to reform in the Moldovan social assistance sector" the EU financed institutional and human capacity building in social assistance through:</p> <ul style="list-style-type: none"> <li>• Defining the organisational structure of the social assistance system management at central and local levels of governance;</li> <li>• Recruitment and training of 900 social workers.</li> </ul> <p>Source: <i>Project Fiche</i></p> <p>Over the period 2005–2007, as part of central public administration reform, the Ministry of Labour Social Protection and Family (MLSPF) was reorganised twice, which had a significant impact on its institutional and political capacity. As a result of the last reorganization, MLSPF received additional powers, particularly with regard to the adoption of children. At local level, the branches of CNAS and NHIC report directly to the centre with no independent decision-making authority or opportunity to directly participate in implementation of local social policies. Only the deconcentrated social assistance entities are vertically subordinated to local public authorities, while methodologically they report to the MLSPF. Their capacities to participate in the process of identifying community needs are limited (as most frequently the initiative comes from the central level), and largely consist of making up lists for payments and provision of material and humanitarian aid. Local authorities find difficulties in distributing the resources allocated annually from the state budget for social development (since the social sector includes proxy policies, such as roads rehabilitation and building of kindergartens and schools, etc.). In addition, fiscal centralization does not allow local authorities to initiate and implement their own local social programmes, or maintain social services, including the contracting and purchasing of social services from service providers.</p> <p>Source: <i>Field mission interviews</i></p> <p>At local level, the project "Developing short break foster care service for children with disabilities in the Republic of Moldova" contributed to strengthening the institutional capacity of local authorities and NGOs to ensure the rights of children with disabilities to quality family-based care. National authorities were offered models of short break foster care for children with disabilities for nationwide replication. Training was provided for members of local gatekeeping commissions in their role of approving, matching and monitoring short break placements. In terms of human capacity building, 137 representatives of local public authorities and 132 social service providers from the five rayons have been trained in the area of social inclusion of persons with disabilities Source: <i>Final Project Evaluation</i></p>
I-512	Weaknesses in SP legal frameworks, identification, registration, payment, etc. systems analysed, appraised, and addressed with EU support	TA provided under "Assistance to reform in the Moldovan social assistance sector" identified the weaknesses of existing social assistance legislation and drafted new legislation in the field, which was adopted by the government. Particular attention was given to strengthening social protection legislation related to child protection. Source: Project Fiche: Assistance to reform in the Moldovan social assistance sector.
I-513	EU support takes SP governance issues into account and addresses gaps and deficiencies	The Study on Social Protection and Social Inclusion in Moldova assessed the social protection governance in the country. It concluded that MLSPF has limited capacity to estimate its own policies, and consequently the costs are evaluated by the CNAS and by the Ministry of Finance (based on their internal use norms). The link between budgetary allocations for the social sector in the MTEF, state social insurance budget and the national public budget are unclear, which diminishes the ability of MLSPF to monitor the implementation of reforms for each program separately and to evaluate their impact on vulnerable groups. Source: <i>Study on Social Protection and Social Inclusion in Moldova</i>

#	Indicators	Evidence
		<a href="http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova">http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova</a> .
<b>JC 52 Nationally defined social protection floors promoted</b>		
I-521	Evidence that the EU advocates in policy dialogue with government to adopt the national social protection floor approach	Neither desk review nor the field mission provide evidence that this has taken place.
I-522	EU support to SP coordinated with ILO country and regional offices	<p>Several common projects were implemented in Moldova by EU and ILO, most of them in a regional or international context. The ILO and EU have collaborated in Moldova to set up tripartite committees to improve workplace health and safety. An important part of the ILO-EU collaboration has been the provision of technical expertise to improve national legal frameworks on migration and to combat human trafficking. Indicators to help identify victims of trafficking were developed through a joint EU-ILO research project and successfully piloted in statistical labour force surveys in Moldova and Georgia. From 2011, the EU financed an ILO project to provide TA on studying the characteristics of emigrating Moldovan workers and to analyse needs for re-insertion of returnees.</p> <p><i>Source: The ILO and the EU, partners for decent work and social justice.</i>  <a href="http://www.ilo.org/wcmsp5/groups/public/@europe/@ro-geneva/@ilo-brussels/documents/publication/wcms_195135.pdf">http://www.ilo.org/wcmsp5/groups/public/@europe/@ro-geneva/@ilo-brussels/documents/publication/wcms_195135.pdf</a>.</p>
<b>JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered</b>		
I-531	EU supported social protection schemes designed / administered on the basis of sound financial and actuarial analysis	<p>The social protection budget support programme “Assistance to reform in the Moldovan social assistance sector” elaborated a financial analysis of the social assistance system of the country and estimated the cost of the new system designed by the project, which included a new package of benefits. EU-financed TA assessed and forecast the additional income for beneficiaries through the introduction of the new system. .</p> <p><i>Source: Project Fiche</i></p> <p>According to the findings of the EU Study on Social Protection and Social Inclusion in Moldova, the cost of social protection programmes is continually growing. The social protection budget represents 60% (without pensions) of public expenditure on social needs. In 2008, it had reached 30% of total expenditures of the national public budget and represented 12% of GDP, having grown by 15.5% from 2000.</p>
I-532	Evidence of EU supporting the transition to sustainable national financing for social protection	<p>The new social assistance scheme proposed under “Assistance to reform in the Moldovan social assistance sector” was adopted by the government of Moldova. The proposed scheme proved to be financially sustainable, as a smaller amount of resources was more effectively targeted at the poorest families.</p> <p><i>Source: Project Fiche</i></p> <p>There is broad agreement among the social partners and experts that the current social insurance pension system in Moldova is not financially sustainable. In 2016, the Prime Minister convened a committee of Ministry of Labour, Social Protection and Family, National Social Insurance House, employers' organizations, trade unions, development partners, associative sector and experts in the field to examine options for pension system reform.</p> <p><i>Source: Field mission interviews.</i></p>
I-533	Evidence of poverty impacts and redistributive effects analysed and monitored at all stages	After the design of the new SA system based on TA provided under “Assistance to reform in the Moldovan social assistance sector,” the system was piloted in three regions. At the end of the pilot phase, a Poverty Impact Assessment reached positive conclusions, as a result of which the new system was adopted nation-wide.

#	Indicators	Evidence
	of EU support to SP	<i>Source: Project Fiche: Assistance to reform in the Moldovan social assistance sector.</i> See also I-513 on difficulties faced by MLSPF in estimating impacts on vulnerable groups.
I-534	Evidence of intergenerational equity issues considered in the design of the EU support to SP.	The EU's emphasis has been on poverty and social exclusion. However the Study on Social Protection in Moldova discussed in detail the fact that, if present trends continue, future social insurance pensioners will receive benefits lower than current ones.
<b>JC 54 Government social protection programmes consolidated and rationalized where necessary</b>		
I-541	Evidence for improved institutional structure and procedures of agencies responsible for social protection with EU support	With the design of a new social assistance system, the Project "Assistance to reform in the Moldovan social assistance sector" contributed to the institutional reorganisation of the central and local institutions in charge of the sector. At central level, the reform concerned the Ministry of Labour, Social Protection, and Family as well as the National Social Insurance House. At local level, the reorganisation affected the regional branches of CNAS and the Sections of Social Assistance and Family Protection belonging to local government. <i>Source: Project Fiche</i>
I-542	Evidence for established / improved coordination mechanisms across all public agencies with SP responsibility	The budget support programme "Assistance to reform in the Moldovan social assistance sector" had a component on monitoring and coordination (horizontal – between institutions at the same level – and vertical between central and local institutions) on social assistance issues. A methodology for implementing the social assistance policy was elaborated by the project. The proposed monitoring and coordination system produced aggregated data by administrative divisions and by gender. On the other hand, the outcomes of the monitoring system feed into the poverty reduction policy formulation and preparation of the social assistance budget. <i>Source: Project Fiche: Assistance to reform in the Moldovan social assistance sector.</i> See I-513 for difficulties of coordination between the national public budget (i.e., Ministry of Finance) and social protection (i.e., MLSPF).
I-543	Universal approaches favoured over targeted ones where appropriate (in EU support)	The universal approach prevails in case of some non-means tested benefits. Within this category, a wide range of benefits are granted: Targeted compensations; State social allocations; Allocations for care; Death allocations; State monthly allowances; Nominative monthly allowances; One-off allowance on the birth of a child; Allowance for child care up to the age of 1.5 years; Allowances for tutorship/guardianship and adoption of children; Compensation to participants in the aftermath of the Chernobyl accident; Compensation instead of treatment vouchers for war invalids; Compensations for costs of urban, suburban and long distance transportation; Compensations of transportation costs; Compensation of costs for trips within CIS member states. <i>Source: Study on Social Protection and Social Inclusion in Moldova</i> <a href="http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova">http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova</a> .

#### 4.1.6 EQ6

#	Indicators	Evidence
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#	Indicators	Evidence
<b>JC 61 Social protection as a human right promoted at all levels</b>		
I-611	Thematic, regional and country strategies and interventions incorporate rights-based approach to SP	<p>There is no explicit mention of rights-based approach to SP in EU strategic documents for Moldova.</p> <p>In his 2015 Report, the National Ombudsman noted that complaints regarding social assistance and social insurance rank third in volume among complaints received in his office. The main thrust of the report is that benefits are so low that it is impossible to judge that the human right to social protection is satisfied in Moldova.</p> <p>Source:  <a href="http://ombudsman.md/sites/default/files/document/attachments/raport_2015_engleza.pdf">http://ombudsman.md/sites/default/files/document/attachments/raport_2015_engleza.pdf</a></p>
I-612	Evidence that EU advocates for a rights-based approach in global fora	Indicator not relevant at country level.
<b>JC 62 EU support addresses concerns about excluded populations</b>		
I-621	Gender, disability, ethnic minority, children's, etc. issues mainstreamed in EU SP support	<p>The EU Study on Social Protection and Social Inclusion in Moldova concludes that the impact of poverty on households led by women is greater than that of households led by men, with an especially high poverty rate (36.3%) among aged women living in rural areas. The category of households headed by elderly women includes aged persons whose main income source is pensions, and households with three or more children.</p> <p>The Study also identify disabled persons as being particularly vulnerable. Poverty incidence is by two percentage points higher for disabled people than for the total population. The most affected by poverty are the disabled from rural areas, with a poverty rate of 32.3%.</p> <p>The social exclusion of the Roma minority and the high poverty rates of this group is a factor that could compromise policies introduced for social and economic development. Roma are considered as a special group deserving particular attention in this context.</p> <p>According to a study carried out in 2005, 28% of the poor population were children, making them a highly vulnerable group. A total of 56% of Moldovan households have at minimum one child less than 18 years. In 2005, 80% of poor children lived in rural areas. Children under 3 years old faced a higher poverty risk than other categories. Among 15–17 years-old, only 58% of poor children were included in the educational system, compared to 81% of the children unaffected by poverty.</p> <p>Source: <i>Study on Social Protection and Social Inclusion in Moldova</i>  <a href="http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova">http://www.euneighbours.eu/library/content/study-social-protection-and-social-inclusion-moldova</a>.</p> <p>NGO-implemented projects implemented under “Addressing needs of vulnerable layers of population in the Republic of Moldova” assisted the government to address the needs of vulnerable layers of population, and is therefore highly relevant for the existing needs. The activities were carried out within three components: Monitoring of the better targeted social assistance system, Training, and Coordination, and information flow in the social sector. Trying to avoid duplication with other donors’ activities, the project focused on proposing norms, fraud prevention and detection, and on training of the advanced level trainers and ensure a cascade approach for lower levels.</p> <p>Source: <i>Project fiche</i></p>
I-622	NGO/CSO capacity to advocate in for SP needs of excluded populations strengthened	<p>With the adoption by the Moldovan government of the two subsequent strategies for developing civil society (2008 – 2011 and 2012 – 2015) and with EU support in this area, the overall situation of Moldovan NGOs improved significantly.</p> <p>According to the 2010 NGO Sustainability Index of the UN, the highest progress was recorded with respect to Advocacy and Infrastructure. At the same time, the legal environment was more supportive of NGO work; there was</p>

#	Indicators	Evidence
		<p>more openness to co-operation from both national and local governments, including particularly the formation of a National Participation Council. In terms of service provision, the NGOs diversified their offer, in particular in the field of social services.</p> <p>Source: 2010 NGOs Sustainability Index. November 2011. <a href="https://www.usaid.gov/sites/default/files/documents/1863/2010complete_document.pdf">https://www.usaid.gov/sites/default/files/documents/1863/2010complete_document.pdf</a>.</p> <p>The NPC consists of 30 members, representatives of organized civil society groups. The National Participation Council intends to facilitate involvement of all interested stakeholders in designing, implementing, monitoring, evaluation and updating of strategic planning documents. The NPC mission is to contribute to the adoption of public policy decisions which would correspond to the interests of society. Its aim is to develop and promote strategic partnership between public authorities, civil society and private sector to strengthen participatory democracy in Moldova, by facilitating stakeholders' communication and participation in identifying and achieving strategic priorities for country development at all stages and by creating the institutional framework and capacities to ensure the full involvement of stakeholders in the decision-making process.</p> <p>Source: <a href="http://www.cnp.md/en/about-npc/overview">http://www.cnp.md/en/about-npc/overview</a></p>
<b>JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage)</b>		
I-631	Trend in non-contributory pension as percentage of average wage (2011)	<p>According to ILO, the non-contributory pension as a percentage of average wage represented only 1.6% in 2011 (about USD 4). Only 0.6% of population aged 60+ and 0.8% of population aged 65+ received a non-contributory pension.</p> <p>This was significantly increased in subsequent years and pension are now indexed annually.</p> <p>Source: ILO Social Protection Report 2014 <a href="http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/lang--en/index.htm">http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/lang--en/index.htm</a>.</p>
I-632	Trend in adequacy of social assistance benefits	<p>The adequacy of total social safety nets in Moldova increased from 8.71% in 2010 to 9.04% in 2013.</p> <p>Source: <a href="http://www.indexmundi.com/facts/moldova/indicator/per_sa_allsa.adq_pop_tot">http://www.indexmundi.com/facts/moldova/indicator/per_sa_allsa.adq_pop_tot</a>.</p> <p>There is a continuing upward trend... The amount as of April 1, 2017 is 961 lei for the first person in the household (per month). For the second person it is 75% and for all children it is 50% without limitation on the number of children. For children that are 0-3 years old if there is a maternity benefit paid from the social insurance system it is not included in the calculation. They also do not count 200 lei per person of income, and do not count any agricultural income during the cold months. It is a ten year old program, it has been adjusted repeatedly. There was a time when 80% of families receiving benefits had children. Now it is 55%.</p> <p>Social assistance is indexed at the same time as pensions, on April 1. It increased by 61 lei last time and it is expensive for the budget.</p> <p>Source: Field mission interviews.</p> <p>The pension reform law of December 2016 introduced a number of very important pension reforms and the MLSPF has worked extremely hard with the CNAS to develop implementation rules. The reform included a gradual increase in retirement age and also better lifetime consumption smoothing by introducing valorization of income. Valorization requires updating income to reflect change in the value of money, to be phased in starting on April 1. The new formula requires some normative acts to further define the calculation of pensions. In addition, there is a threat to sustainability presented by military and other uniformed service pensions transferred to CNAS, several other pension implementation questions, and other reforms, including possibly introduction of basic pensions. The law adopted a formula that will reflect valorization for years of service after 1999, implemented on a monthly basis. Wages for 1999 and</p>

#	Indicators	Evidence
		2000 were real, and the adjustment is for the years 2001-2008. However, these changes while critically important for current retirees, will not affect the drop in contributors. Note that TA provided to this social insurance reform was financed by WB, not the EU. <i>Source: Field mission interviews</i>
I-633	Trend in adequacy of unemployment benefit: Percentage of unemployed receiving unemployment benefits (contributory and non-contributory schemes)	The adequacy of unemployment benefits increased from 19.28% in 2010, to 20.12% in 2013. <i>Source: <a href="http://www.indexmundi.com/facts/moldova/unemployment-benefits">http://www.indexmundi.com/facts/moldova/unemployment-benefits</a>. For percentage of unemployed receiving benefits, see I-221.</i>
I-634	Social protection expenditure as proportion of GDP: Spending on working age population. Spending on the elderly (2012) Spending on children	Social protection expenditure (including health care) amounted to 18.3% of GDP in 2013. This share increased steadily between 2000 and 2009, and then started to decline with the introduction of a more efficient targeting system in social assistance: <ul style="list-style-type: none"> <li>• 2000: 15.16%,</li> <li>• 2005: 15.52%,</li> <li>• 2007: 17.48%,</li> <li>• 2009: 21.41%,</li> <li>• 2011: 18.61%,</li> <li>• 2013: 18.3%.</li> </ul> In 2013, the share of health care spending in GDP represented 5.2%. The spending with older persons represented 7.4% of GDP in 2012 <i>Source: ILO Social Protection Report 2014</i> <a href="http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/lang--en/index.htm">http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/lang--en/index.htm</a> .

#### 4.1.7 EQ7

#	Indicators	Evidence
<b>JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context</b>		
I-711	The choice of modalities and implementing partners reflects clearly identified comparative advantages and institutional capacity needs and constraints	The choice of aid modality depends on the specific needs and priorities of the country. Since 2007, less importance was given to technical assistance as the Budget Support became the predominant tool of EC assistance. This choice is motivated by the fact that the new co-operation framework through the BS programmes is based on undertaking reforms and conditionality. The reform priorities are jointly agreed by EU and Moldovan government; for the period 2007 – 2013, the agreed priority sectors are social assistance, health, rural development and vocational education. In these sectors, the direct budget support has the advantage of funding being provided for a broad range of reforms planned by the government over a given period of time (general BS) or for a given sector (sectorial BS). This helps to better implement the planned reforms and the overall partnership principles. <i>Source: EU Budget Support to Eastern Partnership Countries. 2014 Report on Moldova, Georgia and Ukraine. <a href="http://archive.eap-csf.eu/assets/files/WG1_EU%20Budget%20support_last_en.pdf">http://archive.eap-csf.eu/assets/files/WG1_EU%20Budget%20support_last_en.pdf</a></i> In terms of stakeholders' capacity, since 2007 the Budget Support programmes were clearly agreed with the government and discussed with civil society. Since the end of 2008, the Moldovan Prime-Minister has set up and personally chairs the Steering Committee meetings of the social SBS (EUR 20 million). This high-level commitment shows the importance of EC budget support to Moldova and helps to implement corrective policy measures in the chosen sectors. In December 2008, the Prime-Minister decided to establish a more technical working group on the EC social budget support. <i>Source: Evaluation of the EC support to the Republic of Moldova.</i>

#	Indicators	Evidence
		<p><a href="https://ec.europa.eu/europeaid/sites/devco/files/evaluation-cooperation-ec-moldova-1094-response-200711_en_0.pdf">https://ec.europa.eu/europeaid/sites/devco/files/evaluation-cooperation-ec-moldova-1094-response-200711_en_0.pdf</a>.</p> <p>The presence of reasonably sound financial management capacity and adequate ownership provide a good basis for GBS in Moldova. The EU Technical Assistance has significantly advanced policy formulation in Moldova, in particular in the sectors of Justice and Home Affairs, Small and Medium Enterprises development, Trade and Foreign Direct Investments promotion, Environment.</p> <p><i>Source: Evaluation of the European Commission's Support to the Republic of Moldova.</i> <a href="https://ec.europa.eu/europeaid/sites/devco/files/evaluation-cooperation-ec-moldova-1094-summary-200711_en_0.pdf">https://ec.europa.eu/europeaid/sites/devco/files/evaluation-cooperation-ec-moldova-1094-summary-200711_en_0.pdf</a>.</p> <p>However, the programmes were not sufficiently aligned with Moldovan strategies and their potential benefit was reduced because the EU did not fully use its power to set preconditions for payment. The EU could have been more stringent when assessing whether conditions had been fulfilled and the granting of additional incentive-based funds was not fully justified.</p> <p>The scope and timing of projects was not always well coordinated with budget support programmes. Specific technical assistance for the development of administrative capacity did not start until months after the main BS programme. Other TA and twinning projects were not always used to prepare or support BS programmes. While projects generally delivered the expected outputs, the results were not always sustainable due to a lack of political will and other external factors.</p> <p><i>Source: Review of ENPI 2007 Sector Policy Support Programme. Final Report. September 2009.</i></p> <p>The EU interventions have been implemented through a combination of national and international institutions, involving both governmental and non-governmental partners. For example, the EU-Italian project on disabled children was implemented by a local NGO (Partnership for Every Child), while the EU-WB trust fund project was co-financed and implemented by the World Bank. The choice of Partners for Every Child as implementing organisation was based on the experience of the NGO in the field. Partners for Every Child was the Moldovan branch of the UK organisation Every Child (now it is a separate organization).</p> <p><i>Source: Final Project Evaluation.</i></p> <p>In terms of national counterparts, Project "Addressing needs of vulnerable layers of population in the Republic of Moldova" worked directly with the Ministry of Social Protection, Family and Children, while Project "Developing short break foster care service for children with disabilities in the Republic of Moldova" mostly with local authorities.</p> <p><i>Source: Review of ENPI 2007 Social Sector Policy Support Programme. 2nd Review Final Report.</i></p> <p>Part of the financial support to Moldova was channelled through international institutions. Within the list of selected projects for evaluation, Project "EC Trust Fund in Moldova for Regional Development and Social Protection", on regional development, was implemented by the World Bank.</p> <p><i>Source: Contract Annex.</i></p>
I-712	The approach employed by the EU fosters high quality dialogue between the EU and national stakeholders	<p>In 2003, Moldovan authorities reiterated their will to further strengthen their relationship with the EU. Moldova subsequently produced a "concept paper" for promoting integration into the EU. Divisions responsible for coordinating the European integration process have been created in all ministries, with the Department for European Integration within the Ministry of Foreign Affairs and European Integration playing a coordinating role. The current relations between EU and Moldova are based on the 2014 Association Agreement.</p> <p><i>Source: CSP 2007-2013.</i></p> <p>Policy dialogue on SP with the government has been consistently of high quality and has improved notably since 2009.</p> <p><i>Source: Field Mission interviews</i></p>

#	Indicators	Evidence
I-713	The aid delivery methods and channels used promote ownership of SP by national stakeholders	<p>The budget support programme “Assistance to reform in the Moldovan social assistance sector” designed a new, more efficient and effective social assistance system, which was adopted by the central government. The project also drafted the new legislation related to social assistance means-tested benefits, which was equally endorsed by the Moldovan authorities.</p> <p><i>Source: Project fiche</i></p> <p>Recently, a Court of Auditors Report has found only limited success of EU support for Public Sector Administration, in part because of lack of political will and in part due to failure to properly align with national priorities.</p> <p><i>Source: <a href="http://www.eca.europa.eu/en/Pages/DocItem.aspx?did=37235">http://www.eca.europa.eu/en/Pages/DocItem.aspx?did=37235</a>.</i></p> <p>EU technical assistance has contributed to a sound financial management capacity and adequate ownership, to advanced policy formulation in a number of sectors including social protection, as well as to civil society development, mostly in the social service delivery sector.</p> <p><i>Source: <a href="https://ec.europa.eu/europeaid/sites/devco/files/evaluation-cooperation-ec-moldova-1094-summary-200711_en_0.pdf">https://ec.europa.eu/europeaid/sites/devco/files/evaluation-cooperation-ec-moldova-1094-summary-200711_en_0.pdf</a></i></p> <p>See also I-711 on use of the Budget Support modality.</p>
<b>JC 72 EU financed interventions in the social protection field are mutually reinforcing</b>		
I-721	Financing instruments (bilateral vs. regional, geographic vs. thematic) are combined to exploit complementarities and promote synergies	<p>The various interventions in the social protection sector are interlinked through the Harmonisation Action Plan prepared in 2008 and followed by a sector-wide Consultation and submitted for approval to the Social Protection Coordination Group (SPCG) in June 2009. In parallel, a Donor Sector Mapping Report was prepared by the DFID/SIDA project in co-operation with the Social Protection Coordination Group in 2008, which outlines the future donor plans, roles and characteristics of interventions in the sector.</p> <p><i>Source: Review of ENPI 2007 Social Sector Policy Support Programme. 2nd Review Final Report.</i></p> <p>The scope and timing of projects was not always well coordinated with budget support programmes. Specific technical assistance for the development of administrative capacity did not start until months after the main BS programme. Other technical assistance and twinning projects were not always used to prepare or support BS programmes. While projects generally delivered the expected outputs, the results were not always sustainable due to a lack of political will and other external factors.</p> <p><i>Source: Review of ENPI 2007 Sector Policy Support Programme. Final Report. September 2009.</i></p> <p>Starting with 2007, the EC assistance to Moldova has been provided through a set of instruments that ensures complementarity of support:</p> <ul style="list-style-type: none"> <li>• ENPI, including national and transnational/regional, cross-border and thematic components. The instrument is faster and more flexible, reducing the complexity and length of programming process;</li> <li>• Stability Instrument, which is effective in the area of conflict prevention and crisis management and resolution. The instrument is particularly relevant for Moldova with regard to the Transnistria conflict;</li> <li>• Technical Assistance, although this is no longer the predominant channel for assistance, is important for capacity building and institutional strengthening;</li> <li>• Twinning or TAIEX, which play an essential role in achieving the Action Plan objectives through sustainable relationships with EU institutions;</li> <li>• Budget Support, in particular in the context of sector-wide approaches;</li> <li>• The Instrument for the Promotion of Democracy and Human Rights (EIDHR II), which helps in consolidating the democracy;</li> <li>• Thematic programmes (Migration and Asylum, Human and Social Development – Investing in People, Environment and sustainable management of natural resources, etc.). Thematic programmes are implemented using a horizontal approach, being therefore relevant in a regional context.</li> </ul>

#	Indicators	Evidence
		<p>Sources: i) CSP 2007 – 2013 ; ii) EU: <a href="https://ec.europa.eu/europeaid/how/finance/eidhr_en.htm_en">https://ec.europa.eu/europeaid/how/finance/eidhr_en.htm_en</a> ; iii) EC : <a href="https://ec.europa.eu/europeaid/sites/devco/files/publication-introduction-thematic-instruments-programmes-2011-2013_en.pdf">https://ec.europa.eu/europeaid/sites/devco/files/publication-introduction-thematic-instruments-programmes-2011-2013_en.pdf</a></p> <p>For a comprehensive enumeration of all sources of support for Moldova as of 2012, see <a href="http://ncu.moldova.md/public/files/2_EU_Assistance_Moldova_-KS-EN.pdf">http://ncu.moldova.md/public/files/2_EU_Assistance_Moldova_-KS-EN.pdf</a>.</p>
I-722	EU support to SP in partner countries has been reinforced by the mobilisation of expertise from EU Member States (via instruments such as TAIEX/Twinning or the SOCIEUX facility)	<p>While it is not known whether SOCIEUX was active in Moldova in 2007-13, in subsequent months it has supported the development of vocational rehabilitation services for persons with disabilities (see <a href="http://international.gvg.org/cms/medium/51/SOCIEUX_2014-13_MOLDOVA_Post_Info_Note.pdf">http://international.gvg.org/cms/medium/51/SOCIEUX_2014-13_MOLDOVA_Post_Info_Note.pdf</a>). This is in support of the 010 Social Inclusion Strategy for Persons with Disabilities. Moldova is not eligible for PROGRESS.</p>
<b>JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored</b>		
I-731	Frequency of delays in implemented interventions related to SP	<p>The Policy Matrix of the Review of ENPI 2007 Social Sector Policy Support Programme finds no deviation in the implementation of support in the social assistance area.</p> <p>Source: <i>Review of ENPI 2007 Social Sector Policy Support Programme. 2nd Review Final Report.</i></p> <p>See I-721 for delays in TA delivery and consequent loss of impact on budget support.</p>
I-732	Transaction costs are minimised for all parties involved	<p><i>Very limited information has been found on this indicator. In general, budget support has been found by evaluations to be an effective means of reducing transaction costs.</i></p>
I-733	Monitoring and evaluation allows for adjustment of SP support responding to performance and context	<p>A policy monitoring and evaluation system was developed by MLSPF (Order No 74/2009) for the law on social support. The GoM elaborated the <i>Guidelines on Policy Formulation and Evaluation</i>, providing guidance in how to prepare evidence-based policy development, to avoid presenting law proposals to the Government and the Parliament that lack solid analysis, including coverage, winners and losers, costings, etc.</p> <p>Apart from the Study on Social Protection and Social Inclusion in Moldova, the EU carried out an evaluation of the social sector interventions of 2007. The evaluation identifies the main problems in implementing the EU support and provides recommendations for adjusting the EU assistance in the sector according to the new developments in the country. Overall, the Social Assistance Reform is on track, but with delay in two 2009 actions concerning the performance monitoring and evaluation and policy improvement systems.</p> <p>The evaluation uses the standard EU monitoring principles: the report includes the Policy Matrix Review for each of the three areas assessed (Social Assistance, PFM, and PAR).</p> <p>Source: <i>Review of ENPI 2007 Social Sector Policy Support Programme. 2nd Review Final Report.</i></p> <p>The budget support programme “Assistance to reform in the Moldovan social assistance sector” proposed a monitoring system of social assistance outcomes, which was adopted by the government.</p> <p>Source: <i>Appendix 3 of the project Assistance to reform in the Moldovan social assistance sector.</i></p> <p>Independent – non-governmental – monitoring also takes place. The NGO Viitorul published in 2009 an assessment of the ENPI funding in Moldova in comparison with the impact of the instrument in the region (Armenia, Azerbaijan and Georgia).</p> <p>Source: <i>Igor Munteanu: Olesea Cruc; Ghenadie Mocanu: Assessment of ENPI Funding Monitoring for Moldova. Viitorul, July 2009.</i></p>

#	Indicators	Evidence
		<p>For an example of GoM monitoring of external assistance, see <i>State Chancellery of the Republic of Moldova: 2012 Annual Report on external assistance provided to the Republic of Moldova</i> <a href="http://www.ncu.moldova.md/public/files/AE_REPORT_2012_eng.pdf">http://www.ncu.moldova.md/public/files/AE_REPORT_2012_eng.pdf</a>.</p> <p>The National Ombudsman also, in his Annual reports, regularly reports on Moldova's performance in social protection from a human rights perspective.</p>

#### 4.1.8 EQ8

#	Indicators	Evidence
<b>JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs</b>		
I-811	Institutional structures / mechanisms in place to coordinate SP policies and interventions across MSs and other international donors	<p>The technical assistance to Moldova provided by various international and bilateral donors in the field of Social Protection and Cash Benefits Reform is coordinated through a specific mechanism – the Multi-Donor Programme (MDP). The MDP is led by DfID and includes as principal donors the EC, SIDA, the World Bank, and UNICEF.</p> <p>At the same time, on behalf of the Moldovan government, the overall donor coordination in the social sector is under the leadership of GoM/MLSPF and the SPCG, established in October 2007 and chaired by the Minister/Vice Minister of MLSPF.</p> <p><i>Source: Review of ENPI 2007 Social Sector Policy Support Programme. 2nd Review Final Report.</i></p> <p>On 19 January 2010, the government of Moldova approved the Decision 12, which stipulates the regulations regarding the institutional framework and the mechanisms of coordinating foreign assistance granted to Moldova by international organisations and foreign donors, and requires the creation of sectoral committees to manage external assistance. The State Chancellery is given the position of national authority in charge of foreign assistance coordination, with the National Coordination Unit (NCU) in the Ministry of Foreign Affairs and European Integration in a subordinate supporting role. In April 2011, a Joint Partnership Council, chaired by the prime minister, was established. Its main duties were to facilitate consultation with respect to the development agenda, and monitor the implementation of national development documents and foreign assistance contribution.</p> <p>Once the national mechanisms of external assistance coordination were defined in January 2010, elements like the National Coordinator, Sector Coordinator, Territorial Councils, Joint Partnership Council and the donors' monthly meetings became platforms for permanent co-operation for coordination and improvement of the external development aid in Moldova.</p> <p>Coordination works relatively well in some areas. For instance, in the field of work and social security, donor meetings themselves are not very effective, but the Ministry of Labour, Social Protection and Family has competent experts on foreign assistance. Donor coordination also functions well in the health sector, thanks to the strong ownership taken by the Ministry of Health and pre-donor coordination carried out by the World Health Organisation.</p> <p>The key donor interventions in the Social Assistance reform/Cash benefits reform is covered by a multi-donor programme, led by the DfID and including SIDA, the EU, the World Bank, and UNICEF. The overall donor coordination in the social sector is under the leadership of GoM/MLSPF and the SPCG, established in October 2007, and chaired by the Minister/Vice Minister of MLSPF with a donor representative acting as Vice Chair on a 6-monthly rotation basis and the DFID/SIDA Project as secretariat.</p> <p><i>Source: Review of ENPI 2007 Sector Policy Support Programme (SPSP) 2nd Review Final Report. Framework Contract Beneficiaries, Lot 11. Letter of Contract N° 2008/165085, September 2009.</i></p> <p>The EU coordinates with other Member States and donors the assistance in the social protection sector through the mechanism of mapping of development</p>

#	Indicators	Evidence
		<p>partner assistance to implementation of the Moldovan National Development Strategy (NDS). The mapping, implemented by UNDP, is part of the process of ensuring coherent development partner support to the implementation of Moldova's NDS, and to understand how development partners are supporting specific NDS objectives or programmes, and to get an indication of plans for the future. The mapping comprises four parts, which in turn are mapped against the NDS objectives: Type and level of co-operation; Capacity of the donor organisation; Self-assessment of comparative advantage; Future engagement.</p> <p><i>Source: Review of ENPI 2007 Sector Policy Support Programme (SPSP) 2nd Review Final Report. Framework Contract Beneficiaries, Lot 11. Letter of Contract N° 2008/165085, September 2009.</i></p>
I-812	EU is able to leverage its support by generating funding from other sources	Two successful examples of leveraging EU support were the WB-EU Regional Trust fund, used to support social protection in rural area, and the jointly financed EU-Italy project on short breaks for caregivers of disabled children.
<b>JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment)</b>		
I-821	DEVCO-financed SP support cross-refers to policies and strategies of other relevant DGs and avoids duplication and conflicts	
I-822	Existence of inter-DGs coordination on SP	<p>DG DEVCO works hand-in-hand with other Commission services, EU institutions and member countries on development matters. Different Commission services and EU institutions are directly or indirectly involved in development policy. While the DEVCO is responsible for defining development policy and for implementing aid, many other EU policies have an impact on developing countries and are therefore coordinated with development policy. To strengthen coherence between external relations and development co-operation, the latter is conducted within the framework of the EU's external action as defined by the EEAS.</p> <p><i>Source: <a href="http://ec.europa.eu/europeaid/relations-eeas-eu-institutions-and-member-states_en">http://ec.europa.eu/europeaid/relations-eeas-eu-institutions-and-member-states_en</a>.</i></p>

## 4.2 Overview of EU-funded key interventions

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>	<i>Implementing partner(s)</i>
ENI	Addressing needs of vulnerable layers of population in the Republic of Moldova	2008-2010	1,152,144	Various NGOs
ENI	EC Trust Fund in Moldova for Regional Development and Social Protection	2008-2012	12,500,000	Ministries of Health, Social Protection and Education and World Bank
ENI	Assistance to reform in the Moldovan social assistance sector (Social Sector Budget Support)	2008-2013	20,000,000	Government of Moldova
ENI	Addressing the Negative Effects of Migration on Minors and Families Left Behind	210-2012	1,500,000 and 500,000 co-financed by the Italian Ministry of Labour and Social Policies	Ministry of Labour Social Protection and Families with the Italian Ministry of Labour
ENI	Developing short break foster care service for children with disabilities in the Republic of Moldova	2011-2012	197,220	Partnership for Every Child
ENI	Technical Assistance for Social Sector Budget Support – Implemented by GOPA EUD indicated dissatisfaction with this assistance to the Ministry of Finance; unable to interview relevant beneficiaries during site visit due to passage of time	2007-2010		
ENI	Public Private Partnership for the Sustainable Development of Locally Governed Disability Services: Supporting Decentralization Reform Mobile units, implemented by Keystone	2012-2014		

### 4.3 List of people interviewed

<i>Surname</i>	<i>First name</i>	<i>Organisation/ Unit</i>	<i>Responsibility</i>
Dnestryan	Tatiana	UNICEF	Child Protection Specialist
Ionascu	Alexei	World Bank	Program Manager
Jamar Nikuri	Barbara Basia	UNICEF	Chief Child Protection
Mamaliga	Daniela	Partnership for Every Child	Acting Director
Martins	Deolinda	UNICEF	Social Policy Specialist
McCabe	Genevieve	GOPA	Employment Services Expert
Parii	Anna	Partnership for Every Child	Child Protection Expert
Popescu	Djulieta	Ministry of Labour Social Protection and Family (MLSPF)	Head of Social Policies Department
Rotaru	Liliana	Children, Communities, Families Moldova(CCF)	Executive Director
Schaeffer	Fabien	EU Delegation	Programme Officer
Smolyar	Julia	World Bank	Project Manager
Sofianopoulos	Yannis	GOPA	Team Leader
Stratan	Iuliana	EU Delegation	Interim Project Manager
Tarus	Corneliu	MLSPF	Head of Child Protection Department

## 4.4 Bibliography

### 4.4.1 EU strategy and programming

- European Commission (2007): Country Strategy Paper for Republic of Moldova 2007 – 2013.
- European Commission: Single Support Framework for EU support to the Republic of Moldova (2014-2017).
- Moldova - European Community: National Indicative Programme for the period 2007-2010 draft from February 22, 2006, for the period 2007-2010 and for the period 2011-2013.

### 4.4.2 Project documentation

The team reviewed the available project documentation (action fiches/TAPs, grant contracts, implementation and monitoring reports, evaluations, etc.) of the following interventions (see also details in the list presented in Annex 2):

- Addressing needs of vulnerable layers of population in the Republic of Moldova.
- EC Trust Fund in Moldova for Regional Development and Social Protection.
- Assistance to reform in the Moldovan social assistance sector (Social Sector Budget Support)
- Addressing the Negative Effects of Migration on Minors and Families Left Behind.
- Developing short break foster care service for children with disabilities in the Republic of Moldova.
- Strengthening the capacity of CSOs for inclusive participation in society of the most marginalised parents and children
- Public Private Partnership for the Sustainable Development of Locally Governed Disability Services: Supporting Decentralization Reform Mobile units.

### 4.4.3 Evaluation and studies

- Civil Society Forum (2014) Report on Budget Support Provided to Moldova, Georgia and Ukraine.
- EC (2011): Vademecum on Working Relations with the European External Action Service
- EC: COM (2013) 280 final - Empowering local authorities in partner countries for enhanced governance and more effective development outcomes.
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- EP (2013): Feasibility of Social Protection Schemes in Developing Countries.
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- EU-Moldova Civil Society Platform: 1st Meeting 10 May 2016: Report on Rule of Law and Good Governance in the Republic of Moldova; drafted by Ion Guzun (EU-MD Civil Society Platform).
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- FES (2015): Annual Review of Labour Relation Moldova.
- Government of Moldova (2015) - Overview of Budget Support in MD.
- IDIS (2009): Assessment of ENPI Funding Monitoring in the Republic of Moldova.
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- WHO (2015) Tracking Universal Health Coverage - First global monitoring report.
- Women's Law Centre (2011): Men and gender equality in the Republic of Moldova.
- World Bank (2007): 2007 WB - ICR of Social Protection Management Project.

#### 4.4.4 Other

- EU-Moldova: Progress Report on the Implementation of the Republic of Moldova - European Union Association Agenda - September 2014 - March 2016.
- State Chancellery of the Republic of Moldova (2011 & 2012): Annual report on external assistance to Moldova.
- EC: External Assistance Management Report - EC Delegation to Moldova: 2008, 2009, 2010, 2011, 2012, 2013, and 2014.

#### 4.4.5 Web links

- EU Delegation in Moldova: [https://eeas.europa.eu/delegations/moldova\\_en](https://eeas.europa.eu/delegations/moldova_en).
- Ministry of Labour, Social Protection and Family: <http://www.mmpsf.gov.md/>.
- National Bureau of Statistics: <http://www.statistica.md/index.php?l=en>.
- World Bank:  
<http://data.worldbank.org/indicator/BX.TRF.PWKR.DT.GD.ZS?locations=MD>
- GOPA Consulting (VET Sector) <http://www.gopa.de/en/projects/support-vocational-education-and-training-sector>
- Alliance of Active NGOs in the Field of Social Protection of Family and Child (APSCF) <http://www.aliantacf.md/>  
Child Pact Child Protection Index <http://www.childpact.org/2017/04/26/moldova-apscf-launches-the-child-protection-index/>





# Evaluation of EU support to social protection in external action

2007-2013

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Final Report

Volume II

Country Report – Montenegro

January 2018

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*Evaluation carried out on behalf of the European Commission*



The evaluation was carried out by:  
Landis MacKellar – Team Leader

Contributions from:

Ana Maria Femenia Garcia – Team Member

Zehra Kacapor-Dzihic – Team Member

Tino Smail – Team Member

Lena Zezulin – Team Member

Georg Ladj – Quality Control

Ana Vilar – Backstopping

Dominika Socha & Jana Bobokova – Evaluation  
Managers

The evaluation is being implemented by Particip GmbH (leader) and AETS and managed by the DG NEAR A4 Multi-annual Financing Framework, programming and evaluation unit.

The author accepts sole responsibility for this report, drawn up on behalf of the Commission of the European Union. The report does not necessarily reflect the views of the Commission.



## Country Report – Montenegro

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EU support to social protection in Enlargement countries includes both technical and financial support provided through the IPA instrument and continuous dialogue and exchange of information in the context of accession negotiations. Although the team has tried to capture some of the complex processes taking place in relation to accession negotiations and social protection-related legal and policy reforms, most of the information available concerns IPA financial and technical assistance. Despite the emphasis on IPA financial and technical assistance in the analysis, it is important to see IPA assistance only as one part of the broader cooperation between the EU and the beneficiary.

## List of acronyms

BROP	Body responsible for the Operational Programme
BRPM	Body responsible for priority/measure
CBC	Cross-Border Cooperation
CFCU	Directorate for Financing and Contracting of the EU assistance funds
CSW	Centre for Social Work
DEVCO	The Commission's Directorate-General for International Cooperation and Development
DOA	Description of Action
EAM	Employment Agency of Montenegro
EIB	European Investment Bank
ENP	<i>European Neighbourhood and Partnership</i>
ESRP	Employment and Social Policy Reform Programme
EU	European Union
EUD	European Union Delegation
EUHQ	European Union Headquarters
GDP	Gross Domestic Product
GOM	Government of Montenegro
HIF	Health Insurance Fund
HOS	Head of the Operating Structure
HRD	Human Resource Development
HRD OP	Human Resource Development Operational Programme
IDP	Internally Displaced Person
ILO	International Labour Organisation
IMF	International Monetary Fund
IPA	Instrument for Pre-Accession Assistance
JC	Judgement Criterion
MDTF	Multi-Donor Trust Fund
MoH	Ministry of Health
MLSW	Ministry of Labour and Social Welfare
MIPD	Multi-indicative Planning Document
MoE	Ministry of Education
MoF	Ministry of Finance
MoFA	Ministry of Foreign Affairs
MOP	Family Financial Support
MR	Monitoring Report
MSs	Member States
NGO	Non-governmental organisation
NHDR	National Human Development Report
NIPAC	National IPA Coordinator
OP	Operational Programme
PIO FUND	Pension Insurance Fund
PWD	Persons with disability
RAE	Roma, Ashkali, Egyptians
ROM	Result Oriented Monitoring
SIF	Social Inclusion Fund

SOCIEUX	Social Protection European Union Expertise in Development Cooperation
SOP	Sectoral Operational Programme
SP	Social Protection
SPIS	Social Protection and Inclusion System
SPO	Senior Programme Officer
TAIB	Technical Assistance for Institution Building
TAIB	Technical Assistance for Institution Building
UN	United Nations
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UoM	Union of Municipalities
WB	World Bank
WBIF	Western Balkans Investment Framework
WHO	World Health Organisation

# 1 Introduction

## 1.1 Purpose of the country report

This report is framed within the field phase of the evaluation. During the inception phase, the evaluation framework was developed, i.e. the EU's intended intervention logics of its support to social protection (SP) in partner countries were reconstructed and the Evaluation questions (EQs) were designed. During the desk phase, overall strategy and policy documents and selected project documentation were reviewed, an online survey to the EUDs was conducted and several stakeholders were consulted. The desk report outlined preliminary answers to the EQs and it proposed a list of countries to be visited in the field phase. From a long list of 45 countries and a shortlist of 14 desk case countries, 11 countries were selected for the field phase. The overall objective of the field visits is to verify preliminary findings to the EQs.

The field cases have the main focus on the bilateral support provided in a given country, but also assess the complementarity and coherence with the major SP programmes taking place in this country.

The outline of the country report follows the structure of the evaluation matrix to ensure a consistent and harmonised data collection approach. However, as EU interventions implemented under major SP programmes cover a variety of different topics, not every intervention is relevant for all the evaluation questions. This tailored case study approach ensures that resources are spent in an efficient way.

Therefore, the present country report cannot be considered a country evaluation but rather one of the inputs for the elaboration of the final report. The field cases allow for a detailed examination of certain elements at the Indicator and Judgement Criterion level and provide a picture of the EU support in different contexts. The report aims at providing country specific examples on a set of issues that are relevant for the worldwide exercise.

## 1.2 Reasons for selection of the country

The *Montenegro* country case study has been selected for the following reasons:

- Regional and sub-regional representation: the case illustrates specific context of the IPA region. The candidate status was obtained in the middle of the evaluation period. It is interesting to see how SP was tackled under IPA Component I and then under IPA Component IV. And it is the most advanced Western Balkans country in terms of the EU negotiation process.
- Cooperation with partners: The EU has worked with two UN agencies (UNDP, UNICEF) to promote community-based social inclusion programmes.
- Thematic coverage: wide range of target groups covered.
- Amount of aid: Montenegro is one of the top recipient countries of EU financial contributions in the area of SP in the IPA region.
- IPA II Operational Programme on Employment, Education and social Policies includes action towards Improving Social Inclusion and Social and Child Protection System. The table below provides an overview of the main SP interventions implemented by the EU in the period 2007-2015.

Table 1 Interventions selected for the case study analysis

Financing instrument	Title	Implementation period	EU contribution (EUR)	Implementing partner(s)
2007-2013				
IPA Comp I	Child Care System Reform	2010-2015	1,243,046	UNICEF
IPA Comp I	Social welfare reform -Enhancing Social Inclusion	2011-2015	1,169,367	UNDP
IPA Comp I	Standardization of the System of SP of the Elderly	2007-2008	147,247	Association of Social Institutions of Slovenia
IPA Comp I	Rehabilitation and re-socialisation of drugs addicted in Montenegro	2013-2015	384,379	Public institution for accommodation, rehabilitation and resocialization of psychoactive substances users
IPA Comp I	Technical assistance on durable solutions for displaced and internally displaced persons and residents of Konik camp	2011-2012	91,281	ACE International consultants

Source: CRIS and Particip analysis (2016)

### 1.3 Context of the EU support

#### **Country context and national social protection system**

In order to reform the social protection system, a number of strategic documents have been adopted by the government, such as: Strategy for development of system of social and child protection 2013 – 2017; Strategy for the Integration of Persons with Disabilities 2016 – 2020; Strategy for Improvement of Roma, Ashkali and Egyptian (RAE) Population Status in Montenegro 2008 – 2012; Strategy for Social Protection of the Elderly 2013 – 2017 and Strategy for Permanent Solution of Issues of Refugees and Internally Displaced Persons in Montenegro with Special Consideration of Konik Area, Fostering Development Strategy 2012-2016 and Strategy for the Prevention and Protection of Children from Violence 2017-2021.

The system of pension and disability social insurance has been regulated by the Law on Pension and Disability Insurance. Compulsory pension and disability insurance including survivor benefits is provided to employed persons and is based on contribution history. It is financed on a pay-as-you-go basis.

Social protection (predominantly pensions and social assistance benefits) amounts to EUR 477.86 million or 14% of GDP.<sup>1</sup> This amounts to 37.6% of public expenditures. The Ministry of Health (MoH) and Ministry of Labour and Social Welfare (MoLSW) are the main institutions in Montenegro charged with social protection. The latter Ministry covers all areas of social protection, family and child protection, pension and disability insurance, health insurance and unemployment insurance. In 2014, the Agency for Social and Child Protection was established. The main organizations responsible for implementing policies in social assistance and child protection are the municipal-level Centres for Social Work (CSW). This includes identifying beneficiaries of cash assistance, providing opinions to the court for custody and juvenile delinquency cases, and providing counselling services upon request. There are ten CSWs, each located in one of the 23 municipalities in Montenegro.

Aside from the MLSW and CSWs, the Montenegrin social protection system includes three extra budgetary funds, which are charged with the implementation of insurance-based social protection – the Pension and Disability Fund (PIO Fund) for pension and disability insurance,

<sup>1</sup> Government Of Montenegro (2013); Montenegro Development Directions 2013-2016; Podgorica, p. 91.

the Health Insurance Fund (HIF) for health insurance, the Employment Agency (EAM) for unemployment insurance and active labour market measures. Although these funds are independent public institutions, their work is supervised by the MoLSW, and since 2008 they have been included in the treasury system of the Ministry of Finance.

The Ministry of Labour and Social Welfare has developed a system of providing social services which among others includes also persons with disabilities. According to the Questionnaire for Inclusive policies prepared by the Montenegro government<sup>2</sup>, there are 10 day care centres for children with disabilities (Bijelo Polje, Pljevlja, Plav, Berane, Mojkovac, Niksic, Cetinje, Herceg Novi, Ulcinj), with plans for three more centres. Day care centres for children with disabilities are organized as a public institutions of social and child protection, founded by municipalities. They are established and operated by the system of state-private partnership, and accommodation of children is paid by the line ministry. Their activities are primarily day care, socialization of children with disabilities and their inclusion in the community. Also, a significant number of associations of parents of children with disabilities is found in almost all municipalities in Montenegro, where is offered significant provision of services to children and youth with disabilities. Services provided include special education, psychology, speech therapy, physio-therapeutic and legal -administrative support as well as personal assistance services and assistance in the family.<sup>3</sup> According to the Law on Social and Child Protection (Official Gazette of Montenegro no. 27/13), some services can be provided by an organisation, an entrepreneur, a company and a natural person.

The EU's 2015-2017 Sectoral Operational Programme (SOP) for Montenegro on Employment, Education and Social Policies stated that the "social and child protection system in Montenegro is still highly centralised, although decentralisation is defined as one of the main directions in a number of strategic documents. Available funds are currently stable, but not sufficient to maintain the quality of the existing services and development of new ones."<sup>4</sup>

The MoLSW is responsible for managing the preparation and implementation of the SOP. During the preparation phase, the MoLSW is the coordinating body responsible for the consultative process.

At the Government level, several mechanisms have been established for the overall coordination of the employment, education, and social inclusion sector, out of which the key one is the Government Commission for economic policy and the financial system which elaborates all the relevant legal and strategic documents. In addition, working groups are formed for drafting all legal and strategic documents. Members are all relevant stakeholders from government and public administration, as well as social partners (trade unions and employers' organisations) and NGOs.

Social dialogue is regulated by the Labour Law, the Law on Social Council, the Law on Trade Union Representativeness and the Law on Peaceful Settlement of Labour Disputes, as well as the General Collective Agreement and 17 Branch Industry Agreements. At the national level, the social dialogue is largely conducted within the Social Council, the Labour Fund and the Agency for Peaceful Settlement of Labour Disputes. According to the EU Progress report 2015, in the field of social dialogue, the general collective agreement entered into force in March. Amendments to the Law on the Social Council were adopted by parliament in December 2013,

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<sup>2</sup>

[http://www.ohchr.org/Documents/Issues/Disability/DisabilityInclusivePolicies/States/PM%20Montenegro\\_ENG.docx](http://www.ohchr.org/Documents/Issues/Disability/DisabilityInclusivePolicies/States/PM%20Montenegro_ENG.docx).

<sup>3</sup> Ibid

<sup>4</sup> EC (2015); 2015-2017 Sectoral operational programme for Montenegro on Employment, Education and Social policies. Web Link: [https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/montenegro/ipa/2015/ipa\\_2015\\_2017\\_037895\\_me\\_sectoral\\_operational\\_programme.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/montenegro/ipa/2015/ipa_2015_2017_037895_me_sectoral_operational_programme.pdf).

allowing the council's secretariat to be set up. It has been given a budget to build up its technical and administrative capacity. However, social dialogue remains weak, especially in the private sector and at corporate level. Social partners still lack capacity.<sup>5</sup>

### **EU cooperation**

Montenegro gained the status of candidate country in December 2010 and started accession negotiations in June 2012. Following the screening process (concluded in early 2014) Montenegro started opening chapters and negotiating them. As per June 2017, 28 chapters had been opened, of which three are provisionally closed.

With regards to the Chapter 19 - Social policy and employment, screening was conducted in 2013, with official report launched in February 2014.<sup>6</sup> Following the screening, the Government of Montenegro adopted the Action Plan for the Gradual Transposition of the acquis and for Building up the Necessary Capacity to Implement and enforce the acquis for Chapter 19 at its session as of March 26, 2015 in preparation for opening this respective chapter. The Action plan was an initial benchmark for opening negotiations on Chapter 19, which strategically defines the measures and deadlines for harmonisation of legislation and building of necessary capacities of institutions responsible for implementation and enforcement of European acquis. In the period since adoption of the Action Plan, two successive reports on the implementation of commitments under the Action Plan for the gradual alignment of the EU acquis and building the necessary capacity to implement and enforce the acquis for Chapter 19 were prepared prior to official opening of the Chapter negotiations. The chapter was officially opened in December 2016 during the eighth Meeting of the Accession Conference at ministerial level. The EU asked Montenegro to amend the country's labour law and the law on safety and health at work in order to align its legislation with the bloc's rules. Montenegro also needs to update the laws on non-discrimination and gender equality as well as to strengthen administrative capacities to ensure effective implementation of all legislation and policy frameworks in the areas of employment and social policies.

EU support directly to the area of social protection consisted essentially of projects on social inclusion (of minorities, IDPs, the disabled, children in need, etc.). Direct support to the social protection system was provided through specific projects such as "Enhancing social inclusion" and "Child Care system protection reform," implemented by UN agencies in partnership with the Montenegrin government.

Projects in areas related to social protection/inclusion were funded from IPA Component I (Technical Assistance for Institution Building – TAIB). IPA Component IV, the Human Resources Development Operational Programme (HRD OP 2012-2013), was approved upon Montenegrin progression to candidate status. Under Priority 3, a service contract is being implemented to enhance cooperation between the EAM and CSWs for activation of beneficiaries of social benefits; also, a grant scheme is being implemented for trainings and employment activities for persons with disabilities and persons belonging to the RAE population.

As highlighted in the table below, support to the national social protection system was not explicit planned in programming documents until 2014.

<sup>5</sup> EC (2015); EU Progress report: Montenegro 2015; p. 38.

<sup>6</sup> Date of screening meetings for Chapter 19: Explanatory meeting: 23–25 January 2013 Bilateral meeting: 11–13 March 2013, [http://edz.bib.uni-mannheim.de/daten/edz-k/gde/14/screening\\_report\\_montenegro\\_ch19.pdf](http://edz.bib.uni-mannheim.de/daten/edz-k/gde/14/screening_report_montenegro_ch19.pdf)

**Table 2** *References to Social Protection in EU programming documents*

<b>Cycle</b>	<b>Relevant focal sector(s)</b>	<b>Related SP objectives</b>
2007-2013	Support to SP systems not explicitly mentioned in the initial programming documents, but some references to issues related to employment, health insurance and refugees' in MIPDs. Most relevant references can be found under the following sectors: MIPD 2009-11: Employment (economic criteria under IPA comp. I / TAIB). MIPD 2011-13: Social Development (TAIB).	MIPD 2009-11: "Developing human resources and labour market policy with specific reference to the European Employment Strategy (EES), the realisation of active labour market measures, the for improvement of the quality, efficiency and relevance of the education, vocational training and lifelong learning developments; strengthening capacities of both social partners' organisations; social inclusion policies should be given a special effort." MIPD 2011-13: "creating jobs and increasing the employment rate of the work force, investing in people development, innovation and research; improving educational levels; reinforcing social inclusion; and promoting adaptability of workers and enterprises. [...] The planned activities are thus related to education and training in a life-long learning perspective; to VET reform; to inclusive labour market; and to social inclusion."
2014-2020	CSP: Education, employment and social policies	CSP: "addressing the mismatch between the skills demanded in the labour market and those offered by the education and training system. It will also support participation in the labour market and improved opportunities for vulnerable groups in society through the implementation of social inclusion policies. Furthermore, it will strengthen the role of social dialogue and the capacities of social partners." (...) "Improved employability of human resources through modernising the vocational, educational, training and research systems; Improved connection of the vocational, educational, research and social protection systems with the needs of the labour market and overall economy; Improved access to health, education and employment opportunities for all citizens, with a particular focus on socially disadvantaged or marginalised groups; Implementation of the national strategy for social and economic integration of the Roma on track."

*Source: Particip's analysis of EU programming documents.*

In general, HRD OP set out the basis for Montenegro receiving EU assistance in human resources development, with employment and employability as an issue cross-cutting all priorities. The programme aimed to promote sustainable human resource development by modernising and developing the educational, training and research systems in Montenegro, in accordance with EU policies and standards, with particular focus on youth employability.

In 2015, a Sectoral Operational Programme (SOP) on Employment, Education and Social policies was adopted. This programme is to contribute to the implementation of the Employment and Social Policy Reform Programme (ESRP) which was adopted by the Government on 26 June 2015. It will support participation in the labour market and improved opportunities for vulnerable groups through the implementation of social inclusion policies and will address the mismatch between the skills demanded in the labour market and those offered by the education and training system. According to the plan, the SOP will contribute to the increase in the employment rate of the Montenegrin population aged 15–64 from 47.4 % (2013) to 53% -56% (2020).

In order to address administrative and technical deficiencies encountered in introducing decentralized IPA funds management, Government at its session on 27 June 2013 mandated all ministries involved in the IPA Components I - IV to conclude long-term employment contracts with staff engaged in IPA activities and hire additional needed staff in accordance with findings and recommendations of the EC audit mission.

For the purpose of accomplishing the HRD OP within IPA Component IV and in accordance with the relevant IPA Regulation, an "Operating Structure" was established. This consists of the

appropriate authorities within relevant ministries responsible for the Operational Programme and individual priorities and measures. Accordingly, in the MLSW, the Department for Programming and Implementation of EU funds was established, acting as a Body responsible for the Operational Programme (BROP), as was a Body responsible for priority/measure (BRPM) in the areas of employment, labour market and technical assistance. The Division for Protection of Risk Groups in the Directorate for Social Welfare and Child Protection in the MLSW fills the role of the BRPM in the field of social inclusion. A Head of the Operating Structure (HOS) was nominated with the rank of Assistant Minister. Within the specified Operating Structure, the Directorate for Financing and Contracting of the EU assistance funds (CFCU) in the Ministry of Finance has the role of an Implementing Body for all priorities and measures within the Operational Programme and it is responsible for the sound financial management within the Operational Programme and particularly for procurement, contracting and accounting. For all the Operating Structure bodies, Manuals of Procedures were developed in which functions are described, including responsibilities and procedures for management, implementation, monitoring, evaluation and operation control, measures and priorities within the OP.

In relation to monitoring of IPA I (component IV) and IPA II implementation, the Sectoral Monitoring Committee for Operational Programme Human Resource Development – IPA IV, was established in 2014. The Committee meets twice a year and it is envisaged for the same Committee (with minor changes in its composition) to be responsible for monitoring the implementation of this Sectoral Operational Programme (SOP).

The Directorate for European Funds within the Ministry of European Affairs coordinates activities related to IPA. Key activities of the Directorate are related to the process of planning and monitoring the use of pre-accession assistance, providing support to the National IPA Coordinator (NIPAC) and the NIPAC Office. The Directorate is also responsible for monitoring the activities of line ministry units implementing IPA actions.

Institutionalised political dialogue with the European Union has been integral part of the continued implementation of obligations under the SAA. The SA Council is the highest level policy dialogue mechanism between EU and Montenegro, and the eighth meeting of the Council was held in June 2017. Also, Subcommittees were established for different sectors, whereby social policy is dealt with by the Subcommittee on Innovation, Human Resources, Information Society and Social Policy. Until April 2017, seven meetings of the Subcommittee were held. Montenegro Government established 33 working groups, and the screening process (explanatory and bilateral screenings) was completed. The negotiator for the Chapter is Assistant Minister of Labour and Social Welfare, and the head of the working group is the Director for Employment at the Ministry of Labour and Social Welfare. The working group comprises 51 members (40 from state institutions, 11 from the civil society). Inclusion of civil society was ensured through open invitation to all stakeholders of the Montenegrin society to nominate representatives for work in the negotiating bodies<sup>7</sup>.

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<sup>7</sup> Position of Montenegro for the Fifth Meeting of the EU – Montenegro Stabilisation and Association Council

## 2 Findings

### 2.1 EQ1: Relevance

*To what extent has EU support to social protection responded to clear overall strategic objectives on social protection and to specific needs of partner countries, including problems of poverty, vulnerability and social exclusion?*

#### *Summary answer*

Despite the fact that the EU provided limited financial support directly to area of social protection in comparison to support to other sectors; EU SP support was relevant to national needs and responded to the evolving context in Montenegro. The EU supported development of local social protection policies and institutionalisation of research and professional activities in the field of social and child protection, as well as monitoring the quality of professional work and services through support to establishment of the Institute for Social protection. EU support targeted vulnerable groups, particularly children, Roma, elderly, and persons with a disability both directly – through services -- and through policies and action plans for social protection at national and local levels. In December 2016, chapter 19 (Social Policy and Employment) was officially opened, as a result of measures undertaken by the government to prepare for negotiations on this chapter (envisaged also by the *Action Plan for the Gradual Transposition of the Acquis and for Building up the necessary capacity to implement and enforce the Acquis for Chapter 19 – Social Policy and Employment* adopted on 26 March 2015 with relevant annexes. While the EU provides support through policy dialogue in the area, IPA II does not offer specific financial assistance to social protection sector. While IPA II envisages overall support to the sector of Employment, Education and Social Policies in amount of 28 Million EUR, most of these funds will go to employment and education.

#### **2.1.1 JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.**

Given the importance attached by Government to reducing social exclusion and reaching out to vulnerable populations, EU support was well aligned to the national policy framework. It was also consistent with the EU's strategic focus on social inclusion of minorities, IDPs, persons with disabilities, children with special needs in education, etc.). Policy dialogue in the area of social policies and employment is organised within Subcommittee on Innovation, Human Resources, Information Society and Social Policy. Until April 2017, seven meetings of the Subcommittee were held. A review of project documentation identifies how closely linked project interventions were to specific Montenegrin laws passed in the evolving social protection field under the broad umbrella of human resources development. There is evidence that Government and social partners have been involved in EU strategic prioritisation, as stipulated in the IPA guidelines and also as regular activity of the EU. Regular consultations held for each IPA programming year involve CSOs - in particular those that deal with social protection/inclusion issues.

#### **2.1.2 JC 12 Needs and target groups clearly identified in the design of EU support.**

National and EU strategic and programming documents provide comprehensive analysis of needs and priorities of excluded groups, as well as potential roles and priorities of intermediaries (Ministry services, NGOs, etc.) in social protection. Programming documents for EU IPA assistance to Montenegro are quite comprehensive and provide analysis of context, constraints and needs of different stakeholders. Available surveys, statistics and other analytical documents are utilised for programming of government measures and EU supported projects. EU supported projects to assist in addressing data gaps through supporting specific data needs (e.g. child protection database, IDP situational analysis, etc.). Interviewed

stakeholders confirm that EU in coordination with national programming structures identifies target groups and their needs in the design of EU support during IPA I. However, interviewees see a gap in support to social protection and social inclusion in IPA II. While IPA II envisages overall support to sector of Employment, Education and social policies in the amount of 28 Million EUR, interviews with EUD and other relevant stakeholders confirm that most of these funds will go to employment and education. It is still not entirely clear how social protection will be tackled within IPA II.

## 2.2 EQ2: Basic social protection

*To what extent has EU support to social protection helped to improve access to adequate social services and basic income for all, and in particular for those in need of protection?*

### *Summary answer*

EU support to social protection has helped to improve access to adequate social services for all, and in particular for those in need of protection, such as children, Roma, the elderly, persons with disability, etc. New types of services were modelled for elderly and for foster care, while CSO service providers were further capacitated to offer quality services. Investment in support to establishment of the Institute for Social Protection was a critical measure. The Institute's mandate is to establish a system of continuous professional development of personnel in the field of social and child protection, as well as accreditation of training programs and services programs.

The EU did not have programmes for strengthening income security in Montenegro, as this has not been a government priority..

### **2.2.1 JC 21 Social protection coverage and uptake extended / broadened with EU support.**

Social protection coverage and uptake extended / broadened with EU support.

While statistics to establish time trends are unavailable, EU support has contributed to broadening social protection coverage, particularly in the areas of social services and child care. EU supported projects have been instrumental for moving social protection reforms forward, particularly at local level through strengthened policy making (Social Protection Plans) and focusing on children. Social services for children and other vulnerable groups have been strengthened. New types of services were modelled for elderly and for foster care. Support to the Social Fund was important for diversification of social services and inclusion of CSOs as service providers. At national level, development of the legislative and strategic framework was also supported, which was important investment.

### **2.2.2 JC 22 Universal access to adequate health services put in place / strengthened with EU support.**

EU support did not focus specifically on health care services, again not a government priority. Some health care services, albeit limited, were provided through projects, but these were mainly provided through social services (elderly, persons with disabilities and children in institution) and were not directly linked to strengthening universal access to adequate health services.

### **2.2.3 JC 23 Access to basic income security strengthened with EU support.**

EU support focused on social services and social inclusion; there is no evidence of support for basic income security.

### 2.2.4 JC 24 Gender inequalities in social protection coverage reduced.

EU did not have specific projects in Montenegro for reduction of gender inequalities in social protection coverage. Projects to improve social services for the elderly and in the area of child care clearly have a substantial gender dimension. While EU strategic and planning documents recognise gender, there is no evidence that gender is explicitly mainstreamed in actions. Reform of the maternity benefit is currently a subject of lively policy debate in Montenegro, but the EU is not involved in this area.

However, gender issues have been represented in policy dialogue. Montenegro amended the laws on non-discrimination and equality between women and men in employment and social policy in order to align its legislation in these fields with the *acquis*, and demonstrated that adequate administrative structures, particularly the required equality body, the Ombudsperson, administrative and enforcement capacities will be in place by the time of accession. Policy dialogue on social policies and employment, specifically within the Subcommittee on Innovation, Human Resources, Information Society and Social Policy, includes dialogue on gender issues.

## 2.3 EQ3: European approaches and policy dialogues

*To what extent has EU cooperation with partner countries and participation in policy dialogues in the social protection field promoted European and international principles and values in that area?*

### Summary answer

EU cooperation with Montenegro promotes European and international principles and values in social protection. EU cooperation with Montenegro happens within EU accession process. High level policy dialogue happens within accession negotiation process; in the social protection field policy and technical level dialogue happens within the wider scope of the Sub-committee on Innovation, Human Resources, Information Society and Social Policy between the European Union and Montenegro and the government's working group on chapter 19. EU supported interventions in the social protection sector promote European and international principles and values in that area, particularly human rights and social inclusion of marginalised groups. EU financial support to social protection is coordinated with the UN agencies who implement, and fully reflects international commitments in the relevant areas.

### 2.3.1 JC 31 EU support to social protection coordinated with MSs

The accession negotiations with Montenegro were opened on 29 June 2012. As of 20 June 2017, 28 negotiating Chapters, including the Chapter 10, have been opened, out which three Chapters (25 – Science and research, 26 – Education and culture, 30 – External relations) have been provisionally closed. The European Commission has the mandate for the political dialogue from the Council (namely, Member States).

Donor coordination in Montenegro is the responsibility of the Ministry of Foreign Affairs. While the EU participates in all relevant donor working groups and coordinates its overall programme with MSs, no examples of EU-MS coordination specific to social protection have been found. The EU did coordinate its social protection support with UNDP and UNICEF, the two main implementing agencies. No examples of joined up approaches such as MDTFs or joint programmes were identified.

### 2.3.2 JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on SP

EU participates in national policy dialogue, one on the results adoption of the ESRP. The Sectoral Operational Programme has been drafted as a way to support the implementation of the ESRP. EU Progress reports present strong inputs for advocacy on policy issues related to

social protection, inclusion, and vulnerable groups. With accession at the centre of policy dialogue, the EU advocates strongly for European values in the area of social protection and social inclusion.

### **2.3.3 JC 33 EU effectively participates in global policy dialogues on social protection**

JC not covered by the analysis at case study level.

## **2.4 EQ4: Social partners and civil society**

*To what extent has EU support contributed to successfully involving the social partners and civil society, including the private sector and local authorities, in policy development in the social protection field?*

### *Summary answer*

EU support contributed strongly to involving civil society and local authorities in policy development in the social protection field. EU supported interventions in the social protection area actively involve civil society as actors in the policy dialogue and service provision, building their capacities to provide quality inputs in policies and professional services. Projects focusing on local policies involve local authorities in capacity building and through mentoring, supporting development of local Action Plans for social protection as well as social services. However, EU financial support to involving the social partners and the private sector in policy development in the social protection field has been very limited.

### **2.4.1 JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection.**

In Montenegro, social dialogue is well established in legal terms, both at the legislative and institutional level. At the same time, EUD interviews suggest that social dialogue is not extensively used in policymaking. The EU Progress Report for 2016 reports that the social dialogue needs to be improved, particularly in the private sector and at the local level. The EU has recently addressed this problem with a regional Western Balkans project financed through the Civil Society Facility, with the Montenegrin Employers Federation as the regional lead partner.

### **2.4.2 JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms.**

There is evidence that EU support encourages use of NGO and local authority expertise in policy aspects of service design and delivery under supported reforms. Within supported projects, activities towards establishment of Local Plans for Social Inclusion and local services were implemented, albeit with varying degree of success as seen by external evaluations. There is no evidence on EU support to private sector expertise in policy aspects of service design and delivery under supported reforms.

### **2.4.3 JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU.**

Within IPA II, the Employment and Social Affairs Platform is programmed with the overall objective to assist the Western Balkans with the employment/labour market and social policy reforms in their pre-accession process. The focus is on improving the policy dialogue related to labour market institutions, labour mobility, working conditions and social dialogue at the

regional level.<sup>8</sup> The platform is jointly implemented by the ILO and the Regional Cooperation Council in Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Montenegro, Serbia and Kosovo\*, starting as of March 2016.

Regional exchanges and learning among social partners are also encouraged by the recent project “Stronger Social Dialogue in Western Balkan Countries” led by Employers Federation of Montenegro and funded by EU, through the Civil Society Facility (CSF). No other particular events or measures have been found during the evaluation process.

## 2.5 EQ5: Social protection systems

*To what extent has EU support contributed to sustainable improvements in social protection systems?*

### *Summary answer*

The EU’s financial support to SP in Montenegro has essentially been the area of social inclusion. Sustainability depends more on government political will than on strategic reform. The EU’s work was based on a solid social and fiscal analysis of the social protection scheme in the country. Sustainability has been enhanced by capacity building at all levels and among all actors. The fact that government institutionalised a number of aspects of the child welfare reform project, and that it continued financial support following the end of EU support, are hopeful signs; nonetheless, sustainability of progress gained under EU support to social protection is judged moderate.

### **2.5.1 JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially.**

There is evidence that EU support contributed to improvements in selected types of social protection schemes institutionally (social protection of children, elderly and other vulnerable groups including Roma, IDPs, and refugees; service provision and local plans for social inclusion) as well as improvement and/or operationalisation of legislation in the area of social protection. EU support addressed the gaps and weaknesses in provision of social services (through support to establishment of the Social Fund, handbooks on social protection of elderly, services for elderly, services for children, persons with disabilities, Roma, other vulnerable groups), while also supporting local planning of social protection mechanisms.

### **2.5.2 JC 52 Nationally defined social protection floors promoted.**

The EUD did not itself actively promote social protection floor approach, but through its assistance, elements of support to promotion of definition of social protection floor was provided.

### **2.5.3 JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered.**

Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered.

Fiscal implications of social protection schemes were analysed in the Montenegro case study of social protection and inclusion in the Western Balkans. No evidence of other EU supported interventions for analysis of the fiscal implications of the SP schemes was found. The EU supported projects also bring good practices from other countries to be applied to Montenegrin

<sup>8</sup>[https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/financial\\_assistance/ipa/2015/multi-country/ipa\\_ii\\_2015\\_038-054.11\\_mc\\_esap.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/financial_assistance/ipa/2015/multi-country/ipa_ii_2015_038-054.11_mc_esap.pdf)

\* This designation is without prejudice to positions on status, and is in line with United Nations Security Council Resolution (UNSCR) 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

context (e.g., the Social Fund model from Serbia was replicated). Projects, particularly those implemented by UN Agencies, and CARITAS have been working on support to institutional and policy solutions for social protection of vulnerable groups (through establishment or advancement of services, local social protection plans; Institute for Social Protection, etc.). While a number of services supported by the EU have been institutionalized, it does not appear that EU supported projects directly contributed to putting in place sustainable institutional funding mechanisms.

#### **2.5.4 JC 54 Government social protection programmes consolidated and rationalized where necessary.**

Government social protection programmes consolidated and rationalized where necessary

EU support was, critical, for consolidation and rationalisation of some Government social protection programmes, such as social protection of children, elderly, and to some extent Roma. EU supported interventions provided support to establishment of the Institute for Social Protection; enhancing capacities of CSWs; co-operation between (municipal) actors in charge of social protection and inclusion, and the drafting of local Action Plans.

## **2.6 EQ6: Social exclusion**

*To what extent has EU support to social protection contributed to reducing social exclusion and, finally, poverty?*

### *Summary answer*

EU financial support to social protection contributed positively to reducing social exclusion of vulnerable groups. Financial assistance, through targeted interventions, promotes social protection and inclusion applying human rights based approach within support to policies, institution building and direct services to vulnerable groups. This contribution was most pronounced in the area of children, as the EU supported a wide-ranging reform of child protection and welfare services, an intervention many of whose components have been institutionalised by government after EU support ceased.

#### **2.6.1 JC 61 Social protection as a human right promoted at all levels**

The EU has consistently promoted human rights in Montenegro, most relevantly here by supporting targeted interventions promoting social inclusion. Projects have tackled human rights issues of different groups through support to policies, institution building, and direct service provision to vulnerable groups.

#### **2.6.2 JC 62 EU support addresses concerns about excluded populations.**

EU support addresses concerns about excluded populations, particularly ethnic minority (Roma), children (particularly those children in institutions or in need of foster care), elderly and persons with disabilities for which specific interventions and activities are planned and implemented. The EU works with UN agencies and international and local CSOs on addressing concerns of vulnerable groups, applying human rights based approach. There are multiple projects addressing governance and human rights, particularly of socially excluded groups (minorities, returnees, IDPs, etc.) supported through IPA Cross-Border Cooperation, the IPA Civil Society Facility and the EIDHR instrument. Such projects have a strong focus on vulnerable groups and also on strengthening and empowering CSOs to advocate for rights but also to provide better quality services to these groups.

### **2.6.3 JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage).**

As of 2008, an EU study found that levels of social protection were inadequate; e.g. the family benefit was far short of the poverty line. Data permitting estimation of a time trend was not found. However, EU support to SP in Montenegro has focused on inclusion of vulnerable populations rather than on increasing the adequacy of benefits per se.

## **2.7 EQ7: Modalities**

*To what extent has the approach (financing instruments, modalities and channels) employed by the EU been appropriate and efficient for strengthening social protection in partner countries?*

### *Summary answer*

EU support materialising through a mix of financing instruments (IPA TAIB, HRD, CBC, CSF, EIDHR), different modalities (grants, TA, etc.) and channels has been appropriate and efficient for strengthening social protection in Montenegro. EU support contributed to improvements in selected types of social protection schemes institutionally (social protection of children, elderly and other vulnerable groups; service provision and local plans for social inclusion) as well as improvement and/or operationalisation of legislation in the area of social protection. EU support addressed the gaps and weaknesses in provision of social services (through support to establishment of the Social Fund, handbooks on social protection of elderly, services for elderly, services for children, persons with disabilities, Roma, other vulnerable groups), while also supporting local planning of social protection mechanisms. No major delays were recorded in implementation of interventions. When delays occur, they are usually in the period between programming to contracting to implementation, which at times affects relevance of supported interventions. Support to the accession process through policy dialogue helped government to identify needs for legislative change in areas closely related to SP such as labour law.

### **2.7.1 JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context.**

Strategic thought was given to identifying and selecting the most suitable modality, instrument, level and implementing partners (channels). Most substantial support was provided to UNDP/UNICEF in the area of social protection (in co-operation with government and NGOs). However, support to CSOs through different instruments, including also CBC, EIDHR and CSF has also been important and suitable for promotion and advocacy on social protection, but also development and strengthening service provision. The degree of government ownership depends not so much on the approach used but rather on the personality concerned.

### **2.7.2 JC 72 EU financed interventions in the social protection field are mutually reinforcing.**

Different EU financed interventions in the social protection field are mutually reinforcing and contribute to overall reforms in social protection. IPA funding was reinforced by EIDHR and CSF to strengthen civil society as well as CBC. These complementary instruments strengthened results and advocacy messages, contributing to more vibrant work on social protection. However, due to “silos” in which these instruments operate, there is fragmentation of assistance and lack of overall/bigger picture of achievements and outcomes of the totality of assistance in this sector. In general, complementarity between direct financial support to ASP and enlargement negotiations has been limited as the former has been so focused on social inclusion.

### **2.7.3 JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored.**

EU support has generally been delivered in a timely fashion, without major delays. When delays occur, it is usually in the period between programming to contracting to implementation, which at times affects relevance of supported interventions. Available ROM, evaluation and progress reports record some delays in implementation of activities, which did not have significant effect on overall project implementation. Generally, most delays happen due to slow response or uptake of the government. EU assistance is subject to EU monitoring and evaluation rules, whereby some projects are ROM-ed. However, not all projects are subject to ROM, while there is no ultimate requirement for projects to conduct evaluations by EU. This is a weakness of EU support, as there is no strategic approach to ensuring learning happens and adjustments are made based on informed assessment of progress and achievements,

## **2.8 EQ8: Coherence, coordination, added value**

*To what extent has EU support to social protection been coherent with other EU sector policies and to what extent has it added value to the EU Member States' and other donors' interventions?*

### *Summary answer*

EU support to social protection has been coherent with other EU sector policies, as it addressed important capacity gaps of the public administration to implement reforms in this area. EU policy and interventions in social protection support and supplement other policies / interventions of other donors and MSs active in the country. However, it must be noted that the donor space in Montenegro is very small, with no donors supporting social protection, while there is support to social inclusion.

EU programming documents contain linkages and references to EU level and country strategies and policies. There is coordination internally within DG NEAR but also with DG EMPL on issues relating to wider sector of Human Resources and Social Policy.

### **2.8.1 JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MS.**

Donor support to HRD is coordinated by the Ministry of Labour and Social Welfare while overall assistance is coordinated by NIPAC office and the Ministry of Finance. Donor coordination generally happens on a number of issues (e.g. agriculture, PAR), but in the field of social protection is not systematic and happens on an ad hoc basis. There is no dedicated donor working group. However, during implementation of projects, EU and UN Agencies coordinated closely. Upon expiry of EU support to the social inclusion project, government followed up with significant support of 350,000 EUR.

### **2.8.2 JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment).**

Policy dialogue within implementation of obligations under the SAA, particularly the negotiation on Chapter 19, includes issues pertaining to social policies. EU financial support to SP in Montenegro is limited to some areas and target groups (children, IDPs, minorities, persons with disability, elderly, etc.). This support is coherent with other policies. Review of EU programming documents shows linkages and references to EU level and country strategies and policies, guidelines. There is coordination internally within DG NEAR but also with DG EMPL on issues relating to wider sector of Human Resources and Social Policy.

### 3 Key overall findings

EU support to SP in Montenegro has consisted of a limited amount of direct financial support to projects and broader support in the form of policy dialogue aimed at bringing Montenegrin law – particularly labour law – in line with the European acquis. EU support to social protection **responds to** Montenegro's social protection reform and national policies for improving the well-being of vulnerable groups and realisation of rights of vulnerable groups. It **addressed the top priorities of the reform**. EU supported interventions are in line with country's strategic and legislative framework as well as Montenegro's international commitments deriving from the ratification of international treaties and its status as an EU candidate country. IPA-supported interventions addressed the most pressing needs of vulnerable groups through investment in policy making, social service development and provision, inter-sectoral cooperation, institutionalisation of social protection research and development. The multi-pronged approach (including support to policies and legislation, developing methodologies and tools, capacity building, investment in social infrastructure) and consultative and participatory approaches in development and implementation of interventions were appropriate for achievement of results.

Most positive impact prospects are recorded through **contribution to increasing the number of vulnerable groups benefiting from improved access to services**. Impacts of investments in policy making, particularly at local level are uneven due to the differences in the level of uptake of reforms and ownership over results of policy making process.

Projects achieved results in building capacities of professionals from public administration and civil society. **Supported projects worked closely with line ministries, professionals and CSOs, allowing for effective and coordinated development and modernisation of the policy and legal framework**, as well as introduction of a focus on rights and equity in the policy agenda. Access to and quality of services was increased, while work practices and approaches were modernised. The major factors which increased the effectiveness are the EU accession process which drives the policy agenda in the country, and high level expertise of the agencies and organisations implementing EU support. Hindering factors are slow progress overall in social protection reforms; absorption capacity of the public administration affecting the uptake of reforms, as well as continued social exclusion of marginalised groups.

Sustainability of EU supported results is moderate. This is due to the fact that reform of social protection is lagging behind, due to many reasons, including also the fact that social protection is not a "hard" acquis, so EU does not put pressure on progress in this field. Services, institutional solutions and local policies and plans depend on the level of ownership and political support to ensure their maintenance and further upgrading. Continuation of reform is dependent upon external funding.

## 4 Annexes

### 4.1 Evaluation Matrix: Indicator level information

#### 4.1.1 EQ1

#	Indicators	Evidence
<b>JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.</b>		
I-111	Objectives of EU support respond to clear overall strategic orientations on social protection	See the analysis carried out at the global level in the main report of the evaluation
I-112	Objectives of EU support aligned to national SP policy framework	<p>Based on review of project documents, evaluations, and ROM reports:</p> <p>The project "Social Welfare Reform – Enhancing Social Inclusion" (implemented by UNDP and national CSOs in partnership with Government) was "aligned with the current national strategies for social inclusion, notably: i) the Law on Social and Child Welfare in revision; ii) the Strategy on Development of Social and Child Welfare System; iii) the Poverty Alleviation and Social Inclusion Strategy, and; iv) the Strategy for Integrating People with Disabilities." Its objectives addressed human rights issues and EU standards in social provision. This converged with: i) the priority of the EUD regarding the funds for IPA 2010; ii) the policies of United Nations (UN) agencies in Montenegro (see National Human Development Report - NHDR - 2009 on Social Inclusion in Montenegro). The project "Technical assistance on durable solutions for IDPs and residents of Konik camp" was aligned with the Strategy for Improvement of Roma, Ashkali and Egyptian (RAE) Population Status in Montenegro 2008 – 2012 and Strategy for Permanent Solution of Issues of Refugees and Internally Displaced Persons in Montenegro with Special Consideration of Konik Area.</p> <p>The projects "Child Care System Reform" and "Support to inclusive education of children with disabilities" were in line with and responds to Development Strategy of Social and Child Protection 2008 – 2012; Strategy for Integration of Persons with Disabilities 2008 – 2016. Interviews.</p> <p>The project on Standardisation of the system of social protection for elderly in Montenegro also worked closely with Ministries to enhance mechanisms for social protection of elderly.</p> <p><i>Sources: ROM and evaluation reports; project documents, Interviews.</i></p>
I-113	Design of EU support based on participatory approaches involving partner key national institutions (MoF, Central Banks), social partners and civil society	<p>Policy dialogue in the area of social policies and employment is organised within Subcommittee on Innovation, Human Resources, Information Society and Social Policy. Until April 2017, seven meetings of the Subcommittee were held. In December 2016, chapter 19 (Social Policy and Employment) was officially opened, as a result of undertaken measures by the government to prepare for negotiations on this chapter (envisaged also by the <i>Action Plan for the Gradual Transposition of the Acquis and for Building up the necessary capacity to implement and enforce the Acquis for Chapter 19 – Social Policy and Employment</i> adopted on 26 March 2015 with relevant annexes.</p> <p><i>Source: EUD website, website of the Montenegro government, Interviews.</i></p> <p>Over the relevant period (2007-13) prioritisation on all IPA support was conducted in dialogue between EU and government.</p> <p>Review of programming documents shows that EU coordinates with government, particularly the Ministry of Labour and Social Affairs, Ministry of Finance and NIPAC on issues relevant to HRD.</p> <p>Sources: HRD OP 2012-2013, SOP 2015-2017</p> <p>The project proposal for "Enhancing social inclusion" was designed on the basis of an initial study on Social Inclusion and Preparation for the IPA Report and the National Human Development Report (NHDR) Report 2009. At the central level, most of the key stakeholders were involved in the project design (EUD, MLSW,</p>

#	Indicators	Evidence
		<p>UNDP, UNICEF), except the Union of Municipalities (UoM) and the umbrella organisations working in the social inclusion sector. At the local level, although municipalities and social providers of Civil Society (CS) were involved in public consultations regarding the final NHRD report 2009 and the IPA study 2010, they were not involved specifically in the project design, mainly because of a lack of time before the proposal was due for submission.</p> <p><i>Sources: ROM Report for the “Project Enhancing social inclusion”, MR-141075.01; MIPD documents, HRD OP 2012-2013</i></p> <p>Civil society is involved in consultation on development of EU supported projects, through consultation process conducted. This process is further streamlined in programming of IPA II. Also, the EUD opened consultations for all interested parties towards preparation of the 2016 Enlargement Package, but the consultation is not done through an established platform. Specific evidence for social protection consultation was not found.</p> <p><i>Sources: Interviews conducted during field phase; ROM Report for the “Project Enhancing social inclusion”, MR-141075.01; HRD OP 2012-2013; data from Balkan Civil Society Development Network website: <a href="http://www.balkanecd.net/montenegro-eud-consultations-with-csos-for-the-preparation-of-the-next-progress-report/">http://www.balkanecd.net/montenegro-eud-consultations-with-csos-for-the-preparation-of-the-next-progress-report/</a>.</i></p>
I-114	EU support to SP addresses emerging EU policy concerns such as migration, refugees, and security	<p>The project “Technical assistance on durable solutions for IDPs and residents of Konik camp” directly deals with social inclusion (with elements of social protection) of IDPs and refugees (most of whom from Kosovo). Montenegro was not on the Balkans migrant route, so no urgent programmes were needed concerning migrants and refugees.</p> <p><i>Source: Project Terms of Reference.</i></p>
<b>JC 12 Needs and target groups clearly identified in the design of EU support</b>		
I-121	EU-supported interventions based on sound analyses of opportunities (including fiscal space), and problems and barriers (including in terms of institutional environment) to achieving universal access to social protection	<p>Review of programming documents of EU (MIPD, Country strategies, project fiches/DOA, OP HRD, etc.) shows that EU supported programmes do provide comprehensive analysis of problems to accessing social protection and social inclusion.</p> <p>For example, projects implemented by UN Agencies in partnership with the Government of Montenegro (GoM) are based on sound analysis of problems and barriers, and intends to address human rights issues and EU standards in social provision, and to reduce the negative impacts of the current economic context on the most vulnerable groups (social protection system beneficiaries, long-term unemployed, elderly people, people with disabilities, Roma, Askalia, Egyptians (RAE), refugees and internally displaced people. This converges with: i) the current priority of the EU Delegation to Montenegro (EUD) regarding the funds for IPA 2010; ii) the current policies of United Nations (UN) agencies in Montenegro, particularly UNICEF and UNDP (cf. National Human Development Report - NHDR - 2009 on Social Inclusion in Montenegro). The project components focus on the improvement of the adult service systems and on social innovations, and comes together with 2 other components; Inclusive education; and Child welfare reform for the improvement of services to children and families and the dissemination of best practice.</p> <p>Project documents for other projects provide analysis of problems and barriers for specific target groups of interventions and offer different project strategies to tackle these obstacles. For example, project “Standardisation of the system of social protection for elderly in Montenegro” contains analysis of problems and barriers and produces handbooks on how to improve the system in this regard.</p> <p><i>Source: Project documents, programming documents, ROM reports, evaluations.</i></p> <p>Desk Review of available EU strategic documents (Country Strategy Papers, MIPDs, OP HRD, Project Fiches, EU Progress reports) shows that EU strategy and programming incorporate analysis of institutional capacity needs and fiscal space.</p> <p>For example, the OP HRD 2011-2013 contains sections on strategic and legal framework and institutional framework. These sections provide analysis of</p>

#	Indicators	Evidence
		<p>current state of affairs in the frameworks, gaps and areas for further work. Also, the document contains extensive socio-economic analysis, needs analysis and SWOT based on which the objectives and programme strategy are defined.</p> <p>While OP HRD for 2011-2013 recognises the needs of elderly, it states that there is a lack in both time and finances to provide adequate support to this category (OP HRD 2011-2013, p. 29).</p> <p>Source: OP HRD 2011-2013.</p> <p>DOA for UN Agencies project elaborates on institutional capacity needs. It elaborates on gaps in the system of social services in terms of lack of management, coordination and resources: i) Lack of transparent eligibility criteria; ii) Inequity in the service provision, depending on the accessibility to services linked to the involvement of the local NGOs and the policies of municipalities; iii) Lack of competent staff at the central level (MSWL) and the local level (Centre for Social Welfare-CSW, NGOs, social providers, municipalities ...); iv) Under resourced and underfunded current services; v) Unplanned mixed market for public services, NGO's and private providers; v) Weak systems of management and information and consequently lack of visibility on current social needs at the local and national level. The project's response is directed towards: i) the improvement of the information and management social system at the central level; ii) the introduction of innovative services through a Social Innovative Fund (SIF); iii) the capacity building at the central level and in municipalities and social services providers (such as NGOs); iv) the design of local social plans and the establishment of local social councils.</p> <p>Sources: <i>DOA of the Project; ROM reports, evaluations.</i></p> <p>The project "Standardisation of the system for social protection of elderly in Montenegro" had good analysis of needs of the sector relating to elderly. This project also produced a number of handbooks for treatment of elderly.</p> <p>The Project "Strengthening Civil society actions through a Model Project of Home care of elderly in Montenegro" (Implemented by CARITAS) also has good analysis of services for elderly in Montenegro.</p> <p>Finally, The Support to social policy development and creation of service delivery partnership between CSO networks and public authorities in Montenegro (implemented by Montenegrin organisations) has an overview of local context in the two target municipalities.</p> <p>Source: <i>Project documentation.</i></p>
I-122	EU-supported interventions based on correctly identified uncovered and underserved groups	<p>See I-112, where projects discussed addressed the needs of children, persons with disabilities, the RAE population, the elderly, refugees, and IDPs. All are agreed to be undeserved and vulnerable groups.</p> <p>Source: <i>Field mission Interviews, FGDs.</i></p>
I-123	EU-supported interventions utilise census, economic and social data	<p>Strategic government documents relating to social protection utilise the last census (2011) and socio-economic data in their context sections. EU programming documents use census and other social data in contextual analyses for projects and programmes.</p> <p>Sources: <i>Government strategies, EU strategic and programming documents; OP HRD, Project DOAs.</i></p>
I-124	Data gaps identified and adequately mitigated in design of EU support	<p>Some measures to address data gaps (e.g. child protection database introduced by the Project) were supported by EU and assisted better monitoring and reporting on children, but the evaluation concludes that steps to integrate it into the upcoming Social Card were not clear.</p> <p>Source: <i>Final Project Evaluation " Child Care Reform"</i></p>

#### 4.1.2 EQ2

#	Indicators	Evidence
<b>JC 21 Social protection coverage and uptake extended / broadened with EU support</b>		

#	Indicators	Evidence
I-211	Trends in social insurance (old-age pension, disability, unemployment, etc.) coverage rates, e.g. -Proportion of work force actively contributing to a pension scheme Proportion of active workforce with qualifying for unemployment benefit Proportion of elderly receiving a pension, etc.	Unemployment insurance coverage increased from 32.9% in 2008 to 43.9% in 2009, but decreased to 35.6% in 2012. No gender disaggregated data are available. <i>Source: ILO World Social Protection Report</i> The proportion of older women and men (above the 65 statutory pensionable age) receiving an old-age pension was 52.3% in r 2011 data. No gender-disaggregated data or data that would permit estimation of a time trend were found. <i>Source: ILO World Social Protection Report</i> As of 2007, 36.8% of the working-age (15-64) age population and 80% of the labour force 15-64 were contributing to a pension scheme. No more recent data was found.
I-212	EU support for social protection recognizes special needs of the informal sector.	<i>No evidence was found during desk and field phase that EU support for social protection recognizes special needs of the informal sector.</i>
I-213	EU support for social protection recognizes special needs of children	There is extensive evidence that EU support for social protection recognizes special needs of children. The backbone of EU support to Social protection in Montenegro was the Project “Child Care System Reform: Enhancing Social Inclusion” under IPA 2010 and “Continuation of support to the child protection reform process” under IPA 2014. Also other projects focusing on inclusive education had strong focus on children with special needs. The project was “highly relevant for Montenegro’s child care reform and national policies for improving the well-being of children and realisation of children’s rights as it addressed the top priorities of the reform. The Project addressed the most pressing needs for child deinstitutionalisation and prevention of child abandonment through inter-sectoral co-operation, as identified in the domestic and international reports and planning documents.” <i>Source: Final evaluation, “Child Care System Reform”</i> The project “Enhancing Social Inclusion” under IPA 2010 has had direct inputs into social protection system and child care through support to the institutions; development of local social inclusion plans; a Social Fund, and particularly child care and care for children without parental care. <i>Source: Final evaluation</i>
<b>JC 22 Universal access to adequate health services put in place / strengthened with EU support</b>		
I-221	Proportion of population with access to basic health services (e.g., living within 5 km of a health facility)	This statistic is not available by WHO, but data regarding number of physicians per 10,000 people as per UNDP Human Development Index 2013, shows 16.9 doctors per 10,000 people.
I-222	Proportion of women receiving adequate ante-natal care (e.g., <a href="http://www.who.int/healthinfo/indicators/2015/chi_2015_76_antenatal_care.pdf?ua=1">http://www.who.int/healthinfo/indicators/2015/chi_2015_76_antenatal_care.pdf?ua=1</a> )	86.6% of women received ante-natal care in 2013 <i>Source: UNDP Human Development Report 2013.</i>
I-223	Proportion of health costs paid out of pocket	In 2014, an estimated 42.8% of health care costs were paid out of pocket. <i>Source: WHO World Health Statistics 2014)</i>
<b>JC 23 Access to basic income security strengthened with EU support</b>		
I-231	Programmes related to basic income security (e.g., unconditional cash transfers, non-contributory social	There is no evidence of EU support for basic income security in Montenegro.

#	Indicators	Evidence
	pension, social assistance) in place with EU support.	
I-232	<i>In-kind transfers (e.g., food and in-kind transfers for work) in place with EU support</i>	There is no evidence of EU support for in-kind transfers in Montenegro.
<b>JC 24 Gender inequalities in social protection coverage reduced</b>		
I-241	Conditional and unconditional cash transfer programmes for mothers and children in place with EU support.	There is no evidence of EU supported projects relating to cash transfer programmes in Montenegro.
I-242	Maternity programmes in place, offer adequate coverage, and operational with EU support.	Maternity benefits are universal and consist of 100% of wage for 52 weeks. EU support is not relevant in this area. <i>Source: ILO World Social Protection Report 2014</i> There is an ongoing debate regarding maternity benefits for mothers of 3 or more children. Government has adopted amendments to the Law on Social and Child Protection that stipulate that such mothers with 25 or 15 years of service, and unemployed mothers who have registered with the Employment Agency for at least 15 years, and the parents and carers of people with special needs regardless of the working and retirement status, are entitled to financial compensation. The debate is whether the amendments are fiscally sustainable, whether they are discriminatory, and whether they are consistent with sound active labour market policy.
I-243	Social assistance coverage of the elderly, disaggregated male/female if possible.	No data available.
Other relevant information		Montenegro amended the laws on non-discrimination and equality between women and men in employment and social policy in order to align its legislation in these fields with the <i>acquis</i> , and demonstrated that adequate administrative structures, particularly the required equality body, the Ombudsperson, administrative and enforcement capacities will be in place by the time of accession. Policy dialogue on social policies and employment, specifically within the Subcommittee on Innovation, Human Resources, Information Society and Social Policy, includes dialogue on gender issues. While there were gender-related elements. In the “Child Care System Reform” project, there was no gender mainstreaming strategy. <i>Source: Final Project Evaluation “Child Care System Reform”</i> Analysis of programming documents and EU progress reports show good analysis of gender. For example, the Multi-Annual Indicative Planning Document 2011-2013 points out, among other things, the need for the following: social inclusion of the elderly and disabled persons and other persons with special needs; and Promoting respect of gender equality. <i>Source: MIPD 2011-2013.</i> Gender is integrated through attempts to ensure gender <i>equality</i> in capacity building activities <i>and incorporation of gender considerations</i> development of social protection plans and services. However, no concrete gender related projects are implemented. <b>Source: Field mission interviews and FGDs</b>

#### 4.1.3 EQ3

#	Indicators	Evidence
<b>JC 31 EU support to social protection coordinated with MSs</b>		

#	Indicators	Evidence
I-311	Evidence for regular coordination efforts between EC and EU MSs in field of social protection at global level	<i>Indicator not relevant at country level.</i>
I-312	EU participates in / manages joined –up approaches (e.g., joint programming, MDTFs, joint monitoring, etc.) including social protection components	The EU participates in donor working groups that are convened regarding different reform processes and discusses issues of social protection with UN agencies and other stakeholders. EU also has discussions with CSOs on issues of social inclusion and social services design and delivery, including actions financed through non-IPA instruments such as Civil Society Facility or EIDHR. <i>Source: Field mission interviews</i>
I-313	EU strategy, programming and programme documents related to SP refer to EU Member States' policies and support and inversely.	Interviews with EUD point that social protection in its narrow definition is not supported by any MSs, with the exception of some CSO projects for service provision or social inclusion of vulnerable groups. <i>Source: Field mission interviews</i>
<b>JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection</b>		
I-321	Evidence of suitably qualified staff formally designated and actually deployed to support social protection at country level	There is evidence of staff formally designated and deployed to support social protection in Montenegro. <i>Source: EUD Survey</i>
I-322	Evidence of EU active engagement in regional fora on social protection.	Indicator not relevant at country level.
<b>JC33 EU effectively participates in global policy dialogues on social protection</b>		
<i>JC not covered by the analysis at case study level</i>		

#### 4.1.4 EQ4

#	Indicators	Evidence
<b>JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection</b>		
I-411	EU promotes and facilitates social dialogue (government, trade unions, employers' organisations) and dialogue with civil society through its social protection programmes.	EU does not lead national dialogue on social protection, and social dialogue is not extensively used as consultative mechanism in policy making. <i>Source: Field mission interviews at EUD</i> While there is no specific IPA TAIB or HRD project on social dialogue, there is a recent (2016-2017) project "Stronger Social Dialogue in Western Balkan Countries" that is funded by EU, through the Civil Society Facility (CSF) that is directly focusing on social dialogue. The project is of regional character and led by the Montenegrin Employers Federation, in cooperation with Albania, the former Yugoslav Republic of Macedonia, Serbia, and Bosnia and Herzegovina. The aim of the project is to strengthen the capacities of social partners in target countries that will contribute to social dialogue development at national and regional level as well as to harmonization of national to EU legislation in this area. Target groups of the project are employers' organizations along with their member companies, trade unions and governments in participating countries. The main activities to be realized within the project are: <ul style="list-style-type: none"> <li>• 6 national workshops in social dialogue (tripartite workshops);</li> <li>• 6 national panel discussions about the issues related to occupational health</li> </ul>

#	Indicators	Evidence
		<p>and safety (with EU experts involvement);</p> <ul style="list-style-type: none"> <li>• production of publications and leaflets;</li> <li>• Social Dialogue School organized in Skopje;</li> <li>• Creation of video material in all project countries with an aim of social dialogue promotion;</li> <li>• Creation of e-newsletter aimed at introducing the changes in the area of social dialogue;</li> <li>• Regional conference in Podgorica;</li> <li>• Regular website updates that will provide all information about the project and the state of affairs in the area of social dialogue in the countries.</li> </ul> <p><i>Source: Project documentation, interviews.</i></p>
I-412	Evidence for strengthened capacity of social partners (trade unions and employers' organisations) to participate in social protection policy dialogue.	<p>Within IPA II, Employment and Social Affairs Platform is programmed with overall objective to assist the Western Balkans with the employment/labour market and social policy reforms in their pre-accession process. The focus is on improving the policy dialogue related to labour market institutions, labour mobility, working conditions and social dialogue at the regional level<sup>9</sup>. The platform is jointly implemented by the ILO and the Regional Cooperation Council in Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Montenegro, Serbia and Kosovo, starting as of March 2016. EU did not support any projects focusing on social partners. Progress reports do provide some overview of context in which social partners work, but no direct support was provided. The support through CSF is directed towards social dialogue, but is at the regional level.</p> <p><i>Source: Project documentation, EU progress reports, interviews.</i></p>
I-413	SP mainstreamed in other policy dialogues where relevant, e.g. trade and migration	<p>The EU is in dialogue with government regarding refugees and asylum centers. It contributed Euro 500,000 to the construction of an Asylum Centre in Spuz to provide improved accommodation, health, and food assistance to asylum seekers. The EU is collaborating with UNHCR and the International Organization for Migration to support the Asylum Centre to become fully operational,</p>
<b>JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms</b>		
I-421	In policy dialogue, EU advocates for LA involvement in design, delivery, and monitoring of social protection services under supported reforms	<p>EU supports Local Authorities involvement in design, delivery, and monitoring of social protection services under supported reforms. Specifically, the project "Enhancing Social Inclusion" supported development of local plans for social inclusion and municipality-level databases on child protection.</p> <p><i>Source: Project documentation</i></p> <p>The project "Standardisation of the system of social protection for elderly in Montenegro," implemented by a national NGO, works with local authorities as well as MLSW to enhance mechanisms for social protection of elderly through development of good practice handbooks .</p> <p><i>Source: Project documentation</i></p> <p>The project "Strengthening civil society actions through a model project of home care of elderly" (implemented by CARITAS) also worked on diversification of services for elderly in coordination with the local governments.</p> <p><i>Source: Project documentation</i></p> <p>The project "Support to social policy development and creation of service delivery partnership between CSO networks and public authorities in Montenegro" (implemented by Montenegrin organisations) worked on local policy level and resulted in signing agreements with targeted municipalities on establishment of permanent forums on social policies, monitoring and planning.</p> <p><i>Source: Project staff interviews.</i></p>
I-422	In policy dialogue, EU advocates for NGO and private sector involvement in design,	<p>At the Government level, several mechanisms were established for the overall coordination of the employment, education and social inclusion sector, out of which the key one is the Government Commission for economic policy and financial system which elaborates all the relevant legal and strategic</p>

<sup>9</sup>[https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/financial\\_assistance/ipa/2015/multi-country/ipa\\_ii\\_2015\\_038-054.11\\_mc\\_esap.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/financial_assistance/ipa/2015/multi-country/ipa_ii_2015_038-054.11_mc_esap.pdf)

#	Indicators	Evidence
	delivery, and monitoring of social protection services under supported reforms	<p>documents. In addition, the working groups are formed for drafting all legal and strategic documents with all relevant stakeholders from government and public administration, as well as social partners and CSOs.</p> <p><i>Source: SOP 2015-2017, field mission interviews</i></p> <p>NGOs provide inputs to development of the EU Progress Reports. Supported projects in the field of social protection are either implemented by NGOs or by UN agencies, who directly partnered with CSOs to deliver social services through the Social Fund.</p> <p><i>Sources: EU progress reports; Project Documents and Evaluations, field mission interviews</i></p> <p>Projects supported by EU in the field of social protection and services to elderly also have strong advocacy component for CSOs in the reforms in these areas. For example, the project “Support to social policy development and creation of service delivery partnership between CSO networks and public authorities in Montenegro” had strong local advocacy component that resulted in new partnership agreements between municipalities and NGOs. Generally, interviewed stakeholders agree that EU support has increased the capacities of CSOs to take more active role in the advocacy relating to social services. This was particularly done through EU support provided through instruments such as CSF and EIDHR. Projects funded through these instruments, in addition to strengthening social services and social inclusion measures, were critical for CSOs to build their capacities and. Such projects also offer the potential for CSOs to work closely with the government around focal issues, which provides an opportunity to CSOs to be more active interlocutors in the dialogue.</p> <p><i>Source: Project documentation, field mission interviews</i></p>
I-423	National and international NGOs and private sector firms with specialist expertise contracted for service design and delivery under supported reforms	<p>While the funds for service providers (NGOs) was available, “[o]ne of the key challenges faced by the project was the existence of appropriate service providers providing services needed by local communities. The project could give grants only to organisations that already provided the same or similar services, or which could be relatively easily started by NGOs or local institutions with relevant experience. The services funded do not, therefore, necessarily represent the highest priorities for their communities”.</p> <p>Evaluation of Quality of Social Welfare Services Supported through the Project: “Social Welfare and Child Care System Reform: Enhancing Social Inclusion”, Component 2: Social Welfare Reform, p. 12.</p>
<b>JC 43 Social partners’ and other stakeholders’ involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU</b>		
I-431	Evidence of social partners and civil society organisations (e.g., advocacy NGOs, research organisations) involved in EU-supported policy development events on SP including international fora	The CSF-financed regional project “Stronger Social Dialogue in Western Balkan Countries” funded by EU, through the Civil Society Facility (CSF), has components of regional exchanges and regional events (e.g. regional conference to be held in Podgorica within the project) directly focusing on social dialogue.
I-432	Regional and global networks of social protection stakeholders supported	Not relevant at country level.

#### 4.1.5 EQ5

#	Indicators	Evidence
<b>JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially</b>		

#	Indicators	Evidence
I-511	Appropriate capacity development measures supported by EU	<p>IPA Component I support actions aimed at developing institutional capacity. Also, IPA component for HRD was made available to Montenegro as of 2011. Review of related programming and available evaluation documents show that that EU supported adequate and relevant capacity development measures.</p> <p>For example, OP HRD states: “in addition to the priorities identified in the European Partnership, one of the main objectives of IPA support to the Social Development sector is to prepare Montenegro for the implementation and management of the European Social Fund and bringing Montenegro closer to EU policies, both in terms of strengthening employment and HRD policy development, as well as building institutional and administrative capacity.”</p> <p><i>Source: OP HRD 2011-2013.</i></p> <p>Further, MIPD 2011-2013 points out, among other things, the need for institution building to increase administrative capacity in view of conferral of EU funds management, including HRD.</p> <p><i>Source: MIPD 2011-2013.</i></p> <p>EU supported projects implemented by various partners, including but limited to UN agencies or CARITAS have capacity building components either for government institutions or civil society. Review of available documentation and interviews show that these capacity building measures are relevant and result in new mechanisms or institutional solutions set up by the government. For example, continuous work of UN Agencies, with support of EU, resulted in establishment of the Institute for Social Protection of Montenegro. Also, Local Action Plans for Social protection have been designed and adopted by LAs, based on advisory and capacity building measures of the projects. Another examples are projects “Standardisation of the system of social protection for elderly in Montenegro”; “Strengthening Civil society actions through a model project of home care of elderly in Montenegro” (Implemented by CARITAS) and “Support to social policy development and creation of service delivery partnership between CSO networks and public authorities in Montenegro” (implemented by Montenegrin organisations) had institutional capacity building elements, focusing on specific issues.</p> <p><i>Source: Project documentation, interviews.</i></p>
I-512	Weaknesses in SP legal frameworks, identification, registration, payment, etc. systems analysed, appraised, and addressed with EU support	<p>EU support has addressed weaknesses in the SP framework with focus on children and socially excluded populations. For instance, ROM report for the Project “Enhancing Social Inclusion” finds that the project responds to the national strategies for social inclusion, notably: i) the Law on Social and Child Welfare in revision; ii) the Strategy on Development of Social and Child Welfare System; iii) the Poverty Alleviation and Social Inclusion Strategy, and; iv) the Strategy for Integrating People with Disabilities. Interviews confirm that EU support has been critical for engaging in social inclusion of the Roma population, particularly Roma IDP population placed in the Konik refugee camp. However, criticism remains of fragmented support in social inclusion, which leaves some initiatives unfinished or not built in the legislative or policy frameworks. Stakeholders point out that EU support is good in identifying weaknesses and gaps and piloting some measures but there is no strategic approach to institutionalising such measures in the government legislative or policy systems.</p> <p><i>Source: ROM Report for the Project Enhancing social inclusion, MR-141075.01; Interviews</i></p> <p>UNICEF project supported development of secondary legislation from the perspective of operationalizing the Law on Social and Child Protection and introducing quality standards and uniformity in the social and child protection system and service provision across the country. Within these efforts, UNICEF supported the official working groups in the development of the following bylaws:</p> <ul style="list-style-type: none"> <li>• The bylaw on the organization, standards and methods of work of CSWs (adopted in December 2013);</li> <li>• The bylaw on the terms and standards for performing professional activities in the social and child protection sector (adopted in December 2013,</li> </ul>

#	Indicators	Evidence
		<p>amended in March 2014);</p> <ul style="list-style-type: none"> <li>• The bylaw on the terms for provision and use of foster care services (adopted in April 2014);</li> <li>• The bylaw on the terms for provision and use and minimum standards of the service of accommodation in shelters and emergency reception units (adopted in June 2014);</li> <li>• The bylaw on the terms for provision and use and minimum standards of residential care services for children and youth (adopted in October 2014);</li> <li>• The bylaw on the terms for provision and use and minimum standards of community- based services (under finalization).</li> <li>• The bylaw on minimum standards of socio-educational and counselling and therapeutic services</li> <li>• The bylaw on licensing of professionals;</li> <li>• The bylaw on accreditation of training programmes.</li> </ul> <p>In addition to the development of secondary legislation, MoLSW requested support by one of UNICEF's key policy and legislation experts to the process of development of the Strategy for the Development of the Social and Child Protection System 2013-2017 by the official working group. The Strategy was adopted by the Government of Montenegro in June 2013.</p> <p><i>Source: Project documentation, Interviews with UNICEF team</i></p>
I-513	EU support takes SP governance issues into account and addresses gaps and deficiencies	<p>EU support takes SP governance issues into account, by ensuring that central and local government are involved in the planning and implementation of projects. For example, the "Enhancing Social Inclusion" project as well as other projects implemented by UN Agencies are planned in close consultation between government, EU and UN agencies (ROM Report, relevance section; interviews). Support to address gaps in financing social services was addressed by establishment of the Social Fund by the Project, while development of Local Action Plans for SP were also supported. Government representatives are also members of Project Boards. Other examples are the projects "Standardisation of the system of social protection for elderly in Montenegro," "Strengthening civil society actions through a model project of home care of elderly in Montenegro" (Implemented by CARITAS) and "Support to social policy development and creation of service delivery partnership between CSO networks and public authorities in Montenegro (implemented by Montenegrin organisations).</p> <p><i>Sources: Project documentation; Evaluation of Quality of Social Welfare Services Supported through the Project: "Social Welfare and Child Care System Reform: Enhancing Social Inclusion", Component 2: Social Welfare Reform; ROM Report for the Project Enhancing social inclusion, MR-141075.0.</i></p>
<b>JC 52 Nationally defined social protection floors promoted</b>		
I-521	Evidence that the EU advocates in policy dialogue with government to adopt the national social protection floor approach	<p>The EUD itself has not had strong advocacy on promotion of the social protection floor approach, but through its supported projects, elements of the social protection floor approach elements (such as entitlement to benefits prescribed by national law, adequacy and predictability of benefits; non-discrimination, gender equality and responsiveness to special needs; social inclusion; respect for the rights and dignity of people covered by the social security guarantees; etc.) have been promoted and advocated for.</p> <p><i>Source: interviews, Project documentation</i></p>
I-522	EU support to SP coordinated with ILO country and regional offices	<p>ILO is present in Montenegro. In an interview, ILO representative stated that ILO in Montenegro works closely with other UN agencies, the EU Delegation and other international institutions.</p> <p><i>Source: <a href="http://www.un.org.me/news/1108/127/ILO-SCALES-UP-DECENT-WORK-IN-MONTENEGRO">http://www.un.org.me/news/1108/127/ILO-SCALES-UP-DECENT-WORK-IN-MONTENEGRO</a>.</i></p>
<b>JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered</b>		

#	Indicators	Evidence
I-531	EU supported social protection schemes designed / administered on the basis of sound financial and actuarial analysis	<p>In 2008, the EU supported analyses of social protection and social inclusion in each Western Balkans country, including Montenegro. The document contains chapters on Economic, Financial and Demographic Background; Social Protection and Social Welfare system; poverty and social exclusion; institutional framework; Health care system and long term care; the pension system.</p> <p>The evaluation of the quality of social welfare services supported through the Project: "Social Welfare and Child Care System Reform: Enhancing Social Inclusion", Component 2: Social Welfare Reform shows that no analysis of the potential costs of funding services to meet needs was conducted, and that was recognised as a weakness of the intervention.</p> <p><i>Source: Evaluation of Quality of Social Welfare Services Supported through the Project: "Social Welfare and Child Care System Reform: Enhancing Social Inclusion", Component 2: Social Welfare Reform.</i></p> <p><i>No other EU supported interventions for analysis of the fiscal implications of the SP schemes were found.</i></p>
I-532	Evidence of EU supporting the transition to sustainable national financing for social protection	<p>IPA support to Montenegrin social welfare reform included an entire component on sustainable funding of social protection measures.</p> <p>Services (also those supported by the project "Social Welfare and Child Care System Reform: Enhancing Social Inclusion") were mainly dependent on donor funds, and evaluation of the project reveals that only two of 21 reviewed services were to continue with institutional support. Interview with UNICEF team confirms that a set of services (foster care , day care centres for children and youth with disabilities; small group homes, family outreach, Children's Home Mladost (child SOS line, emergency reception unit for victims of violence, transitional housing unit, day care centre) have been institutionalised.</p> <p>The Project "Social Welfare and Child Care System Reform: Enhancing Social Inclusion" also supported establishment of the Social Fund as a source for financing social services at local level. The Social fund model was replicated from Serbia.</p> <p><i>Source: Evaluation of Quality of Social Welfare Services Supported through the Project: "Social Welfare and Child Care System Reform: Enhancing Social Inclusion", Component 2: Social Welfare Reform; Survey with EUDs conducted within the Evaluation.</i></p> <p>The project "Enhancing Social Inclusion" worked with the government and supported the Rulebook no. 10 "Rulebook on ascertaining the level of funds for development and financing of social and child protection services, criteria for their allocation to individual municipalities, criteria for participation of local government and the order of transfer of funds".</p> <p><i>Source: Evaluation of Quality of Social Welfare Services Supported through the Project: "Social Welfare and Child Care System Reform: Enhancing Social Inclusion", Component 2: Social Welfare Reform.</i></p>
I-533	Evidence of poverty impacts and redistributive effects analysed and monitored at all stages of EU support to SP	<p>Some Projects (those implemented by UN Agencies) funded by EU around social protection and inclusion were monitored (ROM) and evaluated. ROMs and evaluations assess impact prospects. Also, UN Agencies conduct ongoing monitoring of a variety of indicators (previously MDG and now SDG) and collection of such data was also enabled through EU supported projects.</p> <p><i>Source: interviews, UN Agencies projects documentation</i></p>
I-534	Evidence of intergenerational equity issues considered in the design of the EU support to SP.	<p>Analysis of intergenerational equity issues did not play a role in the programming of EU support.</p> <p><i>Source: interviews, programming documentation</i></p>
<b>JC 54 Government social protection programmes consolidated and rationalized where necessary</b>		
I-541	Evidence for improved institutional	<p>There is evidence of improved institutional structure and procedures of agencies responsible for social protection with EU support. An important result of the EU</p>

#	Indicators	Evidence
	structure and procedures of agencies responsible for social protection with EU support	<p>supported intervention implemented by UNDP was establishment of the Institute for Social Protection, as an institution directly in charge of operationalisation (through licencing, supporting and oversight of social service providers) and monitoring of social protection policies and measures by the government. Evaluations of the project “Enhancing Social Inclusion” show that the “capacity building programmes which have been carried out with the support of international partners (most notably UNICEF, UNDP and EU) have significantly improved the capacity of CSWs to deliver better services in a more coherent manner, based on improved co-operation with other services, families in need and NGOs, and with the support of a better data monitoring system.” (p. 17)</p> <p>The project “Enhancing Social Inclusion” s directed towards: i) the improvement of the information and management social system at the central level; ii) the introduction of innovative services through a Social Innovative Fund (SIF); iii) the capacity building at the central level and in municipalities and social services providers (such as NGOs); iv) the design of local social plans and the establishment of local social councils.</p> <p>Further, evaluation of the “Child Care System Reform” project concluded that “CSWs have a more knowledgeable and serious approach towards fostering, are more pro-active and open to work in partnership with colleagues from other sectors and with NGOs and thus faster in referral of children to relevant services. Most importantly, the capacity building actions, on the background of new legal provisions, rulebooks and standards, had a major contribution to the change of mind-sets and consequently of attitudes and work practices: in the past, the CSWs staff believed that institutionalisation is the best option for children left without parental care, a belief which has been reversed with the contribution of the Project” (p. 50).</p> <p>At local level, Local Social Protection Plans provided a framework for further development of mechanisms for social protection. At the level of services, over 20 different services were promoted and supported, out of which services such Foster care (kinship care and non-kin foster care); Day care centres for children and youth with disabilities; Small Group Home; Family Outreach (Family Centre is the NGO); Children’s Home Mladost (child SOS line, emergency reception unit for victims of violence, transitional housing unit, day care centre received institutional funding.</p> <p>Source: Interviews; Final Project Evaluation “Child Care System Reform”, 7 July 2014.</p>
I-542	Evidence for established / improved coordination mechanisms across all public agencies with SP responsibility	<p>There is support to establishment / improvement of coordination mechanisms across public agencies with SP responsibility with EU support (through projects and overall HRD sector support). For example, the evaluation of the “Child Care System Reform” project finds that “a Protocol for inter-sectoral co-operation aimed to prevent child abandonment was signed by the MLSW, MoH and MoE in April 2014, as an expression of commitment to undertake all necessary measures to prevent institutionalization, engage in transformation of existing institutions and improve quality of services and programmes for children”. (p. 47)</p> <p>Source: Final Project Evaluation “Child Care System Reform”, 7 July 2014)</p>
I-543	Universal approaches favoured over targeted ones where appropriate (in EU support)	<p>While social inclusion was a major objective of EU support to SP in Montenegro, universal approaches per se were not promoted.</p>

#### 4.1.6 EQ6

#	Indicators	Evidence
<b>JC 61 Social protection as a human right promoted at all levels</b>		
I-611	Thematic, regional and country strategies and	The EU Indicative Country Strategy Paper contains a section on fundamental rights and also elaborates on human rights in sections relating to social development. MIPD, OP HRD and SOP documents also provide analysis of

#	Indicators	Evidence
	interventions incorporate rights-based approach to SP	<p>Montenegrin context from human rights perspective, and lay out the EU requirements for tackling human rights by the government. Programming, especially within social development sector, incorporates a rights-based approach. Analysis of human rights and fundamental freedom context and situation is also provided in EU Progress reports.</p> <p><i>Source; EU Indicative Strategy Paper; MIPDs for period 2007-2013, OP HRD 2011-2013, SOP 2015-201; EU Progress reports</i></p> <p>Interviews confirm the findings of the ROM report and evaluations for the project “Enhancing Social Inclusion” conclude that respect of human rights is at the core of this project.</p> <p><i>Source: Interviews; ROM Report for the Project Enhancing social inclusion, MR-141075.01; Evaluation of Quality of Social Welfare Services Supported through the Project: “Social Welfare and Child Care System Reform: Enhancing Social Inclusion”, Component 2: Social Welfare Reform.</i></p> <p><i>Projects “Standardisation of the system of social protection for elderly in Montenegro”; “Strengthening Civil society actions through a Model Project of Home care of elderly in Montenegro” (Implemented by CARITAS) and “Support to social policy development and creation of service delivery partnership between CSO networks and public authorities in Montenegro (implemented by Montenegrin organisations) have strong focus on human rights, particularly of elderly in the two projects.</i></p> <p><i>Source: Project documentation</i></p>
I-612	Evidence that EU advocates for a rights-based approach in global fora	Not relevant for country level.
<b>JC 62 EU support addresses concerns about excluded populations</b>		
I-621	Gender, disability, ethnic minority, children’s, etc. issues mainstreamed in EU SP support	Programming documents and projects contain overview of context and measures to address gender, disability, ethnic minority, children’s, etc. issues wherever relevant. Gender is usually presented as a cross cutting issue, but further analysis shows that at times not enough elaboration (or mainstreaming) is provided in EU programming and project documents on gender. Projects supported by EU have disability, ethnic minority, children’s, etc. issues as focus, and in such cases the issues are well elaborated.
I-622	NGO/CSO capacity to advocate in for SP needs of excluded populations strengthened	EU projects, not only through IPA TAIB and HDR but also from the Civil Society Facility, EIDHR and Cross-Border Cooperation, have strong components for strengthening NGO/CSO capacity to advocate excluded populations. Project implementers or partners are usually local CSOs which have the opportunity to build their capacities for both service delivery and for advocacy on issues of their constituencies. Focus group with CSOs confirm that EU assistance was important for them to address the needs of their beneficiaries, to advocate for rights but also to be more prominent actors in policy processes.
<b>JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage)</b>		
I-631	Trend in non-contributory pension as percentage of average wage	No data available for time trend. According to the data for 2013 of the Ministry of Finance, non-contributory social welfare expenditure (family allowance, child allowance, personal disability allowance, allowance for care and assistance), makes up 14.35% of total expenditure (pensions and administration costs) and 2.05% of the GDP. <p><i>Source: SOP 2015-2017, p. 8.</i></p>

#	Indicators	Evidence								
I-632	Trend in adequacy of social assistance benefits	<p>A study on Social Protection and Inclusion (2008) stated: "Social assistance benefits in their current amounts are not sufficient to satisfy the basic needs of one individual, let alone entire households. The Family Financial Support (MOP) benefits compensation is roughly 40% of the per capita poverty line for single-member families whilst in the case of five- or more- member families, MOP compensation is less than one quarter of the per capita poverty line." No more recent analysis was found during desk phase.</p> <p>Source: <i>European Commission (2008); Social Protection And Social Inclusion In Montenegro, P. 41.</i></p>								
I-633	Trend in adequacy of unemployment benefit	<p>Public spending on active and passive labour market measures on unemployment benefits in the period of 2008-2010 has increased as shown in Table 3 below.</p> <p>Table 3 Unemployment benefits</p> <table border="1"> <thead> <tr> <th>Passive employment measures</th> <th>2008</th> <th>2009</th> <th>2010</th> </tr> </thead> <tbody> <tr> <td>Unemployment benefits</td> <td>8,850.6</td> <td>12,637.9</td> <td>15,179.8</td> </tr> </tbody> </table> <p>Source: <i>OP HRD 2011-2013, p. 37.</i></p> <p>Data for period of 2013 and 2014 shows that the amount of funds remained unchanged, in the amount to EUR 12 million.</p> <p>Source: <i>SOP 2015-2017.</i></p> <p>Data on trends in adequacy of unemployment benefits were not found.</p>	Passive employment measures	2008	2009	2010	Unemployment benefits	8,850.6	12,637.9	15,179.8
Passive employment measures	2008	2009	2010							
Unemployment benefits	8,850.6	12,637.9	15,179.8							
I-634	Social protection expenditure as proportion of GDP: Spending on working age population. Spending on the elderly. Spending on children	<p>Data shows that social protection expenditure represented 14.3% of GDP in 2012. The transfers for social protection represented 37.56% of public expenditures.</p> <p>Source: <i>Montenegro Development Directions 2013-2016.</i></p> <p>Disaggregated data as per different groups were not found.</p>								

#### 4.1.7 EQ7

#	Indicators	Evidence
<b>JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context</b>		
I-711	The choice of modalities and implementing partners reflects clearly identified comparative advantages and institutional capacity needs and constraints	<p>Reasonable strategic choice of aid modality was found– combining technical assistance for institution building with direct service delivery to final beneficiaries in projects supported by IPA assistance.</p> <p>Source: <i>Project documentation.</i></p> <p>Interviews, the survey with EUD in Montenegro and also review of documentation indicate that the main channels of delivery for EU support to social protection were not a bad choice per se, but government should be more involved if any programme is to be sustainable and owned. Social protection is considered as the slowest sector in terms of reforms, and it has been a challenge for projects to move reforms forward faster.</p> <p>Source: <i>Interviews, EUD Survey.</i></p> <p>The main modality used was projects. The EUD survey and interviews with EUD staff indicate that the project modality has pros (pragmatism, speed) and cons (lack of ownership, weak sustainability). There is a need to move away from project support and condition aid with optimisation of social protection networks of stakeholders, not simply government. The new envelope within IPA II reflects these lessons; decentralised aid and budget support or any mechanisms that conditions support with fund matching will achieve better results.</p>

#	Indicators	Evidence
		<p><i>Source: Interviews and Survey with EUDs conducted within the Evaluation.</i></p> <p>Interviews point that partnerships, particularly with UN, were positive, especially since the UN flag is important when addressing human rights and vulnerabilities of marginalised groups. Also, interviews with civil society organisations show that EU support to civil society and partnerships between EU and civil society has been important political and policy message for government to take more seriously inputs provided by these actors.</p> <p><i>Source: Field mission interviews</i></p>
I-712	The approach employed by the EU fosters high quality dialogue between the EU and national stakeholders	Prioritisation on all IPA support was conducted in dialogue between EU and government (see EQ1).
I-713	The aid delivery methods and channels used promote ownership of SP by national stakeholders	<p>ROM reports and evaluations of the components of the project “Enhancing Social Inclusion” show that ownership over the project was high. The evaluation concludes: “Political commitment for the reform supported by the Project boosted with the appointment of the new MoLSW leadership early 2013. The ownership of the reform process is also confirmed by the participation of self-governments in the Project and their spending plans for child care services in the target municipalities.</p> <p>The Project has engaged a large number of stakeholders and developed strategic partnerships with focus on inter-sectoral co-operation and coordination for the prevention of abandonment of children left without parental care and children with disability.”</p> <p><i>Source: Final Project Evaluation” Child Care System Reform”, 7 July 2014; ROM Report for the Project Enhancing social inclusion, MR-141075.01.</i></p> <p>Available project documents for other projects also show that government counterparts were consulted and engaged in planning of the projects. However, interviews point to the different level of ownership of the government over results. On a positive side, government continued financing UNDP’s project, as well as continued institutionalising the Institute for Social Protection. However, CSOs and EUD remark that in many cases ownership varies and/or depends on the level of enthusiasm of a decision maker or government official for a reform area. In the social protection sector, there has been a turnover of highest level officials (ministers), which affected the level and the speed to which the supported reforms were pushed forward.</p> <p><i>Source: Interviews with stakeholders</i></p>
<b>JC 72 EU financed interventions in the social protection field are mutually reinforcing</b>		
I-721	Financing instruments (bilateral vs. regional, geographic vs. thematic) are combined to exploit complementarities and promote synergies	<p>Different EU instruments contribute to social protection and inclusion in Montenegro, some of these particularly important for strengthening CSOs in service delivery and protection of rights of their constituencies and vulnerable groups. For example, the Civil Society Facility has had strong social protection and inclusion focus in Montenegro, whereby it supported projects that had components developing and delivering social services; advocacy on social protection and rights of vulnerable groups. EIDHR also has supported projects including elements of social inclusion and social protection. CBC is another instrument that contributes to this sector, through enhancing cross-border cooperation. Interviews reveal that these instruments cumulatively contribute to reforms of the sector, both from the side of government and civil society.</p> <p><i>Source: Field mission interviews</i></p>
I-722	EU support to SP in partner countries has been reinforced by the mobilisation of expertise from EU	<p>Montenegro does not participate in PROGRESS or SOCIEUX.</p> <p><i>Source: EUD survey, field mission interviews</i></p>

#	Indicators	Evidence
	Member States (via instruments such as TAIEX/Twinning or the SOCIEUX facility)	
<b>JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored</b>		
I-731	Frequency of delays in implemented interventions related to SP	Interviews reveal that, while there are generally no significant delays in implementation of assistance, when they do occur, most important delays happen in the period from programming to contracting to implementation, which at times affects relevance of supported interventions. Interviews, ROM and evaluation reports of the Project “Enhancing Social Inclusion” reveal some delays in implementation particularly at the inception phase, but they did not affect the project significantly. More generally, interviews point that delays often happen due to slow responses and moves within the government, causing some results to materialise in a slower pace. <i>Source: Interviews; ROM Report for the Project Enhancing social inclusion, MR-141075.01; Evaluation of Quality of Social Welfare Services Supported through the Project: “Social Welfare and Child Care System Reform: Enhancing Social Inclusion”, Component 2: Social Welfare Reform.</i>
I-732	Transaction costs are minimised for all parties involved	Implementing agencies (e.g., UNDP and UNICEF) and other stakeholders have capacity and experience necessary to efficiently achieve the objectives of the support. The evaluation of the “Child Care Reform project concludes “Project management was conducted professionally, with high quality and commitment from UNICEF, results orientation, rigorous monitoring and excellent quality of reporting of progress against set targets.” <i>Source: Final Project Evaluation “Child Care System Reform”, 7 July 2014, p. 81.</i>
I-733	Monitoring and evaluation allows for adjustment of SP support responding to performance and context	Monitoring and evaluation of EU interventions is conducted as per EU rules. ROM is applied as a monitoring tool but also EUD is following project activities and results in ongoing exchanges with projects and partners. ROM monitoring is not done for all projects, which creates difficulties in making any comparative analysis either within or among projects on progress, adjustments and results. Evaluations are done even less systemically and usually are commissioned by project implementers, as evaluations are not an ultimate requirement of the EU. For example, the UNDP/UNICEF project was evaluated as per standard procedure of UN but not due to EU requirement. But, other projects in focus of this evaluation were not evaluated.

#### 4.1.8 EQ8

#	Indicators	Evidence
<b>JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs</b>		
I-811	Institutional structures / mechanisms in place to coordinate SP policies and interventions across MSs and other international donors	Donor coordination in Montenegro is done centrally in the Ministry of Foreign Affairs and European Integration, at the Directorate General for Economic Diplomacy and Cultural Co-operation. Based on the decision 01-511 of 2 October 2009, Strategic Coordinator for IPA Component IV, Assistant Minister in the Ministry of Labour and Social Welfare has been appointed as the Head of IPA Operating Structure responsible for management of this OP. Also, coordination of other IPA components is led by NIPAC Office of Montenegro. <i>Source: SOP 2015-2017.</i> Capitalizing on the experience of the database for donor coordination already prepared under the Office of the Prime Minister, a new established Directorate General for Economic Diplomacy and Cultural Co-operation continues the process by using the centrally collected information and disseminating it to the Lead Institution in charge of the sector.

#	Indicators	Evidence
		<p><i>Source: SOP 2015-2017</i></p> <p>There is no specific working group on social protection currently. Coordination in the field of social protection is not systematic and happens on an ad hoc basis. EU participates in meetings with UN agencies in Montenegro relating to projects implemented in the areas of social protection.</p> <p><i>Source: Field mission interviews, evaluation reports, ROM reports.</i></p>
I-812	EU is able to leverage its support by generating funding from other sources	<p>The project "Enhancing Social Inclusion" received follow-up funding in amount of 350,000 EUR from the Montenegrin government upon expiry of EU support. This was an important move and an indicator of governments recognition of EU supported intervention, but also of the need that more needs to be done in this field.</p> <p><i>Source: Field mission interviews</i></p>
<b>JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment)</b>		
I-821	DEVCO / NEAR - financed SP support cross-refers to policies and strategies of other relevant DGs and avoids duplication and conflicts	<p>Policy dialogue within implementation of obligations under the SAA, particularly the negotiation on chapter 19 includes issues pertaining social policies. Cross references and linkages to country and EU-level strategies and policies exist in EU programming documents. Each programming document (e.g. MIPD, Operational programme, Project fiche) contains sections where linkages to EU and governments strategies are elaborated.</p> <p><i>Source: EU Programming documents.</i></p>
I-822	Existence of inter-DGs coordination on SP	<p>The issues relating to social protection are coordinated within DG NEAR but also with different DGs, particularly DG EMPLOY.</p> <p><i>Source: Interviews, Agreed Minutes of the Sub-committee on Innovation, Human Resources, Information Society and Social Policy between the European Union and Montenegro</i></p>

## 4.2 Overview of EU-funded key interventions

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>
<b>2007-2013</b>			
IPA 2007	Standardisation of the system of social protection of the elderly in Montenegro	01/01/2010 - 01/07/2011	1,002,687.83
IPA 2007	Support to social policy development and creation of service delivery partnership between CSO networks and public authorities in Montenegro	01/01/2010 - 01/04/2011	1,002,687.83
IPA 2007	/ Strengthening of Civil Society through a Model Project of Home Care for Elderly in Montenegro	01/01/2010 - 01/07/2011	1,002,687.83
IPA 2009	Development of home care structures in Montenegro	29/12/2012 - 28/02/2013	2,923,000.00
IPA 2009	Training needs assesment and identification of capacity setting programme for the mental health sector in Montenegro	07/05/2012 - 04/09/2012	1,402,028.44
IPA 2009	Study on Social Inclusion and Preparation for 2010 IPA	25/05/2009 - 06/04/2015	35.312,61
IPA 2010	Child Care System Reform	18/12/2010- 24/04/2015	1.243.046,22
IPA 2010	Enhancing Social Inclusion	10/01/2011- 04/05/2015	1.169.367,00
IPA 2010	Capacity Building within the Field of Mental Health	01/11/2013 - 30/04/2014	485,612.00
IPA 2011	Technical assistance on durable solutions for displaced and internally displaced persons and residents of Konik camp in Montenegro	26/04/2011- 17/12/2012	91.280,78
IPA 2012	Support to inclusive education of children with disabilities in Montenegro	01/12/2012- 19/02/2016	121.504,30
IPA 2013	Rehabilitation and re-socialisation of drugs addicted in Montenegro	18/12/2013 - 17/12/2015	384.379,28
<b>2014-2017*</b>			
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\* No projects were programmed in the field of social protection within IPA II thus far.

### 4.3 List of people interviewed

<i>Organisation/ Unit</i>	<i>Surname</i>	<i>First name</i>	<i>Responsibility</i>
BOITARD	Romain	EU Delegation	Programme Manager for Education, Employment and Social Inclusion
Anastasov	Natasa	NGO Nasa Inicijativa	Director
DAUTOVIC	Ana	UNICEF	UNICEF Programme Specialist
BOITARD	Romain	EU Delegation	Programme Manager for Education, Employment and Social Inclusion
Anastasov	Natasa	NGO Nasa Inicijativa	Director
DAUTOVIC	Ana	UNICEF	UNICEF Programme Specialist
Dragisic	Miodrag	UNDP	Team Leader for Social Inclusion
Durisic	Anka	NGO Staze	Director
Ferdinandi	Ida	UNICEF	Child Protection Officer
GYORI	Judit	EU Delegation	Junior Professional
Komatina	Katarina	Employment Agency	EU Projects Advisor
Koprivica	Radojka	Day care centre Niksic	Director
Krnic Brkovic	Nela	UNICEF	Child Protection Officer
Lakovic	Stanko	Employment Agency	Advisor
LYS	Andre	EU Delegation	Head of Cooperation
McCluney	Fiona	UNDP	UN Resident Coordinator, UNDP Resident Representative
Mesihovic	Denis	World Bank	Operations Officer
Mugosa	Aleksandra	Employment Agency	Advisor for EU Projects
Muleskovic	Mirza	Montenegrin Employers Federation	Head of Department for International Affairs and Projects
Percobic	David	Employment Agency	Deputy Director
Peric	Irena	Employment Agency	Head of project section
Radovic	Mirjana	NVO Akcija za ljudska prava	Radovic
ROTOVNIK	Barbara	EU Delegation	Rule of Law and European Integration Advisor
Sovilj	Svetlana	Ministry of Labour and Social Affairs	Advisor in the Ministry of Labour and Social Welfare
Sukovic	Nevena	Employment Agency	Advisor
Topalovic	Igor	UNDP	Project Manager
Vojcic	Milenko	UMHCG Montenegrin Association of Youth with Disabilities	Board Member
Vujovic	Bojan	NIPAC Office	Vujovic
Vujovic	Ivana	NGO JUVENTAS	Director
VUKOVIC - DJUROVIC	Marija	EU Delegation	Economic and European Integration Advisor
Ziga	Sanela	NVO Zracak nade	Director

## 4.4 Bibliography

### 4.4.1 Country strategy and programming

- European Commission (2014): Indicative Strategy Paper for Montenegro (2014-2020)
- Council of the European Union (2007): Stabilisation and Association Agreement between the European Communities and their Member States and the Republic of Montenegro
- IPA Comp I programming

### 4.4.2 Project documentation

The team reviewed the available project documentation (action fiches/TAPs, grant contracts, implementation and monitoring reports, evaluations, etc.) of the following interventions (see also details in the list presented in Annex 2):

- Standardisation of the system of social protection of the elderly in Montenegro.
- Support to social policy development and creation of service delivery partnership between CSO networks and public authorities in Montenegro.
- Strengthening of Civil Society through a Model Project of Home Care for Elderly in Montenegro.
- Development of home care structures in Montenegro.
- Training needs assessment and identification of capacity setting programme for the mental health sector in Montenegro.
- Study on Social Inclusion and Preparation for 2010 IPA.
- Child Care System Reform.
- Enhancing Social Inclusion.
- Capacity Building within the Field of Mental Health.
- Technical assistance on durable solutions for displaced and internally displaced persons and residents of Konik camp in Montenegro.
- Support to inclusive education of children with disabilities in Montenegro.
- Rehabilitation and re-socialisation of drugs addicted in Montenegro.

### 4.4.3 Evaluation and studies

- Conference on Accession to the European Union- Montenegro- 5 December 2016: European Union common position Chapter 19: Social policy and employment
- EC Opening benchmark assessment: Montenegro Chapter 19 - Social policy and employment
- EU (2014) Screening report Montenegro- Chapter 19 - Social policy and employment
- Government of Montenegro (2015): Chapter 19- Social policy and employment- Action Plan and Annexes
- Government of Montenegro (2016): Negotiating position of Montenegro for the intergovernmental conference on the accession of Montenegro to the European Union for Chapter 19- Social policy and Employment
- Working party on Enlargement and Countries negotiating accession to the EU: Item note from 15 April 2016 - Subject: Enlargement (Accession negotiations with Montenegro and fulfilment of an opening benchmark on Chapter 19
- EU-Montenegro Subcommittee documents
- EU-Montenegro Sub-Committee on Innovation, Human resources, Information society and Social policy (Brussels, 13 April 2011- Minutes (including correspondence letters between the MFA and European Integration of Montenegro and the European Commission
- EU-Montenegro Meeting of the Sub-Committee on Innovation, Human resources, Information society and social policy (Podgorica, 6-7 March 2012) Minutes
- EU-Montenegro Meeting of the Sub-Committee on Innovation, Human resources, Information society and social policy Brussels, 10-11 September 2013) Agreed minutes

- EU-Montenegro: Fourth meeting of the Sub-committee on Innovation, Human resources, Information society and social policy (Podgorica, 9-10 April 2014) Draft minutes
- EU-Montenegro: Meeting of the 5th Sub-committee on Innovation, Human resources, Information society and Social policy (Brussels, 08-09 September 2015) Minutes
- EC Directorate General Neighbourhood and Enlargement Negotiations D.1 Montenegro : Summary report on EU-Montenegro 6th Sub-committee on Innovation, Human resources, Information society and Social policy (6-7 July 2016, Podgorica)
- EU and OECD (2012): Assessment Montenegro. Support for Improvement in Governance and Management. Joint initiative
- EU and OECD (2012): Assessment Montenegro. Support for Improvement in Governance and Management. Joint initiative
- European Commission (2006): The IPA Council Regulation (EC) No 1085/2006 adopted on 17 July 2006.
- European Commission (2008): Social Protection And Social Inclusion In Montenegro.
- European Commission (2010): Strategic / Interim Evaluation of EU IPA Pre-Accession assistance in Montenegro). Draft report.
- European Commission (2013): IPA - Interim evaluation and meta-evaluation of IPA assistance. Country report Montenegro. The EU's IPA program for Western Balkans and Turkey.
- European Commission (2015): 2015-2017 Sectoral operational programme for Montenegro on Employment, Education and Social policies: [https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/montenegro/ipa/2015/ipa\\_2015\\_2017\\_037895\\_me\\_sectoral\\_operational\\_programme.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/montenegro/ipa/2015/ipa_2015_2017_037895_me_sectoral_operational_programme.pdf).
- European Commission: Human Resource Development – IPA Component IV. [http://www.gtai.de/GTAI/Content/DE/Trade/\\_SharedDocs/Pdf/Projekte-ausschreibungen/EU-Sektorseminar-Vortrag-Bender.pdf?v=2](http://www.gtai.de/GTAI/Content/DE/Trade/_SharedDocs/Pdf/Projekte-ausschreibungen/EU-Sektorseminar-Vortrag-Bender.pdf?v=2).
- Government of Montenegro (2012): Montenegro Development Directions 2013-2016.
- Government of Montenegro (2012): Operational Programme - Human Resource Development 2012-2013.
- ILO (2014): Social Protection Report 2014 (<http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/lang--en/index.htm>)
- IMF (2014); IMP Working Paper: Boosting job growth in the western Balkans <https://www.imf.org/external/pubs/ft/wp/2014/wp1416.pdf>.
- Institut Alternativa (2013): Mapping of Social Protection Services in Montenegro.
- World Bank (2012): Do social benefits respond to crises? Evidence from Europe and Central Asia during the global crisis <http://documents.worldbank.org/curated/en/709131468283465435/pdf/NonAsciiFileName0.pdf>

#### 4.4.4 Other

- EC (2011, 2012, 2013, 2014, 2015, 2016): EU Progress Report: Montenegro.
- External Assistance Management Report (EAMR) - Delegation: Montenegro - Period: 2011, 2012, 2013, 2014.
- Enlargement strategy and main challenges 2007-2008. 2008-2009, 2009-2010, 2010-2011, 2011-2012, 2012-2013, 2013-2014, 2014-2015 Communication from the Commission to the European Parliament and the Council

#### 4.4.5 Web links

- Balkan Civil Society Development Network website: <http://www.balkancsd.net/montenegro-eud-consultations-with-csos-for-the-preparation-of-the-next-progress-report/>)
- EBRD website, Montenegro: <http://www.ebrd.com/montenegro-country.html>)
- EIB website, Montenegro: <http://femip10.eib.org/projects/regions/enlargement/the-western-balkans/montenegro/index.htm>)

- UN in Montenegro: [www.un.org.me](http://www.un.org.me)
- UNICEF Montenegro: <https://www.unicef.org/montenegro/>
- United Nations in Montenegro: [www.un.org.me/news/](http://www.un.org.me/news/)
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<http://projects.worldbank.org/P159115?lang=en>





# Evaluation of EU support to social protection in external action

2007-2013

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Final Report

Volume II

Country Report – Morocco

January 2018

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*Evaluation carried out on behalf of the European Commission*



The evaluation was carried out by:  
Landis MacKellar – Team Leader

Contributions from:

Ana Maria Femenia Garcia – Team Member

Zehra Kacapor-Dzihic – Team Member

Tino Smail – Team Member

Lena Zezulín – Team Member

Georg Ladj – Quality Control

Ana Vilar – Backstopping

Dominika Socha & Jana Bobokova – Evaluation  
Managers

The evaluation is being implemented by Particip GmbH (leader) and AETS and managed by the DG NEAR A4 Multi-annual Financing Framework, programming and evaluation unit.

The author accepts sole responsibility for this report, drawn up on behalf of the Commission of the European Union. The report does not necessarily reflect the views of the Commission.



## Country Report – Morocco

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## List of acronyms

AECID	Spanish Agency for International Development Cooperation
AFD	<i>French Development Agency</i>
ALC	Affections lourdes et couteuses
ALD	Affections de longues durées
AT	Technical Assistance
BAD	African Development Bank
BM	World Bank
BS	Budget Support
CE	European Commission
CMB	Couverture médicale de base
CNOPS	National Fund for Social Welfare Organizations
CNSS	Moroccan Social Security Fund
CRIS	Common External Relations Information System
CSO	Civil Society Organization
CSP	Country Strategy Paper
DEVCO	Directorate-General for International Cooperation and Development
DG	Directorate-General
DH	Human Rights
DP	Development Partners
ENI	European Neighbourhood Instrument
ENPI	European Neighbourhood and Partnership Instrument
EQ	Evaluation Question
EU	European Union
EUD	European Union Delegation
GDP	Gross Domestic Product
GoM	Gouvernement of Morocco
ILO	International Labour Organization
JC	Judgement Criterion
LA	Local Authority
MDD	Matériel et Dépenses Diverses
MDTF	Multi-Donor Trust Fund
MIP	Multiannual Indicative Programme
MoF	Ministry of Finance
MoH	Ministry of Health
MS	Member State
MSFFDS	Ministry of Solidarity, Family, Women and Social Development
MTR	MidTerm review
NGO	Non-Governmental Organization
PTF	Partenariat techniques et financiers
SOCIEUX	Social Protection European Union Expertise in Development Cooperation
SP	Social Protection
SPF	Social Protection Floor
SSF	Social Security Floor
TA	Technical Assistance

TAIEX	Technical Assistance and Information Exchange Instrument
UN	United Nations
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNPD	United Nations Development Programme
WB	World Bank
WHO	World Health Organization



## 1 Introduction

### 1.1 Purpose of the country report

This report is framed within the field phase of the evaluation. During the inception phase, the evaluation framework was developed, i.e. the EU's intended intervention logics of its support to social protection (SP) in partner countries were reconstructed and the Evaluation questions (EQs) were designed. During the desk phase, overall strategy and policy documents and selected project documentation were reviewed, an online survey to the EUDs was conducted and several stakeholders were consulted. The desk report outlined preliminary answers to the EQs and it proposed a list of countries to be visited in the field phase. From a long list of 45 countries and a shortlist of 14 desk case countries, 11 countries were selected for the field phase. The overall objective of the field visits is to verify preliminary findings to the EQs.

The field cases have the main focus on the bilateral support provided in a given country, but also assess the complementarity and coherence with the major social protection (SP) programmes taking place in this country.

The outline of the country report follows the structure of the evaluation matrix to ensure a consistent and harmonised data collection approach. However, as EU interventions implemented under major SP programmes cover a variety of different topics, not every intervention is relevant for all the evaluation questions. This tailored case study approach ensures that resources are spent in an efficient way.

Therefore, the present country report cannot be considered a country evaluation but rather one of the inputs for the elaboration of the final report. The field cases allow for a detailed examination of certain elements at the Indicator and Judgement Criterion level and provide a picture of the EU support in different contexts. The report aims at providing country specific examples on a set of issues that are relevant for the worldwide exercise.

### 1.2 Reasons for selection of the country

The *Morocco* country case study has been selected for the following reasons:

- Regional and sub-regional representation: the case illustrates the specific context of the Northern Africa region.
- Focus of the support: the EU supported reforms in the area of health insurance.
- Type of support: the main EU SP interventions were budget support programmes.

The table below provides an overview of the main SP interventions implemented by the EU in the period 2007-2017.

*Table 1 Interventions selected for the case study analysis*

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>	<i>Implementing partner(s)</i>
<b>2007-2013</b>				
ENI	Programme d'appui à la réforme de la couverture médicale de base – Phase II	2011-2015	40,000,000 (incl. 36.6 million in BS)	Government, Private company (TA)
ENI	<i>The programme « Réussir le Statut</i>	2012-2017	83,000,000 <sup>1</sup>	Private

<sup>1</sup> This is the overall allocation to the programme « *Réussir le Statut avancé* » (CRIS decision ENPI/2011/022-778). This programme consisted in a large budget support intervention (over 70,000,000 EUR) and several complementary contracts, including one TA contract (2,227,640 EUR) under which the study "Etude de l'écart" in the

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>	<i>Implementing partner(s)</i>
	<i>avancé » included two relevant projects in the area of SP:</i> <ul style="list-style-type: none"> <li>• Etude de l'écart entre l'Acquis de l'UE ainsi que les bonnes pratiques des Etats Membres et le cadre juridique et institutionnel marocain dans le secteur de la protection sociale</li> <li>• Jumelage « Accompagner la mise en place de l'observation et le suivi des indicateurs de protection sociale »</li> </ul>			company (TA)  EU member states <sup>2</sup>
<b>2014-2017</b>				
ENI	Programme d'appui à la réforme de la couverture médicale de base – Phase III	2014-2017	52,000,000 (incl. 48 million in BS)	Government, Private company (TA)

Source: CRIS and Particip analysis (2016)

### 1.3 Context of the EU support

#### **Country context and overview of the national social protection system**

As a result of favourable economic growth (nearly 5% average in the period 2001-2013), Morocco made important gains in terms of poverty reduction.<sup>3</sup> However, despite some notable progress in poverty reduction and key human development indicators, Morocco still lags behind in health and education achievements,<sup>4</sup> inequalities remain high<sup>5</sup> and important disparities persist between regions.

Responding to increasing public demand for improved basic services and reduced inequalities, the Government engaged in several major reforms over the past decades, with the extension of medical coverage constituting one of the major area of reform. The adoption of Law 65.00 in 2002 on Basic Medical Coverage initiated the introduction of two social protection schemes, a mandatory health insurance (*Assurance Médicale Obligatoire* - AMO) for the formal sector and a medical assistance scheme for the economically underprivileged (*Régime d'Assistance Médicale* - RAMED):

- AMO is a social insurance scheme covering public and private sector employees. It covers costs arising from illness, accident, maternity and rehabilitation and builds on two former pooling mechanisms: the National Social Security Fund (*Caisse Nationale de Sécurité Sociale* - CNSS) for the private sector and the National Fund for Social Welfare Organisms (*Caisse Nationale des Organismes de Prévoyance Sociale* - CNOPS) for civil servants and employees of the public sector. It was effectively launched in 2005.

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area of SP was financed. The component for twining covered several projects including the one listed above which had an initial budget of 1.050.000 EUR.

<sup>2</sup> France – DAEI & Expertise France; Belgium – SPFSS.

<sup>3</sup> Extreme poverty has practically been eradicated, dropping from 2 percent to 0.28 percent between years 2001 and 2013 (extreme poverty refers to the population living on less than US\$1 PPP/day and the drop is based on the national poverty threshold, corresponding to the equivalent of US\$2.15 PPP in 2007).

<sup>4</sup> The country compare poorly to similar economies and progress has been uneven.

<sup>5</sup> The Gini coefficient was around 0.4 during most of the period. Important inequities also exist between urban and rural areas (maternal mortality in rural areas is two times higher than in urban areas).

- RAMED is a scheme that protects the most vulnerable populations from health-related out-of-pocket expenses. Eligibility is based on household income. Under the scheme the poorest are exonerated from any payment for a large set of interventions such as: vaccination; reproductive, maternal, newborn and child health; dental and reconstructive surgeries, access to medications and treatments, access to emergency rooms, etc. A pilot experiment of RAMED started in the rural region Tadla-Azilal in 2008. The generalisation of RAMED became effective in 2012.

In the midst of the Arab Spring in 2011, Morocco adopted a new Constitution which set the basis for a more open and democratic society, and explicitly states that healthcare is a right of the Moroccan people.<sup>6</sup>

One of the five pillars of the 2012–2016 Government national program goals was “promoting social programs, guaranteeing equitable access to basic services, and strengthening solidarity and equal opportunities across citizens, generations, and regions.”<sup>7</sup>

Morocco has recently undertaken considerable efforts to reform subsidies of the energy commodities. The GoM fully completed the reform of liquid fuels (fuel, gasoline, and diesel) in December 2015.<sup>8</sup>

### ***EU cooperation***

The EU is Morocco's largest trading partner, accounting for 55.7% of its trade in 2015, and Morocco is one of the largest recipients of EU assistance in the Neighbourhood region. The country is one of the EU's main political, economic and security partners in the southern Mediterranean. It holds a central role in regional cooperation in the Maghreb.

The partnership between Morocco and the EU has been deepening since 2000 when the EU-Morocco Association Agreement entered into force. In 2008, the special nature of the EU-Morocco relationship was recognised when the country was granted an “Advanced Status”. In December 2013, the Action Plan 2013-2017 for the implementation of the Advanced Status was signed providing concrete orientations to the EU-Morocco cooperation. A political declaration on a Mobility Partnership was signed in June 2013 and negotiations on a Deep and Comprehensive Free Trade Agreement started in 2013.

The EU's strategy in Morocco has been to tackle Morocco's two major concerns, which dominate the country's political, economic and social agenda: internally, to emerge from the spiral of weak growth, unemployment, poverty and migration and, externally, to make a success of implementing the Association agreement and the Neighbourhood Action Plan. During most of the evaluation period, the focus of the EU-Morocco cooperation strategy has been on (see also table below): Social policies, in particular education, health and social protection; Economic modernization, including the modernization of the private sector and the industry, and vocational training; Institutional support in relation to the implementation of the Association Agreement; Good governance and the promotion of human rights and fundamental freedoms; Environmental protection.

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<sup>6</sup> The Constitution addresses health in several articles, among which article 31 states the right to universal access to health services and the right to financial-risk protection, and article 154 stating the right to access quality health services.

<sup>7</sup> Government Program of the Kingdom of Morocco issued by the Head of Government in January 2012.

<sup>8</sup> Such reform contributed to decreasing expenditures in subsidies from 4.6 % of GDP in 2013 to 1.4 % in 2015. However, resources devoted to subsidies still represent an important share of social expenditures. Data for 2016 indicate that the total public expenditures on subsidies (at 1.4 % of Gross Domestic Product) represented 76 % of all expenditures on social assistance programmes budgeted in the national Social Cohesion Support Fund.

Table 2 Overview of MIP allocations

	2007-2010 IP	2011-2013 IP	2014-2020 SSF
<b>Sector 1</b>	<b>Social policy development</b> EUR 296 million	<b>Social policy</b> EUR 116 million	<b>Equitable access to basic social services</b> EUR 441 million
<b>Sector 2</b>	<b>Governance/Human rights</b> EUR 28 million	<b>Governance/Human rights</b> EUR 87 million	<b>Support to democratic governance, the rule of law and mobility</b> EUR 367.5 million
<b>Sector 3</b>	<b>Modernisation of the economy</b> EUR 240 million	<b>Modernisation of the economy</b> EUR 58 million	<b>Jobs, sustainable and inclusive growth</b> EUR 367.5 million
<b>Sector 4</b>	<b>Institutional support</b> EUR 40 million	<b>Institutional support (incl. « Réussir le Statut Avancé »)</b> EUR 232 million	<b>Complementary support for capacity development and civil society</b> EUR 294 million
<b>Other</b>	<b>Environment</b> EUR 50 million	<b>Environment</b> EUR 87 million	
<b>Total</b>	<b>EUR 654 million</b>	<b>EUR 580 million</b>	<b>EUR 1,470 million</b>

Source : Indicative programmes 2007-10 & 2011-13 and SSF 2014-2020.

EU support in the area of social protection started in 2001 with the CMB I programme ("*Programme d'appui à la réforme de la couverture médicale de base - Phase I*"), one of the first budget support programme implemented by the EU in the country. It was continued through two follow-up programmes: CMB II from 2008 to 2013 and CMB III from 2013 to 2017. The focus of EU support evolved from one programme to the next one:

- In the first programme (CMB I 2001-2008), the emphasis was put on the development and the strengthening of the legal and institutional framework provided for by Law 65.00, including the creation of the National Agency for Health Insurance (*Agence Nationale d'Assurance Maladie - ANAM*) and the launch of the AMO health insurance scheme.
- In the second programme (CMB II 2008-2013), the priorities were on the implementation of RAMED (launched in 2008 as a pilot project) and on further strengthening the capacities of the ANAM and the Ministry of Health (MoH).
- In the third programme (CMB III 2014-2017), the focus was on strengthening the overall governance of the reform process related to access to basic health care, ensuring the generalisation of RAMED and supporting the extension of the AMO health insurance scheme to the remaining categories of the population.

In 2017, the EU and Morocco plan to start a new programme "Programme d'appui à la protection sociale" to adopt a more integrated approach to social protection, consolidate the gains of past interventions and address important persisting challenges at financing and human resources levels.

## 2 Findings

### 2.1 EQ1: Relevance

*To what extent has EU support to social protection responded to clear overall strategic objectives on social protection and to specific needs of partner countries, including problems of poverty, vulnerability and social exclusion?*

#### *Summary answer*

EU support, mainly to improve access to basic health care, has responded to needs of the population and was strongly aligned with government priorities. It has also been sufficiently flexible to adjust to the evolving context, including in terms of helping national stakeholders to seize new opportunities of reform created by changes in the national political context.

#### **2.1.1 JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks**

Universal access to healthcare has been the main thread followed by the EU in its support to SP in Morocco over most of the past decade. This focus reflected a clear political will and a strong political consensus on the Moroccan side to respond to increasing public demand for improved basic services and reduced inequalities.

Although they were consistent with EU strategic orientations (including the general orientations spelled out the ENI/ENPI-related strategies), the objectives pursued through the EU support to SP in Morocco were not directly influenced by the EU strategic framework for external assistance in the area of SP (or any other area of cooperation). These objectives actually reflected strong domestic policy processes and the Government of Morocco's effort to integrate elements of the international debate around universal access to healthcare into the policies it was implementing (in response to increasingly pressing national challenges).

If the general objectives of the EU supported programmes reflected strong national priorities, the concept and tools used in the reform process were strongly influenced by EU MS approaches and policies in the area of SP. For obvious historical reasons, the Moroccan SP systems mirrored the French ones. This feature was further reinforced by the EU support as most of the technical inputs provided came from French-speaking EU MS entities (mainly from France and Belgium) – see also EQ3.

While the sector was allocated substantial funding from the ENI/ENPI instruments and the objectives of the EU support have been consistent with the overall ENI/ENPI goals, social protection actually received little political attention in the broad context of the EU-Morocco cooperation framework. The sector does not feature prominently in EU-Morocco high-level cooperation policy documents, especially when compared to other areas such as security, migration, economic competitiveness, trade, agriculture or higher education. Social protection was only seen through the general "employment" (including "social rights") lens in the EU-Morocco 2013-2017 Action Plan for the implementation of the Advanced Status. This focus differs from the attention given in past EU interventions to issues such as universal access to healthcare, poverty reduction or reduction in inequalities.

It is only in the last two years that some key national stakeholders realised the importance of adopting a more global approach to social protection. The idea of developing a unified and integrated policy framework for social protection has gradually gained traction at the highest levels of Morocco's policy decision-making structure. With the planned launch of new large programme (above EUR 100 million) by the end of 2017, the EU decided to decidedly

accompany this major evolution and remain one of the main external actors in this area. The new programme will also be an opportunity to consolidate the gains of past support.

In general, the evolutions in the specific objectives of the successive EU-funded programmes are reflecting a good capacity of the EU and its national partners to take stock of past achievements and integrate new responses to challenges identified. In several occasions, the EU has also demonstrated a good capacity to harness opportunities to deepen and accelerate the reform process created by changes in the national political context.

The long-term and continuous EU engagement in the area of SP (focussed on health) combined with the mobilisation of national expertise to engage in policy dialogue contributed strongly to the quality of EU support. It also ensured a highly participatory design process which, in turn, contributed to reinforcing the good ownership of the supported programmes by key national stakeholders.

### **2.1.2 JC 12 Needs and target groups clearly identified in the design of EU support**

EU support built on substantial analytical work generated at various levels, including through technical assistance programme or ad hoc studies. Continuous dialogue between the EUD and key national stakeholders helped the EU to gain a detailed understanding of main institutional challenges.

The EU also coordinated with other Development Partners (DPs) to ensure complementary in their analytical work. The use of the 2016 UNICEF mapping of social protection by the EU is a good illustration of the cross-fertilisation ensured between the various supported initiatives.

Overall, the needs and target groups of SP programmes have been well identified in the design of the EU support. The EU has provided substantial support in the launch and the strengthening of the RAMEd scheme (a flagship national scheme in support of universal access to health care). Exclusion and inclusion errors in the RAMEd scheme have been the subject of hot debate in recent years. However, the EU was aware of the challenges associated to targeting in such social assistance programmes and helped national institutions to find solutions to these issues.

## **2.2 EQ2: Basic social protection**

*To what extent has EU support to social protection helped to improve access to adequate social services and basic income for all, and in particular for those in need of protection?*

### *Summary answer*

EU support has contributed to accelerating the health finance reform process designed to expand medical coverage. Although the country has still a long way to go to reach universal health coverage, it has made impressive strides towards that goal in the past decade. This has largely occurred in the context of the RAMEd “health card” system for the poorest segments of the population. However, Government’s undeniable achievements and EU support must be placed in the context of a deeply troubled health system, with problems of access and quality (particularly in rural areas), human resources shortage, uncovered expenses still requiring informal out-of-pocket payments, the high cost of pharmaceuticals, etc. The EU did not support programmes related to basic income support or inclusion of marginalised groups.

### **2.2.1 JC 21 Social protection coverage and uptake extended / broadened with EU support**

The coverage of health insurance and medical assistance schemes has substantially increased since 2005 both in terms of population covered and the “basket of care.” Overall, the population covered increased from one quarter of the population in 2006 to one third of the population in

2010 and two thirds of the population in 2017. This considerable increase is due to the gradual expansion of the insurance schemes and the implementation of a major health card scheme (RAMED).

More than 10 million persons applied to the RAMED scheme, which targets the most economically disadvantaged part of the population, since its generalisation in 2012. This is far above the initial target of 6.3 million. Although the number of “active beneficiaries” are actually much lower than the total number of registered beneficiaries, figures on RAMED coverage show that the scheme has been very popular among the population and there is a consensus among key stakeholders that the scheme has been a success in promoting the right to basic health services.

The number of beneficiaries from the national health insurance in the private sector (part of the health insurance managed by CNSS) more than doubled in ten years, from 1.5 million in 2005 to around 3.1 million in 2015. The extension of the CNSS contributory scheme to “independent workers” (i.e. the liberal professions and self-employed workers, including a part of the population operating in the informal sector) was approved in 2017.

The EU contributed to the reform process by providing continuous and substantial financial and technical support. While the actual contribution of financial inputs provided through budget support seems to have played a minor quantitative role, the EU as an external facilitator of dialogue between key national stakeholders and provider of regular technical inputs made notable contributions to the reform process.

### **2.2.2 JC 22 Universal access to adequate health services put in place / strengthened with EU support**

The substantial increase in the coverage of health insurance and assistance schemes (see JC21) has had a positive effect on the Moroccan population’s access to and utilization of health services. Indicators on the use of outpatient care services monitored by the two “Caisses Nationales” (CNOPS and CNSS) confirm this trend.

Overall, health indicators have followed positive trends in the last decade in Morocco. Maternal health has made important strides forward as illustrated by the drop in the maternal mortality, which has been more than halved since 2000. It is difficult to make a clear link between the increase in medical coverage and key outcome health indicators, but it can be assumed that the development health insurance and medical coverage has positively contributed to the evolutions observed.

In the absence of recent data, it is difficult to see the effects of the RAMED scheme on out-of-pocket expenditure, although ad hoc observations suggest a positive effect. It is noteworthy that the reduction of out-of-pocket expenditure was the central objective of RAMED, a scheme which targets the most vulnerable (economically disadvantaged) groups of the population.

Despite positive overall evolutions, health indicators remain poor in Morocco, well behind the levels of comparable countries in the region. Demand for health services has been increasing, but the national health system remains deeply troubled, with human resources shortages, health financing issues at various levels and persisting disparities. Public hospitals have effectively become hospitals of the “RAMEDistes” and central government reimbursements are not sufficient to cover costs. The primary level of the health care system is under-developed, leading to too many patients seeking hospital-level care which, in turn, results in overcrowding of regional public hospitals. More generally, improvements in health coverage are still to be matched with a reduction of disparities in the provision of health services across the country and a strengthening of key dimensions of the health systems.

### 2.2.3 JC 23 Access to basic income security strengthened with EU support

The EU support under review did not focus on cash transfers, in-kind transfers, non-contributory social pension schemes, etc. That said, the specific objectives pursued under the EU support such as the reduction in out-of-pocket expenditures have clear (positive) implications on the economic status of the most vulnerable groups of the population. However, there is no sufficiently recent data available to measure the extent of the effects of the EU support on these aspects.

### 2.2.4 JC 24 Gender inequalities in social protection coverage reduced

Gender has been largely mainstreamed in the EU-supported initiatives. Some indicators show positive trends in terms of reducing gender inequalities in social protection coverage. In particular, more than half (53%) of RAMED beneficiaries are women.

## 2.3 EQ3: European approaches and policy dialogues

*To what extent has EU cooperation with partner countries and participation in policy dialogues in the social protection field promoted European and international principles and values in that area?*

### *Summary answer*

The EU has played an instrumental role in social protection-related policy dialogue. The EU has closely coordinated its support with EU MS, and the concepts and tools developed in the context of EU programmes, most of which were eventually used in the national reform processes, were strongly influenced by EU MS approaches and policies in the area of SP.

### 2.3.1 JC 31 EU support to social protection coordinated with MSs

EU support to social protection has been closely coordinated with EU MS, especially Spain and France. The EU has established a specific coordination structure (donor thematic sub-group on "social protection") to coordinate its support with other DPs, in particular EU MS. There has also been active coordination with EU MS in the context of the Health donor working group and the annual meetings between DPs and the Ministry of Health.

### 2.3.2 JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection

The long-term and continuous commitment of the EU in its support to social protection (focussed on health) combined with the mobilisation of national expertise to engage in policy dialogue contributed to the EU emerging as a leading and trusted partner. The concepts and tools supported through the EU programmes, most of which were eventually used in the national reform processes, were strongly influenced by EU MS approaches and policies in the area of SP. This is largely explained by the fact EU support relied heavily on EU MS expertise, especially from France and Belgium, for both the design/formulation of new programmes and the implementation of TA projects, ad hoc studies, monitoring activities, twinning projects, etc. Over the years, a small group of EU MS entities and experts coming, in particular, from the French national and local social protection agencies, provided substantial technical inputs to the reform process through EU-funded programmes.

### 2.3.3 JC 33 EU effectively participates in global policy dialogues on social protection

*JC not covered by the analysis at case study level*

## 2.4 EQ4: Social partners and civil society

*To what extent has EU support contributed to successfully involving the social partners and civil society, including the private sector and local authorities, in policy development in the social protection field?*

### Summary answer

EU support has made only very limited contributions to successfully involving the social partners and civil society in social protection policy development. The EU has decided to give a stronger place to civil society in its future support.

#### 2.4.1 JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection.

The EU has had little involvement with civil society actors in the context of the reforms on medical coverage, nor do these have had strong direct influence on Government. The EU plans to put a stronger emphasis on these actors in the new programme which is planned to be launched by the end of 2017.

Social dialogue in Morocco has a rich history. It has relied on increasingly advanced and structured mechanisms. The EU financed some activities such as a study on the Moroccan Labour Code with the objective of reinforcing the dialogue between social partners on specific topics, but, according to the interviewed stakeholders, these initiatives did not bear fruit. In general, external actors such as development partners have had little influence on the evolution of social dialogue in the country in the last decades.

#### 2.4.2 JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms.

Local authorities (“collectivités locales”) have had an increasing role in the implementation of social assistance schemes such as RAMED. This role has been reinforced by recent evolutions in the national decentralisation (“régionalisation”) policy and legal framework. EU support to social protection has taken into account the specificities of the institutional framework at local level, but did not focus specifically on local government strengthening or on increasing the role of local authorities in social protection schemes.

EU support to CSOs in the area of social protection has been limited. In 2014-2016, the EU financed an NGO to implement a project focussed on public policy monitoring and awareness raising on the RAMED scheme. However, according to the interviewed stakeholders, the project had a mixed performance with limited results.

The new EU programme which is planned to be launched by the end of 2017 will support CSO capitalisation of experiences in local service delivery

#### 2.4.3 JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU.

No evidence was found of the EU having actively encouraged the involvement of social partners in policy developments linked to the reform around the expansion of medical coverage.

## 2.5 EQ5: Social protection systems

*To what extent has EU support contributed to sustainable improvements in social protection*

*systems?*

### *Summary answer*

The EU has contributed to the development of an increasingly well-structured institutional environment supporting the reforms around medical coverage expansion. Although inter-ministerial dialogue on social protection has not always been the best and still faces challenges, it has improved over time, in part thanks to EU support. At the fiscal level, there are signs that the EU has positively contributed to the sustainable national financing of social protection schemes. But, the rapid expansion of health insurance and social assistance schemes have put a strain on several key public agencies, some of which may face increasingly important actuarial problems.

### **JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially.**

In the last 10 years, the Government of Morocco has engaged in a wide and complex reform process around medical coverage. The EU has supported key aspects of the reform process, including the strengthening of the national legal framework, the consolidation of the institutional environment, the development of tools for the design and implementation of the new schemes, etc. In particular:

- **Launch and the generalisation of RAMED:** The EU has actively supported this aspect of the reform from the very beginning. It has provided capacity building support to the key institutions in charge of the new scheme (e.g. ANAM). It substantially contributed through TA to the development of technical tools used for enhancing the implementation of RAMED and supported analytical work in diverse areas (e.g. concept notes for the design of the scheme, actuarial analyses). The EU has also been involved in policy monitoring (through its budget support monitoring mission, its participation in events and platforms of dialogue organised by the Governments, joint visits at the local level, etc.) and has played a facilitator role in the national policy dialogue related to this reform. It contributed to early identification of and response to implementation challenges such as weaknesses in the system for targeting and registration.
- **Expansion of insurance schemes:** Although to a lesser extent than for RAMED, the EU has also provided capacity building support to key national stakeholders (e.g. ANAM, MdS) and supported various types of analytical work (e.g. notes presenting strategic orientations on the extension of medical coverage to self-employed workers and students, concept notes for the governance structure of the reform).

### **JC 52 Nationally defined social protection floors promoted.**

EU support has been consistent with the SPF framework – particularly the universal access to basic health care component. However, the EU has not made explicit references to SPF-related concepts in its support to health coverage expansion, nor did national stakeholders use these concepts in the development of the national policy framework.

### **JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered.**

The schemes supported are all nationally financed. RAMED, CNOPS and, to a lesser extent, CNSS have all faced actuarial problems posed by the rapid expansion in coverage. In the case of RAMED, these largely derived from the failure of registered persons to pick up or renew their cards (fees are one of the reasons for this). The EU has provided support for actuarial analysis and other analytical work from the very beginning, which helped to some extent mitigating the problems. Doubts have been expressed about the fiscal sustainability of planned expansion of

social insurance coverage to the “self-employed “-- a euphemism for workers without a formal labour contract, i.e. in the informal sector.

### **JC 54 Government social protection programmes consolidated and rationalized where necessary.**

All EU budget support programmes have had the strengthening of the institutional environment as a central goal. The overall governance of the reform process around medical coverage received increased attention in the CMB III programme. This led to notable achievements such as the establishment of national piloting structures for the supervision of the reform process around medical coverage (“Comité Interministériel de Pilotage– CIP” and “Comité Technique Interministériel – CTI”). An example of the EU’s contribution to improved governance is the 2013 concept note (“note de cadrage”) developed under the EU-funded CMB III programme, used for drafting the Government circular establishing these piloting structures.

During the period under review, social protection in Morocco has been characterized by a high level of fragmentation. National stakeholders and their international partners increasingly became aware of the need for greater harmonization of social protection schemes in recent years. The development of a holistic approach to social protection with a corresponding governance structure at national level will be a central feature of the future EU social protection support (programme to be launched by the end of 2017).

## **2.6 EQ6: Social exclusion**

*To what extent has EU support to social protection contributed to reducing social exclusion and, finally, poverty?*

### *Summary answer*

The increasing focus on the reduction of inequality and the increasing importance of human rights in the country’s overall policy environment is essentially explained by domestic processes. It is not linked to any action taken by the EU or the country’s other international partners. That said, and although it is too early to precisely assess the broader impact of this programme, the health card scheme RAMED, one of the major initiatives supported through the EU budget support, has already made clear contributions to addressing some dimensions of social exclusion in the country.

### **2.6.1 JC 61 Social protection as a human right promoted at all levels**

While programme documents make regular references to human rights, the EU did not place a strong emphasis on this aspect in its support to SP in Morocco. This is partly explained by the fact that national decision-makers have themselves given an increasing importance to human rights in the country’s overall policy environment. The focus on human rights has been a key feature of the 2011 Constitution. The identification of human rights based-approaches as the central dimension of the national health sector strategy for 2012-2016 illustrates the increasingly important place taken by such approaches in the national policy framework.

### **2.6.2 JC 62 EU support addresses concerns about excluded populations**

Equitable access to basic services has been a central objective of the initiatives supported by the EU. All EU programmes under review have thus, at least implicitly, tried to address concerns about excluded populations. One of the major initiatives supported through the EU budget support programmes, the health card scheme RAMED, had an explicit focus on the most vulnerable groups of the population. There is a consensus among stakeholders interviews that RAMED has been a success on several aspects, including in terms of promoting the right of the population to basic health services.

There have been a few attempts to involve CSOs to advocate for SP needs of excluded populations. In particular, the EU financed the NGO CEFA to implement a project focussed on awareness raising on the RAMED scheme and public policy monitoring. The EU also financed an OXFAM-implemented project on female agriculture workers' rights.

### **2.6.3 JC 63 Levels of social protection (benefits) increased (adequacy improved)**

During the period under review, EU support had a strong focus on medical coverage. Other aspects of social protection (pensions, unemployment benefits, etc.) were only indirectly addressed in the main EU programmes.

## **2.7 EQ7: Modalities**

*To what extent has the approach (financing instruments, modalities and channels) employed by the EU been appropriate and efficient for strengthening social protection in partner countries?*

### *Summary answer*

The use of budget support as an instrument of cooperation has been appropriate in the context of Morocco, despite the relatively small size of the financial inputs compared to the national budget. There have been some delays during implementation, but, overall, efficiency of the EU support has been satisfactory.

### **2.7.1 JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context.**

Despite the relatively light weight of budget support financial inputs as compared to national public expenditures in the supported areas, the use of budget support as an instrument of cooperation has been appropriate in the context of Morocco. Budget support has ensured a high level of ownership of the supported interventions by national stakeholders. It has also made notable contributions to enhance policy dialogue between the EU and national stakeholders and between national stakeholders themselves. Complementary measures to budget support, particularly in the form of TA, has been particularly appreciated, although it could have been better tailored to government needs and there have been some delays in the initial phases of these projects.

### **2.7.2 JC 72 EU financed interventions in the social protection field are mutually reinforcing.**

The 2009 EU Non-State Actor budget line programme for Morocco had a focus on community health services. A few NGOs were financed to implement targeted activities in this area. These initiatives have achieved some complementary with the EU budget support programmes but synergies have remained very limited given the relatively narrow scope of the actions supported through the thematic budget lines. The SOCIEUX facility was not used in Morocco despite an attempt in 2016 -- the plan to finance a mapping of social protection in the country through SOCIEUX was eventually dropped because UNICEF had already agreed with the Government to carry out such an exercise. Reasons include: i) the inadequacy of the demand-driven approach adopted by SOCIEUX given the lack of capacity of most national institutions to formulate appropriate demands for external support; ii) the heavy application process; and iii) the possibility to draw on easier to access solutions / resources (e.g. TA envelopes foreseen in budget support programmes) to mobilise EU expertise.

### **2.7.3 JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored.**

There have been delays both in the release of budget support tranches and the implementation of accompanying measures (technical assistance). For instance, the CMB II was initially planned for a three-year period but implementation eventually took more than 5 years (2008-2013). But, overall, efficiency of the EU support has been satisfactory. Efficiency achieved in the CMB II and CMB III programmes has been better than most other EU programmes in the country.

Although the implementation of the CMB II programme took longer than expected, more than 90% of the budget support funds were finally released. Moreover, delays in the disbursement of budget support has not impacted the resources available for the relevant line ministries. Delays in the disbursement of budget support were often due to the non-fulfilment of the specific conditions for the release of the variable tranches (linked to performance indicators). This was related to the fact that some aspects of the supported reform process could not be implemented as quickly as planned. In some instances, delays were linked to unforeseen evolutions in the national context such as the absence of national government in early 2017.

There have been efforts to rationalise the number of indicators used in the budget support performance assessment matrices. The quality of these indicators has also improved over time although the identification of indicators has remained a subject of intense discussions between the EU and some national partners.

There has been some discontinuity between the successive TA components under the various budget support programmes. This was in part due to delays in launching new TA project. But, overall, EU TA has been well appreciated by the different stakeholders.

EU support to social protection in Morocco has been closely monitored. In particular, regular budget support missions have been organised in the context of the budget support performance assessment framework, the results of which were shared with the key stakeholders and fed into the ongoing policy dialogue.

## **2.8 EQ8: Coherence, added value**

*To what extent has EU support to social protection been coherent with other EU sector policies and to what extent has it added value to the EU Member States' and other donors' interventions?*

### *Summary answer*

The EU has carefully coordinated its support with EU MS and other DPs, and its support has been coherent with other EU sector policies. The availability of the budget support modality added value. Thanks to a long and continuous engagement, valued technical expertise, a perceived "neutral" involvement in policy dialogue, and a capacity to accompany complex reform processes through large budget support programme, the EU has become a leading and trusted partner in the area of social protection in Morocco.

### **2.8.1 JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs.**

The EU has carefully coordinated its support with the one of EU MS and other DPs. It has actively participated in and contributed to all relevant mechanisms of coordination in place in social protection related areas. The EU CMB programmes and the African Development Bank

“PARCOUM”<sup>9</sup> programmes were to some extent co-designed including through joint formulation missions and the use of common budget support performance matrices.

The capacity to support large reforms by, in particular, mobilising important resources through budget support programmes, has helped the EU to supplement the support provided by other DPs such as EU MS or UN agencies. The perception by national stakeholders of the EU being a neutral external partner allowed it to play a facilitator role in the national policy dialogue around social protection. This, combined with a long and continuous engagement and a capacity to mobilise valued technical expertise, led to the EU emerging as a leading and trusted partner in the area of social protection in Morocco.

### **2.8.2 JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment).**

The EU in Morocco has avoided duplication or conflicts between its support for social protection and other EU sector policies. The only evidence of potential linkages between the two levels of EU action was found in the context of the EU-Morocco 2013-2017 Action Plan for the implementation of the Advanced Status where social protection is mentioned as a potential sub-area of cooperation. The focus of the support to social protection in the context of the Advanced Status Action Plan significantly differs from the attention given to issues such as universal access to healthcare or poverty reduction in the EU support under review in this evaluation. But, these differences do not correspond to particular inconsistencies.

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<sup>9</sup> Programme d’Appui à la Réforme de la Couverture Maladie.

### 3 Key overall findings

The use of **budget support as an instrument of cooperation has been very appropriate** in the context of Morocco, despite the relatively light weight of budget support financial inputs as compared to national public expenditures in the supported areas. Measures complementary to budget support, particularly in the form of TA, has been particularly appreciated, although this could have been better tailored to government needs and there have been some delays in the initial phases of these projects.

EU budget support, mainly through the **CMB programme** to promote health insurance for all (AMO), has **had a catalytic effect**, helping the government to make a strong start on making good its commitment, especially through the RAMED scheme. To a lesser degree, it has contributed to the reforms underway in public agencies such as CNSS and CNOPS.

The long and continuous commitment of the EU in its social protection support (focussed on health) has been an advantage, leading to the **EU emerging as a leading and trusted partner**. Nevertheless, the EU has also had **little involvement with civil society actors**, nor do these have strong influence on Government.

Government's strong commitment to universal health coverage and EU support must be placed in the context of a deeply troubled health system, with problems of access and quality (particularly in rural areas), human resources shortage, uncovered expenses requiring informal out-of-pocket payments, the high cost of medicines, etc. These challenges have led to widespread dissatisfaction with the health system.

Some of these problems, common in many developing countries, are aggravated by the relatively rapid expansion of health coverage. Public hospitals have effectively become hospitals of the "RAMEDistes" and MoF reimbursements are not sufficient to cover costs. The primary level of the health care system is under-developed, leading to too many patients seeking hospital-level care.

RAMED, CNOPS and, to a lesser extent, CNSS, have all faced actuarial problems posed by the rapid expansion in coverage. In the case of RAMED, these largely derived from the failure of registered persons to pick up or renew their cards (fees are one of the reasons for this). A better communication programme is needed to explain the rights and obligations inherent in RAMED. The extension of the CNSS to the independent (self-employed) workers, many of whom are in a situation of informality, can be envisaged on the basis of international experience in this field.

In conclusion, the **GoM is moving full-speed ahead with expansion of social protection**. However, social protection reform in Morocco has reached a turning point which requires increased communication on results and institutional clarification to ensure a unified, equitable and effective deployment of current initiatives. Moreover, GoM and its international partners must be cognizant of the many **systemic challenges** that already exist with the current level of coverage. EU support can help to **address these challenges as a means of strengthening the sustainability of progress made** and providing a stronger foundation for further progress.

## 4 Annexes

### 4.1 Evaluation Matrix - Indicator level information

#### 4.1.1 EQ1: Relevance

#	Indicators	Evidence
<b>JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.</b>		
I-111	Objectives of EU support respond to clear overall strategic orientations on social protection	<i>Indicator not relevant at country case study level. See the analysis carried out at the global level in the main report of the evaluation.</i>
I-112	Objectives of EU support aligned to national SP policy framework	<p>“Les objectifs des CMB 1 et 2 correspondent parfaitement avec la politique nationale d’extension de la CMB (cadre légal et réglementaire pour le CMB 1, mise en œuvre pour le CMB 2), qui était prioritaire pour le gouvernement”.</p> <p><i>Source: 2014 Joint Evaluation of Budget Support to Morocco</i></p> <p>“La politique de développement sociale prônée par Sa Majesté le Roi Mohammed VI, que Dieu l’Assiste, repose fondamentalement sur la solidarité et la cohésion sociale. L’amélioration du niveau de santé constitue une des composantes essentielles de cette politique qui vise à garantir la pleine participation des citoyens au développement durable du pays. A cet effet, l’une des priorités de l’Etat en matière de santé est d’assurer à toute la population l’égalité et l’équité dans l’accès aux soins. Cette priorité fait l’objet d’un consensus national qui s’inscrit dans la mouvance internationale car elle représente un instrument efficace de justice sociale et de lutte contre les inégalités. La protection de la santé implique pour l’Etat, l’engagement d’assurer gratuitement les prestations de santé préventive à l’ensemble des citoyens à titre individuel et collectif, l’organisation d’une offre de soins de qualité répartie harmonieusement sur le territoire et de garantir l’accès aux soins à toutes les couches sociales de la population grâce à la prise en charge collective et solidaire des dépenses de santé.”</p> <p><i>Source: 2002 Morocco, Loi 65.00 portant Code de la couverture médicale de base</i></p> <p>“Le programme soutient une approche intégrée de la politique de protection sociale favorisant une rationalisation institutionnelle et financière du secteur, la facilitation de la concertation avec la société civile et les partenaires sociaux, l’amélioration de la transparence fiscale et de la gouvernance, ainsi que la promotion des bonnes pratiques en matière d’assurance et d’assistance sociale.”</p> <p><i>Source: EU (2016) : Programme d’appui à la protection sociale au Maroc – Action document</i></p> <p>A key stakeholder interviewed during the field mission indicated: “EU’s analysis of the evolutions in the political context and of new windows of opportunities of cooperation turned out to be very accurate”.</p> <p><i>Source: field phase interviews.</i></p> <p>"Le système de Protection Sociale du Maroc se trouve à un tournant décisif de son développement. Afin de passer à la vitesse supérieure, conformément aux différentes annonces, en partant d’un ensemble hétérogène de stratégies et d’activités sectorielles, il se doit d’adopter : (i) une approche globale de la politique de Protection Sociale, (ii) une maîtrise de la cohérence de toutes les composantes de la Protection Sociale, et (iii) une vision claire des stratégie sectorielles pour mener à l’intégration de la Protection Sociale au Maroc."</p> <p><i>Source: EU (2016) : Programme d’appui à la protection sociale au Maroc – Action document</i></p>
I-113	Design of EU support based on participatory approaches involving	“Lorsque cela s’avère pertinent, les organisations de la société civile seront consultées sur les mesures de mise en œuvre découlant de ce PIN et pourront être impliquées dans le processus de monitoring. Les organisations de la

#	Indicators	Evidence
	partner key national institutions (MoF, Central Banks), social partners and civil society	<p>société civile pourront ainsi être renforcées dans leurs actions de soutien aux réformes et en accroissant la recevabilité des pouvoirs publics envers les citoyens, dans les secteurs soutenus par le PIN. (...) Le recours croissant à l'aide budgétaire dans le respect des critères d'éligibilité nécessite une coordination encore plus poussée qu'actuellement avec les autres bailleurs de fonds, qui se sont tous engagés dans l'appui aux programmes de réforme du gouvernement."</p> <p><i>Source : CSP 2007-2013 MTR</i></p> <p>"Pour le suivi du programme, un comité de pilotage qui sera présidé par un représentant de la présidence du gouvernement et composé de représentants du Chef du Gouvernement, du MAGG, du MI, du MEF, du MS, de l'ANAM, de la CNSS et de la CNOPS. Un point focal par entité responsable sera nommé à cet effet dès la signature de la Convention de financement. La Délégation de l'Union Européenne au Maroc, participera, en tant qu'observateur.</p> <p><i>Source: EU (2013): CMB III – action document</i></p>
I-114	EU support to SP addresses emerging EU policy concerns such as migration, refugees, and security	<p>There were attempts to place some emphasis on migration in EU supported programmes focussing on the reform around the expansion of health coverage. However, the programmes ended up focusing on central aspects of the reform. Some references to these issues can still observed in the implementation of the programmes. For instance, the latest disbursement dossier for the release of the CMB III budget support tranches mentions: "La couverture maladie des migrants régularisés: La réflexion sur la mise en place d'un dispositif de couverture maladie pour les migrants régularisés a été engagée et une convention cadre, à caractère transitoire, qui donne aux migrants régularisés les mêmes droits qu'aux nationaux pour l'accès à la couverture maladie, a été signée le 26 octobre 2015".</p> <p><i>Source: EU (2016): CMB III - dossier de déboursement 2<sup>ème</sup> tranche</i></p>
<b>JC 12 Needs and target groups clearly identified in the design of EU support</b>		
I-121	EU-supported interventions based on sound analyses of opportunities (including fiscal space), and problems and barriers (including in terms of institutional environment) to achieving universal access to social protection	<p>EU support built on substantial analytical work generated at various levels, including through technical assistance programme or ad hoc studies.</p> <p><i>Source: review of project documentation</i></p> <p>L'extension à la population non encore couverte risque de ne pas être effective avant plusieurs années, bien qu'actuellement il existe des poussées par différents groupes pour être couverts par la CMB et des solutions ad hoc sont envisagées sous la pression. En outre, un risque réel existe de voir se multiplier des régimes d'assurance maladie cloisonnés pour chaque catégorie, ce qui comporte plusieurs inconvénients. En premier lieu, les disparités de traitement entre les régimes (niveaux de cotisation et de plafonnement, paniers de soins, niveaux de remboursement, types d'établissements éligibles) contribuent à renforcer les inégalités existantes en matière d'accès aux soins de qualité et limitent les possibilités de rationalisation de la gestion des cotisations versées. Finalement, ils ne permettent pas les transferts entre caisses et le partage des risques entre des catégories de population de niveaux socioéconomiques différents. Ces différents éléments empêchent l'application du principe de solidarité et universalité d'accès qui devrait sous-tendre l'ensemble du système. A cet effet, le gouvernement du Maroc souhaite mettre en place un cadre stratégique à moyen et long terme de la CMB.</p> <p><i>Source: EU (2013): CMB III – action document</i></p> <p>Continuous dialogue between the EUD and key national stakeholders also helped the EU gaining a very detailed understanding of main institutional challenges.</p> <p><i>Source: field mission interviews</i></p>
I-122	EU-supported interventions based on correctly identified uncovered and underserved groups	<p>"Une très large proportion de la population reste non protégée contre l'appauvrissement lié aux coûts des soins de santé. Afin de garantir ce droit, le gouvernement du Maroc a adopté des feuilles de route pour l'AMO et le RAMED, arrêtant les objectifs à atteindre en termes de couverture pour les prochaines années. Ces objectifs consistent à couvrir l'ensemble de la</p>

#	Indicators	Evidence
		<p>population éligible au RAMED à l'horizon 2015<sup>10</sup> et étendre la couverture à la population non couverte par les systèmes actuels<sup>11</sup>, dite "indépendante", à l'horizon 2020"</p> <p><i>Source: EU (2013): CMB III – action document</i></p> <p>"Only the RAMED uses a more sophisticated methodology that aims to target poor households nationwide, combining proxy mean testing and community targeting methods. Yet, a recent evaluation conducted under this TA program shows that RAMED's scoring methodology shows very high errors of exclusion (up to 72% of the target population in 2012 were excluded from the program), which is mainly explained by the fact that the formula was calibrated with data for 2001 that does not reflect any longer the socio economic conditions of households, notably in rural areas. The analysis conducted under this TA is the first attempt to "statistically" evaluate the performance of this formula. Finally, it is worth mentioning that the RAMED formula is established by decree, which makes its eventual revision a more complex endeavour."</p> <p><i>Source: WB (2015): social protection and labour diagnostic</i></p>
I-123	EU-supported interventions utilise census, economic and social data	<p>"De leur côté, la CNSS et la CNOPS disposent des systèmes d'information qui renseignent sur le nombre de bénéficiaires, les dossiers déposés, la facturation et le recouvrement des prestations, etc. Ces données sont consolidées annuellement dans un document qui est présenté et approuvée en conseil d'administration des deux organismes. Ces éléments sont consolidés par l'ANAM, en tant qu'organisme régulateur de la globalité de la réforme de la CMB, dans un rapport annuel sur l'année écoulée, présenté en conseil d'administration."</p> <p><i>Source: EU (2013): CMB III – action document</i></p> <p>"En ce qui concerne les indépendants, le nombre d'assurés à l'AMI n'est évidemment pas connu. Le rapport diagnostic a fourni un recensement précis par profession principale. Ces statistiques ont toutefois l'inconvénient de ne pas en donner de ventilations par âge qui, on l'a vu, est une variable essentielle des dépenses d'assurance maladie correspondantes. Pour les besoins de l'analyse actuarielle, nous avons utilisé la ventilation voisine des catégories socioprofessionnelles qui fournit cette information tout en retrouvant les principales catégories d'indépendants avec des effectifs d'actifs proches de ceux du rapport diagnostic."</p> <p><i>Source: EU (2013) Étude générale pour la proposition de scénarios de couverture par une assurance maladie obligatoire des indépendants et des professions libérales</i></p>
I-124	Data gaps identified and adequately mitigated in design of EU support	<p>"En ce qui concerne les indépendants, le nombre d'assurés à l'AMI n'est évidemment pas connu. Le rapport diagnostic a fourni un recensement précis par profession principale. Ces statistiques ont toutefois l'inconvénient de ne pas en donner de ventilations par âge qui, on l'a vu, est une variable essentielle des dépenses d'assurance maladie correspondantes. Pour les besoins de l'analyse actuarielle, nous avons utilisé la ventilation voisine des catégories socioprofessionnelles qui fournit cette information tout en retrouvant les principales catégories d'indépendants avec des effectifs d'actifs proches de ceux du rapport diagnostic."</p> <p><i>Source: EU (2013) Étude générale pour la proposition de scénarios de couverture par une assurance maladie obligatoire des indépendants et des professions libérales</i></p>

#### 4.1.2 EQ2: Basic social protection

#	Indicators	Evidence
<b>JC 21 Social protection coverage and uptake extended / broadened with EU support</b>		
I-211	Trends in social insurance	Health insurance scheme have been gradually expanded since the launch of

<sup>10</sup> Plan prévisionnel extension du RAMED, couverture de 8 millions de personnes fin 2014.

<sup>11</sup> Feuille de route AMO 2020, couverture de 5 millions d'indépendants en 2015 et couverture de 10 millions d'indépendants en 2020.

#	Indicators	Evidence
	(old-age pension, disability, unemployment, etc.) coverage rates	AMO in 2005. Health insurance was extended to students in 2016 and will be gradually extended to the independent (self-employed) workers from 2017 on. Including RAMED, the coverage of health insurance and assistance scheme has reportedly increased from one quarter of the population in 2006 to one third of the population in 2010 and two third of the population in 2016. <i>Source: field mission interviews and review of project documentation</i>
I-212	EU support for social protection recognizes special needs of the informal sector.	"En 2016, un pas décisif vers la Couverture Médicale Universelle a été franchi : Il s'agit de l'extension de l'AMO aux « travailleurs indépendants » <sup>12</sup> représentant plus de 10 millions d'assurés et d'ayant-droits, dont une partie importante se trouve à la marge du secteur informel comme population active, et à la marge du RAMED pour ce qui est des conditions financières d'accès à l'assistance médicale." <i>Source: EU (2016): Social Protection CRS – action document.</i>
I-213	EU support for social protection recognizes special needs of children.	Although it was not an area of focus, there are multiple references to children rights in the documents related to EU support to social protection in Morocco, e.g. in the 2014 study « Etude de l'écart existant entre l'Acquis de l'Union européenne ainsi que les bonnes pratiques des Etats Membres de l'UE et le cadre juridique et institutionnel marocain dans le secteur de la protection sociale » <i>Source: review of project documentation</i>
<b>JC 22 Universal access to adequate health services put in place / strengthened with EU support</b>		
I-221	Proportion of population with access to basic health services	"Depuis la généralisation du RAMED en 2012, les prestataires publics de soins ont assuré une offre sanitaire satisfaisante sur le plan qualitatif et surtout sur le plan quantitatif, et ce, malgré plusieurs contraintes dont principalement celles liées au financement. Le bilan est positif et touche tous les actes sanitaires. Il s'agit de : <ul style="list-style-type: none"> <li>• Plus de 1 052 290 milles d'hospitalisation ;</li> <li>• Plus de 1 741 487 passages aux urgences ;</li> <li>• Environ trois millions de consultations spécialisées externes ;</li> <li>• Plus de deux millions de prise en charge des affections de longues durées (ALD) et affections lourdes et couteuses (ALC). A noter que, le taux des prestations sanitaires consommées par ces pathologies chroniques, seulement dans les hôpitaux publics, est en progression continue depuis la généralisation du RAMED"</li> </ul> <i>Source: ANAM (2016): rapport annuel.</i>
I-222	Proportion of women receiving adequate ante-natal care.	No recent data was found for this indicator (latest year available: 2011).
I-223	Proportion of health costs paid out of pocket	There is no recent data available on out-of-pocket expenditure (the next triennial survey is to be completed by the end of 2017). It is thus difficult to identify trends in recent years. Household health expenditures were reportedly high in Morocco in part due to the low overall level of Morocco's public expenditure on health, which is below that of countries of similar socio-economic development. It can be assumed that, overall, out-of-pocket expenditure have sensibly decreased in recent years thanks to the substantial increase in health insurance and assistance schemes' coverage.
<b>JC 23 Access to basic income security strengthened with EU support</b>		
I-231	Programmes related to basic income security (e.g., unconditional cash transfers, non-	This was not the focus of EU support under review.

<sup>12</sup> Agglomérats de très diverses catégories de travailleurs non-salariés regroupant les professions libérales et les professions réglementées et organisées, les artisans de toutes sortes plus ou moins adhérents des chambres d'artisanat, les petits métiers des villes et villages ruraux, les cultivateurs, les éleveurs et les métiers de la pêche maritime, qui sont presque tous enregistrés dans les chambres régionales d'agriculture...

#	Indicators	Evidence
	contributory social pension, social assistance) in place with EU support	
I-232	In-kind transfers (e.g., food and in-kind transfers for work) in place with EU support	This was not the focus of EU support under review.
<b>JC 24 Gender inequalities in social protection coverage reduced</b>		
I-241	Conditional and unconditional cash transfer programmes for mothers and children in place with EU support	This was not the focus of EU support under review.
I-242	Maternity programmes in place, offer adequate coverage, and operational with EU support	This was not the focus of EU support under review.
I-243	Social assistance coverage of the elderly, disaggregated male/female if possible	Social assistance coverage of the elderly was not the focus of EU support under review.
	Other relevant information	"Le milieu rural représente 48% des personnes immatriculées [au RAMED] et la répartition entre sexe est presque égale avec un poids léger du sexe féminin (53%)." <i>Source: ANAM (2016): rapport annuel.</i>

#### 4.1.3 EQ3: European approaches & policy dialogues

#	Indicators	Evidence
<b>JC 31 EU support to social protection coordinated with MSs</b>		
I-311	Evidence for regular coordination efforts between EC and EU MSs in field of social protection at global level	Indicator not relevant at country case study level. See the analysis carried out at the global level in the main report of the evaluation.
I-312	EU participates in / manages joined-up approaches (e.g., joint programming, MDTFs, joint monitoring, etc.) including social protection components	"Le sous-groupe thématique "protection sociale", créé dans le cadre de la coordination de l'aide de l'UE mais ouverts aussi à d'autres intervenants (BM, Organisation mondiale de la santé, Nations Unies, PTF d'autres continents), pilotés par l'UE, se réunit semestriellement pour discuter de l'état d'avancement et de l'évolution des politiques et/ou stratégies sectorielles." <i>Source: EU (2016) : Programme d'appui à la protection sociale au Maroc – Action document</i> "La coordination étroite avec les missions internationales d'assistance technique a été évoquée à plusieurs reprises avec la Délégation Européenne qui a pris l'initiative d'une rencontre inter-projet le 8 Décembre avec les chefs de programmes du domaine de la santé à l'ambassade d'Espagne." <i>Source: EU (2017): CMB III TA progress report</i>
I-313	EU strategy, programming and programme documents related to SP refer to EU Member States' policies and support	"La présente action, dont l'objectif est de consolider le premier programme d'appui financé par la CE qui a principalement consisté en un appui à la mise en place du cadre législatif et réglementaire de la réforme, se concentrera sur le volet social de la réforme et sera articulée et complétée par les appuis donnés par d'autres acteurs du développement et notamment la France (qui appuie les organismes gestionnaires de l'assurance)." <i>Source: EU (2007): CMB II – action document.</i>
<b>JC 32 EU actively participates and promotes European and international principles and values in national</b>		

and regional policy dialogues on social protection		
I-321	Evidence of suitably qualified staff formally designated and actually deployed to support social protection at country level	According to the EUD survey and field mission interviews, there has always been more than one person specifically responsible for issues related to social protection at the EUD since 2007. Interviews with diverse stakeholders (Government officials, DPs) show that EUD's involvement in dialogue around SP in Morocco is highly appreciated.
I-322	Evidence of EU active engagement in regional fora on social protection	<i>No relevant evidence found.</i>
JC33 EU effectively participates in global policy dialogues on social protection		
<i>JC not covered by the analysis at case study level</i>		

#### 4.1.4 EQ4: Social partners and civil society

#	Indicators	Evidence
JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection		
I-411	EU promotes and facilitates social dialogue (government, trade unions, employers' organisations) and dialogue with civil society through its social protection programmes	<p>"Le programme d'appui (...) encouragera le Gouvernement à développer le dialogue sociale relatif à l'élaboration de la stratégie de « Protection Sociale » dans le processus législatif et ce conformément à la Constitution. Par contre, il appuiera le dialogue social dans le cadre de l'AMI seule composante contributive concernée par le présent programme. Le présent programme ayant volontairement évité les secteurs de la « Protection Sociale » impliquant un dialogue social de haut niveau. La société civile qui joue déjà un rôle fondamental dans l'accueil et la mise en œuvre des prestations de service public aux citoyens. A titre d'exemple, les actions de gestion des Etablissement de Protection Sociale, d'alphabetisation, de Genre ainsi que la plupart des actions relatives au handicap sont mises en œuvre par la société civile sur financement de l'Etat. Cette même Société Civile sera impliquée dans tous les processus de développement normatif et stratégique et notamment à travers le renforcement du dialogue social tripartite."</p> <p><i>Source: EU (2016) : Programme d'appui à la protection sociale au Maroc – Action document</i></p> <p>"Il serait pertinent de prévoir un appui aux acteurs de la société civile du secteur sous forme d'appel à proposition pour le renforcement des capacités au niveau local et l'innovation pour l'amélioration des services sociaux. La question de la qualité du dialogue social et du savoir-faire en termes de gestion de conflit pourrait être abordée de la sorte."</p> <p><i>Source: EU (2016) : Programme d'appui à la protection sociale au Maroc – Action document</i></p> <p>"Pour l'Union européenne, les organisations de la société civile ne sont pas considérées comme de simples bénéficiaires ou agents d'exécution de projets, mais comme des acteurs du développement à part entière. Le programme Facilité Société Civile du Voisinage vise à consolider la coopération de l'UE avec la société civile dans le cadre de la politique de voisinage, de façon à contribuer à faire des organisations de la société civile des partenaires plus solides pour l'UE et pour les autorités des pays partenaires dans la définition, la mise en œuvre et le suivi des réformes et des politiques publiques."</p> <p><i>Source : Déclaration de M. Rupert Joy, Délégué de L'UE au Maroc, 5 avril 2013.</i></p> <p>The EU financed some studies aimed at reinforcing the dialogue between social partners (such as a study on the Moroccan Labour Code), but, according to the interviewed stakeholders, these initiatives didn't bear fruit.</p> <p><i>Source: field mission interviews.</i></p>
I-412	Evidence for strengthened capacity of social partners (trade unions and employers'	<p>This was not a focus of the EU support in the country.</p> <p>According to interviews carried out during the field mission, the generalisation of medical insurance schemes to the self-employed / non-salaried workers</p>

#	Indicators	Evidence
	organisations) to participate in social protection policy dialogue	<p>("Indépendants") is likely to contribute to the strengthening of sectors which were non well-structured so far.  <i>Source: field mission interviews.</i></p> <p>"The Agreement of April 30th, 2003 firmed up the stakeholders' commitment to settle disputes through dialogue, using dedicated mechanisms, and to promote collective labour agreements, particularly as part of the adoption of a new Labour Code. The same year, social dialogue was institutionalized through the creation of five tripartite commissions in charge of monitoring priority areas (...) The work of these commissions made it possible to achieve several advances on the various workers' demands, including those relating to the promotion and protection of trade union rights, the improvement of the economic and social situation of workers, and the raising of the minimum wage. Between 2008 and 2011, meetings chaired by the Prime Minister were held regularly and led to a new tripartite agreement, signed on April 26th, 2011, thanks to adopting an annual action plan and to monitoring by standing committees in the public and private sectors. This agreement provided a general salary increase for all civil servants of the State, local communities, and public administrative institutions, in addition to an increase in the minimum retirement pension in the public and the private sectors, a further 15% increase in the minimum wage threshold, as well as an increase in the internal promotion quota within public service. In social terms, this Agreement made it possible, in particular, to strengthen social protection by revising the legal system relating to work injuries, occupational diseases and disability pensions, in addition to drafting a law on the organization of social welfare works. (...) the installation of the Economic and Social Council (CESE) on February 21th, 2011 materialized the will at the highest level of the State to ensure the permanent improvement of social dialogue mechanisms."  <i>Source: AICESIS (2015): Civil Society and Social Dialogue in Morocco</i></p>
I-413	SP mainstreamed in other policy dialogues where relevant, e.g. trade and migration	No relevant evidence for this topic was identified during the review of the documentation.
<b>JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms</b>		
I-421	In policy dialogue, EU advocates for LA involvement in design, delivery, and monitoring of social protection services under supported reforms	<p>Local authorities ("collectivités locales") have had an increasing role in the implementation of social assistance schemes such as RAMED. This role has been reinforced by recent evolutions in the national decentralisation ("régionalisation") policy and legal framework. EU support to social protection has taken into account the specificities of the institutional framework at local level, but didn't focus specifically on local government strengthening or on increasing the role of local authorities in social protection schemes.  <i>Source: field mission interviews and documentary review</i></p>
I-422	In policy dialogue, EU advocates for NGO and private sector involvement in design, delivery, and monitoring of social protection services under supported reforms	<p>The EU financed the NGO CEFA to implement a project focussed on public policy monitoring and awareness raising on the RAMED scheme. However, according to the interviewed stakeholders, the project achieved mixed results.  <i>Source: field mission interviews</i></p>
I-423	National and international NGOs and private sector firms with specialist expertise contracted for service design and delivery under supported reforms	See above indicator and EQ 6 for evidence of CSO involvement in awareness raising activities on social assistance and in local projects aimed at strengthening community health services.

#	Indicators	Evidence
<b>JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU</b>		
I-431	Evidence of social partners and civil society organisations (e.g., advocacy NGOs, research organisations) involved in EU-supported policy development events on SP including international fora.	No relevant evidence of such involvement was found.
I-432	Regional and global networks of social protection stakeholders supported.	<i>Indicator not relevant at country case study level.</i>

#### 4.1.5 EQ5: Social protection systems

#	Indicators	Evidence
<b>JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially</b>		
I-511	Appropriate capacity development measures supported by EU	The EU has provided capacity building support to the key institutions (e.g. ANAM, MdS). It substantially contributed through TA to the development of technical tools used for enhancing the implementation of RAMED and supported analytical work in diverse areas (e.g. concept notes for the design of the scheme, actuarial analyses, notes presenting strategic orientations on the extension of medical coverage to the self-employed workers and to the students, concept notes for the governance structure of the reform). <i>Source: field mission interviews and documentary review</i>
I-512	Weaknesses in SP legal frameworks, identification, registration, payment, etc. systems analysed, appraised, and addressed with EU support	"Le problème qui reste posé concerne le renouvellement des cartes. Pour les vulnérables, le taux de retrait reste faible. Ni l'ANAM, ni le MI n'ont les moyens de peser sur ce chiffre qui dépend uniquement du comportement individuel des bénéficiaires. Plus inquiétant est le non-retrait des cartes de la catégorie des pauvres. (...) L'efficacité de la délivrance des cartes et des procédures de contrôle a pourtant continué de s'accroître. (...) Les principes du RAMED servent de base à la construction du Registre social unique, dont le MI est l'agent d'exécution. Parallèlement, un numéro unique d'identification doit être mis en place pour toute la population résidente (dont les étrangers et les migrants) et sera utilisé dans le RSU." <i>Source : EU(2017): CMB III mission report</i>
I-513	EU support takes SP governance issues into account and addresses gaps and deficiencies	"Appui à la gouvernance et la planification de la protection sociale comme axe transversal. Il s'agit de renforcer la capacité du gouvernement à planifier de façon inclusif et mettre en œuvre une politique unifiée de la protection sociale" <i>Source: EU (2016) : Programme d'appui à la protection sociale au Maroc – Action document</i>
<b>JC 52 Nationally defined social protection floors promoted</b>		
I-521	Evidence that the EU advocates in policy dialogue with government to adopt the national social protection floor approach	No evidence was found on decisive attempts (on both the EU and the Government of Morocco side) to promote the national social protection floor approach in the country.
I-522	EU support to SP coordinated with ILO country and regional	There are multiple references to ILO's action in EU project documents. For instance: "les programmes de sécurité sociale concernant le secteur formel, public et privé, se sont considérablement développés, tant sur la base des

	offices	négociations entre patronat, syndicats et pouvoirs publics à l'occasion des conflits du travail et de la pression constante de demande de couverture contre les principaux risques sociaux, que sur celle de la participation active du Maroc aux activités et à l'administration des grandes institutions internationales de sécurité sociale, publique et privée, BIT et AISS" <i>Source : EU (2016) : Rapport de la mission d'identification du programme d'appui à la protection sociale au Maroc</i>
<b>JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered</b>		
I-531	EU supported social protection schemes designed / administered on the basis of sound financial and actuarial analysis	The EU has provided capacity building support to the key institutions (e.g. ANAM, MdS). It substantially contributed through TA to the development of technical tools and supported analytical work in diverse areas, including actuarial analyses.
I-532	Evidence of EU supporting the transition to sustainable national financing for social protection	La situation financière de la branche maladie de la CNSS ne suscite pas d'inquiétude et, selon les études d'actuariat, il n'y aurait pas de menace de déficit jusqu'en 2025. (...) La CNOPS a vu son périmètre d'intervention augmenter avec le régime étudiants et les anciens bénéficiaires de l'article 114. Il augmentera encore avec la couverture maladie des ascendants. Les conditions de son équilibre financier se sont dégradées en 2016, qui sera une année déficitaire du point de vue technique. Les charges techniques et administratives de la CNOPS ont augmenté, mais les ressources sont conditionnées par le taux de cotisation qu'il est difficile de modifier, car cela a un impact sur le budget de l'Etat. <i>Source : EU(2017): CMB III mission report</i>  See also above indicator.
I-533	Evidence of poverty impacts and redistributive effects analysed and monitored at all stages of EU support to SP	No relevant evidence found on this indicator.
I-534	Evidence of intergenerational equity issues considered in the design of the EU support to SP.	This area was not a focus of the EU support.
<b>JC 54 Government social protection programmes consolidated and rationalized where necessary</b>		
I-541	Evidence for improved institutional structure and procedures of agencies responsible for social protection with EU support	S'inscrivant dans la continuité des différents appuis budgétaires de l'UE dans les secteurs de la santé notamment la Couverture médicale de base (CMB), de l'éducation (y compris l'alphabétisation) et du développement humain, ce programme d'appui vise à consolider les acquis des appuis antérieurs, à travers un soutien aux réformes nationales, en cours, du secteur de la protection sociale. Le programme soutient une approche intégrée de la politique de protection sociale favorisant une rationalisation institutionnelle et financière du secteur, la facilitation de la concertation avec la société civile et les partenaires sociaux, l'amélioration de la transparence fiscale et de la gouvernance, ainsi que la promotion des bonnes pratiques en matière d'assurance et d'assistance sociale. <i>Source: EU (2016) : Programme d'appui à la protection sociale au Maroc – Action document</i>
I-542	Evidence for established / improved coordination mechanisms across all public agencies with SP	"le pilotage global et l'arbitrage entre les différentes questions sectorielles de la réforme de la CMB a été significativement modifié par la Circulaire du Chef du gouvernement d'octobre 2013 (n°13/2013) qui a instauré un Comité interministériel de pilotage (CIP), un Comité technique interministériel (CTI) et a proposé une démarche unifiée pour le suivi et l'évaluation"

	responsibility	<p><i>Source: EU (2016) : Programme d'appui à la protection sociale au Maroc – Action document</i></p> <p>"Le pilotage de la réforme de la CMB a été défini par la Circulaire du Chef du gouvernement d'octobre 2013 (n°13/2013). Ce texte a instauré un Comité interministériel de pilotage (CIP), un Comité technique interministériel (CTI) et une démarche unifiée pour le suivi et l'évaluation. Le pilotage des opérations de suivi et d'évaluation, a été confié à L'ANAM. Le fonctionnement du dispositif de pilotage a connu une pause en lien avec le processus électoral."</p> <p><i>Source : EU(2017): CMB III mission report</i></p> <p>"Le Ministère de la Santé (MS) organise et préside une réunion annuelle de coordination des bailleurs de fonds du secteur, à laquelle sont invités tous les PTFs appuyant le secteur, ainsi que le MEF et d'autres institutions partenaires et acteurs sectoriels. Elle sert de forum pour le partage d'information et pour des discussions sur les progrès et les priorités du secteur, ainsi sur des thématiques ciblées.</p> <p>Des groupes thématiques (santé, développement social) co-pilotés par l'UE et l'AECID se réunissent semestriellement pour discuter de l'état d'avancement et de l'évolution des politiques et/ou stratégies sectorielles: à l'occasion d'une des dernières réunions, le MS a pu présenter les progrès suite à l'annonce de la généralisation du RAMED. "</p> <p><i>Source: EU (2013) : Programme CMB III – Action document</i></p>
I-543	Universal approaches favoured over targeted ones where appropriate (in EU support)	<p>Universal access to healthcare has been the main thread followed by the EU in its support to SP in Morocco over most of the past decade. This focus reflected a clear political will and a strong political consensus on the Moroccan side to respond to increasing public demand for improved basic services and reduced inequalities as illustrated by the explicit references to universal healthcare in the Law 65.00 adopted in 2002, the new Constitution of 2011 and the "Government Programme for 2012-2016" issued by the Head of Government in early 2012. See also EQ1.</p>

#### 4.1.6 EQ6: Social exclusion

#	Indicators	Evidence
<b>JC 61 Social protection as a human right promoted at all levels</b>		
I-611	Thematic, regional and country strategies and interventions incorporate rights-based approach to SP	<p>"La nouvelle stratégie sectorielle du [Ministère de la Santé] 2012-2016, traduit les dispositions de la Constitution marocaine et se base sur trois approches : l'approche fondée sur les droits, l'approche de démocratie sanitaire et l'approche systémique de renforcement du système de santé qui reprend le cadre conceptuel proposé par l'Organisation Mondiale de la Santé (OMS)."</p> <p><i>Source: EU (2017): CMB III TA progress report</i></p> <p>"Le développement de cette approche [fondée sur les droits] se justifie par la nécessité de décliner les dispositions de la nouvelle Constitution, et le besoin d'honorer l'engagement du Royaume du Maroc dans les conventions et pactes internationaux notamment la déclaration universelle des droits de l'homme (1948); le Pacte international relatif aux droits économiques, sociaux et culturels (1966) ; la Convention sur l'élimination de toutes les formes de discrimination à l'égard des femmes (1979) et la Convention relative aux droits de l'enfant (1989). Cette approche fondée sur les droits tire sa pertinence de la constitution de l'OMS qui considère « La possession du meilleur état de santé qu'il est capable d'atteindre constitue l'un des droits fondamentaux de tout être humain »."</p> <p><i>Source: MdS (2012): Health sector strategy for 2012-2016</i></p> <p>"Le Maroc est une Monarchie constitutionnelle enracinée dans une société très traditionnelle, dont l'évolution vers un système de plus en plus libéral et démocratique pendant les dernières années paraît certaine, bien que des progrès soient encore à réaliser. Le pays est partie à toutes les principales conventions des Nations Unies sur les droits de l'homme et coopère de manière satisfaisante avec les comités conventionnels. Les droits de l'homme ont pris une place très importante dans la nouvelle Constitution de 2011, mais</p>

#	Indicators	Evidence
		la mise en œuvre effective de la législation est loin d'être assurée. (...) Au cours de la dernière décennie, le Gouvernement a entamé des réformes importantes pour renforcer les droits des femmes." <i>Source: EU (2013): CMB III – Action document</i>
I-612	Evidence that EU advocates for a rights-based approach in global fora	<i>Indicator not relevant for the country case study.</i>
<b>JC 62 EU support addresses concerns about excluded populations</b>		
I-621	Gender, disability, ethnic minority, children's, etc. issues mainstreamed in EU SP support	"L'appui budgétaire concernera également les politiques transversales du pôle social du MSFFDS concernant la protection de l'enfance et la promotion de l'égalité des genres. Ce [dernier] point est soutenu dans le cadre du programme « Appui à la promotion de l'équité et de l'égalité entre les femmes et les hommes – mise en œuvre du Plan Gouvernemental pour l'Égalité. »" <i>Source: EU (2016) : Programme d'appui à la protection sociale au Maroc – Action document</i>  "Pour ce qui concerne les aspects transversaux, le programme d'appui s'inscrira dans la consécration du droit à la santé comme un droit constitutionnel universel comme prévu par la nouvelle Constitution du Maroc (...) [et] contribuera à renforcer le développement et l'opérationnalisation de l'accès équitable à tous les services de base, en favorisant le principe de solidarité et l'équité entre les personnes, les sexes et les régions. Ces priorités constituent des pas dans la direction de la réduction des écarts dans l'accès aux soins et dans le niveau de santé en adressant la morbi-mortalité évitable, notamment dans les milieux défavorisés, et également en ciblant les femmes directement pour certains objectifs concernant la santé maternelle et néonatale/périnatale." <i>Source: EU (2013) : Programme CMB III – Action document</i>
I-622	NGO/CSO capacity to advocate in for SP needs of excluded populations strengthened	"Le programme d'appui (...) encouragera le Gouvernement à développer le dialogue sociale relatif à l'élaboration de la stratégie de « Protection Sociale » dans le processus législatif et ce conformément à la Constitution. Par contre, il appuiera le dialogue social dans le cadre de l'AMI seule composante contributive concernée par le présent programme. Le présent programme ayant volontairement évité les secteurs de la « Protection Sociale » impliquant un dialogue social de haut niveau. La société civile qui joue déjà un rôle fondamental dans l'accueil et la mise en œuvre des prestations de service public aux citoyens. A titre d'exemple, les actions de gestion des Etablissement de Protection Sociale, d'alphabétisation, de Genre ainsi que la plupart des actions relatives au handicap sont mises en œuvre par la société civile sur financement de l'Etat. Cette même Société Civile sera impliquée dans tous les processus de développement normatif et stratégique et notamment à travers le renforcement du dialogue social tripartite." <i>Source: EU (2016) : Programme d'appui à la protection sociale au Maroc – Action document</i>  The 2009 programme for Morocco of the EU Non-State actor budget lines had a focus on community health services. A few NGOs were financed to implement targeted activities in this area.  More recently, the EU financed the NGO CEFA to implement a project focussed on public policy monitoring and awareness raising on the RAMED scheme. The EU also financed an OXFAM-implemented project on female agriculture workers' rights.
<b>JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage)</b>		
I-631	Trend in non-contributory pension as percentage of average wage	This was not a focus of EU support. Only 26 per cent of the greater economically active population (about two million people) has access to retirement benefits. <i>Source: ILO (2016): Regions &amp; Countries – Morocco (available at: <a href="http://www.social-protection.org/gimi/gess/ShowCountryProfile.action?id=312">http://www.social-protection.org/gimi/gess/ShowCountryProfile.action?id=312</a>)</i>

#	Indicators	Evidence
I-632	Trend in adequacy of social assistance benefits	This was not a focus of EU support.
I-633	Trend in adequacy of unemployment benefit	This was not a focus of EU support.
I-634	Social protection expenditure as proportion of GDP: Spending on working age population / the elderly / children	<p>During the period under review, EU support had a focus on medical coverage (not on the whole social protection policy area).</p> <p>"En ce qui concerne les niveaux de dépenses des secteurs sociaux, ceux-ci représentent une part importante des dépenses publiques. Selon la Loi de Finances pour 2016, les budgets alloués aux ministères de l'éducation, de la santé, de l'emploi, de la solidarité et de l'habitat s'élèvent au total à 62 milliards de Dirhams (MAD), soit un peu moins du quart du budget général ou à peu près 6% du PIB. Mais, en fait, d'autres acteurs institutionnels participent à cet effort. Le Ministère de l'Intérieur, par exemple, soutient directement les politiques de transferts et de lutte contre les disparités territoriales et sociales. L'effort budgétaire en 2016 pour l'aide aux ménages<sup>13</sup> et la lutte contre les disparités, s'élève à 26,5 MAD. Ce montant n'inclut ni les apports au système contributif, ni le paiement des retraites, ni même les programmes sectoriels (internats, aide au logement décent, gratuité de l'accouchement etc.) mais il inclut les compensations pour maintenir les prix à la consommation de certains biens dont le gaz butane (15,5 MAD soit 1,5% du PIB). Sans tenir compte de ce programme, les transferts budgétaires au titre des programmes d'aide aux ménages et de lutte contre les disparités sociales ont progressé au cours de ces trois dernières années passant de 6,7 MAD en 2013 à 10,9 MAD en 2016 (de 0,7 à 1,1% du PIB)."</p> <p><i>Source: EU (2016) : Programme d'appui à la protection sociale au Maroc – Action document</i></p>

#### 4.1.7 EQ7: Modalities

#	Indicators	Evidence
<b>JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context</b>		
I-711	The choice of modalities and implementing partners reflects clearly identified comparative advantages and institutional capacity needs and constraints	<p>"On relève des assistances techniques de longue durée fournies par la BAD à l'ANAM et à la CNOPS, l'AT de la CE à l'ANAM, de même que les appuis réguliers fournis lors des missions de suivi, des études ponctuelles et des appuis divers. Ces expertises en AT/RC ont été très appréciées, tant ceux de la BAD que de la CE, ce qui a été d'une grande aide pour la prise de décision – notamment pour aider au choix de scénarios de couverture universelle, de stratégie de financement du MS, etc. L'AT a été déterminante à ce niveau."</p> <p><i>Source : EU (2014) : évaluation conjointe de l'appui budgétaire au Maroc</i></p> <p>"L'outil « Appui Budgétaire » est en ce sens particulièrement pertinent puisqu'il permettra d'accompagner et de renforcer les capacités de programmation budgétaires des différents ministères sectoriels impliqués."</p> <p><i>Source : EU (2016) : Programme d'appui à la protection sociale au Maroc – Action document</i></p>
I-712	The approach employed by the EU fosters high quality dialogue between the EU and national stakeholders	"La Délégation a procédé à l'évaluation des conditions générales liées au déboursement de cette première tranche du programme. Pour ce faire, la Délégation a conduit une analyse de la mise en œuvre de la politique de réforme appuyée par le programme, de la situation macroéconomique, du système des finances publiques et du degré de transparence de la gestion budgétaire, en se basant sur les pièces justificatives fournies par le Coordonnateur National et

<sup>13</sup> L'aide aux ménages telle que repris dans la LOF 2016 correspond uniquement aux transferts directs aux ménages (Tayssir, DAAM, un million de cartables), aux fournisseurs de services sociaux et de santé au nom des ménages (RAMED, cantines scolaires), au monde associatif (subventions de l'Entraide Nationale, aux opérateurs de projets de l'INDH, alphabétisation, éducation non formelle), au secteur privé (compensations) et aux collectivités locales (projets INDH).

#	Indicators	Evidence
		l'ensemble de l'information et de la documentation pertinentes dont elle dispose, recueillies notamment dans le cadre de réunions régulières de dialogue politique avec les principaux services et institutions concernés." <i>Source : EU (2014) : CMB III - dossier de déboursement</i>
I-713	The aid delivery methods and channels used promote ownership of SP by national stakeholders	According to interviews carried out, the use of budget support has helped further strengthening an already high level of ownership of national stakeholders of the supported initiatives.
<b>JC 72 EU financed interventions in the social protection field are mutually reinforcing</b>		
I-721	Financing instruments (bilateral vs. regional, geographic vs. thematic) are combined to exploit complementarities and promote synergies	The 2009 programme for Morocco of the EU Non-State actor budget lines had a focus on community health services. A few NGOs were financed to implement targeted activities in this area. More recently, the EU financed the NGO CEFA to implement a project focussed on public policy monitoring and awareness raising on the RAMED scheme. The EU also financed an OXFAM-implemented project on female agriculture workers' rights. These initiatives have achieved some complementary with the EU budget support programmes but, according to interviews, synergies have remained very limited given the relatively narrow scope of the CSO's actions.
I-722	EU support to SP in partner countries has been reinforced by the mobilisation of expertise from EU Member States (via instruments such as TAIEX/Twinning or the SOCIEUX facility)	The SOCIEUX facility was not used in Morocco despite an attempt in 2016. The plan to finance a mapping of social protection in Morocco through SOCIEUX was eventually dropped because UNICEF had already agreed with the Government to carry out such an exercise. Various reasons were highlighted in interviews to explain the under-utilisation of this facility, including: i) inadequacy of the demand-driven approach adopted by SOCIEUX given the lack of capacity of most national institutions to formulate appropriate demands for external support; ii) heavy application process; iii) possibility to draw on alternative (easier to access) solutions / resources (e.g. TA envelopes foreseen in budget support programmes) to mobilise EU expertise.
<b>JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored</b>		
I-731	Frequency of delays in implemented interventions related to SP	"Les décaissements font l'objet de différences en fonction des bailleurs, certains bailleurs étant plus rapides que d'autres à décaisser (e.g BAD). Les autorités soulignent la difficulté à remplir certaines conditionnalités qui semblent réalistes à un instant t et qui deviennent compliquées à réaliser avec l'évolution de la situation (Exemple : mise en place de l'autorité pour la régulation des assurances ; pas de maîtrise sur les délais d'approbation d'une loi.). Par ailleurs, lorsque les décaissements sont conditionnés à 20 indicateurs, cela produit des retards. Les autorités soulignent que pour la majorité des programmes, elles réussissent à décaisser." <i>Source : EU (2014) : évaluation conjointe de l'appui budgétaire au Maroc</i>
I-732	Transaction costs are minimised for all parties involved	"La convention de financement du CMB 1 prévoyait un nombre très important de conditionnalités (...) Les conditionnalités du CMB 2 ont été réduites et simplifiées. (...) la BAD a été plus souple que la CE dans l'appréciation des conditionnalités, et a décaissé sa 2 <sup>e</sup> tranche du PARCOUM I alors que la CE avait bloqué la sienne." <i>Source : EU (2014) : évaluation conjointe de l'appui budgétaire au Maroc</i>
I-733	Monitoring and evaluation allows for adjustment of SP support responding to performance and context	<i>The EU financed the joint evaluation of budget support to Morocco which was completed in 2014. Moreover, EU supported reforms have been closely monitored in the context of the budget support performance assessment framework. Budget support missions fed into policy dialogue according to interviews carried out.</i>

#### 4.1.8 EQ8: Coherence, added value

#	Indicators	Evidence
<b>JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs</b>		
I-811	Institutional structures / mechanisms in place to coordinate SP policies and interventions across MSs and other international donors	<p>"Le programme PARCOUM III de la BAD est un appui budgétaire sectoriel sous forme de prêt d'un montant d'environ 140 M€ portant sur la poursuite de la réforme de la CMB et sur l'offre de soins. Il s'articulerait autour de trois axes (qui sont identiques à ceux du programme CMB III) : (i) le pilotage et le financement de la CMB, (ii) l'extension de la CMB et (iii) la régulation et l'offre de soins. (...)</p> <p>Les missions en partie conjointes avec la BAD de formulation de l'appui à la couverture médicale permettront d'arrêter une série de conditionnalités communes qui pourront faire l'objet d'un suivi commun. "</p> <p><i>Source: EU (2013) : Programme CMB III – Action document</i></p> <p>"Le Ministère de la Santé (MS) organise et préside une réunion annuelle de coordination des bailleurs de fonds du secteur, à laquelle sont invités tous les PTFs appuyant le secteur, ainsi que le MEF et d'autres institutions partenaires et acteurs sectoriels. Elle sert de forum pour le partage d'information et pour des discussions sur les progrès et les priorités du secteur, ainsi sur des thématiques ciblées.</p> <p>Des groupes thématiques (santé, développement social) co-pilotés par l'UE et l'AECID se réunissent semestriellement pour discuter de l'état d'avancement et de l'évolution des politiques et/ou stratégies sectorielles: à l'occasion d'une des dernières réunions, le MS a pu présenter les progrès suite à l'annonce de la généralisation du RAMED. "</p> <p><i>Source: EU (2013) : Programme CMB III – Action document</i></p>
I-812	EU is able to leverage its support by generating funding from other sources	<p>"D'autres bailleurs pourraient décider d'appuyer ou de consolider (Banque Africaine de Développement, Banque mondiale,..) leur appui à ce volet de la réforme"</p> <p><i>Source: EU (2007) : Programme CMB II – Action document</i></p>
<b>JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment)</b>		
I-821	DEVCO-financed SP support cross-refers to policies and strategies of other relevant DGs and avoids duplication and conflicts	No evidence of particular inconsistencies between EU support to SP and other EU sector policies was found.
I-822	Existence of inter-DGs coordination on SP	<i>Indicator not relevant at country case study level.</i>

## 4.2 Overview of EU-funded key interventions

Financing instrument	Title	Implementation period	EU contribution (EUR)	Implementing partner(s)
<b>2007-2013</b>				
ENI	Programme d'appui à la réforme de la couverture médicale de base – Phase II	2011-2015	50,000,000 (incl. 47.4 million in BS)	Government, Private company (TA)
ENI	<p><i>The programme « Réussir le Statut avancé » included two relevant projects in the area of SP:</i></p> <ul style="list-style-type: none"> <li>• Etude de l'écart entre l'Acquis de l'UE ainsi que les bonnes pratiques des Etats Membres et le cadre juridique et institutionnel marocain dans le secteur de la protection sociale</li> <li>• Jumelage « Accompagner la mise en place de l'observation et le suivi des indicateurs de protection sociale »</li> </ul>	2012-2017	83,000,000 <sup>14</sup>	Private company (TA), EU member states <sup>15</sup>
ENI	Programme d'appui sectoriel à la réforme du système de santé – Santé I	2009-2015	86,000,000 (incl. 82 million in BS)	Government, Private company (TA)
<b>2014-2017</b>				
ENI	Programme d'appui à la réforme de la couverture médicale de base – Phase III	2014-2017	52,000,000 (incl. 48 million in BS)	Government, Private company (TA)
ENI	Programme d'appui sectoriel à la réforme du système de santé – Santé II	2015-2018	100,000,000 (incl. 96 million in BS)	Government, Private company (TA)

<sup>14</sup> This is the overall allocation to the programme « Réussir le Statut avancé » (CRIS decision ENPI/2011/022-778). This programme consisted in a large budget support intervention (over 70,000,000 EUR) and several complementary contracts, including one TA contract (2,227,640 EUR) under which the study “Etude de l'écart” in the area of SP was financed. The component for twinning covered several projects including the one listed above which had an initial budget of 1.050.000 EUR.

<sup>15</sup> France – DAEI & Expertise France; Belgium – SPFSS.

### 4.3 List of people interviewed

<i>Surname</i>	<i>First name</i>	<i>Position</i>	<i>Organisation/ Unit</i>
ABDELMALKI	Hassane	Directeur du Pôle Prestations	CNSS
ALAOUI BELGHITI	Abdelali	Secrétaire général	Ministère de la Santé
BENJELLOUN	Meryam	Experte en communication	Consultante
BOUSSIF	Hassan	Chef de Division UE	Ministère des Finances
CHERIFI	Moulay-Driss	Conseiller resident du jumelage	Projet Jumelage
CHERKAOUI	Sanae	DPRF, Cheffe de division coopération	Ministère de la Santé
DEHAYE	Jean-Charles	Chef de mission de l'AT CMB III	Consultant
EL FARJANI	Hikmat	Chargée de Programmes CMB & Protection Sociale	EU Delegation
EL HAIEK	Samira	Chef de division actuariat	CNOPS
EL KADIRI EL YAMANI	Fatima	Spécialiste Santé	Banque Mondiale
EL KESRI	Fatima	Point focal evaluation	EU Delegation
ELMARNISSI	Abdelillah	Chef de service des études et de l'information sanitaire	Ministère de la Santé
FERTAT	Mohammed	Charge de programme Protection sociale	Ministère des Finances
HACHIMI IDRISSE	Hausny	Directeur financier et comptable	CNSS
HADRYA	Karima	Chef de la division Actuariat et Etudes générales	CNSS
HALMI	Mahdi	Social Policy Specialist	UNICEF
ISBAYEN	Kerim	Directeur de la Coopération	Ministère de l'emploi
KADDOURI	Amar	Charge de suivi UE	Ministère des Finances
KAISSY GONZÁLEZ	Sylvia	Chargée de programmes Santé	AECID (SP)
KHORSI	Aziz	Directeur de la Communication	CNOPS
KILANI JAAFOR	Leila	Spécialiste supérieur en développement social	Banque Africaine de Developpement
MIKOS	Philip	Chef de coopération	EU Delegation
RIHANI	Anas	Chef de service de coordination interne et intersectorielle	Ministère de la Santé
SAHNOUN	Abdelmajid	Conseiller	ANAM
SEMLALI	Hassan	Chef de la Division Suivi du RAMED	Ministère de la Santé
TESLIUC	Emil Daniel	Senior Economist	Banque Mondiale

## 4.5 Bibliography

### 4.5.1 EU strategy and programming

- ENI Single Support Framework for Morocco 2014-2017
- Action Plan 2013-2017 for the implementation of Morocco's Advanced Status
- ENPI EU-Morocco Country Strategy Paper 2007-2013
- ENPI EU-Morocco Country Strategy Paper 2007-2013 mid-term review
- ENPI EU-Morocco Indicative programmes for 2007-2010 and 2011-2013

### 4.5.2 National framework

- Royaume du Maroc (2002): Loi 65.00 portant code de la couverture médicale de base
- Royaume du Maroc (2011): Constitution
- Royaume du Maroc (2012): Programme du gouvernement<sup>16</sup>

### 4.5.3 Project documentation

The team reviewed the available project documentation (action documents/TAPs, implementation and monitoring reports, evaluations, budget support disbursement dossiers, etc.) of the following interventions (see also details in the list presented in Annex 2):

- Programme d'appui à la réforme de la couverture médicale de base – Phase II.
- Two relevant SP projects implemented in the context of the programme « Réussir le Statut avancé ».
- Programme d'appui sectoriel à la réforme du système de santé – Santé I.
- Programme d'appui à la réforme de la couverture médicale de base – Phase III.
- Programme d'appui sectoriel à la réforme du système de santé – Santé II.

### 4.5.4 Evaluation and studies

- AFD (2014): La protection sociale - Une diversité d'approches
- AICESIS (2015): Social dialogue and civil society in Morocco
- ANAM (2015): Rôle des principaux acteurs de la couverture médicale de base
- BeFinD (2016): Towards redistributive SP - Morocco & Senegal
- EU (2013): Evaluation conjointe de l'appui budgétaire au Maroc
- ILO (2017): Morocco social protection profile
- OPM (2015): Policy brief - RAMED - A key step towards UHC
- UNICEF (2015): Mapping Protection sociale
- UNICEF (2016): Projet de vision intégrée de la protection sociale
- WB (2012): Ciblage et protection sociale - Note d'orientation stratégique
- WB (2014): Reforming Subsidies in Morocco
- WB (2015): Social protection and labour diagnostic – Morocco

### 4.5.5 Other

- ANAM (2014): Rapport annuel d'activités
- ANAM (2016): Rapport annuel de l'AMO et de RAMED
- CNSS (2015): Rapport annuel d'activités
- MdS (2006): Santé en chiffres 2005
- MdS (2016): Santé en chiffres 2015
- WHO (2015): Morocco statistical profile

### 4.5.6 Web links

Ministère de la Santé: [www.sante.gov.ma/](http://www.sante.gov.ma/)

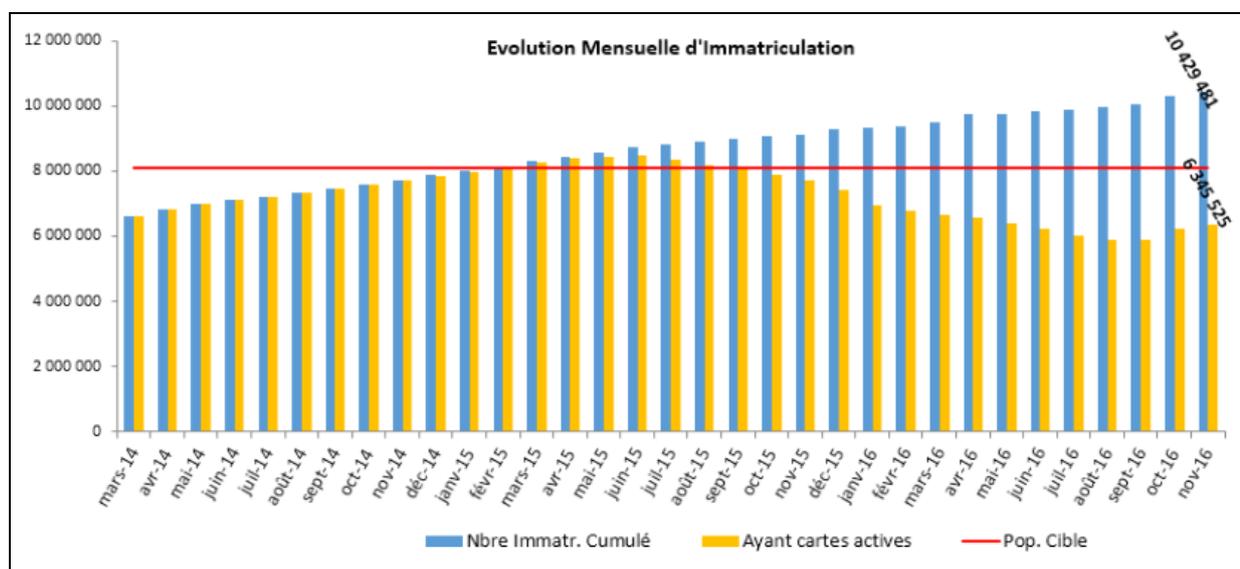
- CNOPS: [www.cnops.org.ma/](http://www.cnops.org.ma/)
- CNSS: [www.cnss.ma/](http://www.cnss.ma/)
- RAMED: <https://www.ramed.ma/>
- Le régime marocain de sécurité sociale : [http://www.cleiss.fr/docs/regimes/regime\\_maroc.html](http://www.cleiss.fr/docs/regimes/regime_maroc.html)

<sup>16</sup> Government Programme of the Kingdom of Morocco issued by the Head of Government in January 2012.

## 4.6 Tables, Statistics

### 4.6.1 Health insurance and assistance scheme coverage

Figure 1 Evolution of the number of RAMED registrations per month



Source: ANAM 2016.

Table 3 Evolution of CNOPS' activity

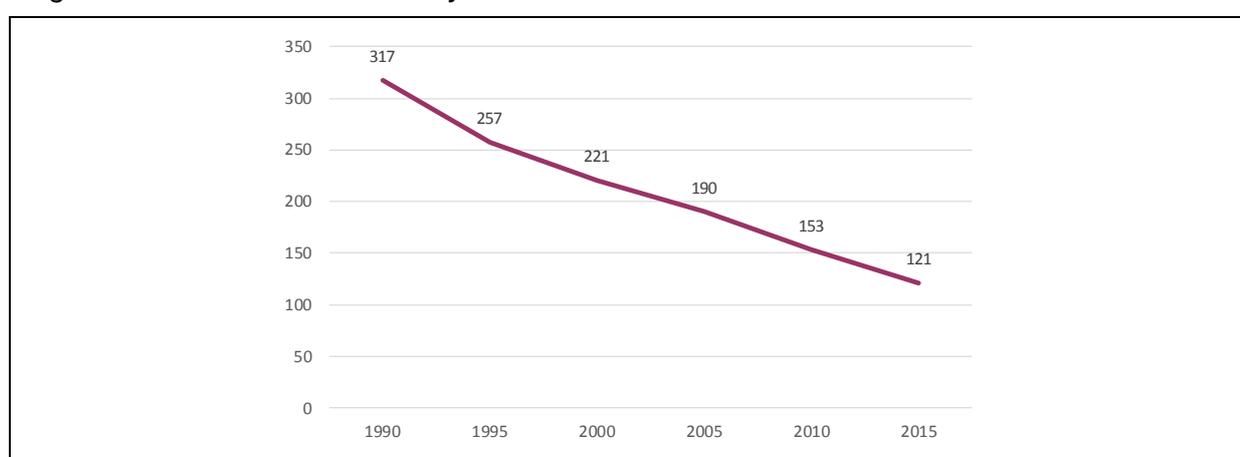
	2006	2016	Evolution
Population assurée	2 376 406	3 024 179	+27%
Taux de sinistralité	36%	46%	
Nombre de dossiers de soins ambulatoires en DH	3 324 446	4 417 148	+33%
Prestations de soins ambulatoires en DH	986 903 242	2 599 406 459	+163%

Source : CNOPS 2017

Note : chiffres pour 2016 non corrigés par le reste des provisions pour prestations à payer.

### 4.6.2 Health statistics

Figure 2 Maternal Mortality Ratio<sup>17</sup> - Morocco - 1990-2015



Source: WHO, UNICEF, UNFPA, World Bank Group and UNPD (MMEIG) - November 2015.

<sup>17</sup> Maternal deaths per 100,000 live births.

Table 4 Evolution des allocations budgétaires de la santé (2011-2016)

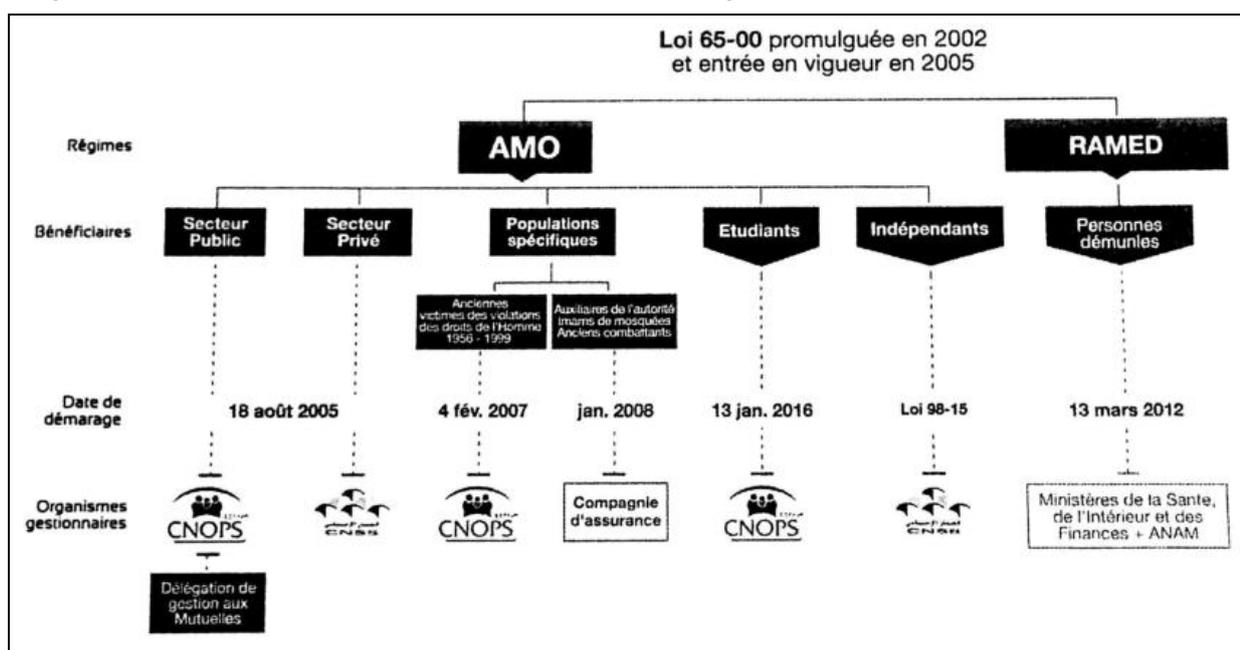
Désignation	2011	2012	2013	2014	2015	2016
Personnel	6.118.581	6.652.384	6.422.147	7.368.194	7.441.486	7.523.969
MDD <sup>18</sup>	2.980.000	3.428.000	3.950.000	4.050.000	4.145.500	4.256.965
Investissement	1.796.978	1.800.000	2.000.000	1.500.000	1.500.000	2.500.000
<b>Total Budget</b>	<b>10.895.559</b>	<b>11.880.384</b>	<b>12.372.147</b>	<b>12.918.194</b>	<b>13.086.986</b>	<b>14.280.934</b>
Taux de croissance		8.29%	3.97%	4.23%	1.29%	8.36%

Source : Dossier de déboursement CMB III 2<sup>ème</sup> tranche.

En 2016, les dépenses de fonctionnement ont augmenté plus vite que les dépenses de l'Etat (1,65% contre 0,47%), les MDD étant en plus grande augmentation que les dépenses de personnel. La croissance des dépenses de personnel reste très limitée par rapport à celle en 2014. Le poste remarquable est celui des investissements, avec le supplément d'un milliard annoncé (+40%). Toutefois, rapporté au budget de l'Etat (hors dettes et plafonds de charges des Comptes spéciaux), le budget de la santé ne représente encore que 5,71% de budget de l'état, mieux qu'en 2015 (5,26%), mais loin des 15% de l'engagement d'Abuja.

#### 4.6.3 Overview of Basic health insurance and assistance schemes

Figure 3 Evolution of the number of RAMED registrations per month



Source: CNOPS internal document.

<sup>18</sup> Matériel et Dépenses Diverses



# Evaluation of EU support to social protection in external action

2007-2013

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Final Report

Volume II

Country Report – Palestine

January 2018

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*Evaluation carried out on behalf of the European Commission*



The evaluation was carried out by:  
Landis MacKellar – Team Leader

Contributions from:  
Ana Maria Femenia Garcia – Team Member  
Zehra Kacapor-Dzihic – Team Member  
Tino Smail – Team Member  
Lena Zezulin – Team Member  
Georg Ladj – Quality Control  
Ana Vilar – Backstopping  
Dominika Socha & Jana Bobokova – Evaluation  
Managers

The evaluation is being implemented by Particip GmbH (leader) and AETS and managed by the DG NEAR A4 Multi-annual Financing Framework, programming and evaluation unit.

The author accepts sole responsibility for this report, drawn up on behalf of the Commission of the European Union. The report does not necessarily reflect the views of the Commission.



# Country Report – Palestine

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## List of acronyms

AHLC	Ad Hoc Liaison Committee
CBO	Community Based Organization
CFSP	Common Foreign and Security Policy
CMS	Case Management System
CP	Complementary Programmes
CR	Clearance Revenue
CSO	Civil Society Organisation
CSP	Civil Service and Pensioners
CTP	Cash Transfer programme
DFS	Direct Financial Support
DWRCP	Democracy and Workers' Rights Center in Palestine
EC	European Commission
EEAS	European External Action Service
EFI	European Financial Instruments
EJH	East Jerusalem Hospitals
EJS	European Joint Strategy
EU	European Union
EUMS	European Union Member States
EUREP	Office of the EU Representative (Jerusalem)
FPCCIA	Federation of Palestinian Chambers of Commerce, Industry and Agriculture
HE	Hebron
HH	Household
ILO	International Labour Organization
JE	Jerusalem
JPG	Joint Planning Groups
LAs	Local Authorities
LACS	Local Aid Coordination Secretariat
MoF	Ministry of Finance
MoFP	Ministry of Finance and Planning
MoSA	Ministry of Social Affairs
MoSD	Ministry of Social Development
MoU	Memorandum of Understanding
MoWA	Ministry of Women's Affairs
MS	Member States
NB	Nablus
PLO	Palestine Liberation Organization
PA	Palestinian Authority
PCBS	Palestinian Central Bureau of Statistics
PEGASE	Mécanisme Palestino–Européen de Gestion et d'Aide Socio-Économique
PFM	Public Finance Management
PGFTU	Palestinian General Federation of Trade Unions
PHC	Public Health Care
PMTF	Proxy Means Testing Formula
PRDP	Palestinian reform and development plan

PSRG	Private Sector Reconstruction in Gaza
PwD	Persons with Disabilities
ROF	Results Oriented Framework
SCR	Social Corporate Responsibility
SDG	Sustainable Development Goals
SP	Social Protection
SPRI	Social Protection Reform and Integration
SPSI	Social Protection Strategy and Integration
TA	Technical Assistance
UHC	Universal Health Coverage
UNDP	United Nations Development Programme
UNRWA	United Nations Relief and Works Agency
USD	United States Dollar
VPF	Vulnerable Palestinian Families
WB	World Bank
WBG	West Bank and Gaza
WHO	World Health Organization
WFP	World Food Programme



# 1 Introduction

## 1.1 Purpose of the country report

This report is framed within the field phase of the evaluation. During the inception phase, the evaluation framework was developed, i.e. the EU's intended intervention logics of its support to social protection (SP) in partner countries were reconstructed and the Evaluation Questions (EQs) were designed. During the desk phase, overall strategy and policy documents and selected project documentation were reviewed, an online survey to the EUDs was conducted and several stakeholders were consulted. The desk report outlined preliminary answers to the EQs and proposed a list of countries to be visited in the field phase. From a long list of 45 countries and a shortlist of 14 desk case countries, 11 countries were selected for the field phase. The overall objective of the field visits is to verify preliminary findings to the EQs.

The outline of the country report follows the structure of the evaluation matrix to ensure a consistent and harmonised data collection approach. However, as EU interventions implemented under major SP programmes cover a variety of different topics, not every intervention is relevant for all the evaluation questions. This tailored case study approach ensures that resources are spent in an efficient way.

Therefore, the present country report cannot be considered a country evaluation but rather one of the inputs for the elaboration of the final report. The field cases allow for a detailed examination of certain elements at the Indicator and Judgement Criterion level and provide a picture of the EU support in different contexts. The report aims at providing country specific examples on a set of issues that are relevant for the worldwide exercise.

## 1.2 Reasons for selection of the country

The Palestine\* country case study has been selected for the following reasons:

- Regional and sub-regional representation: the case illustrates specific context of the ENI South.
- Palestine is one of the top recipient countries of EU financial contributions in the area of SP in the ENI South.
- The EU and its Member States are the largest donors to Palestinian refugees through UNRWA.
- Since February 2008, over €2 billion have been disbursed through the PEGASE direct financial support programmes.
- The EU plays a donor coordination role in the area of SP.
- There is coherence with EU CFSP (Common Foreign and Security Policy).

The table below provides an overview of the main SP interventions implemented by the EU in the period 2007-2016. Based on the above reasons, the following interventions in Palestine will be analysed more in-depth:

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\* This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.

Table 1 Interventions selected for the case study analysis

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>	<i>Implementing partner(s)</i>
<b>2007-2013</b>				
ENI (ENPI)	TA to the Ministry of social affairs for the reform of the social safety net	2008-2009	176,583	TA provided by private company
ENI (ENPI)	PEGASE ("Mécánisme Palestino-Européen de Gestion et d'Aide Socio-économique)	2008-2016	See table below	Partner GvT
ENI (ENPI)	Various support to delivery of Community Services in East Jerusalem: e.g. <ul style="list-style-type: none"> <li><i>Disabled People in East Jerusalem Enjoy Improved Living Conditions</i></li> </ul>	2010-2014	858,295	
DCI-FOOD	Support to the UNRWA Social Safety Net Programme (SSNP)	2011-2014	15,000,000	UN Agency UNRWA

Source: CRIS and Particip analysis (2016)

Table 2 Details on EU financing decisions related to the PEGASE mechanism

<i>Financing decision</i>	<i>Title</i>	<i>Amount (Euro)</i>
ENPI/2008/019-776	Support to Recurrent Expenditures of PA	176,000,000
ENPI/2008/019-777	PEGASE Institution Building- Governance, Social and Economic Development	14,000,000
ENPI/2008/019-778	Public Infrastructure Development	73,040,961
ENPI/2008/020-254	Support to recurrent expenditures of the PA (Part II)	40,000,000
ENPI/2008/020-425	Support to recurrent expenditures of the PA (Part III)	42,000,000
ENPI/2008/020-577	Support to Recurrent Expenditures of the PA	168,000,000
ENPI/2009/021-634	Additional Support to Recurrent Expenditures of the PA	39,000,000
ENPI/2009/021-835	Governance and Social development	10,280,982 10,487,467
ENPI/2009/021-836	PRDP-related Public Infrastructure Development	18,000,000
ENPI/2009/021-839	Private Sector Reconstruction in Gaza (PSRG)	26,781,282
ENPI/2009/021-840	Support to Recurrent Expenditures of the PA (Part III)	12,100,000
ENPI/2010/021-955	Support to Recurrent Expenditures of the PA	169,500,000
ENPI/2010/022-470	Support to Delivery of Community Services in East Jerusalem	6,000,000
ENPI/2010/022-474	Infrastructure facility 2010	41,521,318
ENPI/2010/022-475	EU support for the PA Two-Year Plan for Statehood	60,530,965
ENPI/2010/022-476	Private Sector Development	11,000,000
ENPI/2010/022-594	Additional Support to Recurrent Expenditures of the PA (part III)	41,400,000
ENPI/2010/022-829	Support to Recurrent Expenditures of the PA - PART I	77,000,000
ENPI/2011/023-095	Additional Support for Recurrent Expenditures of the Palestinian Authority	94,200,000
ENPI/2011/023-376	Support for Recurrent Expenditures of the PA 2011/2012	46,000,000
ENPI/2012/023-843	Support to Recurrent Expenditures of the PA – Part II	32,250,000
ENPI/2013/024-408	Direct Financial Support to Recurrent Expenditures of the PA 2013 (I)	128,050,000
ENPI/2013/024-609	Direct Financial Support to Recurrent Expenditures of the PA 2013 (II)	109,950,000
ENI/2014/024-990	Direct Financial Support to Recurrent Expenditures of the PA 2014 (I)	130,000,000
ENI/2014/037-579	Direct Financial Support to Recurrent Expenditures of the PA 2014 (II)	32,450,000

Source: CRIS and Particip analysis (2016)

### 1.3 Context of the EU support

#### **Country context and national social protection system**

The political context of Palestine has a crucial influence on the Social Protection policies and the strategies to implement them. The territorial fragmentation of Palestine (divided between the West Bank and Gaza), the limited control over macroeconomic policy and trade, the severely restricted access to land, water and other resources, and major restrictions on Palestinian movement and access within and between the Gaza Strip, the West Bank and East Jerusalem, increase the social and political instability.

Measured by employment, real growth and poverty, the overall socio-economic situation for Palestinians in early 2014 is worse than it was twenty years ago. The poverty rate averaged 15.6% in the West Bank and 38.2% in the Gaza Strip from 1994 to 1998. In 2011, the last year for which data are available, the poverty rate was about 17.8% for the West Bank and 38.8% for Gaza Strip – a net increase in poverty over the twenty-year period overall. Anomalously, but apparently due to substantial donor efforts, social development indicators for health, education and social protection have been maintained at levels above the average for other countries in the region, although the relative gap between the West Bank and the Gaza Strip is increasing over time (Evaluation of the EC support to Palestine, 2014). Despite the recognition of Palestine as a non-member observer State by the United Nations General Assembly (Resolution 67/19 of 29 November 2012), the Palestinian people still struggle for their basic human rights and human security.

Of special relevance to social protection, a national Palestinian cash transfer programme (CTP) covering the poorest families has been in place since 2008. The social protection strategy for 2011-2013 was reviewed and a new strategy drafted for the period 2014-2016 with the following main pillars: cash transfer, health insurance/social security, economic empowerment. It includes partnership with CBOs and CSOs. In February 2010, the Ministry of Labour issued a “Strategy for development of the labour sector in Palestine” complementing and further defining the 13<sup>th</sup> Government Programme. This document recognizes the need to strengthen the role of the private sector and social partners in the process, mentioning specifically the Fund for Employment and Social Protection<sup>1</sup>.

In order to accelerate the process of developing a comprehensive social security and social protection system, the Palestinian Prime Minister established, at the beginning of 2012, a National Social Security Committee, whose first task was the adoption of a position paper based on three dimensions: (a) outlining a vision for the Social Security Sector Strategy with clear priorities; (b) actuarial study of the Pension Law; and (c) tripartite institution building for social security administration, including capacity building for reviewing social security legislation and national social security policies.

In 2016, the Ministry of Social Affairs (MoSA) was converted into the Ministry of Social Development (MoSD). The ministry has adopted a 2017-2022 Social Development Strategy based on the consideration that it constitutes a policy and conceptual framework that achieves complementarity between the environmental, cultural, social and economic dimensions. Thus, it includes axes such as education, health, labor, agriculture, alleviating poverty and care of marginalized groups and others, which require supportive social and economic policies. It ensures complementarity among the different active actors in this area; including the government, civil, international and private sector organizations. Social capital is considered to be the basic source and decisive factor for social development; and the “empowerment approach” is crucial in the new approach of the ministry.

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<sup>1</sup> ILO, 2010, 99th Conference, “The situation of workers in the Arab occupied territories”.

Since 2016 important steps towards broader social protection coverage have been taken. The first ever law on social security for private sector workers and their family members was adopted in March 2016. It then underwent revisions due to the concerns raised by representatives of the civil society, and the amended law was signed by President Mahmoud Abbas on 29 September 2016. The legislation provides for defined benefits for old age, disability and death, as well as employment injury. It also includes maternity protection insurance, with a view to encouraging employers to hire more women and thus contributing to an increase in women's labour force participation (UN, 2016b). The new Social Security Law requires the establishment of a social security institution for the administration of the social insurance schemes provided for by the law. In mid 2017, this was under way and the first contributions were expected to be collected by January 2018. The new system is projected to cover over 300,000 workers by 2025<sup>2</sup>.

### **EU cooperation**

The EU support to the PA is governed by the Interim Association Agreement and by the Action Plan of the European Neighbourhood Policy (ENP). In the framework of the Barcelona Declaration, an Interim Association Agreement governing bilateral relations between the EU and the Palestine Liberation Organisation (PLO) on behalf of the PA was signed in February 1997. The agreement provided for progressive liberalisation of trade, budgetary support, institution building, technical assistance, humanitarian aid, and bilateral trade relations.

Most of the European Union's assistance to the Palestinian Authority is channelled through PEGASE, "*Mécanisme Palestino-Européen de Gestion et d'Aide Socio-économique*", the financial mechanism launched in 2008 with the principal objective of supporting the Palestinian people through implementation of the Palestinian Reform and Development Plan (PRDP) of the PA during 2008- 2010<sup>3</sup>. As well as helping to meet a substantial proportion of the PA's running costs, EU funds are supporting major reform and development programmes in key ministries to help prepare the PA for statehood. Since February 2008, EUR 2,3 billion have been disbursed through the PEGASE direct financial support programmes for the three components (civil servants and pensions, Vulnerable Palestinian Families – VPF, and East Jerusalem Hospitals costs of referral). In addition, the EU has provided assistance to the Palestinian people through UNRWA as well as a wide range of other cooperation projects.

The Palestinian Cash Transfer Programme (CTP) administered by the Ministry of Social Development, to which PEGASE VPF contributes, provides payments on a quarterly basis to Palestinian households living in extreme poverty. The key objective is to support households living in extreme poverty in the West Bank and Gaza.

The EU is providing significant amounts of *Direct Financial Support (DFS)* to the PA to help it deliver public services throughout Palestine. PEGASE funds go towards the *salaries/pensions of civil servants and pensioners*, helping to ensure that vital public services such as education and health services are delivered to the population. Funds are also provided to *Vulnerable Palestinian Families* through the VPF social allowance scheme. PEGASE funds have helped ensure that the people of Gaza have electricity, by financing the fuel that is needed to run the only Gaza power plant. Finally, the EU funds pay for arrears owed by the PA to private sector companies and to the East Jerusalem Hospitals for the referrals.

Since 2008, the EU and MS have contributed to some €369 million to the CTP through the PEGASE DFS instrument. By end of 2016, some 112,984 extremely poor and vulnerable

<sup>2</sup> ILO (2017): 106 the Conference - Appendix - the situation of workers in the Arab occupied territories

<sup>3</sup> EU PEGASE came into operation in February 2008, in succession to the Temporary International Mechanism (TIM) and after adoption at the Paris donor conference (December 2007) of the PRDP.

households were registered to the CTP, including 73,141 in Gaza (64.7%). The 2016 CTP budget totalled ILS 533 million, equivalent to slightly over 1% of GDP and 4% of the PA's total expenditures and net lending. The European Union and some EU MS (EU: €52 million; Austria: €1.5 million; Spain: €1 million; Ireland: €0.7 million; Italy: €0.10 million) contributed to around 32% of the CTP budget. For 2017, ILS 520 million (EUR 123.4 million) have already been allocated by Ministerial Council decision to the CPT. With an annual average family allowance amounting to ILS 4,640 (EUR 1,100), the CPT is expected to target 112,000 vulnerable families in the West Bank and the Gaza Strip, i.e. around 670,000 persons, based on an average family size of six.

## 2 Findings

### 2.1 EQ1: Relevance

*To what extent has EU support to social protection responded to clear overall strategic objectives on social protection and to specific needs of partner countries, including problems of poverty, vulnerability and social exclusion?*

#### *Summary answer*

The specific objective of EU SP support in Palestine has been to guarantee a basic minimum income and availability of basic needs for the poorest segments of the population. EU support through PEGASE and to UNRWA actions has responded to this specific objective. At a higher level, the overall objective can be considered to contribute to the legitimacy of the PA by enabling it to deliver a basic level of SP to cope with poverty, vulnerability, and social exclusion. EU support has been consistent with this overall objective.

#### **2.1.1 JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.**

EU support was aligned to the Ministry of Social Affairs' (now Ministry of Social Development) strategic priorities and programmes between 2007 and 2013, as well as to the more recent strategic vision which stresses economic empowerment. Social partners and civil society were involved only to a limited extent in defining priorities for EU support to social protection in Palestine in that period, although the role and engagement of civil society in policy definition has been increasing, in part with EU cooperation promoting stronger involvement of civil society in ENP sub-committee consultations and in domestic policy dialogue with the Palestinian Authority. From 2013, EU has more deeply aligned to PA priorities by supporting their approach towards social Inclusion and social protection as agreed in the ENP Action Plan, reflecting extensive policy dialogue with the EU.

In the key area of refugees, through DCI-FOOD, EU supports UNRWA's crucial core programmes in the areas of health, education and social services – including salaries for teachers, doctors and social workers active in refugee camps.

#### **2.1.2 JC 12 Needs and target groups clearly identified in the design of EU support.**

The proper identification of needs and target groups has been a major concern in Palestine and has benefitted from EU support. The Palestinian Central Bureau of Statistics (PCBS - which has been the recipient of EU support) is capable of high quality surveys and statistical and demographic analysis, situation analysis, policy analysis, etc., all of which have effectively been taken into account in the design of EU interventions in SP. Gender-specific data are reasonably available for Palestine. Long and consistent EU support in Palestine provided the basis for a sound identification and analysis of excluded groups and identification of intermediaries (Ministry services, NGOs, etc.) to be used to reach them. Particularly refugees' needs are well identified for the EU support in social protection through UNRWA. MoSD's development of a Cash Transfer Programme targeting extreme poor and poor families with the Proxy Means Testing Formula (PMTF) was a significant step in 2010. The introduction of the PMTF methodology was supported by the EU and WB. The PMTF has been continuously improved since its introduction. On access to social services, the MoSD is in the process of introducing a case management system to address the specific needs of elderly, people with disabilities, women and children although capacity constraints in MoSD make implementation challenging. Despite many years of capacity building support provided by EU to MoSD, there is no reliable inventory or assessment of existing capacity. While MoSD has an excellent strategic plan, and

EU capacity building projects have strengthened the Ministry's policy making abilities, it lacks the financial and logistical (transport, petrol, personnel) resources to implement the plan. The Palestinian economy will continue to be highly dependent on donor aid as long as the Israeli occupation lasts, even after fiscal measures to stabilise the economy (to the extent that is within its control).

## 2.2 EQ2: Basic social protection

*To what extent has EU support to social protection helped to improve access to adequate social services and basic income for all, and in particular for those in need of protection?*

### *Summary answer*

EU support has contributed very significantly to the ability of the PA, through MoSD, to implement its Cash Transfer Programme and of UNRWA, through the Social Safety Net Programme, to meet the basic needs of refugees. Neither programme can be said to be fully successful since the cash and in-kind payments delivered are modest and in some cases subject to delays caused by fiscal constraints. They can help beneficiary households to obtain access to basic social services but are insufficient to lift them out of poverty or cater for the specific needs of a member of family with disabilities, chronically ill, or elderly, a weakness recognised by MoSD in its recent and ongoing re-orientation towards economic empowerment of the poor and case management system. Identification of those in need of social protection through the PMTF has been improved over the years although weaknesses are still identified. The case management system being instituted with EU support is designed to better allow the identification of individuals with special needs within households (such as the people with disabilities, chronic ill or elderly) and direct them to specific social services. UNRWA delivery of education and Public Health Care (PHC) is a key aspect of the EU's support for refugees. EU PEGASE component financing part of the referrals costs to the six East Jerusalem hospitals keeps those institutions solvent and well-functioning. At the same time, it underpins the PA's commitment to ensure health care to all in need and bolsters PA legitimacy.

### **2.2.1 JC 21 Social protection coverage and uptake extended / broadened with EU support.**

Data constraints make it impossible to measure trends in SP coverage / uptake, but some general observations can be made. While fiscal constraints have made it impossible for the MoSD to achieve the level of coverage (and adequacy) that it would want, EU support has permitted it to continue to finance the programme at a minimum level, reaching only the poorest of the poor. Continuous improvements in the PMTF have reduced exclusion error, and introduction of the case management approach is expected to better identify not only households, but individuals, who are in need of support. The MoSD's recent emphasis on economic empowerment has potential to better workers in agriculture and the informal sector who qualify for micr-grants to start income-generating activities, many them being women. At the same time, the economic viability of these start-ups has yet to be established.

### **2.2.2 JC 22 Universal access to adequate health services put in place / strengthened with EU support.**

While the EU is not a direct donor to health, it has contributed to payment of salaries in the health sector, financing PHC through UNRWA and the payment of the arrears of referrals to the East Jerusalem Hospitals. Generally speaking, the PA has made great progress on communicable disease, maternal mortality, etc., and now focuses on non-communicable diseases and poor health behaviours (nutrition, smoking, obesity). The EU supported innovative efforts implemented by WHO to introduce mental health care at the PHC level. Access to health care services and medicines in Gaza is in a dire situation, with much of the available PHC being provided by UNRWA with EU support.

### 2.2.3 JC 23 Access to basic income security strengthened with EU support.

Access to basic income security is strengthened in Palestine with EU support mainly through PEGASE VPF contribution to the Cash Transfer Programme, which provides direct assistance in the form of cash for the poorest and most vulnerable of the population. The programme targets beneficiaries in accordance with the MoSD eligibility criteria – using the Proxy Means Testing Formula developed with the WB, mostly based on income and welfare status rather than needs. The programme has allowed for a large coverage of beneficiary households living below the absolute poverty line. The interviewees at the MoSD emphasized the fact that EU support through the CTP is helping the resilience of the people by providing a basic income, even if the monthly allowance, between ILS 250 and ILS 600, paid on a quarterly basis, is not enough to lift them out of poverty. Beneficiary households are also entitled to other State-provided assistance, including health insurance, food assistance, school fee waivers and cash grants to help with one-off emergency needs. A recent OXFAM report argues that coverage of families and amount of the monthly allowance in the Gaza Strip remain insufficient (Left behind in Gaza', OXFAM, November 2016). According to the Evaluation of the EU's support to Palestine and support to the Palestinian people (2014), performance in social protection through the Cash Transfer Programme is outstanding with excellent targeting. Interviews, however, reflected the fact that the PMTF remains an imperfect tool as regards as inclusiveness. Of particular concern is that PMTF can leave out vulnerable cases due to the small size of the household (elderly or people with disabilities but also widows). These cases are being identified by the social workers and referred to the adequate social service through the case management system being put in place with the support of the EU Capacity Building Project with MoSD.

### 2.2.4 JC 24 Gender inequalities in social protection coverage reduced.

While it is difficult to judge from the evidence that gender inequalities have been reduced, they have been addressed by overall EU support in Palestine. Gender is mainstreamed in the various sectors of cooperation of the EU and Italy is the EU lead development partner on gender mainstreaming. The 2015 Gender profile for Palestine identified social protection as a priority sector for gender and some of the main recommendations were *“to support the PA and respective civil society actors in multi-sectoral efforts to end Violence Against Women, support the Ministry of Women’s Affairs (MoWA), the MoSD and other national institutions, along with CSOs, to increase the number of secure shelters for abused women and children with trained staff, support the PA and NGOs engaged in social protection to coordinate and integrate multi-sectoral efforts to eliminate duplication and fragmentation; and so as to address social protection within a comprehensive human rights approach, in which men and women participate and are represented equally”*. Important EU actions promoting gender equality have included support to mothers and children through initiatives developed by the MoSD as well as in the framework of the CTP: by December 2016, 41% of heads of beneficiary households were female (46,597 households out of 112,984). A significant challenge to gender equality is the high concentration of female workers in the informal sector.

## 2.3 EQ3: European approaches and policy dialogues

*To what extent has EU cooperation with partner countries and participation in policy dialogues in the social protection field promoted European and international principles and values in that area?*

### *Summary answer*

The key European value in SP is the availability of income and social services adequate to guarantee

access to basic needs for all in need. EU policy dialogue with Palestinian authorities in the context of PEGASE with the accompanying Results-Oriented Framework (ROF) has been fully consistent with this view. As mentioned elsewhere, EU support for UNRWA's provision of education and health services and its support of the East Jerusalem Hospitals are also consistent. Two specific examples of the application of European principle and values are support through the MoSD Capacity Building Programme to the case management approach for those most in need (women at risk, children, persons with disabilities and elderly) and support to WHO in the provision of community mental health services at the PHC level. The EU has coordinated closely with MSs and other donors (UNICEF, WB, WFP, ILO) and EUD capacity to engage in SP policy dialogue has been adequate in the framework of PEGASE direct financial support.

### **2.3.1 JC 31 EU support to social protection coordinated with MSs**

EU support to social protection has increased the coordination with MSs, other donors, and specialised agencies in Palestine over the period under evaluation. Not many MSs have been particularly active at project level. The main involvement of MSs is through their financial contributions to PEGASE Vulnerable Palestinian Families component. As regards aid coordination, the EUD co-chairs the social protection sector working group together with the Ministry of Social Development with UNICEF, as technical secretary. Other donors such as the World Bank, WFP, ILO are members. A results-oriented framework to link PEGASE programme to policy dialogue with the PA and monitoring of key reforms was piloted in 2015 and 2016 with a list of agreed upon indicators, including some in social protection. One of the Pillars was Service Delivery, with Belgium as lead EU donor for education, Italy for health and EUREP for social protection. Regular meetings were held at technical level to discuss progress and high level policy dialogue chaired by the Prime Minister Office and attended by EU leads and PA relevant institutions were held twice a year.

### **2.3.2 JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection**

At national level the EUD participated effectively in policy dialogue on social protection strategy. According to the Results Oriented Framework (ROF) 2016 Annual Report, a structured and constructive policy dialogue was maintained with the line Ministries. EUD capacity in the SP area was adequate and, as the EU's support to SP is essentially financial in nature, no particular sector expertise was required to support it. However, as some other field visit countries, the absence of SOCIEUX was striking for a country tht could well use European advice in the SP area. The main cuse for low utilisation of SOCIEUX appears to be tht it is entirely demnd drives, suggesting the need for strong advocacy on the part of EUDs.

There is a strong commonality of views between the MoSD and the MSs. As the DEVCO evaluation of the PEGASE programme 2008-2011 put it, "The PA's general and MoSA's specific outlook on Social Protection is European in nature. MoSA attempts to build a comprehensive and integrated Social Protection Sector." From a political point of view, coordination with the MSs is ensured by the Common Foreign and Security Policy (CFSP), which commits the EU and its MSs to a two-state solution. The annual "Social Affairs and Health" EU-Palestine subcommittee meeting brings MoSD and EEAS to review the EU-PA Action Plan identified priorities for social protection which states 'Step up efforts to significantly reduce poverty and social exclusion, in particular among the most vulnerable, and to enhance the social cohesion throughout Palestine with concrete deliverables: (106) Take concrete steps to significantly reduce poverty and social exclusion, in particular among the most vulnerable, and to enhance social cohesion throughout the occupied Palestinian territory. (107) Build a sustainable, equitable and cost effective social assistance system. (108) Improve and develop

social protection legislation. (109) Further develop the institutional capacity of the PA to provide efficient and effective services, including organisational restructuring by the Ministry of Social Affairs and gradual decentralisation/de-concentration of responsibilities to Regional Offices. (110) Improve synergies between private and public actors in the field of social protection. (111) Develop a national database for poverty and vulnerability and map out a socio-economic intervention. (112) Fully implement the Cash Transfer Programme (CTP) in the West Bank and the Gaza Strip by further improving efficiency and transparency of service delivery.

### **2.3.3 JC 33 EU effectively participates in global policy dialogues on social protection**

*JC not covered at country report level.*

## **2.4 EQ4: Social partners and civil society**

*To what extent has EU support contributed to successfully involving the social partners and civil society, including the private sector and local authorities, in policy development in the social protection field?*

### *Summary answer*

Tripartism in Palestine has historically been weak, in part because trade unions tended to adhere to particular political formations. However, the basic elements necessary for social dialogue are present and, in the context of the September Presidential decree calling for implementation of a social security system, the PA has committed itself to strengthening the participating institutions. Some civil society representatives question the representativeness of the main workers' organisation. The private sector in Palestine is weak. One of the newer initiatives of the MoSD, being supported by EU TA in the area of corporate social responsibility, is to raise the private sector's awareness of the benefits of SP, hoping to mobilise resources at community level. Consultative processes have involved civil society. EU support is enabling municipality-level Joint Planning Groups, consisting of CSOs, LAs, and private sector representatives, to provide consultative services to the MoSD on local SP needs and to implement actions, particularly in the area of the disabled population.

### **2.4.1 JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection.**

No specific evidence has been found that the EU promoted social dialogue. In recent months, the ILO has designed a project to establish an Independent Social Security Institution for the new Social Security Scheme for Palestinian Private Sector Workers and their family members and solicited EU support, but no decision has been taken. The elements of tripartism are present in Palestine, but the process is politicized. Civil society representatives question the validity of the main labour union, which has also found itself in disputes with the PA government. Civil society organisations have been involved in some UN support programmes. MoSD has a growing interest in involving civil society and the private sector in SP by promoting CSR, and establishing Joint Planning Groups (JPGs) for social services at Regional Directorate level, an interest supported by EU-financed TA.

### **2.4.2 JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms.**

EU support encourages use of NGO and local authority expertise in policy aspects of service design and delivery under supported reforms. However, apart from supporting the MoSD's regional Joint Planning Groups, the EU has been little involved in directly promoting civil society and private sector involvement in SP. A relatively recent MoSD initiative, supported by EU TA,

is to introduce CSR as a means of encouraging private firms to become involved in SP. While elements of tripartism are present in Palestine, social partners' involvement in SP has been limited.

#### **2.4.3 JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU.**

While elements of tripartism are present, social partner contribution to SP policy development has been limited to discussions about establishment of a private sector social security scheme. Some civil society groups express doubts about the representativeness of the main Palestinian trade union and call for greater involvement of independent trade unions. Employer groups and the private sector in general are reported to have little interest in SP, and, as a result, MoSD is now attempting to raise awareness of the importance of SP. The main involvement of civil society (as well as local authorities and the private sector) has been via participation of the regional Joint Planning Groups for social services which set priorities – largely disability to date – and implement activities. The JPGs are responsible for identifying and prioritising the needs of vulnerable local populations and seeking innovative ways to meet those needs. The activities of these groups have been strongly supported by the EU-financed Capacity Building Project at MoSD.

## **2.5 EQ5: Social protection systems**

*To what extent has EU support contributed to sustainable improvements in social protection systems?*

### *Summary answer*

The EU has, through TA and capacity building at MoSD, contributed to improvements in that institution's policy making and implementation ability. The support, begun in 2008, has yielded significant results and continues to do so today through its work on deconcentration, the case management approach, and M&E. The strategic plan of the MoSD emphasizes the need to stress economic empowerment as complement to social allowances. However, challenges must be recognised. The Ministry does not have the resources, either fiscal or logistical, to fully exercise its mandate. The support provided by the CTP is covering the extreme poor of the database and the monthly allowance is not enough to get them out of poverty or to tackle special needs like for the disabled, the elderly, or those suffering from chronic disease. In addition to the CTP, the MoSD is now focusing on the case management system for specific groups (women at risk, elderly, persons with disabilities, children). It is also implementing a combined approach of social assistance for the extreme poor and economic empowerment for those who have the capacity to graduate. The case management system has real potential, but will require more human resources at decentralised level (social workers) and adequate logistical resources such as transport. Economic empowerment is aiming at income generation through micro-grants; however the effectiveness and sustainability of lifting people out of poverty with such activities are questionable. Finally, developing a proper social security system, as called for by the Presidential decree of September, 2016, will take years to accomplish.

#### **2.5.1 JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially.**

The EU has supported appropriate institutional reforms, including rationalisation and streamlining, to improve efficiency; it has helped build capacity, it has supported efforts to improved targeting, and it has supported analysis of costs and impacts. Through the project "Technical assistance to improve and develop the social protection system in the occupied Palestinian territories through partnership planning and institutional capacity building," the EU has supported the strengthening of the capacity of the MoSD to design, manage, monitor and

evaluate social protection strategies and policies. Considerable progress has been achieved in the implementation of the national social protection sector strategy 2011-2013, notably the reform of the cash transfer programme run by the (then) Ministry of Social Affairs, which remains the main provider of social assistance to relieve poverty of poorest and most vulnerable groups. Since 2010, the EU's capacity building project at MoSD has supported policy formulation, deconcentration / decentralisation, adoption of the case management approach, and setting up regional Joint Planning Groups for social services to assist MoSD in policy formulation and implementation for the most vulnerable groups.

### **2.5.2 JC 52 Nationally defined social protection floors promoted.**

PA strategy has evolved in the direction of the social protection floor approach in the last decade, as it can be seen in the National Social Protection Sector Strategy (SPSS) 2017-2022. EU support through PEGASE and its capacity building programme to MoSD is in line with that approach. The relationship between ILO and the EUREP, historically weak, is becoming stronger.

### **2.5.3 JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered.**

The fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing have been adequately considered in Palestine. The key near-term goal of EU support is to ensure the delivery of essential public services to the Palestinian population including sectors such as health, education and social development. Assessments of the CTP have been generally positive, but the key weakness is that, due to fiscal constraints, the programme can serve only the extreme poor and can secure a modest basic income (between ILS 250 and 600 per month). Thus, impact analyses have found that, while the programme allows families to meet most basic needs, it cannot permit them to meet all of them and certainly does not lift them out of poverty. While the MoSD has an excellent strategic vision stressing economic empowerment as an alternative to cash handouts, it does not have the resources necessary to effectively implement it. Under the current political impasse, the social protection system in Palestine, and indeed the entire fiscal position of the PA, is donor-dependent.

### **2.5.4 JC 54 Government social protection programmes consolidated and rationalized where necessary.**

The EU's approach together with the WB has not been to encourage universal coverage, but to achieve coverage of those identified as in need by improved targeting. The PMTF method has been continually upgraded, rationalised, and consolidated with EU support, and aimed at making cash transfer schemes more effective, efficient and equitable, by integrating existing cash-assistance programmes and beneficiary databases into a unified system. This system better targets and effectively reaches the poorest/most vulnerable segments of the population. The EU is currently supporting the case management approach allowing identification of special needs of an individual by social workers, referral to the adequate services and follow up of their situation. In recent months, there has also been improved coordination between the CTP and UNRWA social support to refugees following a study commissioned by EUREP in 2015: *Identification and mapping of social protection sector programmes administered by the Palestinian Authority and UNRWA*.

## 2.6 EQ6: Social exclusion

*To what extent has EU support to social protection contributed to reducing social exclusion and, finally, poverty?*

### *Summary answer*

Poverty has greatly increased in Palestine over the years (the poverty rate increased from 15,6% in 1998 to 17,8% in 2011 in the West Bank, and 38,2% to 38,8% in Gaza. A new poverty assessment carried out by PCBS will provide updated figures beginning of 2018), not only due to the humanitarian crisis in Gaza, but due to the general weakening effect of the ongoing political impasse and deterioration of the security situation. It is not realistic to think that the EU could have successfully reduced social exclusion and poverty under the prevailing conditions of occupation. It is equally clear, though, that without EU support, the situation would have been much worse; that at the margin, the EU's contribution has been significant. It can be justified, for example, with the fact that many health and social welfare indicators in Palestine (with the exception of Gaza under current emergency conditions) have continued to compare favourably with those of other countries in the region.

### **2.6.1 JC 61 Social protection as a human right promoted at all levels**

The Palestinian National Policy Agenda puts poverty reduction and service delivery at the core the government's responsibility. The Social Development Strategy 2017-2022 is proposing a comprehensive social development approach ensuring that the right to social protection for the most vulnerable is respected and protected, in particular regarding women, children, elderly and person with disabilities, using a Rights-based approach. However, budget constraints required the Ministry to focus on economic empowerment and graduation out of poverty with the aim to reduce the number of beneficiaries on the Cash Transfer Programme. EU capacity building and TA contributed significantly to elaboration of the Strategy, and built on previous support for a rights-based approach of Palestine.

### **2.6.2 JC 62 EU support addresses concerns about excluded populations.**

EU support in Palestine addresses concerns about excluded populations, mainly women at risk, elderly, children and people with disabilities as identified by the MoSD. While the CTP is widely recognised as successful in terms of the regular support to households living below the poverty line, it has been found inadequate to respond to specific needs of some members of the families such as elderly or PwD. This is now being addressed through adoption, with EU support, of the case management approach.

Elaborated with WFP and UNICEF support, the National Social Protection Sector Strategy (SPSS) 2017-2022 has evolved into the multi-sectoral/multi-ministerial Social Sector Development Strategy finalised at the beginning of 2017. During its preparation, MoSD went through a round of consultations with focus groups involving civil society organizations in October/November 2016 (workshops on children, poverty, women and girls, youth, disabled, elderly, charities, vulnerable areas, Gaza).

### **2.6.3 JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage).**

Data for SP in Palestine are scarce in standard international sources, including the ILO's 2015 report on the situation of workers in the occupied Arab territories. According to the World Bank, there was a staggering increase in the adequacy of social protection and labour programmes (defined as above) between 2007 and 2009. This corresponds to the initiation of the PEGASE programme in 2008. The social assistance function is essentially covered by the CTP and UNRWA SSNP. The level of benefits under these programmes has remained low due to fiscal constraints and reliance on limited donor funds. The MoSD does not have adequate M&E

system to monitor service provision by the Ministry and its regional directorates. The EU TA capacity building programme is supposed to develop it but is facing challenges in its implementation due to divergence of opinion between the Ministry and the TA.

## 2.7 EQ7: Modalities

*To what extent has the approach (financing instruments, modalities and channels) employed by the EU been appropriate and efficient for strengthening social protection in partner countries?*

### *Summary answer*

The ENPI-financed PEGASE programme operates in a fashion very similar to budget support and was favourably evaluated every two years. DCI-FOOD support to UNRWA was a predictable modality in support to an agency with specialised expertise to provide basic SP and social services to refugees. It has also given the EU a voice in the UNRWA reform process.

### **2.7.1 JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context.**

For the period 2007-2013, the overall evaluation of the EU cooperation with the PA pointed out some unavoidable limitations. The limited capacity of EU cooperation mechanisms to contribute effectively to wider political goals because of (i) lack of engagement in the political dialogue; (ii) scarcity of human resources; (iii) the relative lack of measurable sector outcomes and results frameworks; (iv) missed opportunities in using EU leverage for policy reforms; (v) lack of effective complementarities between EU interventions. To implement its strategy the EU has deployed a wide range of instruments including substantial financial assistance and extensive diplomatic and policy dialogue. The main aid modality relevant for SP was direct financial support to the PA with ex-ante and ex-post control – the PEGASE programme. In general, evidence shows that the supported mechanism was relevant and responsive to the context. PEGASE Direct Financial Support has taken into account the high level of risks and the need for a reliable financial flow to promote short-term stability and operation of institutions and the PA. SP, and in particular the CTP programme, is a key source of PA legitimacy as it guarantees basic income support to the many poor. Complementary TA support has also improved the quality of the CTP and capacity of the MoSA / MoSD to manage it and supported the Ministry in its core functions of providing better social services. Local partners and local NGOs have taken increasingly more prominent roles over time. For the current period, policy dialogue has been strengthened under the 2013 Joint Action Plan. Annual Social affairs and Health sub committees are co-chaired by EEAS and PMO. A PEGASE pilot Results-Oriented Framework was put in place in 2015 with regular high policy dialogue of key priority reforms.

### **2.7.2 JC 72 EU financed interventions in the social protection field are mutually reinforcing.**

In addition to the direct financial support, the EU has funded several other interventions supporting the PA to increase the capacities of key institutions, including for design and implementation of fiscal and administrative reforms in order to improve Social Protection management. These have, for example, improved the quality of cash transfers financed by PEGASE and have supported the PA to increase the capacities of key institutions, including for design and implementation of fiscal and administrative reforms. There has been some level of complementarity the combination of EFIs since unemployment, gender, youth and health care have been covered under thematic budget lines. Moreover, EU provided considerable funding to UNRWA's safety net programme and other interventions, including through the DCI-FOOD thematic programme. According to the MoFP, there has been some institutional capacity building under twinning and TAIEX.

### 2.7.3 JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored.

EU support has suffered from different delays for different reasons, some related to disbursements problems due to the particular situation of Palestine, some related to delays faced in interventions implemented by the NGOs or TA providers. According to the Court of Auditors, no performance indicators were included in the financing agreements for PEGASE DFS, which made it harder for the EEAS, the Commission and the Member States to assess the concrete results of the support. The lack of performance indicators also made it more difficult to demonstrate results in order to attract new funding. However, since 2015 the Results-Oriented Framework has addressed this issue by establishing performance indicators linked to policy reforms. There are two priorities in the ROF 2016 related to social protection:

- Priority 1 – Ensure social protection of the most vulnerable through regular and predictable payments of social allowances to Palestinians living in extreme poverty in the West Bank and Gaza.
- Priority 2 – Improve quality and access in the delivery of services, with increased public-private partnership and citizen engagement.

Moreover, the PMTF formula approach has been continuously improved and supplemented with complementary approaches to measuring poverty and identifying persons with special needs. The monitoring of the Social Development Strategy 2017-2022 will be challenging as the M&E framework proposes too many indicators (66) which are a mix of strategic, process and input indicators involving various government's institutions for the implementation and data collection.

## 2.8 EQ8: Coherence, added value

*To what extent has EU support to social protection been coherent with other EU sector policies and to what extent has it added value to the EU Member States' and other donors' interventions?*

### *Summary answer*

The ultimate political objective of support to SP has been to enable the PA to satisfy its commitment to providing basic income and social services to those in need. This is a key element of PA legitimacy and, as such, a prerequisite in the EU's support for the two-state solution. Also consistent with the EU CFSP is its support to refugees via UNRWA. As the EU is the backbone of European support to Palestine, it is not so much a question of adding value to other MS's contributions as leveraging them.

### 2.8.1 JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs.

The essential policy purpose of PEGASE is to serve as a lifeline to the Palestinian Authority to enable it to govern while the political search for a two-state solution continues. As such, it is consistent with the EU's Common Foreign and Security Policy. The SP component of PEGASE administered by MoSD and MoFP is a vital source of legitimacy for the PA. The European Commission plays a leading role in the coordination of EU Member States, as well as within local donor coordination structures in several topics including the Social Protection Sector Working Group (co-Chaired by the Ministry of Social Development and EUREP). An EU Informal Group on PEGASE DFS was also set-up in early 2013 as a forum for information sharing and discussions around PEGASE DFS related topics (such as fiscal issues, policy reforms, service delivery). The PEGASE DFS mechanism was intended to facilitate donor

coordination, and hence improve the efficiency of aid delivery, by also allowing both EU Member States and other donors to channel funding through this single instrument. An evaluation suggested that MSs needed to be more involved in coordination and that policy dialogue needs to be more prominently integrated as well as given a more explicitly political dimension. There is no opportunity for leveraging more national funds in the foreseeable future.

### **2.8.2 JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment).**

*JC not covered at country report level.*

### 3 Key overall findings

EU support to social protection in Palestine is unique because it is occurring under military occupation and its ultimate political goal, **in line with the CFSP**, is to bolster the legitimacy of the PA – a prerequisite for the two-state solution to which the EU is committed - by enabling it to satisfy its commitment to providing basic income and social services to those in need. Closely related is the EU's support to refugees via UNRWA with DCI-FOOD. Also contributing to PA legitimacy is EU payment of referrals arrears to the six East Jerusalem hospitals (without which they would experience dire financial consequences), helping it to offer health care to all Palestinians in need.

The PEGASE programme supports MoSD and MoFP in implementing the Cash Transfer Programme. In the case of refugees, the EU supports UNRWA to meet the basic needs of refugees through the Social Safety Net Programme, as well as through massive delivery of education and primary health services. EU-supported actions can alleviate poverty but not lift households out of it.

**External circumstances** have been discouraging. Poverty has increased in Palestine over the years, not only due to the humanitarian crisis in Gaza, but due to the general debilitating effect of the ongoing political impasse and deterioration of the security situation. It is not realistic to think that the EU could have successfully reduced social exclusion and poverty under the prevailing conditions of occupation. It is equally clear, though, that without EU support, the situation would have been much worse; that at the margin, the EU's contribution has been significant. It can be argued, for example, that many health and social welfare indicators in Palestine (with the exception of Gaza under current emergency conditions) have continued to compare favorably with those of other countries in the region.

EU support **has been consistent with the European value of guaranteeing access of all to basic needs. Policy dialogue** with Palestinian authorities in the context of PEGASE and, more recently, the accompanying Results Oriented Framework has been excellent, particularly for the social protection sector, since the responsible MoSD is represented by strong, highly engaged interlocutors. The EU has coordinated closely **with MSs and EUD capacity to engage in SP policy dialogue** has been adequate. Consultative processes have involved civil society, although not specifically social partners. EU support is enabling regional Joint Planning Groups, consisting of CSOs, LAs, and private sector representatives, to provide consultative services to the MoSD on local SP needs and to implement actions, particularly with women at risk, PwD, elderly and children.

On **workers' rights**, while basic tripartite structures exist in Palestine, they are highly politicized and it is only recently that ILO developed a project to establish an independent social security institution for the new social security scheme for private sector workers. Private sector involvement in social protection is weak, as is the private sector itself.

EU TA and capacity building at MoSD have contributed to **improvements in that institution's policy making and implementation ability**. Recent concerns are deconcentration, the social worker-implemented case management approach, and improved M&E. MoSD has an ambitious plan to move beyond social allowances to a broader economic empowerment programme, but with financial limitations and questions on effectiveness and sustainability. The case management system (CMS) implies the provision of services based on a multidimensional poverty framework. Social workers dealing with the CMS will need to be trained in order to understand the different needs of the beneficiaries. Thus, the CMS will require more human resources at decentralised level and adequate logistical resources at local level such as transport.

The PEGASE programme has been favourably evaluated every two years. Particularly appreciated by the government partners is the predictability and reliability of the support. DCI-FOOD support to UNRWA was a predictable modality in support to an agency with unique expertise to provide basic SP and social services to refugees. It has also given the **EU a voice in the UNRWA reform process.**

## 4 Annexes

### 4.1 Evaluation Matrix: Indicator level information

#### 4.1.1 EQ1

#	Indicators	Evidence
<b>JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.</b>		
I-111	Objectives of EU support respond to clear overall strategic orientations on social protection	<i>See the analysis carried out at the global level in the main report of the evaluation.</i>
I-112	Objectives of EU support aligned to national SP policy framework	<p>In the period 2007-2013, the main topics of EU policy dialogue with the government related to social protection were revisions to the poverty means test formula, the beneficiary database at Ministry of Social Affairs, development of a poverty measurement methodology at the Central Bureau of Statistics, a 2007 social safety net reform programme was implemented with a move from in-kind emergency support to social allowances in cash and economic empowerment, and in 2008 a social protection reform and action plan took place.</p> <p><i>Source: EAMRs.</i></p> <p>Since 2013, the EU has started working towards a Results-Oriented Framework (ROF) for PEGASE DFS support, covering both policy reforms and service delivery, under which EU donors would further coordinate their support in terms of funding, technical assistance and policy dialogue. The pilot ROF was done in close collaboration with the PA and the other direct financial assistance donors. Civil society has also been consulted during the process. It covers PEGASE two main pillars i.e. fiscal consolidation and policy reforms (Macro-economic Support/Fiscal Outlook, Public Finance Management, Public Administration Reform) and service delivery (Education, Health and Social Protection).</p> <p><i>Source: ROF Annual Report 2016</i></p> <p>The principal change in PA policy orientation on SP over recent years has been to increasing orientation towards economic empowerment; an attempt to move from sustaining populations in poverty to giving them the means to rise out of poverty.</p> <p><i>Source: Field mission interview with representative of MoSD.</i></p> <p>As well as consistency with EU strategic framework for social protection and partner countries the priority set in the ENP Action Plan is Step up efforts to significantly reduce poverty and social exclusion, in particular among the most vulnerable, and to enhance the social cohesion throughout Palestine. The two objectives to achieve that are:</p> <p>“Build a sustainable, equitable and cost effective social security system” and</p> <p>“Enhance the level of public health and its governance in the occupied Palestinian territory in line with the PA’s implementation of its comprehensive national health strategy, tackling issues relating to infrastructure and logistics, financing for the health sector, human resources for health and access to medicines including Gaza”.</p> <p>The main points of the agreed priorities are:</p> <p>Take concrete steps to significantly reduce poverty and social exclusion, in particular among the most vulnerable, and to enhance social cohesion throughout the occupied Palestinian territory;</p> <p>Build a sustainable, equitable and cost effective social assistance system;</p> <p>Improve and develop social protection legislation;</p> <p>Further develop the institutional capacity of the PA to provide efficient and effective services, including organisational restructuring by the Ministry of Social Affairs and gradual decentralisation/de-concentration of responsibilities to</p>

#	Indicators	Evidence
		<p>Regional Offices;</p> <p>Improve synergies between private and public actors in the field of social protection;</p> <p>Develop a national database for poverty and vulnerability and map out a socio-economic intervention;</p> <p>Fully implement the Cash Transfer Programme (CTP) in the West Bank and the Gaza Strip by further improving efficiency and transparency of service delivery;</p> <p>Enhance the level of public health and its governance in Palestine including through monitoring the implementation of the Palestinian health strategy addressing issues relating to infrastructure and logistics, financing for the health sector, human resources for health and access to medicines;</p> <p>Continue co-operation, including in the regional context, on prevention and control of communicable and non-communicable diseases</p> <p><i>Source: ENP Action Plan, 2013.</i></p> <p>The EU has not yet contributed to implementation of the September 2016 Presidential decree on the institution of a social security system but is involved in discussions with the ILO on possible involvement.</p> <p><i>Source: EUD and ILO field mission interviews.</i></p>
I-113	Design of EU support based on participatory approaches involving partner key national institutions (MoF, Central Banks), social partners and civil society	<p>In line of the Palestinian National Development Plan 2011-2013 (adopted in March 2011), the EUREP programming was embedded in a more systematic policy dialogue aiming at results-oriented interventions consistent with the PA's state-building agenda and fully in line with EU Council resolutions on aid effectiveness. With regard to PEGASE DFS, EUREP continues its efforts in coupling support to cover PA's recurrent expenditures and reform-oriented sector policy dialogue.</p> <p><i>Sources: EAMRs, 2011, 2012, 2013.</i></p> <p>Since 2010, EUREP has established and maintained a structured dialogue with civil society in the framework of the ENP process and the programming processes. The involvement of Palestinian civil society has been ensured through the organisation of workshops, consultations and information sessions in West Bank, in Gaza Strip and in East Jerusalem. These consultations provide inputs from the civil society to the EU/PA policy dialogue in a wide range of sectoral policies, mainly relating to human rights, rule of law, governance and social affairs. After the EU/PA sub-committee, a debriefing with the civil society is organised to ensure follow-up.</p> <p><i>Source: EU country roadmap for engagement with civil society (2014-2017).</i></p> <p>The annual Social Affairs and Health sub committee between PA and EEAS is an important indicator of the High Policy Dialogue</p> <p><i>Source: Field mission interviews with DUE staff.</i></p> <p>An important constraint to the CTP programme implemented by MoSD is that the MoF is frequently unable to make full scheduled transfers because its own flow of resources from customs and border taxes has been interrupted by the Israeli government.</p> <p><i>Source: Field mission interview with representatives of the MoF and MoSD.</i></p> <p><i>For social partners and civil societ, see EQ 4.</i></p>
I-114	EU support to SP addresses emerging EU policy concerns such as migration, refugees, and security	<p>"The European Union - European Commission and EU Member States - is the largest donor to Palestine refugees through UNRWA. The funding is used to cover UNRWA's crucial core programmes in the areas of health, education and social services – including salaries for teachers, doctors and social workers active in refugee camps".</p> <p>"UNRWA receives further contributions from the EU Humanitarian Aid and Civil Protection department; through the food security programme and the Instrument contributing to Peace and Security".</p> <p><i>Source: <a href="https://ec.europa.eu/neighbourhood-enlargement/neighbourhood/countries/palestine_en">https://ec.europa.eu/neighbourhood-enlargement/neighbourhood/countries/palestine_en</a>.</i></p> <p>The three main objectives of the EU in the West Bank and Gaza (WBG) are to contribute to poverty reduction through sustainable development; to contribute to</p>

#	Indicators	Evidence
		<p>peace and security outside the EU though targeted external assistance activities and to promote democracy and human rights outside the EU through targeted external assistance activities.</p> <p><i>Source: External Evaluation of PEGASE 2008-2011 for West Bank and Gaza. European Commission, 2011.</i></p> <p>Through UNRWA, the DCI-FOOD is supporting Social Safety Net Programme payments to 300,000 refugee recipients (although these are very small; about USD 120 per year) and providing education to 500,000 children as well as health care. UNRWA is a major employer, with some 30,000 employees, mostly teachers and primary health care providers across the region. The EU is one of the most consistent, predictable, and reform-minded financiers of UNRWA.</p> <p><i>Source: Field mission interview with EUD staff.</i></p>
<b>JC 12 Needs and target groups clearly identified in the design of EU support</b>		
I-121	<p>EU-supported interventions based on sound analyses of opportunities (including fiscal space), and problems and barriers (including in terms of institutional environment) to achieving universal access to social protection</p>	<p>EU supported interventions are based on sound analyses like the Public Expenditure Review by the WB.</p> <p>According to the PEGASE evaluation 2014-2015, the Social Development Strategy 2014-2016 represents a fairly comprehensive strategy but is constrained by severe shortages of resources and capacity.</p> <p><i>Source: Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014-2015. European Commission, 2016 (p.12).</i></p> <p>“While social indicators are generally good as noted - a clear indication that the institutions delivering them are in reasonable shape -- many donors, NGOs and members of the PA expressed to the evaluation team the view that institutions are weaker today than they were in 2000. This comment is in part due to the split between the PA and Fatah on the one hand, and Hamas on the other, with both delivering services, sometimes cooperatively and sometimes - as in 2006/7 - less so”.</p> <p><i>Source: Evaluation of the EC’s support to Palestine and the Palestinian People (2014).</i></p> <p>Remaining key issues for MoSD with regard to CTP includes poor communication and coordination amongst social workers, district directories and branch offices, as well as with NGOs/CSOs. This is mainly due to inadequate workload distribution and resource constraints.</p> <p><i>Source: Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016. (p. 31).</i></p> <p>Despite years of support for capacity building at the MoSD, there has never been a thorough inventory of existing capacity.</p> <p><i>Source: Field mission interview, EUD staff.</i></p> <p>The greatest constraints to achieving universal access to SP are financial. The PA budget is heavily dependent on donors as well as customs and border taxes that are controlled by Israel and subject to disruption. In the case of Gaza, the problem of the dispute between Fatah / PA and Hamas adds to the difficulties.</p> <p><i>Source: Field mission interviews.</i></p> <p>MoSD has an excellent strategic plan, but is unable to implement it due both to financial constraints and to capacity gaps. Many of the indicators it has identified for monitoring purposes are unmeasurable.</p> <p><i>Source: Interviews.</i></p>
I-122	<p>EU-supported interventions based on correctly identified uncovered and underserved groups</p>	<p>The introduction of the PMTF methodology was supported by the EU and WB. The social workers help the Ministry to evaluate the resources of the beneficiaries. There is general satisfaction with the PMTF approach, however, it misses vulnerable persons living in households that do not satisfy the criteria and it is acknowledged that there is a certain degree of both inclusion and exclusion error.</p> <p><i>Source: Interviews.</i></p>

#	Indicators	Evidence
		<p>On access to social services, the MoSD is in the process of introducing a case management system to address the specific needs of elderly, people with disabilities, women and children although capacity constraints in MoSD make implementation challenging</p> <p><i>Source: EU project staff interview.</i></p> <p>Local Joint Planning Groups in selected towns (e.g., Nablus, Hebron, Jerusalem) are working with EU support to identify and provide services to persons with severe disabilities through the Capacity Building Project at MoSD.</p> <p><i>Source: Interviews/ focus group.</i></p>
I-123	EU-supported interventions utilise census, economic and social data	<p>Surveys, statistical and demographic analysis, policy analysis, etc., have effectively taken into account in strategy, project and program design. The Palestinian Central Bureau of Statistics and the Ministry of Social Development provide different statistical sources into the analysis.</p> <p><i>Source: Interviews at the PCBS and MoSD.</i></p> <p>In general, the quality of statistics, including gender-disaggregated social statistics, available for Palestine is good.</p> <p><i>Source: Interviews at PCBS.</i></p>
I-124	Data gaps identified and adequately mitigated in design of EU support	<p>Data gaps have been identified and adequately mitigated in design of EU support. The PMTF has been continuously improved since its introduction.</p> <p><i>Source: Interviews with MoSD and the PCBS.</i></p> <p>The MoSD established a national database of poor and marginalised families in the West Bank and Gaza Strip in order to determine and confirm the eligibility of beneficiaries for payments from EU-supported CTP. The development of this database has been one of the sector's national priorities.</p> <p><i>Source: Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016. (p. 12).</i></p> <p>In order to achieve that the Palestinian Central Bureau of Statistics (PCBS) plays the expected role with regard to carry out statistical activities —disseminate data; update socio economic indicators and promote high-level utilisation of statistical data by stakeholders; and contribute to national planning and monitoring processes—; institutional capacities were developed through the Capacity Building for the Statistical Programme —supported with EUR 1.4 million in 2012-2015</p> <p><i>Source: Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016.</i></p> <p>The EU Gender Profile recommended some actions in Palestine as follows: Support full translation into English of PCBS annual reports, notably, “Women and Men in Palestine: Issues and Statistics,” and disseminate to relevant donors and stakeholders. Support PCBS consistency in data collection from year to year (this recommendation applies to all three priority sectors); Assess the role and effectiveness of gender units in respective ministries; Support and build capacities of agencies, departments and organizations engaged in monitoring and evaluating implementation of the National Development Plan, 2014-2016, to ensure that gender priorities are met across governorates and population groups.</p> <p><i>Source: Gender Profiles of the neighbourhood south countries. Palestine, 2015.</i></p>

#### 4.1.2 EQ2

#	Indicators	Evidence
<b>JC 21 Social protection coverage and uptake extended / broadened with EU support</b>		
I-211	Trends in social insurance (old-age pension, disability, unemployment, etc.) coverage rates, 2007-	<p>According to the Annual World Protection Report (ILO), 13.5% of working age (15-64) are actively contributing to an old-age pension scheme (15.9% of males and 11.1% of women). No trends can be analysed from available data. This is the only data point published, so no trend can be established. The same source shows that in 2009, 8% of population above legal retirement age (+65) were</p>

#	Indicators	Evidence
	2013, e.g. -Proportion of work force actively contributing to a pension scheme Proportion of active workforce with qualifying for unemployment benefit Proportion of elderly receiving a pension	receiving of a pension. <i>Source:</i> <a href="http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm">http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm</a> According to the World Bank ASPIRE database, social assistance programme coverage among the poorest quintile increased slightly from 26.7% in 2007 to 27.6 in 2009. According to the PCBS the proportion of elderly receiving a pension is 8% of the population above 60 years old. <i>Source:</i> <a href="#">Interview at PCBS.</a>
I-212	EU support for social protection recognizes special needs of the informal sector.	ILO recognises the high percentage of workers in informal economy in Palestine, especially with regard to women: “despite an increase in the proportion of women in the formal sector from 51 per cent in 2000 to 60 per cent in 2012, a significant percentage of women (40 per cent) are still in the informal economy” along with the serious implications for their labour rights and social protection, adding to their vulnerability. The NDP 2011–2013 (supported by the PA, the EU, and the ILO), identified promoting the full participation of women and their economic empowerment as one of its key priorities. <i>Source:</i> <i>The Palestinian Decent Work Programme, 2013–2016. International Labour Organization.</i> According to the Palestinian Central Bureau of Statistics 64% of the population work in the formal sector and 36% of the population in the informal sector. <i>Source:</i> <i>Interview with PCBS staff.</i>
I-213	EU support for social protection recognizes special needs of children.	Children benefit from the effects of the EU supported CTP on household strengthening, especially in terms of improved health and nutrition. However, the CTP is not child-focused, and other key dimensions of children’s right to social protection and a life free from poverty and vulnerability are not sufficiently addressed by the programme. <i>Source:</i> <i>Effects of the Palestinian National Cash Transfer Programme on Children and Adolescents. A Mixed Methods Analysis. UNICEF and ODI, 2014.</i> UNICEF has reported on the pro-child impacts of the CTP in order in order to engage in evidence-based advocacy. The EU-supported introduction of the case management approach will be a significant step forward for children, because social workers will be able to identify, e.g. children who are the victims of violence. <i>Source:</i> <i>Field mission interview with UNICEF representatives.</i> A major programme for children is the EU’s support for UNRWA, the major agency providing schooling (500,000 children) as well as primary health care. <i>Source:</i> <i>EUD staff interviews.</i>
<b>JC 22 Universal access to adequate health services put in place / strengthened with EU support</b>		
I-221	Proportion of population with access to basic health services (e.g., living within 5 km of a health facility (e.g. <a href="http://www.who.int/healthinfo/indicators/2015/chi_2015_110_health_service_access.pdf?ua=1">http://www.who.int/healthinfo/indicators/2015/chi_2015_110_health_service_access.pdf?ua=1</a> )	Distance to health center (mean) is 1.4-1.5 Kilometers. <i>Source:</i> <i>Impact Evaluation of the EU Contribution to the Palestinian CTP in the framework of the PEGASE programme of support to VPF.</i>
I-222	Proportion of women receiving adequate ante-natal care. 2007-2013 (e.g., <a href="http://www.who.int/healthinfo/indicators/2015/chi_2015_76_antenatal_c">http://www.who.int/healthinfo/indicators/2015/chi_2015_76_antenatal_c</a>	Child nutrition is good, vaccination rates exceed those of the average middle-income country, and there is universal coverage of pre-natal care. <i>Source.</i> <i>Evaluation of the EC support to Palestine, 2014.</i> Antenatal care coverage at least one time in Palestine is 99.4%. Antenatal care coverage at least four times in Palestine 95.5% <i>Source:</i> <i>Interview with the Palestinian Central Bureau of Statistics.</i>

#	Indicators	Evidence
	are.pdf?ua=1)	
I-223	Proportion of health costs paid out of pocket	45.5% <i>Source: Interview with the Palestinian Central Bureau of Statistics.</i>
Other relevant information		
<b>JC 23 Access to basic income security strengthened with EU support</b>		
I-231	Programmes related to basic income security (e.g., unconditional cash transfers, non-contributory social pension, social assistance) in place with EU support	Vulnerable Palestinian Families (VPF) contributes to the payments of social allowances, made by the Cash Transfer Programme (CTP) administered by the MoSD on a quarterly basis, to Palestinian households living in 'extreme poverty'. The key objective is to support households living in extreme poverty in the West Bank and Gaza. <i>Sources: <a href="http://datatopics.worldbank.org/aspire/">http://datatopics.worldbank.org/aspire/</a>, <a href="http://www.ilo.org/dyn/ilossi/ssimain.home">http://www.ilo.org/dyn/ilossi/ssimain.home</a></i> <i>For discussion of identification of families eligible for CTP, see JC 12.</i>
I-232	In-kind transfers (e.g., food and in-kind transfers for work) in place with EU support	The Cash Transfer Programme includes in-kind transfers for some families. <i>Source: MoSD representative interviews</i> The CTP programme is coordinated with WFP in-kind food aid – if a refugee family qualifies for CTP under the PMTF, it automatically qualifies for food aid. Beneficiary lists are shared in order to coordinate. <i>Source: WFP representative interview.</i> A problem with in-kind transfers in PA is that there is a confusion of small targeted programmes from a range of funding sources. These include fuel subsidies, Ramadan grants, etc., with sources including foreign governments in the region and charitable foundations. Beneficiaries include widows, the disabled, etc. <i>Source: Field mission interviews.</i>
<b>JC 24 Gender inequalities in social protection coverage reduced</b>		
I-241	Conditional and unconditional cash transfer programmes for mothers and children in place with EU support	Since 2008, the EU largest programme in Palestine has been PEGASE direct financial support (DFS), which provided approximately 1 billion euro in funding from 2008 to 2012. The PEGASE DFS VPF's key objective is to support households living in extreme poverty in the West Bank and Gaza, thus benefitting women and children. <i>Source: EUROPEAN COURT OF AUDITORS. Special Report No 14/2013 — European Union direct financial support to the Palestinian Authority.</i> 35% of the HH supported by the CTP are headed by women. <i>Source: MoSD representative interview</i> The Gender Unit at MoSD is attempting to mainstream gender in the work of all departments in the Ministry. It does this in collaboration with the Ministry of Women's Affairs, which is responsible for all Gender Units in sector ministries. The Unit is responsible for all women's shelters. <i>Source: MoSD representative interview.</i>
I-242	Maternity programmes in place, offer adequate coverage, and operational with EU support	There is no maternity programme in place. Such a programme is proposed in the September 2016 law calling for institution of a social security system. <i>Source: Field mission interview with MoSD representative.</i>
I-243	Social assistance coverage of the elderly, disaggregated male/female if possible	While 60-72% of households throughout Palestine report they can adequately care for elderly and chronically ill household members, in West Bank, fewer than 20% have adequate equipment and services for the disabled, many of whom are elderly women. <i>Source: Impact Evaluation of the EU Contribution to the Palestinian Cash Transfer Programme (CTP) / (July 2013, p.45).</i> As reported above, PCSB estimates that 8% of the elderly population is receiving a pension, a figure broadly in line with ILO estimates.

#	Indicators	Evidence
Other relevant information		<p>“Gender-sensitive programming has long been not actively promoted in EUREP, whose staff received training on gender and gender mainstreaming in project planning.”</p> <p>“Gender issues still lack adequate focus and a lack of implementing capacities on the part of MoWA and of donor projects is noticeable”.</p> <p><i>Source: External Evaluation of PEGASE 2008-2011 for West Bank and Gaza. European Commission, 2011.</i></p> <p>With regard to achieve gender-sensitive programming, the EUREP gender focal point received specific Commission training in 2010-2011. In October 2011, this training was expanded to EUREP staff with a focus on gender and gender mainstreaming in project planning. Initially, there was no joint forum to facilitate the prioritization of gender issues. This gap has now been closed. In December 2011, EUREP began to lead a EU, including EU Member States, wide mapping exercise of gender-specific strategy and action whose results will be shared within the EU family.</p> <p><i>Source: External Evaluation of PEGASE 2008-2011 for West Bank and Gaza. European Commission, 2011.</i></p> <p>EUREP promoted initiatives to strengthen the gender focus of EU cooperation such as an EU-MS gender mapping, development of a local EU gender strategy, establishment of an EU Gender Technical Working Group as a joint forum, and prioritizing women as a priority target group in the thematic programmes (i.e. Non-State Actors, Food Security, EIDHR) and in the EU support for the justice sector and for East Jerusalem.</p> <p>The Cross-Sectoral National Gender Strategy: Promoting Gender Equality and Equity 2011-2013 developed by UN Women contributed to the awareness raising on gender equality in PA. With EU support, the Ministry of Women’s Affairs developed an Action Plan for implementing UNSCR 1325 on, Women, Peace and Security Palestine 2017-2019.</p> <p>Since 2014, the MoSD has developed a range of legislation and policies relating to children, the elderly and juvenile justice.</p> <p><i>Source: Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016. (p. 11).</i></p>

#### 4.1.3 EQ3

#	Indicators	Evidence
<b>JC 31 EU support to social protection coordinated with MSs</b>		
I-311	Evidence for regular coordination efforts between EC and EU MSs in field of social protection at global level	<i>Indicator not relevant at country level.</i>
I-312	EU participates in / manages joined-up approaches (e.g., joint programming, MDTFs, joint monitoring, etc.) including social protection components	<p>There is a Social Protection Sector Working Group (SPSWG) with the following composition:</p> <p>Chair: EUD</p> <p>Co-Chairs: Ministry of Social Development (MoSD) and Office of the European Union Representative (EUREP)</p> <p>Technical Advisor: United Nations Children's Fund (UNICEF)</p> <p>Members:</p> <p>PA institutions: Ministry of Planning and Administrative Development (MoPAD)</p> <p>Donors: Canada, Food and Agriculture Organisation of the United Nations (FAO), France, International Labour Organisation (ILO), Italy, Spain, United Nations Population Fund (UNFPA), United Nations Relief and Works Agency (UNRWA), United States Agency for International Development (USAID), World Food Program (WFP), World Bank</p> <p>NGO representatives: Association of International Development Agencies</p>

		<p>(AIDA)  Observers: Palestine Economic Policy Research Institute (MAS), Office of the United Nations Special Coordinator for the Middle East Peace Process (UNSCO)  Secretariat: Local Aid Coordination Secretariat (LACS)  Source: <a href="http://www.lacs.ps/article.aspx?id=34">http://www.lacs.ps/article.aspx?id=34</a>  For the period 2014-2016, a Local Development Strategy has defined rolling EU operational priorities and a EU/MS division of labour in Palestine for 16 Sector Strategy Fiches in line with the Palestinian National Development Plan (PNDP) 2014-2016 and related sectors strategies.  In December 2016, the EU and EU Member States (EUMS) finalised a Joint Strategy (JS) for the period 2017-2020 within the context of Joint Programming. This was endorsed by the EU Head of Missions on 22 December 2016. The EU JS is aligned to the Palestinian National Policy Agenda 2017-2022 and related sectors strategies.  Source: <i>ROF Annual Report 2016</i></p>
I-313	EU strategy, programming and programme documents related to SP refer to EU Member States' policies and support	<p>Joint Programming has improved in Palestine in the period under evaluation, there is currently an EU-MS Joint strategy. The Results Oriented Framework that includes a priority on social protection was a joint monitoring exercise with MS.  Source: <i>Field interviews and ROF Annual Report 2016.</i></p>
<b>JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection</b>		
I-321	Evidence of suitably qualified staff formally designated and actually deployed to support social protection at country level	<p>In the period 2007-2013 there was one post at the EUD dedicated to social protection issues, for the PEGASE VPF payments and administration, management of various projects and policy dialogue.  Source: <i>EUD staff interviews.</i>  Over the evaluation period and in more recent years, there has been one programme officer at the EUD tasked with following SP. The level of involvement, according to EU project officers interviewed, has been excellent. As the EU's support is essentially providing finance, the issue of technical qualifications in SP is not relevant. The level of dialogue / interaction with relevant PA institutions and agencies has been good.  Source: EUD and EU project staff interviews.</p>
I-322	Evidence of EU active engagement in regional fora on social protection	<i>Indicator not relevant at country level.</i>
<b>JC33 EU effectively participates in global policy dialogues on social protection</b>		
<i>JC not covered by the analysis at case study level</i>		

#### 4.1.4 EQ4

#	Indicators	Evidence
<b>JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection</b>		
I-411	EU promotes and facilitates social dialogue (government, trade unions, employers' organisations) and dialogue with civil society through its social protection programmes	<p>Between 2007 and 2013, social partners (trade unions and employers' organisations) and civil society were involved only to a limited extent in defining priorities for EU support to social protection in Palestine.  Source: <i>Field mission interviews.</i>  Consultations with Civil Society are said by EUREP to have taken place at sector level (p. 19). Although planned, the involvement of Civil Society representatives in the overall design and monitoring of the ROF has also not yet been achieved (p. iv).  Source: <i>Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016.</i>  In recent years, a number of standing or ad hoc tripartite committees have</p>

#	Indicators	Evidence
		<p>promoted a participatory approach to legislative and policy changes, including in the areas of occupational safety and health, child labour, wages, disability, women's employment and rights, and social security. The Palestinian Authority has adhered to tripartism in these processes, including in the adoption of the National Policy Agenda, the implementation of the Sustainable Development Goals and the adoption of the first social security law for private sector workers; however, civil society representatives have raised concerns over the composition of the committees and the extent of the social partners' participation.</p> <p><i>Source: Field mission interviews</i></p> <p><i>Civil society has been involved in the EU interventions implemented through grants (see I-711).</i></p> <p>The involvement of social partners is the subject of divergent opinions within Palestine. The ILO is keen to work with the largest trade union (whose head represents Palestine at the International Labour Conference) including commencing work on a new compulsory defined benefit pension system. Some civil society representatives interviewed were, however, of the view that the officially recognized workers' organisation is undemocratic and that truly independent trade unions are excluded from social dialogue.</p> <p><i>Source: Civil society and ILO representative interviews.</i></p> <p>The main social partners are the Palestinian General Federation of Trade Unions (PGFTU), and the Federation of Palestinian Chambers of Commerce, Industry and Agriculture (FPCCIA). The year 2016 was marked by disruptions of the tripartite process due to a range of issues between the Palestinian Authority and the PGFTU which effectively prevented the PGFTU from accessing its financial assets for much of the year. As a result, meetings of the main tripartite body, the Labour Policies Committee, were put on hold. The dispute was largely resolved in December 2016, and progress is now evidenced by recent meetings of the tripartite board of directors of the Social Security Institution and other tripartite technical bodies.</p> <p><i>Source: ILO (2017): 106 the Conference - Appendix - the situation of workers in the Arab occupied territories.</i></p>
I-412	Evidence for strengthened capacity of social partners (trade unions and employers' organisations) to participate in social protection policy dialogue	<p>No evidence has been found of EU contribution to strengthening the capacity of social partners (trade unions and employers' organisations) to participate in social protection policy dialogue in the period 2007-2013. However, under the current financing period, evidence has been found of plans in this regard as part of the policy dialogue in the context of the ENP Action Plan. Relevant points in the ENP Action Plan are:</p> <p>Employment</p> <p>(100) In accordance with the PA national strategy, enhance the skills of Palestinian workers, develop and implement measures and approach to support youth employment and fully implement a national gender sensitive employment strategy.</p> <p>(101) Develop a dialogue on fundamental social rights and labour standards aiming towards an inclusive, non-discriminatory labour market.</p> <p>(102) Continue action to establish a functioning social dialogue, in particular, develop capacity of employers' organizations, train trade-unions and staff representatives in negotiations /collective bargaining and in issues pertaining to health and safety at work taking into account the ongoing ILO-Beirut project on Social Dialogue.</p> <p>(103) Further pursue efforts to improve the capacities and the management of the already existing Tripartite Commission and promoting the establishment of a broader social, economic and civil dialogue, complementary to the tripartite social dialogue, through civil institution building (Council for an Economic, Social and Civil Dialogue).</p> <p>(104) Strengthen capacity of labour inspections, notably on health and safety at work, child labour and gender issues.</p>

#	Indicators	Evidence
		<p>(105) In the framework of the Palestinian social protection strategy, strategically allocate resources of the national budget, including through the Employment and Social Protection Fund, to work towards covering the cost of basic social assistance interventions (non-contributory) and to develop and establish a system of social insurance with comprehensive coverage that builds on a contributory basis.</p> <p>The MoSD is attempting to bolster SP by promoting Corporate Social Responsibility and the EU has financed TA in this area. The dea is to convince employers of the advntages of supporting community social protection schemes. The Ministry has developed a portal/gate for aid. In order to make sure that all aid providers have data available, etc. The Businessmen Union, an employers' organisation, is member of the steering committee for the gate/portal providing aid. The MoSD decided this because they wish to encourage the private setor to the needs enumerated on the portal. The TA financed by the EU under the MoSD Capacity Building Project has an item specific for CSR. MoSD is working with JPGs to develop a Palestinian concept of CSR reflective of international experience. MoSD is impressed by the experiences o CSR in India and Norway, but not in the MENA region since they consider that the CSR is still inmature in the region, with the probable exception of Jordan.</p> <p><i>Source: MoSD interviews</i></p> <p>The ENP Action Plan approved in 2013 includes as a priority for the current period to continue action to establish a functioning social dialogue, in particular, develop capacity of employers' organizations, train trade-unions and staff representatives in negotiations /collective bargaining and in issues pertaining to health and safety at work taking into account the ongoing ILO-Beirut project on Social Dialogue. Through the Joint Planning Groups (JPGs) the EU is strengthening civil society in SP.</p> <p>The 2016 Presidential decree on the establishment of a social security sytem calls for the strengthening of tripartite mechanisms.</p> <p><i>See also I-411 above.</i></p>
I-413	SP mainstreamed in other policy dialogues where relevant, e.g. trade and migration	<p>SP is mainstreamed in policy dialogue on refugees' issues through the support to UNRWA.</p> <p><i>Source: Field mission Interviews.</i></p>
<b>JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms</b>		
I-421	In policy dialogue, EU advocates for LA involvement in design, delivery, and monitoring of social protection services under supported reforms	<p>As part of the regular policy dialogue, the current ROF foresees the following:</p> <p>Indicator 6.7: Public-private partnership and citizen engagement.</p> <p>Target: Meeting of Beneficiaries' Councils regularly take place in 3 regions; Meetings of Joint Planning Groups take place on a regular basis in 3 regions; A brochure on MoSD's "citizen budget" is produced and published</p> <p><i>Source: Results-oriented Framework.</i></p> <p>Strategic objective 4: Local development groups lead sustainable development initiatives in the marginalized villages and neighbourhoods, following priorities that everyone agrees to.</p> <p><i>Source: Social Sector Development Strategy 2017-2022</i></p> <p>Purpose 3 of the on-going EU-financed GOPA TA support to MoSD:</p> <p>To improve and develop a partnership approach to provide and plan social protection services by improved processes of coordi-nation, sharing and joint working between stakeholders (e.g. MoSD and other Ministries, service providers, Non-State Actors including private sector).</p> <p><i>Source: Field d mission interviews with project staff.</i></p> <p>"Indicator 6.7: The Public-private partnership and citizen engagement at local level for social protection and services is on-going through the Joint Planning Groups (JPG). The first JPGs were created in Nablus, Hebron and Jerusalem and institutionalized by Ministerial decree in 2016. They comprise of local</p>

#	Indicators	Evidence
		<p>authorities, decentralized government (various sectors), civil society and private sector. Another four were set up in Yatta, Ramallah, Tulkarem and Tubas. The JPGs are responsible to identify and prioritise the needs of vulnerable local populations and seek innovative ways of meeting these needs.</p> <p>Source: ROF Annual Report, 2016</p> <p>LAs provide the MoSD with office space for its work at municipal level. At municipality level, the EU has supported the work of Join Planning Groups who set SP priorities and provide services, e.g. for the disabled.</p> <p>Source: EU project staff interviews.</p>
I-422	<p>In policy dialogue, EU advocates for NGO and private sector involvement in design, delivery, and monitoring of social protection services under supported reforms</p>	<p>The objectives of the Social Protection Reform and Integration (SPRI) are (i) the provision of social assistance to 60,000 poor households (HHs); (ii) development of a Social Protection Strategy targeting the database; and (iv) a framework for cooperation with NGOs on policy formulation and service delivery.</p> <p>Source: <i>Interim Evaluation of PEGASE, 2009.</i></p> <p>The main priorities for policy dialogue were highlighted namely the need to develop health information system/data base, encourage joint cooperation between NGOs and governmental sector and concentrate on qualitative services rather than quantitative ones.</p> <p>Source: <i>EAMR, 2011.</i></p> <p>Under the current period, 2014-2020, the EU advocates for NGO and private sector involvement in the framework of policy dialogue developed under the ROF:</p> <p>“Indicator 6.7: The Public-private partnership and citizen engagement at local level for social protection and services is on-going through the Joint Planning Groups (JPG). The first JPGs were created in Nablus, Hebron and Jerusalem and institutionalized by Ministerial decree in 2016. They comprise of local authorities, decentralized government (various sectors), civil society and private sector. Another four were set up in Yatta, Ramallah, Tulkarem and Tubas. The JPGs are responsible to identify and prioritise the needs of vulnerable local populations and seek innovative ways of meeting these needs.</p> <p>Source: <i>ROF Annual Report, 2016.</i></p>
I-423	<p>National and international NGOs and private sector firms with specialist expertise contracted for service design and delivery under supported reforms</p>	<p>National and international NGOs (like CARE) and private sector firms with specialist expertise have been contracted for service design and delivery under support reforms. Some of these interventions can be found listed in indicator 711.</p> <p>The PA is reluctant to allocate its resources to NGOs for service delivery. The establishment of the NGO Affairs Commission by Presidential decree aiming at organising NGO relations with the Government was a step forward in this regard. Many consultations have been organised by EUREP with the private sector and trade community and with social development NGOs. The Social Protection Reform and Integration intends to create a framework for cooperation with NGOs on policy formulation and service delivery. EUREP has ensured regular consultative meetings with civil society actors including private sector both in the West Bank and Gaza Strip. This positive trend is however overshadowed by continued limitations to the freedom of expression and association, in particular linked to the internal political conflict.</p> <p>Source: <i>Field mission interviews.</i></p> <p>Under the Social Sector Development Strategy 2017-2022 supported by the EU Capacity Building Project, the MoSD is implementing a new approach towards involvement of local authorities, NGOs and private sector through municipality-level the Joint Planning Groups (JPG). During the field visit the evaluation team could meet with representatives of JPGs from Nablus, Jerusalem and Hebron. They represented among others the following organisations:</p> <p>Nablus Municipality, Nablus; Social Solidarity Association, Jerusalem; Emlison Women Society, Jerusalem; Union for Disabled People, Hebron; YMCA, Hebron; Four Homes of Mercy, Jerusalem; Hebron Governorate, Hebron; An</p>

#	Indicators	Evidence
		<p>Najah University, Nablus; Sanad Society for the Disabled, Nablus.</p> <p>The MoSD is advocating for a strong development of the JPGs as a way to improve social services delivery, better planning and involvement of civil society. In some cases, local authorities (LAs) are involved just in the provision of the local spaces, the centers, since they are not mature enough for the provision of social protection services. For the time being they provide space, or vehicles for the social workers. The council of ministers is very interested in the cooperation with LA. The Ministry of Local Development is member of the JPGs and helps the MoSD to fill gaps.</p> <p><i>Source: EU project staff interviews.</i></p>
<b>JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU</b>		
I-431	Evidence of social partners and civil society organisations (e.g., advocacy NGOs, research organisations) involved in EU-supported policy development events on SP including international fora.	<p><i>See also I-421 and I-422.</i></p> <p>Further progress has been made towards strengthening institutional capacity and mechanisms for social dialogue. The Memorandum of Understanding between the PGFTU and the Federation of Palestinian Chambers of Commerce, Industry and Agriculture (FPCCIA) has contributed to an improved climate of social dialogue. Both organizations, together with the Ministry of Labour, continue to play a significant role in social dialogue through the tripartite technical committees on social security, women's employment and pay equity, occupational safety and health and labour law reform.</p> <p>Despite progress in social dialogue, union affiliation rates remain low. Few private sector wage workers are covered by collective agreements, and social dialogue mechanisms need to be further strengthened. Obstacles to increasing unionization include reported restrictions on unions organizing in Gaza, a large informal economy, institutional weaknesses, a lack of awareness of labour rights among workers, and political interference. Incidents of harassment against trade unionists have been reported to the mission.</p> <p><i>Source: ILO Director General's report on the situation of workers in the occupied Arab territories, <a href="http://www.ilo.org/wcmsp5/groups/public/---ed_norm/--relconf/documents/meetingdocument/wcms_368279.pdf">http://www.ilo.org/wcmsp5/groups/public/---ed_norm/--relconf/documents/meetingdocument/wcms_368279.pdf</a></i></p>
I-432	Regional and global networks of social protection stakeholders supported.	Indicator not relevant at country level.

#### 4.1.5 EQ5

#	Indicators	Evidence
<b>JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially</b>		
I-511	Appropriate capacity development measures supported by EU	<p>The objective of the contract: 319465. Technical assistance to improve and develop the social protection system in Palestine, through partnership planning and institutional capacity building in West Bank and Gaza Strip (ENPI, 2013) is to promote the efficiency and sustainability of social protection policies and social services to poor and vulnerable populations.</p> <p><i>Source: EAMR, 2011 and 2012. Contract: 319465 ENPI, 2013.</i></p> <p>In addition to the DFS support, the EU funds Complementary Programmes supporting the PA to increase the capacities of key institutions, including for design and implementation of fiscal and administrative reforms. Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015</p> <p>By funding the VPF, the EU also aims to promote the rationalisation and homogenisation of the CTP. MoSD has reformed and streamlined the CTP, which in practice is led by WB and UNICEF. Administrative improvements are still required such as the finalisation of a Cash Transfers procedure manual and workload redistribution amongst district directorates and branch offices.</p>

		<p><i>Source: Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016</i></p> <p>The EU has supported capacity building at the MoSD since 2008 and TA provided has played a key role in strengthening the Ministry's capacity to formulate policy. In 2013-16, the project built statistical capacity, supported decentralisation efforts, and promoted municipal/regional partnerships through Joint Planning Groups to work with the MoSD. The current phase of the project continues work on deconcentration, is working on introducing the case management approach to supplement the CTP, and introducing improvements in monitoring and evaluation. Despite progress, capacity constraints remain at the MoSD. While the Ramallah office is over-staffed, there are shortages of personnel and logistical backup at the local level. These will, for example, pose a challenge for case management if social workers are stretched too thin. While persons interviewed all praised the MoSD's strategic vision, with its emphasis on empowerment, they also acknowledged that capacity and fiscal constraints make it impossible for MoSD to strongly implement the vision. Concern has been expressed that many of the indicators proposed for monitoring the new SP strategy are unmeasurable.</p> <p><i>Source: Field mission interviews</i></p>
I-512	Weaknesses in SP legal frameworks, identification, registration, payment, etc. systems analysed, appraised, and addressed with EU support	<p>In contrast with the CSP component, the PA and donors, including the EU, worked closely together to reform social assistance leading to a significant overhaul of the system in 2010. The reform has produced a more rational system for targeting VPF through the use of proxy means testing. Technical assistance from the Commission contributed to the reform process.</p> <p>Social protection systems strongly improved. The following achievements can be reported:</p> <ul style="list-style-type: none"> <li>Social Protection Sector strategy 2014-2016 developed</li> <li>Poverty targeting formula refined,</li> <li>Rationalisation and merge of various cash transfer programmes,</li> <li>MoSD database in place,</li> <li>Coordination with Bureau for Statistics,</li> <li>Linkages with Gender Strategy identified.</li> </ul> <p><i>Source: European Court of Auditors, Special Report No 14/2013 — European Union direct financial support to the Palestinian Authority.</i></p> <p>By funding the CTP, the EU also aims to promote the rationalisation and homogenisation of the beneficiary targeting. MoSD has reformed and streamlined the CTP, which in practice is led by WB and UNICEF.</p> <p><i>Source: Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016 (p. i).</i></p> <p>While there have been continuous efforts to improve the PMTF, concerns persist that CTP payments are going to the non-poor. Nevertheless, MoSD is of the view that CTP is one of the best programmes in the MENA region. With its new emphasis on empowerment, MoSD is trying to move from a monetary to a multidimensional definition of poverty. Through the case management approach, MoSD hopes to deal with household members in a differentiated fashion through delivery of needed social services. It is recognised that PMT does not serve those with special needs, such as the disabled (35% of all CTP households are estimated to contain at least one disabled person).</p> <p><i>Source: Field mission interviews</i></p> <p>There is a recognised need to more effectively coordinate assistance to refugees through UNRWA and to non-refugees through the PA's CTP. Since the end of 2015, there has been a closer working relationship and data sharing between UNRWA and the PA, with the latter benefiting from UNRWA's expertise.</p> <p><i>Source: WFP representative interview</i></p> <p>Technical Assistance to the MoSD remains essential to bring greater quality in the services provided by the Ministry. It allows strengthening the capacities of</p>

		<p>MoSD in monitoring social services and developing evidence-based strategy and policy planning. It also assists the Ministry to have an outreach at regional level (with the Regional Directorates and Joint Planning Groups) and to improve quality standards of services through case management and multi-stakeholder partnerships.</p> <p><i>Source: MoSD representative interview; See also I-541.</i></p>
I-513	EU support takes SP governance issues into account and addresses gaps and deficiencies	<p>The EU-funded Complementary Programmes (within the Social Protection support through the PEGASE DFS), support the development of governance national capacities of institutions that play a critical role in the design and implementation of the reforms. (p. 3).</p> <p>Some EU MS supporting PEGASE-DFS have suggested that this mechanism could be more results oriented in order to promote PA governance and service-based reforms (p. 25).</p> <p><i>Source: Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016.</i></p>
<b>JC 52 Nationally defined social protection floors promoted</b>		
I-521	Evidence that the EU advocates in policy dialogue with government to adopt the national social protection floor approach	<p>Social protection floors approach is being advocated by the EU in PA: nationally defined sets of basic social security guarantees that should ensure, as a minimum that, over the life cycle, all in need have access to essential health care and to basic income security which together secure effective access to goods and services defined as necessary at the national level.</p> <p><i>Source: National Social Protection Sector Strategy (SPSS) 2017-2022</i></p>
I-522	EU support to SP coordinated with ILO country and regional offices	<p>The National Development Plan (NDP) 2011-2013 developed by the PA with support and dialogue from the EU incorporated ILO priorities with regard to the full participation of women in the formal economy and their economic empowerment.</p> <p><i>Source: The Palestinian Decent Work Programme, 2013–2016. International Labour Organization.</i></p> <p>The relationship between the ILO office in Jerusalem and the EUREP has historically been weak. However, recent efforts to strengthen the relationship can be reported since the ILO has approached the EUREP to look for funding for the on-going social security reform.</p> <p>Currently ILO is undertaking a comprehensive assessment, gap analysis and an administration study on existing cash transfer programmes.</p> <p><i>Source: ILO (2017): 106 the Conference - Appendix - the situation of workers in the Arab occupied territories.</i></p>
<b>JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered</b>		
I-531	EU supported social protection schemes designed / administered on the basis of sound financial and actuarial analysis	<p>While the CTP is acknowledged to work well, its financing is problematic. First, the VFP which is the conduit through which EU funds flow to the CTP is a purely administrative construct – it is not clear why EU funds could not go directly into the programme, with resulting efficiency gains. As a general proposition, MoF is not interested in public financial management reform. There is good capacity in the Ministry, but due to disruptions in the receipt of border and customs taxes from Israel, MoF is not infrequently unable to make scheduled transfers to MoSD. This results in delays and generally forces the CTP to be limited to very small payments to the poorest of the poor.</p> <p><i>Source: MoF representative interview.</i></p>
I-532	Evidence of EU supporting the transition to sustainable national financing for social protection	<p>Due to the current situation in Palestine, a transition to sustainable national financing for social protection is not feasible, and SP depends on the continuation of external support. None of the EU MSs considered a move to a conditionality support to PA, although some wanted more demonstrable results as a result of funding.</p> <p>A transition to a development agenda based on the need to improve service delivery to Palestinians is a cornerstone principle for the future EU/EU MS support. This could take the form of sustainable financing, institutional strengthening and capacity development, as well as budget support. This may</p>

		<p>mean that overall levels of support would need to increase during such a transition, providing funding through PEGASE DFS as well as development aid through other complementary funding modalities (p. ii)</p> <p><i>Source: Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016.</i></p>
I-533	Evidence of poverty impacts and redistributive effects analysed and monitored at all stages of EU support to SP	<p>An impact evaluation of the CTP was carried out in 2013, with the objective to assess if the CTP assures that extremely poor and vulnerable households reach or maintain minimum of standard of living. While the objective of the CTP is to alleviate poverty and to bridge the poverty gap by 50%, this question was articulated by MoSA considering the impact of the overall benefit package provided by the CTP (in cash and in kind). The other objective was to check if the CTP delivers appropriate cash assistance to extremely poor and vulnerable households so that beneficiaries are satisfied with the programme.</p> <p>“The data suggests that most households were able to bridge the poverty gap to meet many, but not all basic needs such as for food, basic education, housing and healthcare. While accessing these basic necessities may enable the progressive realization of human and economic development, we did not find evidence that households were able to move out of poverty and some households still lack some basic needs. The majority of respondents reported that they were satisfied with MoSA’s efforts to help the poor, although many felt as though the targeting procedures were unfair” .....”Many households have been linked to other social protection services, but more linkages are needed to help families meet basic needs and, some day, move out of poverty.”</p> <p><i>Source: Impact Evaluation of the EU Contribution to the Palestinian Cash Transfer Programme (CTP), 2013, p. 41.</i></p> <p>The CTP remains the PA's formal safety net to help households living in poverty to access basic needs and prevent negative coping strategies. However, it is argued that coverage of families and amount of monthly allowance are not enough to cater for basic needs, especially in the Gaza strip (see OXFAM report). Due to financial constraints and budget prioritisation by MoFP, the CTP can only provide the minimum needed for the extreme poor. Moreover, there is no demonstrated impact on overall poverty reduction. The 2017 PCBS poverty assessment will provide updated data on the poverty status at the end of the year. It will include multidimensional poverty criteria and will be used to fine-tune targeting of the CTP. The monitoring of the Social Development Strategy 2017-2022 will be challenging as the M&amp;E framework proposes too many indicators (66) which are a mix of strategic, process and input indicators involving various government's institutions for the implementation and data collection.</p> <p>The overall evaluation of PEGASE Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014-2015 provided a positive assessment of the EU long-lasting support to the CTP (Vulnerable Palestinian Families component). However, it noted the high dependency of the PA to external funding (over 40% from donors) jeopardising the predictability and sustainability of the instrument. For this reason, with its new strategy 2017-2022, MoSD is seeking to develop a framework for social services that builds on a 'promotive approach' (graduating out of poverty) through economic and social empowerment, with a public-private partnership approach at local level.</p>
I-534	Evidence of intergenerational equity issues considered in the design of the EU support to SP.	<p>The elderly are addressed in the GOPA TA programme. In the social development strategy 2017-2022, elderly considered as marginalised groups. Two main activities foreseen: Care Homes for elderly and health insurance for elderly.</p> <p><i>Source: EU project staff interview.</i></p>
<b>JC 54 Government social protection programmes consolidated and rationalized where necessary</b>		
I-541	Evidence for improved institutional structure and procedures of agencies	<p>In parallel to direct financial support to the payment of social allowances, the EU continued to support the PA in improving the efficiency and transparency of the management of the CTP including use of bank accounts for payments,</p>

	<p>responsible for social protection with EU support</p>	<p>centralisation of payments at MoFP allowing cross-checks of data with other social schemes, upgrading of control / verification procedures for inclusion / exclusion errors and adhesion of Gaza to the poverty-based targeting of the CTP).</p> <p><i>Source: EAMR, 2011.</i></p> <p>The TA component of PEGASE since late 2008 has supported broad institutional reform at MoSA resulting in improved structures and procedures aimed at improving the equity and efficiency of cash transfers.</p> <p><i>Source: Interim evaluation of PEGASE, 2009.</i></p> <p>Indicator 6.2: on Regularity and predictability of CTP payments are satisfactory: Four payments were made in 2016 to an average of 114,000 households. The first payment of March was done in April (for 119,070 families), the June payment was done in August (for 115,039 families), the September payment was made in October with exclusive PA resources (for 111,000 families) and the fourth was done in December with double contribution of EU (EUR 20 million) and EUR 1 million from Spain (for 111,000 families). Due to budget constraints, all families registered on the CTP (118,000 in December 2016) do not receive social allowances. The final selection depends on Ministry of Finance and Planning's application of other criteria such as reception of other allowances, existence of a taxation file etc</p> <p>Indicator 6.3: on re-certification of CTP beneficiaries is satisfactory. The exercise is on-going by the MoSD. 10,118 households were re-certified in 2016.</p> <p>Indicator 6.4: Finally, the indicator on CTP data quality is also satisfactory with a quarterly update of the beneficiaries' database. The Proxy Means Testing Formula is run on new identified beneficiaries and recertified households before each payment. In December, the CTP database amounted of 112,984 families including 41% female-headed families (46,597).</p> <p><i>Source: ROF, Annual Report 2016</i></p> <p>The targeting of VPF beneficiary families was formerly based on their status (i.e., the presence of one individual with a special status) rather than on their poverty level. However, in part due to the EU and WB's active support for reform, the MoSA decided in February 2009 to reform its cash transfer system (cabinet decree) to be based on poverty taking household structure into account.</p> <p><i>Source: MoSD representative interview.</i></p>
I-542	<p>Evidence for established / improved coordination mechanisms across all public agencies with SP responsibility</p>	<p>The main challenges remain: the multi-sectoral and multi-ministerial nature of the sector requiring efficient coordination; fragmentation of provision of social assistance; poor outreach of social service delivery at local level and high financial dependency on external funding (donors' aid).</p> <p>In the framework of the EU Project C 319465 the TA component will support the collaboration of respective actors concerning social insurance (pensions, health and unemployment) and social assistance (cash and in kind assistance to specific groups), as the two main pillars of social protection. Institutionally, the MoSA will receive assistance in reorganisation as well as in policy and strategy development which includes elaboration of quality standards, monitoring guidelines, and upgrading the position of social workers.</p> <p><i>Source: Interim Evaluation of PEGASE, 2009.</i></p> <p>If Palestinian unification takes place, it is important to deal with the West Bank, Gaza and East Jerusalem as part of one future Social Protection System. At this regard, there is an active collaboration of MoSA Ramallah and MoSA Gaza supported by EUREP among the international community. EUREP should, therefore, retain its niche and leading support of the PA and MoSA.</p> <p><i>Source: External Evaluation of PEGASE 2008-2011 for West Bank and Gaza. European Commission, 2011 (p. 49).</i></p> <p>The national database established by the MoSD enables donors to harmonise approaches and avoid duplication. However regular periodical statistical and narrative reports based on database analysis have not been produced to date. Nonetheless, the results of this indicator demonstrate that the Ministry is on its</p>

		<p>way to improve the procedures with regard to the management of EU-supported SP. (p. 12). A technical Referrals Thematic Group was established in 2014 to focus on coordination and effective communication among Palestinian Health Sector Providers, international donors and development partners and the MoH (p. 14).</p> <p><i>Source: Evaluation of the PEGASE Programmes in the period 2014 – 2015. European Commission, 2016. (p. 12).</i></p> <p><i>See also I-511 and I-512.</i></p>
I-543	Universal approaches favoured over targeted ones where appropriate (in EU support)	Due to limited resources, targeting via the PMTF was chosen instead of universality.

#### 4.1.6 EQ6

#	Indicators	Evidence
<b>JC 61 Social protection as a human right promoted at all levels</b>		
I-611	Thematic, regional and country strategies and interventions incorporate rights-based approach to SP	<p>The CTP and EUREP's VPF contribution is considered by all stakeholders to be crucial to supporting basic human rights and dignity, enabling the poorest sections of Palestinian society to receive payments used for essential living costs, including medicine for example.</p> <p><i>Source: Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016. (p. iii).</i></p> <p>The National Social Protection Sector Strategy (SPSS) 2017-2022 evolved into a multi-sectoral/multi-ministerial Social Sector Development Strategy finalised beginning of 2017. During its preparation, MoSD went through a round of consultations with focus groups in October/November (workshops on children, poverty, women and girls, youth, disabled, elderly, charities, vulnerable areas, Gaza). The vision of the sector strategy is: A strong, solidary, productive and innovative Palestinian society that provides dignified life for all its members, unleashes their potential and believes in rights, equality, justice, partnership and integration. It has 4 strategic objectives: 1) Reduce poverty rate. 2) Remove all forms of social exclusion and marginalization in the Palestinian society. 3) Consolidating complementarity in social development policy, in line with the Sustainable Development Goals 2030 and other international standards and conventions. 4) Local development groups lead sustainable development initiatives in the marginalized villages and neighbourhoods.</p> <p>The new strategy shifted to a comprehensive social development approach ensuring that the right to social protection for the most vulnerable is respected and protected, in particular women, children, elderly and person with disabilities, using a Right-Based Approach. However, budget constraints required the Ministry to focus on economic empowerment and graduation out of poverty with the aim to reduce the number of beneficiaries on the Cash Transfer Programme.</p> <p><i>Source: Field mission interviews.</i></p>
I-612	Evidence that EU advocates for a rights-based approach in global fora	<i>Indicator not relevant at country level.</i>
<b>JC 62 EU support addresses concerns about excluded populations</b>		
I-621	Gender, disability, ethnic minority, children's, etc. issues mainstreamed in EU SP support	<p>"Children with disabilities have received some social protection support through the Palestinian National Cash Transfer Programme. (...) The EU has engaged with MoSD to improve social service for persons with disabilities at regional directorate levels".</p> <p><i>Source: Every child counts: understanding the needs and perspectives of children with disabilities in the State of Palestine, ODI, MoSD, UNICEF, December 2016.</i></p>

#	Indicators	Evidence
		<p>In the Contract: ENPI/2010/247-631 “Disabled People in East Jerusalem Enjoy Improved Living Conditions”, the target group and final beneficiaries of this action include a range of groups, as women and girls with disabilities and mothers of children with disabilities have received a special emphasis. UNRWA has implemented a comprehensive joint EU/UNRWA communication plan to raise awareness of the EU/UNRWA partnership and EU assistance to Palestine refugees.</p> <p>Sources: <i>EAMRs 2007 – 2013.</i></p> <p>Through the EU Capacity Building Project at MoSD, the EU has supported municipality-level Joint Planning Groups which help the Ministry set rarities and implement activities. The frst round of actions recommended by the groupa are providing services to the severely disabled. In addition, one of the objectives of the case management approach being introduced with project support is to identify persons in need of support services – the disabled, women and child victims of violence, the mentally ill, etc. – at the sub-household level in order to provide differentiated social services.</p> <p>Particular attention is now focused on residents of Gaza, who receive EU support in many forms, bit mainly through the CTP programme including in-kind transfers and UNRWA.</p> <p>Source: <i>Field mission interviews.</i></p> <p>Since 2011, EUREP has taken a leading role to improve the implementation of the EU Gender Action Plan in Palestine. Some of this work has taken the form of providing fora for discussions. EUREP has largely contributed to the gender survey launched by LACS in order to assess gender gaps in the coordination mechanism and has commanded a complementary mapping of EU donors' strategies on gender equality in Palestine in order to improve the EU co-ordination and mainstreaming of gender equality both in the political dialogue and the co-operation programmes at EU level. An EU-financed programme to implement engendered budget in Palestine has been launched in partnership with UN WOMEN at the end of the year. Four contracts whose activities started in 2013 were implemented by NGOs and focused on women's empowerment and inheritance rights.</p> <p>Source: <i>EAMRs 2007-2013.</i></p>
I-622	NGO/CSO capacity to advocate in for SP needs of excluded populations strengthened	<p>The National Social Protection Sector Strategy (SPSS) 2017-2022 has evolved into a multi-sectoral/multi-ministerial Social Sector Development Strategy finalised beginning of 2017. During its preparation, MoSD went through a round of consultations with focus groups involving civil society organizations in October/November (workshops on children, poverty, women and girls, youth, disabled, elderly, charities, vulnerable areas, Gaza).</p> <p>NGOs and CSOs are heavily represented in the JPGs supported by the EU (see I-621 above).</p> <p>Source: <i>EU project staff interviews, JPG member focus group.</i></p>
<b>JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage)</b>		
I-631	Trend in non-contributory pension as percentage of average wage	<p>Neither the ILO's annual World Social Protection Report nor the World Bank's ASPIRE database contain data at this regard for Palestine.</p> <p>Palestine is also not among the countries for which Interantional Social Security Inquiry provides data.</p> <p>Sources: <a href="http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm">http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm</a>,  <a href="http://datatopics.worldbank.org/aspire/">http://datatopics.worldbank.org/aspire/</a>,  <a href="http://www.ilo.org/dyn/ilossi/ssimain.home">http://www.ilo.org/dyn/ilossi/ssimain.home</a>.</p> <p>During the field mission the team was infomed that there is no social pension per se; rather the CTP and the UNRWA Social Safety Net Programme serve this function. Payments are extremely low, about USD 160 per month.</p> <p>Source: <i>Field mission interviews.</i></p>
I-632	Trend in adequacy of social assistance	Adequacy of social protection and labour programs – defined as the total transfer amount received by the population participating in social insurance, social safety

#	Indicators	Evidence
	benefits	<p>net, and unemployment benefits and active labour market programs as a share of their total welfare (total income or total expenditure of beneficiary households) increased from 5.78% in 2007 to 22.917% in 2009 for Palestine. No further data points are available</p> <p>Source: <a href="http://data.worldbank.org/indicator/per_allsp.adq_pop_tot?end=2011&amp;locations=PY-SV-PS&amp;start=2007&amp;view=chart">http://data.worldbank.org/indicator/per_allsp.adq_pop_tot?end=2011&amp;locations=PY-SV-PS&amp;start=2007&amp;view=chart</a>.</p> <p>According to ASPIRE (WB), Social Assistance programmes have expanded their coverage among the poorest quintile from 26.7% in 2007 to 27.6% in 2009. No further data points are available.</p> <p>Source: <a href="http://datatopics.worldbank.org/aspire/">http://datatopics.worldbank.org/aspire/</a>.</p> <p>The CTP and UNRWA SSNP serve the social assistance function (with some help also from zakat committees, charitable organisations, etc.)</p> <p>Source: <i>Field mission interviews</i></p>
I-633	Trend in adequacy of unemployment benefit	<p>According to the ILO's annual World Social Protection Report, there is no unemployment programme anchored in the legislation up to 2013.</p> <p>Source: <a href="http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm">http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm</a>.</p>
I-634	Social protection expenditure as proportion of GDP: Spending on working age population. Spending on the elderly. Spending on children	<p>Neither the ILO's annual World Social Protection Report nor the World Bank's ASPIRE database have data in this regard for Palestine. Palestine is not among the countries for which International Social Security Inquiry provides data.</p> <p>Sources: <a href="http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm">http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang--en/index.htm</a>, <a href="http://datatopics.worldbank.org/aspire/">http://datatopics.worldbank.org/aspire/</a>, <a href="http://www.ilo.org/dyn/ilossi/ssimain.home">http://www.ilo.org/dyn/ilossi/ssimain.home</a>.</p>

#### 4.1.7 EQ7

#	Indicators	Evidence
<b>JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context</b>		
I-711	The choice of modalities and implementing partners reflects clearly identified comparative advantages and institutional capacity needs and constraints	<p>There is a mix of complementary aid modality in SP:</p> <ul style="list-style-type: none"> <li>- PEGASE consisting of direct financial support to the PA, similar to budget support with ex-ante and ex-post control and a very detailed procedural process, to contribute to salaries, social allowances and East Jerusalem Hospitals arrears costs of referral. The political aim is to support the two-state solution with functioning institutions.</li> <li>- Service contracts for TA support to the MoSA/MoSD since 2008. These complement PEGASE to ensure policy reforms, methodology improvement and technical and management capacity of the MoSD and regional Directorates.</li> <li>- Complementary grants through various other instruments and budget lines, mainly EIDHR.</li> <li>- Short term support like the 2013 Assessment of the "Youth Rehabilitation Centres" administered by the Ministry of Social Affairs (contract 331-157).</li> <li>- Grant contract on child protection (contract 298-157).</li> <li>- Grant with WHO on mental health in Gaza (108-952 and 298-255).</li> <li>- Grant with CARE on women health (Non-State Actor thematic budget line).</li> <li>- DCI-Food Security funding of UNRWA.</li> </ul> <p>The overall strategy has been to use PEGASE as a means for the EU (and MSs) to commit large sums of money to maintaining the PA as a functioning entity while using complementary forms of support to build capacity and support policy making.</p> <p>Source: <i>Field Mission interviews</i>.</p>
I-712	The approach employed by the EU	To implement its strategy the EU has deployed a wide range of instruments including substantial financial assistance and extensive diplomatic and policy

#	Indicators	Evidence
	fosters high quality dialogue between the EU and national stakeholders	<p>dialogue. The PA, as the EU's institutional focus for State-building, is a participant in the 1997 Interim Association Agreement on Trade and Cooperation and enjoys the status of a partner in the ENP. In 2005 the EU and PA agreed on an Action Plan to support the PA's reform agenda followed by a Joint Action Plan agreed in 2013. Source: PEGASE Final Assessment 2014.</p> <p>In light of the Palestinian National Development Plan 2011-2013 (adopted in March 2011), the EUREP programming was embedded in a more systematic policy dialogue aiming at results-oriented interventions consistent with the PA's state-building agenda and fully in line with EU Council resolutions on aid effectiveness. For the current period policy dialogue has been strengthened under the 2013 Joint Action Plan. Annual Social affairs and Health sub-committees are co-chaired by EEAS and PMO. A Results Oriented Framework has been in place since 2015 with regular high political dialogue.</p> <p>Sources: <i>ROF Annual reports 2015 and 2016.</i></p>
I-713	The aid delivery methods and channels used promote ownership of SP by national stakeholders	<p>The level of ownership of national stakeholders in social protection was very high both at the beginning and at the end of the period under evaluation.</p> <p>Sources: <i>Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016. (p. v).</i></p> <p>The CTP is a flagship PA programme, contributing in significant degree to its legitimacy. Stakeholders interviewed all regard the MoSD as one of the strongest Ministries with one of the most well-developed policy vision.</p> <p>The level of government ownership has been high as confirmed through the field visit. Policy dialogue with government has been good despite some reservations about the responsiveness of the MoFP, the prime interlocutor on financial aspects of PEGASE. The MoFP is the main counterpart within PA for EU support to social protection through PEGASE-DFS in terms of the overall financial management of the mechanism. Not surprising, its support for the VPF must be tailored to the resources available to it, which are frequently curtailed by interruptions in customs and border tax transfers. The MoSD is also involved with regard to VPF (Vulnerable Palestinian Families), mainly by providing the CTP updated database for each quarterly payments and the MoH with regard to East Jerusalem Hospitals (EJH), providing the bills of arrears.</p> <p>Source: <i>Field mission interviews</i></p>
<b>JC 72 EU financed interventions in the social protection field are mutually reinforcing</b>		
I-721	Financing instruments (bilateral vs. regional, geographic vs. thematic) are combined to exploit complementarities and promote synergies	<p>PEGASE is complemented by several other EU support instruments benefiting Palestine: considerable funding of UNRWA; support to Non State Actors (NSAs) including national and international NGOs in the fields of human rights, democracy, youth, gender equality, media and culture; the humanitarian and food aid programmes of ECHO; a budget line on food security; and regional programmes such as under the Regional Information and Communication Budget.</p> <p>Source: <i>Interim Evaluation of PEGASE, 2009.</i></p> <p>In addition to the DFS support, the EU funds eleven Complementary Programmes supporting the PA to increase the capacities of key institutions, including for design and implementation of fiscal and administrative reforms in order to improve Social Protection management.</p> <p>Source: <i>Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016.</i></p> <p>Other areas of EU interventions in Palestine include inter alia support to the United Nations Relief and Works Agency's (UNRWA) General Fund, support to socio-economic development and institution-building in the key sectors of governance and rule of law, private sector development and water and sanitation and a special multi-sectoral measure to "Support delivery of community services in East Jerusalem", under which support has been provided to the East Jerusalem Hospitals since 2003 – with a focus on the improvement of both the</p>

#	Indicators	Evidence
		<p>service quality and the governance of the institutions, and on financial support for the treatment of the poor families.</p> <p><i>Source: Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016. (p. 45).</i></p>
I-722	<p>EU support to SP in partner countries has been reinforced by the mobilisation of expertise from EU Member States (via instruments such as TAIEX/Twinning or the SOCIEUX facility)</p>	<p>According to the interview with Ministry of Finance Planning, TAIEX assistance is relatively new in Palestine. Up till now only universities have been covered by this support. Currently the TAIEX assistance is coordinated by the Prime Minister Office. The Ministry of Finance and Planning has received support in the area of customs. There are also some twinning programmes in place (no information about the countries involved). The MoDS has requested support for corporate social responsibility in 2017.</p> <p><i>Source: Interviews.</i></p>
<p><b>JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored</b></p>		
I-731	<p>Frequency of delays in implemented interventions related to SP</p>	<p>Some delays were faced in the TA support provided to MoSD specifically in the M&amp;E component. According to the interviews in the field the TA project was very ambitious when it established the goal for an M&amp;E system inside the Ministry. At that time there was not a reporting system at the Ministry and it was challenging for the project to develop a reporting tool. At the current project stage they are trying to develop an intervention logic for the M&amp;E system, establishing something top down and discussing with the MoSD where they want to go. Concerns were expressed that many proposed indicators are unmeasurable and that providers, not just the MoSD, need to be involved.</p> <p><i>Source: EU project staff interviews.</i></p> <p>Systematic delays were however observed in the payment of social allowances due by the end of each quarter (namely mid-April, June, September and December 2015). In particular, the payments due in September and mid-December were paid over 4 weeks after the due date, i.e. on 31 October-1 November 2015 and 16-17 January 2016, respectively. The EU repeatedly raised the matter with MoFP and the Prime Minister's Office. Notwithstanding budgetary constraints, EUREP reiterated the need to prioritise budgetary resources to protect those most in need, in particular in a context of increasing unemployment, poverty and social exclusion. With an annual envelope of ILS 570 million, the CTP represented 4% of the PA's expenditures in 2015 – compared to higher budgetary costs such as salaries/pensions, net lending and arrears to the private sector.</p> <p><i>Source: ROF Annual report 2015.</i></p> <p>CTP payments are often delayed when MoFP fails to make scheduled transfers. This, in turn is often due to disruption of Israeli payment of customs and border tax revenues.</p> <p><i>Source: MoFP representative interview.</i></p>
I-732	<p>Transaction costs are minimised for all parties involved</p>	<p>A delay in the signing of the Financing Agreement for the payments by the MoFP and the EU within the CSP impacted the schedule in 2015. (p. 5). A delay also occurred within the VPF payments in 2014 due to a lack of PA funds primarily due to Israel withholding CR (p. 9).</p> <p><i>Source: Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016.</i></p>
I-733	<p>Monitoring and evaluation allows for adjustment of SP support responding to performance and context</p>	<p>According to the Evaluation of the PEGASE programme 2014-2015, an M&amp;E system is required to monitor the CTP, although support through an EU-funded CP was implemented through TA did not succeed in establishing and piloting a monitoring system for Social Protection within the MoSD.</p> <p><i>Source: Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016. (p. 11).</i></p>

#	Indicators	Evidence
		<p>An M&amp;E system is being currently developed by the GOPA project although it faces challenges inside the MoSD due to the change in mindsets it will imply.</p> <p>TA and capacity building has continuously allowed improvements in the PMTF and its supplementing by other ways of measuring poverty and identifying special needs.</p> <p>Source: <i>Field mission interviews.</i></p>

#### 4.1.8 EQ8

#	Indicators	Evidence
<b>JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs</b>		
I-811	Institutional structures / mechanisms in place to coordinate SP policies and interventions across MSs and other international donors	<p>Social protection issues have been discussed in donor working groups to a very high extent". This influenced policy dialogue.</p> <p>Source: <i>EUD Survey.</i></p> <p>The EUREP's coordination of Heads of Cooperation meetings; attendance of LACS Sector Working Groups and the AHLC all contribute to keeping PEGASE DFS in the eye of the donors as well as the PA.</p> <p>Source: <i>Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016. (p. 23).</i></p> <p>EUREP (HoO) ensured and consolidated the coordination and meetings of EU/Ms Heads of Cooperation. In particular, EUREP produced a major effort to present the logic and to enhance the visibility of the EU financial cooperation, in particular PEGASE DFS and its progressive sector support reorientation to increase its leverage. EUREP HoO supported substantially the HoD in the meetings at level of EU Heads of mission when they focused in particular on Area C, UNRWA and the PA financial crisis.</p> <p>Source: <i>EAMR, 2011.</i></p> <p>"While the PEGASE DFS is an unconditional instrument supporting the political objective of maintaining the viability of the Two-State Solution, the EU and the PA have agreed to progressively develop a Results Oriented Framework (ROF) aimed at supporting a more coherent and focused policy dialogue between the EU MSs and the PA on their main sector policies and reforms".</p> <p>Source: <i>Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016. (p. 2).</i></p> <p>The European Commission plays a leading role in the coordination of EU Member States, as well as within local donor coordination structures (e.g. the Fiscal Working Group (co- Chaired by the Ministry of Finance and the International Monetary Fund); the Public Administration and Civil Service Sector Working Group (co-Chaired by the UK); and the Social Protection Sector Working Group (co-Chaired by the Ministry of Social Affairs and EUREP). An EU Informal Group on PEGASE DFS was also set-up in early 2013 as a forum for information sharing and discussions around PEGASE DFS related topics (such as fiscal issues, policy reforms, service delivery).</p> <p>Source: <i>Evaluation of the PEGASE Programmes of Direct Financial Support to the Palestinian Authority and Results Oriented Framework in the period 2014 – 2015. European Commission, 2016.</i></p> <p>"There is a strong feeling that the Local Development Forum system is operated in a "top down" manner by a small group of major players and thus provides little or no space for the donors to meet at an overall level to review progress and outcomes (both policy and programmatic) and to discuss strategy. In the coordination structure between EUREP and EU member states, there is a need for integration of politics and programme and for further integration of member states into the decision-making, review and guidance process".</p> <p>Source: <i>External Evaluation of PEGASE 2008-2011 for West Bank and Gaza.</i></p>

#	Indicators	Evidence
		<i>European Commission, 2011.</i>
I-812	EU is able to leverage its support by generating funding from other sources	The proportion of the main DFS component financed from sources other than the EU budget dropped from 32.6 % in 2008 to 14.8 % in 2012. This in part reflects a general decline in donor funding. Furthermore, some EU Member States also use other mechanisms such as the World Bank Palestinian reform and development plan (PRDP) Multi-Donor Trust Fund as well as bilateral funding. At the same time, the Commission has attracted little funding from non-EU countries. <i>Source: European Court of Auditors. Special Report No 14/2013 — European Union direct financial support to the Palestinian Authority.</i>
<b>JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment)</b>		
I-821	DEVCO / NEAR - financed SP support cross-refers to policies and strategies of other relevant DGs and avoids duplication and conflicts	<i>Indicator not relevant at country level.</i>
I-822	Existence of inter-DGs coordination on SP.	Indicator not relevant at country level.

## 4.2 Overview of EU-funded key interventions

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>	<i>Implementing partner(s)</i>
<b>2007-2013</b>				
ENI (ENPI)	TA to the Ministry of social affairs for the reform of the social safety net	2008-2009	176,583	TA provided by private company
ENI (ENPI)	PEGASE ("Mécánisme Palestino-Européen de Gestion et d'Aide Socio-économique)	2008-2016	--	Partner GvT
ENI (ENPI)	Various support to delivery of Community Services in East Jerusalem: e.g. <i>Disabled People in East Jerusalem Enjoy Improved Living Conditions</i>	2010-2014	858,295	--
DCI-FOOD	Support to the UNRWA Social Safety Net Programme (SSNP)	2011-2014	15,000,000	UN Agency UNRWA
ENI	Impact evaluation of the EU contribution to the CTP - PEGASE programme support to VPF	2012-2014	193,879	n/a
ENI	Support to Governance / Rule of Law / Social Sector Institutions - incl. TA on SP (partnership planning and institutional capacity building)	2013-2017	20,500,000	n/a

Source: CRIS and Particip analysis (2016)

### 4.3 List of people interviewed

<i>First name</i>	<i>Surname</i>	<i>Organisation/ Unit</i>	<i>Responsibility</i>
ABU SWAY	Rajiah	WHO	
Abufarha	Rawan	PCBS Palestinian Central Bureau of Statistics	Living standards Department
Accorsi	Sandro	Italian Agency for Development Cooperation	Health Coordinator
Al Deek	Daoud	MoSD	Assistant Deputy Minister
Al-Atrash	Saeda	MoSD	Gender Director
Albargouthi	Khaled	MoSD	Anti-poverty Department
Amman	Anwar	MoSD	Assistant Deputy Minister for the Regional Directorates
Aqudsi	Asma	MoSD	Anti-poverty Department
Awad	Samar	PCBS Palestinian Central Bureau of Statistics	Acting Director General of International Relations
El Shurafa	Rasha	ILO	Social Protection Focal Point, ILO Jerusalem Office
Gericke	Michael	GOPA PROJECT	Team Leader GOPA project
Hamam	Anwer	MoSD	Responsible for Regional Offices
Holtsberg	Peter	WFP	
Ibrahim	Dyala	PCBS Palestinian Central Bureau of Statistics	Ibrahim
Imai	Kumiko	UNICEF	Chief Social Policy M&E
Keibo	Mounir	ILO	ILO Representative Jerusalem
Khamis	Asem	MoSD	Capacity Building Project
LAHHAM	Salah	WFP	
Mansour	Michael	EU Delegation	Programme manager UNRWA
Rawan	Abu-Mayyaleh	Ministry of Finance	Rawan
Rousseau	Stephanie	EU Delegation	Programme Manager
Sa'ed	Shaher	PGFTU, alestinian General Federation of Trade Unions	General Secretary
Thawq	Abdelhalim	Ministry of Finance	Thawq
Twan	Fida	PCBS Palestinian Central Bureau of Statistics	Twan
Vladu	Vladimir	GOPA PROJECT	Social Protection Expert
Voegele	Michael	EU Delegation	Head of Section
	Carine	DWRC Democracy and Workers' Rights Centre in Palestine	

## 4.4 Bibliography

### 4.4.1 EU strategy and programming

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- EC: Programming of the European Neighbourhood Instrument (ENI) - 2014-2020 - Single Support Framework for EU support to Palestine (2014-2016)
- EU-PLO (1997): Euro-Mediterranean Interim Association Agreement on trade and cooperation between the European Community, of the one part, and the Palestine Liberation Organization (PLO) for the benefit of the Palestinian Authority of the West Bank and the Gaza Strip, of the other part.
- European Union -Palestinian Authority Action Plan Political Chapeau, 2013
- EC: Programming of the European Neighbourhood Instrument (ENI) - 2014-2020 - Regional South Strategy Paper (2014-2020) and Multiannual Indicative Programme (2014-2017)
- EU Annual Action Plans.

### 4.4.2 National framework

- State of Palestine (2014): National development Plan 2014-16 - State building to sovereignty
- State of Palestine Ministry of Health (2016): National Health Strategy 2017-22 Draft English summary by Dr. Ola Aker.
- State of Palestine (2016): Ministry of Social Development, Social Sector Development draft strategy - 2017-2022 The Road to Prosperity.
- The National action plan for the implementation of UNSCR 1325, Women, Peace and Security Palestine 2017-2019.
- Gender Profiles of the neighbourhood south countries. Palestine, 2015.

### 4.4.3 Project documentation

The team reviewed the available project documentation (action fiches/TAPs, grant contracts, implementation and monitoring reports, evaluations, etc.) of the following interventions (see also details in the list presented in Annex 2): TA to the Ministry of social affairs for the reform of the social safety net.

- PEGASE (“Mécánisme Palestino-Européen de Gestion et d’Aide Socio-économique).
- Disabled People in East Jerusalem Enjoy Improved Living Conditions.
- Support to the UNRWA Social Safety Net Programme (SSNP).
- Impact evaluation of the EU contribution to the CTP - PEGASE programme support to VPF.
- Support to Governance / Rule of Law / Social Sector Institutions - incl. TA on SP (partnership planning and institutional capacity building).

### 4.4.4 Evaluation and studies

- DAC List of ODA Recipients - Effective for reporting on 2014, 2015 and 2016 flows
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- WORLD BANK, Economic Monitoring Report to the Ad Hoc Liaison Committee, May 4,

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#### 4.4.6 Web links

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- ASPIRE: the Atlas of Social Protection Indicators of Resilience and Equity (The World Bank). Available at: <http://datatopics.worldbank.org/aspire/>.
- European Neighbourhood Policy And Enlargement Negotiations -Countries of the Region - Palestine:  
[https://ec.europa.eu/neighbourhood-enlargement/neighbourhood/countries/palestine\\_en](https://ec.europa.eu/neighbourhood-enlargement/neighbourhood/countries/palestine_en)
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# Evaluation of EU support to social protection in external action

2007-2013

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Final Report

Volume II

Country Report – Turkey

January 2018

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*Evaluation carried out on behalf of the European Commission*



The evaluation was carried out by:  
Landis MacKellar – Team Leader

Contributions from:

Ana Maria Femenia Garcia – Team Member

Zehra Kacapor-Dzihic – Team Member

Tino Smail – Team Member

Lena Zezulin – Team Member

Georg Ladj – Quality Control

Ana Vilar – Backstopping

Dominika Socha & Jana Bobokova – Evaluation  
Managers

The evaluation is being implemented by Particip GmbH (leader) and AETS and managed by the DG NEAR A4 Multi-annual Financing Framework, programming and evaluation unit.

The author accepts sole responsibility for this report, drawn up on behalf of the Commission of the European Union. The report does not necessarily reflect the views of the Commission.



## Country Report – Turkey

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EU support to social protection in Enlargement countries includes both technical and financial support provided through the IPA instrument and continuous dialogue and exchange of information in the context of accession negotiations. Although the team has tried to capture some of the complex processes taking place in relation to accession negotiations and social protection-related legal and policy reforms, most of the information available concerns IPA financial and technical assistance. Despite the emphasis on IPA financial and technical assistance in the analysis, it is important to see IPA assistance only as one part of the broader cooperation between the EU and the beneficiary.

## List of acronyms

ACEV	Mother and Child Education Foundation
BK	Bag-Kur
CASGEM	Centre for Labour and Social Security Training and Research
CCT	Conditional Cash Transfers
CFCU	Central Finance and Contracting Unit
CSF	Civil Society Facility
CSO	Civil Society Organisation
DP	Development Plan
EC	European Commission
ECHO	European Civil Protection and Humanitarian Aid
ES	Emekli Sandigi
ESPN	European Social Protection Network
ESRP	Employment and Social Reform Programme
ESSN	Emergency Social Safety Net
EU	European Union
EUSG	Secretariat General for European Union
GDP	Gross Domestic Product
GoT	Government of Turkey
HRD OP	Human Resources Development Operational Programme
IDP	Internally Displaced Persons
ILO	International Labour Office
IPA	Instrument for Pre-Accession
JAP	Joint Assessment Paper
JIM	Joint Inclusion Memorandum
KETEM	Cancer Early Diagnosis and Education Centre
LLL	Life Long Learning
MIPD	Multi-annual Indicative Planning
MLSS	Ministry of Labour and Social Security
MoF	Ministry of Finance
MYS	Ministry of Youth and Sport
NDP	National Development Plan
NGO	Non-Government Organisation
NPAA	National Programme for the Adoption of Acquis
OECD	Organisation for Economic Cooperation and Development
OS	Operational Structure
PwD	Persons with Disabilities
SGK	Social Insurance Institution Sosyal Güvenlik Kurumu
SP	Social Protection
SPIAC-B	Social Protection Inter-Agency Cooperation Board
SSCPA	Social Services and Child Protection Agency
SYDTF	Social Assistance and Solidarity Encouragement Fund
SYDVs	Social Assistance and Solidarity Foundations
TA	Technical Assistance
TEGV	Turkish Educational Volunteers Foundation

TL	Turkish Lira
WB	World Bank
WFP	World Food Programme
WHO	World Health Organization
WWF	World Wild Life Fund

# 1 Introduction

## 1.1 Purpose of the country report

This report is framed within the field phase of the “Evaluation of EU support to social protection in external action.” During the inception phase, the overall evaluation framework was developed, i.e. the EU’s intended intervention logics of its support to social protection (SP) in partner countries were reconstructed and the Evaluation Questions (EQs) were designed. During the desk phase, overall strategy and policy documents and selected project documentation were reviewed, an online survey to the EUDs was conducted and several stakeholders were consulted. The desk report outlined preliminary answers to the EQs and it proposed a list of countries to be visited in the field phase. From a long list of 45 countries and a shortlist of 14 desk case countries, 11 countries were selected for the field phase. The overall objective of the field visits and of this report is to verify preliminary findings to the EQs.

The field cases have the main focus on the bilateral support provided in a given country, but also assess the complementarity and coherence with the major SP programmes taking place in this country.

The outline of the country report follows the structure of the evaluation matrix to ensure a consistent and harmonised data collection approach. However, as EU interventions implemented under major SP programmes cover a variety of different topics, not every intervention is relevant for all the evaluation questions.

Therefore, the present country report cannot be considered a country evaluation but rather one of the inputs for the elaboration of the final report. The field cases allow for a detailed examination of certain elements at the Indicator and Judgement Criterion level and provide a picture of the EU support in different contexts. The report aims at providing country specific examples on a set of issues that are relevant for the worldwide exercise.

## 1.2 Reasons for selection of the country

The *Turkey* country case study has been selected for the following reasons:

- Regional and sub-regional representation: the case illustrates specific context of the IPA region but also of the Middle East, in particular with respect to the Syrian refugee problem.
- Thematic coverage: wide range of SP aspects covered – social inclusion, institutional capacity building, conditional cash transfers, etc.
- Amount of aid: Turkey is one of the top recipient countries of EU financial contributions in the area of SP in the IPA region.
- Example of adapting a development programme to humanitarian needs, creative resilience thinking.

The table below provides an overview of the main SP interventions implemented by the EU in the period 2007-2017.

**Table 1** *Interventions selected for the case study analysis*

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>	<i>Implementing partner(s)</i>
<b>2007-2013</b>				
IPA I Comp IV	Capacity Building of Social Security Institution Sosyal Güvenlik Kurumu (SGK)	2010-2011	1,095,000	Sosyal Güvenlik Kurumu (SGK)
IPA I Comp I	Promoting of community based services for vulnerable people with mental and physical disabilities	2010-2014	3,800,000	Ministry of Family and Social Policy, Ministry of Health, WHO
IPA I Comp I	Supporting social inclusion through sports education (especially vulnerable youth in Southeast Turkey)	2012-2014	2,300,000	Ministry of Youth and Sports
IPA I Comp I	Supporting social inclusion through sports education – phase II	2013-2014	1,800,000	Ministry of Youth and Sports
<b>2014-2017</b>				
IPA I Comp I	Protection of children from all forms of violence (emotional, physical, verbal, psychological) in school to promote well-being and achievement	2013-2015	2,700,000	Ministry of National Education
IPA I Comp I	Strengthening Institutional Capacity of Centre for Labour and Social Security Training and Research (ÇASGEM)	2014-2016	2,250,000	ÇASGEM
IPA I Comp IV	Capacity building for the Ministry of Family and Social Policy to promote services to the disabled, inclusive employment	2015-2017	4,645,214	Ministry of Family And Social Policy
IPA I Comp IV	Promoting an increase in registered employment and increased social security coverage	2015—2017	10,320,289	SGK
IPA I Comp IV	Increasing women’s formal employment through support of home-based child care services	2015-2017	3,962,500	SGK
IPA I Comp IV	Improve implementation of Human Resources Development Operational Programme (HRD OP) through increasing capacity and support for programming, project management and evaluation, quality control	2015-2017	3,364,294	Ministry of Labour and Social Policy, HRD OP

Source: CRIS and Particip internal analysis .

### 1.3 Context of the EU support

#### **Country context and overview of national protection system**

The Turkish system of social protection differs somewhat from the European model. Although based on the same components (social insurance and social assistance), the system has certain specificities – in particular the existence of a significant complementary informal component. In the case of social insurance, the primary informal mechanism is the extended family, with elderly members receiving support from children and other relatives. This

mechanism keeps most elderly from poverty. Informal mechanisms are also important as a form of social assistance. In rural areas, strong social solidarity usually results in families of the “deserving” poor (usually widows with young children) receiving informal transfers that keep them from extreme poverty. These rural ties are strong enough to extend to the urban slum areas, through networks of people from villages of origin. Additionally, religious charity plays an important role.

Formal elements of social protection in Turkey are the pension (social security) system and the Social Assistance and Solidarity Encouragement Fund (SYDTF) for social assistance, which operates through Social Assistance and Solidarity Foundations (SYDVs). The SYDVs are local parastatal institutions that conduct household visits to assess living conditions and verify applications for social assistance. The information for social assistance has been integrated into a single database which improves targeting. The social security system is somewhat fragmented, with benefits and contributions dependent on a person’s occupation. Most of the labour force is covered under the Sosyal Güvenlik Kurumu Social Insurance Organization (SGK), covering private sector workers and those public workers who do not qualify as civil servants. Civil servants are covered separately under Emekli Sandigi (ES), and the self-employed and farmers are covered by a third scheme, Bag-Kur (BK). There is a small non-contributory social pension available to those who reach age 65 and have no means of support; this is administered by ES and financed by the government budget. Finally, various groups of workers are covered by separate (voluntary) occupational schemes. Overall, 42% of the labour force is contributing to one or the other of the schemes, with the bulk of the coverage in SGK. Of the 42% of the labour force covered, 48% are covered by SGK, 22% by ES and BK, and the rest of 8% by the farmers’ scheme under BK. The total number of contributors to all schemes is around 11 million.

On the beneficiary side, only 29% of population age 65+ receive old-age pensions, of which 47% are from SGK, 18% from ES, 30% from the self-employed scheme in BK, and only 5% from the farmers' scheme in BK. A total of 1.2 million people aged 65+ receive old-age pensions, and about 0.3 million survivor and disability pensions.

### ***EU cooperation***

The EU opened membership negotiations with Turkey in October 2005. The Social Policy and Employment chapter is not yet opened; consequently, the social protection sector is not among the negotiated priorities. There is no comprehensive strategic document on social protection in Turkey. As a result, the EU support in SP is mainly based on the country’s 9<sup>th</sup> Development Plan (DP) 2007–2013. The DP identified five objectives; two of them are related to SP aspects: Increasing Employment and Strengthening Human Development and Social Solidarity.

Employment and social policy issues are of high importance in Turkey. Consequently, the EU allocated over the period 2007-2010 a total of EUR 546.61 million for social development, representing almost 25% of total EU financial assistance to Turkey over that period. The funds went principally for increasing employment opportunities and improving the health care system. In 2011-2013, EU assistance to social development amounted to EUR 310.42 million, 12% of total allocations. The funds were directed towards improving the employability of the female labour force and for combating social exclusion.

The EU in its Enlargement Strategy published on 12 October 2011 proposed to develop a Positive Agenda between Turkey and the EU. It mentioned a broad range of areas as the main elements of the Agenda such as intensified dialogue and cooperation on political reforms, visas, mobility and migration, energy, fight against terrorism, further participation of Turkey in Community programs, town twinning, trade and Customs Union and supporting efforts to align with the acquis, including on chapters where accession negotiations cannot be opened for the

time being. Turkey accepted the proposal on the condition that it serves as a supportive and complementary tool for our negotiation process with the EU.

In the framework of the Positive Agenda, Working Groups were established on eight chapters: Right of Establishment and Freedom to Provide Services; Company Law; Information Society and Media; Statistics; Judiciary and Fundamental Rights; Justice, Freedom and Security; Consumer and Health Protection; and Financial Control.

In January 2012, the EU Coordination Department in the Ministry of Labour and Social Security (MLSS) was accredited by the EC as the Human Resources Development Operating Structure (HRD OS) responsible for tendering, contracting and financial management of EU funded operations under IPA Component IV.<sup>1</sup>

The Human Resources Development Operating Plan (HRD OP)<sup>2</sup> sets out the programming basis for receiving assistance from IPA funds in human resources development (IPA Component IV). It aims to address the main challenges Turkey faces in the fields of employment, education and training, and social inclusion. The HRD OP defined five priority axes of EU intervention: Employment, Education, Lifelong Learning, Social Inclusion and Technical Assistance. Two objectives of the Employment priority axis are important from the social protection point of view:

- Measure 1.1: To promote women's participation into the labour market, and increase female employment, including those formerly employed in agriculture;
- Measure 1.2: To increase employment of young people.

In the case of Education priority axis, SP elements are present in Measure 2.1: To increase enrolment rates particularly for girls with a view to developing female human resources and access to labour market.

The objective of the Social Inclusion priority axis is to promote an inclusive labour market with opportunities for disadvantaged people, with a view to their sustainable integration into the labour force and combat all forms of discrimination in the labour market. There are two measures under this priority:

- Measure 4.1: To increase employability of disadvantaged persons, facilitate their access to labour market, and eliminate barriers for their entrance into labour market;
- Measure 4.2: Better functioning and coordination among the institutions and mechanisms in the field of labour market and social protection particularly in order to facilitate the integration of disadvantaged persons into the labour market.

Through the HRD OP, the EU has implemented a number of projects in the social protection area. The ones reviewed are listed above. The focus and purpose of IPA is to support Turkey in its accession to EU membership through facilitating social, economic and political reforms consistent with EU values and policies.

The 15 July 2016 coup, with more than 250 people killed, has affected this process. Prior to the coup, Turkey was a booming emerging market with an Islamic government apparently embracing democracy. The last year has seen a significant downturn in the social, economic and political environment. The GoT has conducted arrests, firings and expropriations. A State of emergency has been repeatedly extended.<sup>3</sup> Approximately 50,000 people have been

<sup>1</sup> <http://www.avrupa.info.tr/resource-centre/news-archive/news-single-view/article/human-resources-development-operational-programme-has-a-new-contracting-authority.html>.

<sup>2</sup> 2007 (MLSS): Human Resources Development Operational Programme (HRD OP). Link: [https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/turkey/ipa/tk4\\_hrd\\_op\\_turkey\\_2007\\_en.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/turkey/ipa/tk4_hrd_op_turkey_2007_en.pdf)  
See also: <http://www.ikg.gov.tr/en-us/ipa/ipa20072013%28ipai%29/hrdop.aspx>.

<sup>3</sup> <https://www.nytimes.com/reuters/2017/07/17/world/europe/17reuters-turkey-security-emergency.html>.

imprisoned, mostly from the military, police, judiciary and media, including print and television journalists. In addition, in 2016-2017 there have been several phased mass purges of civil servants, teachers, university professors and judges, including at least 150,000 people. A mass purge occurred just before the arrival of the mission. Education was the most affected. All public sector employees may not leave the country. As a result, civil society is silent and the state itself, while dominant, is weakened by fear and suspicion. Turkey's constitution was changed by referendum, and it is now close to one-man authoritarian rule. The expropriations are also significant: 950 companies have been expropriated, representing \$11 Billion in assets.<sup>4</sup> Foreign investment has dropped and the ratings of government debt have fallen.

Turkish accession talks halted as a result of the 2016-2017 purges. A non-binding resolution was passed in the European Parliament in November 2016 to suspend negotiations. In December 2016 the Council of the European Union determined that no new accession areas would be opened. On 27 May 2017 (while the mission was in Turkey) an optimistic announcement was made of a "12 month timetable" for renewing the relationship. Further strains appeared in July when Turkey arrested more human rights activists, including a German.<sup>5</sup> Germany has warned its citizens of the risk of travel to Turkey and has sought to reassure its citizens of Turkish descent that they are safe.

The social protection functions of the state continue, nonetheless, and every agency where the mission had appointments had every indication of ongoing work. The HRD OP gave every indication that work was ongoing and planned social protection activities were in process. It was not possible to discuss current events with anyone.

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<sup>4</sup> <https://www.nytimes.com/2017/07/22/business/turkey-akin-ipek-fethullah-gulen-recep-tayyip-erdogan.html>.

<sup>5</sup> <http://www.reuters.com/article/us-turkey-security-rights-merkel-idUSKBN1A31W9>.

## 2 Findings

### 2.1 EQ1: Relevance

*To what extent has EU support to social protection responded to clear overall strategic objectives on social protection and to specific needs of partner countries, including problems of poverty, vulnerability and social exclusion?*

#### *Summary answer*

EU Support has been targeted towards the most vulnerable and socially excluded. In designing assistance, the focus has been on programmes that will address the disabled, children in poverty, and those suffering from mental illness. There has been capacity building for social protection institutions, including crucially the MoFSP and the social security institute itself, the SGK. These have improved the ability of such institutions to implement GoT strategic objectives.

#### **2.1.1 JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.**

While there is no single comprehensive SP strategic paper, the EU support to the sector is aligned with the 9<sup>th</sup> Development Plan (2007-13), which identifies major uncovered and underserved groups. The priorities and measures set out in HRD OP reflect the key problems and challenges identified in the 9<sup>th</sup> national DP and the joint strategy papers, namely the Joint Inclusion Memorandum (JIM) and the Joint Assessment Paper (JAP). The Social Policy and Employment chapter (Chapter 19) is not yet opened; consequently, the social protection sector is not among the negotiated priorities. However, the EU allocated provided assistance in areas such as improving employability (including the youth and women), strengthening health care system and combating social exclusion. The level of policy dialogue between the EU and Turkish authorities has been high. EU projects were designed with the participation of central and local authorities, as well as with NGOs. The HRD OP reflected the coordination of the EU Coordination Department of the MoLSS as well as extensive consultations with the social partners, civil society, and universities.

A top priority that has emerged in EU-Turkey relations in recent years is related to the refugee crisis. The EU Support to Syrian refugees from Turkey represents an important contribution to the provision of basic social protection services related to migration and security issues. The EC and the EU Member States have established the Refugee Facility for Turkey, a EUR 3 billion fund which will support humanitarian aid and development projects for refugees residing in Turkey in 2016 and 2017. DG NEAR and ECHO have worked closely together to ensure that existing Turkish social protection programmes, in particular the EU-supported Conditional Cash Transfer programme, have been used as a platform for a new programme for refugees, the Emergency Social Safety Net (ESSN) Programme, paid through a cash card.

#### **2.1.2 JC 12 Needs and target groups clearly identified in the design of EU support.**

The MIPD and HRD OP are based on a rigorous analysis of the economic and social situation in Turkey (based on detailed information on demographic, macroeconomic and social issues). The analysis identifies the main populations groups exposed to vulnerability and poverty, which serves for defining the priorities of HRD OP in the corresponding priority axis (social inclusion).

## 2.2 EQ2: Basic social protection

*To what extent has EU support to social protection helped to improve access to adequate social services and basic income for all, and in particular for those in need of protection?*

### *Summary answer*

EU support has been used to improve services to the vulnerable disabled, to provide CCT to needy families while encouraging children (particularly girls) to stay in school, and to expand registration for social security (i.e., encourage formal as opposed to informal employment, including a small but innovative programme targeting new mothers). EU assistance with CCT was leveraged through ECHO's programme for refugees to provide the structure for a cash transfer paid to refugees through a money card process similar to that of CCT. While the EU did not support health sector reform per se, it financed a broadly praised project to promote community care for de-institutionalized disabled persons. Informality, while it has been reduced, remains high, particularly for women, and is encouraged to some extent by the high social charges required by formal labour contracts.

### **2.2.1 JC 21 Social protection coverage and uptake extended / broadened with EU support.**

Turkey has a fairly well-developed Bismarkian social insurance system as well as a functioning social assistance regime. Apart from capacity building, EU assistance did not strengthen the social security system per se. However, it contributed significantly to innovative programmes to improve social assistance services and outreach to vulnerable groups, e.g. the disabled and women with children. The main issue with social protection coverage is the high degree of informality, now some 33% as opposed to 50% in 2000. This represents real progress, but there is no evidence that EU support contributed to the change. There is also a structural problem: one of the main causes of informality is that social charges in Turkey are high, opening the door for employer evasion and employer-employee collusion. The EU supported a SGK project to promote registered employment in Turkey. Increasing registration of formal employment would increase the number of covered individuals and strengthen the system overall.

### **2.2.2 JC 22 Universal access to adequate health services put in place / strengthened with EU support.**

Turkey has made enormous progress in reducing mortality and morbidity typical of poor countries (e.g. maternal and child mortality). It is increasingly assuming the health profile of a developed country, meaning that new areas of concern are chronic disease, non-communicable disease, etc. While all persons with formal employment have health coverage in the public system, private health care fees are rising, with serious impact on persons lacking a health card. The view of WHO is that Turkey is effectively dealing with the health care access needs of the mainstream populations, but that there are significant challenges for those with lifelong special needs, e.g. the disabled and those suffering from mental disease. In addition, targeted rapid HIV testing is required.

### **2.2.3 JC 23 Access to basic income security strengthened with EU support.**

Turkey has a complex but reasonably effective system of non-contributory pensions and social assistance. Social pensions are well established and were not supported by the EU. The EU made a significant contribution to the extension of social assistance through its support of an innovative conditional cash transfer programmes which has been extended to cover Syrian refugees both in and outside camps. There is no evidence that the EU supported in-kind transfer programmes.

### 2.2.4 JC 24 Gender inequalities in social protection coverage reduced with EU support.

While the level of gender analysis of social protection issues has been high, EU support on SP did not focus programming on gender inequalities specifically. However, attention was paid to gender at all relevant programming levels. There are several cash transfer programmes for mothers and children in place in Turkey. When establishing the CCT programme, gender was addressed: a higher level of support is given for attendance in school by girls. A Ministry of Sport project to promote social inclusion of youth through sport achieved full gender parity among young participants. The social security institute SGK implemented, with EU support, a small but innovative programmes to encourage mothers' formal employment through subsidies to home based child-care services.

The elderly receive non-means tested old-age social insurance pension benefits and, if poor or uncovered by social insurance, social assistance benefits in form of means-tested cash transfers. Social assistance coverage of the elderly is disaggregated by gender. The total number of beneficiaries decreased from 867,000 persons in 2008 to 606,000 in 2015. The same declining trend is observed in the share of women receiving social assistance non-means-tested benefits: from 64.1% in 2008, to 55.9% in 2015. At the same time, the number of beneficiaries of social insurance pensions increased more rapidly, from 6 to 7.93 million between 2008 and 2015. However, this increase is almost exclusively for men; the share of women benefiting from social insurance pensions remained practically constant: 19.3% in 2008 and 20.9% in 2015; the result of low female formal labour force participation.

## 2.3 EQ3: European approaches and policy dialogues

*To what extent has EU cooperation with partner countries and participation in policy dialogues in the social protection field promoted European and international principles and values in that area?*

### *Summary answer*

EU participation in the Employment and Social Reform Programme Dialogue since 2013 has promoted European and international principles and values, as has cooperation and dialogue with all of the other international agencies (UNICEF, ILO, WHO). However, policy dialogue in the SP area is hampered by the fact that Chapter 19 of the accession negotiations on employment and social policy has not yet been opened. The most recent EU Progress Report on Chapter 19 notes that Turkey remains far removed from European standards in the area of labour law and that there is still significant need for further progress on social inclusion and discrimination.

### 2.3.1 JC 31 EU support to social protection coordinated with MSs

The first draft of MIPD 2011-2013 was discussed with the Embassies of MSs in Ankara, IFIs, as well as with bilateral and multilateral organisations. However, there is no evidence of joint programming. The major joint effort underway is support for refugees through the EU Trust Fund for Syrian Refugees, with significant MS contributions and ancillary initiatives.

### 2.3.2 JC 32 EU actively participates and promotes European and international principles and values in national and regional policy dialogues on social protection

At regional level, the ASISP (Analytical Support on Socio-economic Impact of Social Protection reforms) is a programme that involved all European countries, including Turkey, aimed at harmonising the SP systems (pensions, health care and long-term care). Through the accession process, the EU promotes the social protection *acquis* in Chapter 19 (not yet open). Annual Progress Reports track Turkish progress towards conformity with European standards

in the area. As of 2016, areas calling for further progress include labour law (covering freedom of association and collective bargaining), anti-discrimination, and gender equality. EU capacity building at the social security institute (SGK) included provision of expertise and study tours. In the health area, the EU provided support for de-institutionalization and community small group home care, an approach clearly reflective of European principles.

### **2.3.3 JC 33 EU effectively participates in global policy dialogues on social protection**

*JC not covered by the analysis at case study level*

## **2.4 EQ4: Social partners and civil society**

*To what extent has EU support contributed to successfully involving the social partners and civil society, including the private sector and local authorities, in policy development in the social protection field?*

### *Summary answer*

Civil society organizations are present as participants and implementers in a number of the programmes, for example the youth and sports programme was done through such organizations. Civil society was consulted about the efforts to provide community based mental health services. With EU encouragement, civil society is closely involved in all policy discussions regarding SP. So, too are the social partners (trade unions and employers organisations). However, social dialogue has largely been held to be weak in Turkey and has weakened further with repressive measures taken after the July 2016 coup attempt.

### **2.4.1 JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection.**

There is no evidence of increased involvement of social partners (trade unions and employers' organisations) in spite of some small EU actions aimed at strengthening this. In its 2016 Progress Report on Chapter 19, the EU noted that trade unionism is weak in Turkey, in part because of legislation that fails to come up to European standards. The political crackdown in the wake of the July 2016 coup attempt has worsened the situation. The social partners are involved in policy discussions relevant to social protection; for example, they are represented on the board of the social security institute SGK. However, they do not play a strong role, in part due to the prevalence of informality. The same can be said for civil society organisations. While civil society has been appropriately involved in EU-supported actions in areas such as social inclusion of disabled persons and community mental health care, it does not have a particularly strong voice in Turkish social protection policy as a whole. In addition, the suppression of civil society through the 2016-2017 purges will have an effect on its capacity..

### **2.4.2 JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms.**

Throughout its involvement in Turkey, the EU has made an effort to encourage the involvement of civil society and the social partners in social security policy making. There has also been outreach to local authorities. Specific examples of CSO-LA involvement in projects can be found in EU actions promoting social inclusion of disabled persons (NGOs and rehabilitation centres designed programmes and delivered activities), community mental health care (civil society helped to set up "Hope Homes" for de-institutionalised patients), and the CCT programme, where local community workers of the SYDVs regularly visit households to check

on eligibility criteria. It must be noted that civil society has been weakened by the 2016-2017 purges and that the SYDVs are parastatal.

### **2.4.3 JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU.**

Both over the evaluation period strictly speaking (2007-13) and in subsequent years, the EU has supported the involvement of social partners and civil society partners in policy dialogue related to SP. In the case of the social partners, despite some efforts to strengthen, e.g. trade unions, social dialogue remains weak, in part because Turkish labour law remains quite some distance from the acquis.. Mostly for that reason, Chapter 19 of the accession negotiations on employment and social policy remains closed, cutting off a major opportunity for high-level policy dialogue. The EU has also engaged in efforts to strengthen civil society, although examples specific to social protection have not been found. In a number of EU-supported SP actions studies, CSOs and LAs played an important role. Civil society is involved in SP policy dialogue with government, although the strength of its voice can be debated.

## **2.5 EQ5: Social protection systems**

*To what extent has EU support contributed to sustainable improvements in social protection systems?*

### *Summary answer*

EU support has contributed to sustainability largely through capacity building, at the Ministry of Family and Social Policy, the national social security institute (SGK), and the Ministry of Labour and Social Security. Some individual actions, such as Support to People with Disabilities (a community care initiative) appear sustainable, although this particular initiative is undergoing a gap due to delays in approving a follow-on project. While some improvements in fiscal sustainability have been noted over the last ten years, independent assessments of the actuarial health of the Turkish social insurance pension system continue to be pessimistic due to three related factors: high (although declining) degree of informality, early retirement, and low female labour force participation. Government's strategy, which has been directly supported by the EU, is to increase registered employment, i.e. reduce informality. A problem here is that the high contribution rates necessary to support the pension system are themselves an important cause of informality. Unemployment coverage remains low (those who cannot find a formal sector job simply move into informality) and the EU has not addressed this aspect of social insurance. While data are in disagreement, the view of WHO is that there has been great progress in health care finance and that health care coverage is essentially universal in Turkey. This was not an area in which the EU was active.

### **2.5.1 JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially.**

Every project analysed contained a substantial capacity building component, usually implemented via a combination of training and study tours. Among these, three major social protection capacity building projects have been identified – Strengthening Institutional Capacity of Centre for Labour and Social Security (ÇASGEM; there were two phases of this project) and Capacity Building of Social Security Institutions. EU support strengthened the institutional capacity of ÇASGEM by addressing the shortcomings as they were identified by an internal audit of the Ministry of Labour and Social Security. Taken together, the projects have achieved two results. First, ÇASGEM now has capacity to function as a social security research institution, which it lacked before. Second, on the basis of analysis carried out in the project, ÇASGEM underwent a significant reorganisation and restructuring to achieve sustainability. The project “Capacity Building of Social Security Institutions,” implemented shortly after various

institutions had been combined in SGK, contributed to organisational reform, raised capacity in policy formulation in line with European standards, and trained staff in project preparation and management. The Ministry of Family and Social Policy also benefited from capacity building, partially in the area of better monitoring child protection. All of these projects contributed to modernization.

### **2.5.2 JC 52 Nationally defined social protection floors promoted.**

While the EU cooperates with the ILO at country and regional levels in various fields, there is no evidence that the Social Protection Floor approach is actively promoted. The ILO's main concern is unregistered employment ("informality"), a significant share of it comprised of women, and particularly women in domestic employment. Through the EU-financed KITAP project, ILO worked with SGK to promote registered employment, in particular drafting policy papers on domestic employment.

### **2.5.3 JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered.**

There is no shortage of economic and actuarial analyses of the Turkish social protection system, including its redistributive and anti-poverty impacts. Turkey has achieved a reduction in poverty overall in recent years. Despite reform efforts, which have resulted in some improvements in actuarial indicators, the social insurance pension system remains unsustainable in the long run and fails in its mission to prevent old-age poverty. While the EU has worked with the ILO and the social security institute to reduce the rate of informality as a means of shoring up pension system finances, the OECD has pointed out that the pension system itself is a factor promoting informality through high contribution rates. Nonetheless, there have been important reductions in informality – from an estimated half of the workforce in 2000 to one-third today.

### **2.5.4 JC 54 Government social protection programmes consolidated and rationalized where necessary.**

Social security institutions in Turkey have been institutionally strengthened by EU support but there is no evidence of consolidation and rationalization of schemes since 2006 – something that is acknowledged by experts to be necessary given the multiplicity of categorical benefits available. An exception is in public health where, with the unification of all public health insurance schemes under a compulsory universal health insurance scheme and the equalisation of benefit packages for all publicly insured, occupational status-based inequalities in access to health care services have been abolished. Social protection experts have also complained of SP policy fragmentation, with too many strategic plans and action plans, some of the latter outdated.

## **2.6 EQ6: Social exclusion**

*To what extent has EU support to social protection contributed to reducing social exclusion and, finally, poverty?*

### *Summary answer*

According to the most recent EU Progress Report, social exclusion remains a significant challenge in Turkey for several categories of people: Roma, the disabled (physically and mentally), the poor, migrant workers (especially if undocumented), youth, and the poor population of the South East. EU support has contributed to reducing the social exclusion of all of these groups. EU support through the CCT programme has been particularly effective at reducing poverty in children and in encouraging parents to

keep them in school, so as to break the poverty cycle. The EU has actively supported the refugee population, notably through ECHO actions financed by IPA II, the EU Trust Fund for Syrian Refugees, and IcSP. ECHO work has been leveraged by using the systems of the EU-supported CCT system to implement ESSN, a new programme for refugees, 90% of whom live outside camps.

### **2.6.1 JC 61 Social protection as a human right promoted at all levels**

The rights-based approach is not explicitly identified in the MIPD 2011-13 or in the IPA II Strategy Document 2014-20. However, both make clear that social protection is to be strengthened on a non-discriminatory basis paying particular attention to the needs of disadvantaged, marginalised, and vulnerable groups.

### **2.6.2 JC 62 EU support addresses concerns about excluded populations.**

The EU has systematically identified gender equality as an issue requiring attention in Turkey, based on education statistics showing a clear female disadvantage, low female labour force participation rates, and persistently high rates of gender-based violence. The need to educate girls on a parity with boys is recognized by all social service agencies and the CCT programme is designed to give stronger support to the educational attendance of girls.

The EU has equally systematically highlighted inequalities having to do with the disabled, the Roma population, ethnic minorities, etc. It has done so through its analyses as well as by promoting input from NGOs advocating for excluded groups. Projects have, e.g., used sports as a means of reaching out to excluded youth with disabilities and introduced an innovative community-based care system for those suffering from disabilities. No projects specifically directed to the Roma population were identified. Instead of a focus on ethnicity, the programs are designed to address poverty, which, in some regions, corresponds with ethnicity.

### **2.6.3 JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage).**

Total spending on social protection has increased in recent years and the World Bank ASPIRE index of the adequacy of social protection benefits increased significantly between 2007 and 2012. The unemployment benefit is essentially unchanged since 2004 and coverage is low. The non-contributory pension is only 7.3% of the average wage.

## **2.7 EQ7: Modalities**

*To what extent has the approach (financing instruments, modalities and channels) employed by the EU been appropriate and efficient for strengthening social protection in partner countries?*

### *Summary answer*

Under IPA, Turkey has benefited from sector budget support and projects. Support for social protection has largely taken the form of projects. Two approaches have been used: contracting through partners in Turkey, and extensive capacity building. The latter has been implemented largely through training although there have been some supply contracts for equipment and the like. Turkey's needs in social protection are not so much for European finance as for European expertise. While some dissatisfaction has been expressed regarding the speed with which TA was contracted, satisfaction with TA once delivered was high.

### **2.7.1 JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context.**

A number of modalities were used, including sector budget support, direct grants, and to some extent, thematic programmes such as EIDHR. As evidenced by IPA strategic documents, these were carefully tailored to Ministry capacity and policy goals. The IPA Civil Society Facility has

been used to strengthen the voice of civil society, particularly in the area of gender equality. There is no evidence of strong use of Twinning (apart from gender) equality, TAIEX, and special-focus programmes SOCIEUX and PROGRESS in the area of social protection and inclusion narrowly defined. By contrast, ECHO implemented refugee actions financed by IPA-II, IcSP, and the EU Regional Trust Fund for Syrian Refugees. The platform developed for the conditional cash transfer programme implemented by the Ministry of Family and Social Policy was also used for the new refugee programme ESSN, creating some complementarity. The overwhelmingly largest implementing channel was the Government of Turkey. There was a strong degree of project ownership by the government of Turkey and various non-state actors.

### **2.7.2 JC 72 EU financed interventions in the social protection field are mutually reinforcing.**

Instruments such as SOCIEUX and PROGRESS were not used in the social protection field in Turkey. Government representatives met expressed satisfaction with the quality of TA supplied, and particularly the level of expertise, but the contracting process was reported be bureaucratic and slow. The best example of mutual reinforcement found was between the MoFSP's CCT programme and ECHO's use of this platform for refugee actions funded (mostly) under the EU Trust Fund for Syrian Refugees.

### **2.7.3 JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored.**

In spite of some minor delays in implementing project activities, results have been achieved successfully and in time. TA was found to be of high quality, but the contracting procedure was felt to be slow and overly bureaucratic. However, responsibility is shared with the very bureaucratic aid management unit at the Ministry of Labour and Social Security. For unknown reasons, the second phase of the successful community mental health care programme implemented by the Ministry of Family and Social Policy and Ministry of Health has been delayed, leading to a gap of some two years and raising the risk that progress made will be dissipated. The main income support programme in the country, operated by MoFSP, is effectively monitored and adjusted on an ongoing basis; however, monitoring indicators are administrative rather than results-oriented.

## **2.8 EQ8: Coherence, added value**

*To what extent has EU support to social protection been coherent with other EU sector policies and to what extent has it added value to the EU Member States' and other donors' interventions?*

### *Summary answer*

EU support to social protection in Turkey has been coherent with EU policies to protect the vulnerable and promote social inclusion. EU support to Turkey in CCT has in particular added value to the ECHO programme, which was able to leverage the CCT system in providing support to refugees through the ESSN. Other MSs and donor organisations were not greatly involved in SP in Turkey, but through its Trust Fund for Syrian Refugees, the EU has been able to mobilise and organise MS support. Exploiting synergies between EU support for SP and refugee policy has been a major source of policy coherence. While Chapter 19 has not been opened, EU support has through policy dialogue addressed major concerns of that Chapter, namely social exclusion, gender discrimination, and the weakness of social dialogue. European value added has not resided so much in the volume of financial support to SP offered, but in European approaches and expertise provided.

### **2.8.1 JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs.**

There are no specific donor coordination mechanisms in the social protection sector. Coordination takes place within the component Employment, Education, HRD and Social Policies of MIPD. The leading role belongs to Ministry of Labour and Social Security in this respect, through the EU Coordination Department.

The coordination between EU and Turkish authorities in the implementation of HRD OP takes place through the Strategic Coherence Framework (SCF).

The project “Strengthening Institutional Capacity of Centre for Labour and Social Security Training and Research” was implemented in cooperation with a number of programmes funded by EU. At the same time, donors created synergies with the project, as they deal with important aspects of social dialogue, labour trainings and involve the same/similar partners. The most important of such related programmes are: Strengthening the Social Dialogue for Innovation and Change; Occupational Health and Safety; Technical Assistance for Implementation of Human Resources Development Operational Programme; Technical Assistance for Promoting Women’s Employment in Turkey; Technical Assistance for Capacity Building of Social Security Institution; Improvement of Occupational Health and Safety Conditions at Workplaces in Turkey.

The first draft of MIPD 2011-2013 was discussed with Turkish authorities and beneficiaries, as well as with the Embassies of Member States in Ankara, IFIs, bilateral and international organisations and civil society organisations. Field interviews confirm that these consultations led to substantial discussions and increased ownership.

### **2.8.2 JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment).**

EU support to SP was highly coherent with its policies in the areas of gender and social inclusion. It was generally consistent with accession negotiations but Chapter 19 dealing with SPs not yet open. The strongest example of coherence was ensuring that CTP social assistance was made available to Syrian refugees both inside and outside camps.

### 3 Key overall findings

Turkey is a middle income country that has inherited a Bismarckian social protection system that fails in key poverty reduction goals and that, based on actuarial projections, it can no longer afford. In this, it shares the characteristics of some European MSs. In the **absence of a coherent overall SP strategy** on the part of GoT, the EU has effectively supported some key GoT goals that are consistent with EU values and priorities.

Generally, it has built capacity at the social security institution as well as at key ministries relevant to SP. It has supported impressive **programmes to fight poverty and exclusion** – e.g., conditional cash transfers designed, in particular, to keep children (and especially girl children) in school and programmes to promote social inclusion and community care of the disabled and mentally ill. In all of its efforts, the EU has sought to **encourage the involvement of civil society and the social partners** (labour unions and employers' organisations) as well as civil society.

Social **dialogue** is weak, and has weakened further in the wake of the July 2016 coup attempt. The key Chapter relevant to social protection, Chapter 19, has yet to be opened and the most recent progress report finds Turkey to be a significant distance from meeting European standards in labour law, a legislative area closely related to SP.

## 4 Annexes

### 4.1 Evaluation Matrix: Indicator level information

#### 4.1.1 EQ1

#	Indicators	Evidence
<b>JC 11 Objectives pursued are consistent with the EU strategic framework for social protection and partner countries' national policy frameworks.</b>		
I-111	Objectives of EU support respond to clear overall strategic orientations on social protection	<i>See the analysis carried out at the global level in the main report of the evaluation</i>
I-112	Objectives of EU support aligned to national SP policy framework	<p>There was no comprehensive strategic document on social protection in Turkey over the evaluation period strictly considered; as a result, the EU support in social protection was mainly based on the country's 9th Development Plan (DP) 2007–2013. The DP identified five objectives; two of them are related to social protection aspects: Increasing Employment and Strengthening Human Development and Social Solidarity.</p> <p>The European Union Coordination Department of Ministry of Labour and Social Security, as Operating Structure for Human Resources Development Operational Programme, took the decision to perform an independent external ex-ante evaluation. Preliminary recommendations confirmed that, regarding national policies and strategies, the programme builds on the previous one and is designed within the wide set of national strategic documents to whose objectives it will contribute.</p> <p><i>Source: EC: Implementing Decision for adopting a multi-annual Action Programme for Turkey on Employment, Education and Social policies. December 2014.</i></p> <p>The field mission revealed that there is still no overall SP policy framework; however, there is ongoing work on an overall EU-GoT Employment and Social Reform Programme, which has been a draft document since 2013. All EU support reviewed during the field mission was consistent with national priorities and objectives, and the priority- and objective setting process of GoT was assessed to be strong. The main interlocutor for the ESRP is the MoLSS, along with MoFSP, MoH, and MoPE. Inter-ministerial dialogue and coordination is ongoing, with a coordinating role vis-a-vis Europe undertaken by the Ministry for European Affairs.</p> <p><i>Source: Field mission interviews</i></p>
I-113	Design of EU support based on participatory approaches involving partner key national institutions (MoF, Central Banks), social partners and civil society	<p>All MIPDs (2007-2008, 2009-2010, 2011-2013) reflected consultations with Turkish authorities. In the case of the 2011-13 MIPD, the National IPA Coordinator at the Secretariat General for European Union affairs (EUSG) established a number of working groups inviting key public bodies and beneficiaries to define priorities for assistance. The outcome was a preliminary mapping of relevant national sector strategies already in place and under preparation together with indicative priorities for the different sectors identified. The outcome of these consultations revealed broad support for the priorities and sectors selected and led to revisions of the draft document.</p> <p><i>Source: MIPDs Turkey.</i></p> <p>The HRD OP takes into account several strategic documents such as the Joint Inclusion Memorandum (JIM), the Joint Assessment Paper (JAP), and the Life Long Learning (LLL) Strategy. All these documents have been prepared in consultation with relevant public institutions, non-governmental organisations, social partners, and universities. These consultations took place between 2004 and 2006 and their result has already had an impact on the content of the HRD OP.</p> <p>Drafting of the Joint Inclusion Memorandum was a joint exercise between the EU Commission and Turkey and the task has been carried out under the coordination of EU Coordination Department of MLSS.</p> <p><i>Source: MoLSS 2007 Human Resources Development Operational Programme</i></p>

#	Indicators	Evidence
		<p>(HRD OP).</p> <p>In the social protection area, Turkish authorities and social partners are engaged in setting the main priorities that are subject to EU assistance. The elaboration of JIM was carried out in cooperation with all relevant public institutions, social partners, universities and NGOs. In this scope, five dissemination seminars and several meetings where representatives of the relevant institutions and the EU Commission officials met have been organized in addition to the numerous thematic meetings both at political and technical levels on Turkish side.</p> <p>Source: HRD OP.</p> <p>In the case of several post-2013 EU-financed actions – e.g., the MoFSP-MoH “Promoting Services for People with Disabilities” project – it was clear that there was extensive NGO involvement in project design. Regarding the social partners, discussions, including with the ILO, suggested that tripartite social dialogue is ongoing but not particularly strong. See JCs 41-43 for further discussion.</p> <p>Source: Field mission interviews</p>
I-114	EU support to SP addresses emerging EU policy concerns such as migration, refugees, and security	<p>Concrete strategies and/or action plans exist in Turkey in the field of migration, security and refugees: the Implementation of Turkey’s Integrated Border Management Strategy, the Strategy on Asylum and the Strategy on Migration and Fight against organised crime. Specific emphasis and a considerable share of financial assistance is available for this sector to support the implementation of the Readmission Agreement between Turkey and the EU, as well as to foster the achievement of the sector objectives on integrated border management, to enhance the capacity to prevent illegal migration and to improve the quality of the asylum system in Turkey.</p> <p>Source: MIPD 2011 – 2013</p> <p>Since the outbreak of the war in Syria, the EC has allocated more than €350 million to projects in Lebanon, Jordan, Turkey, Iraq and Syria addressing the educational needs of children affected by the crisis.</p> <p>Source: <a href="https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-migration/background-information/docs/eu_support_to_lebanon_and_jordan_since_the_onset_of_syria_crisis_en.pdf">https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-migration/background-information/docs/eu_support_to_lebanon_and_jordan_since_the_onset_of_syria_crisis_en.pdf</a></p> <p>The Commission supports refugees in Turkey who have fled violence in Syria and Iraq, with particular emphasis on vulnerable people living outside of camps. Since the beginning of the Syria crisis in 2011, the Commission has provided a total assistance of €455 million in Turkey, including humanitarian aid and longer-term assistance.</p> <p>Source: <a href="http://ec.europa.eu/echo/refugee-crisis_en">http://ec.europa.eu/echo/refugee-crisis_en</a></p> <p>No evidence was found on alignment with security concerns, however, the EU has been extremely active and effective in addressing refugee needs. The conditional cash transfer (CCT) programme supported by the EU to promote elementary and high school enrolment in Turkey, while addressing the needs of poor families through conditional cash transfers, has been effectively leveraged, in close collaboration with ECHO, to assist refugees through the ESSN programme. It is an excellent example of “proper resilience thinking” – the expansion of a development program to address the humanitarian need. ECHO’s implementing partners are the WFP and the Red Crescent. Of a population of 3 million, an estimated 600,000 refugees have received support since November using a bank card based approach (KIZILAYKART).</p> <p>Source: Field mission interviews</p>
<b>JC 12 Needs and target groups clearly identified in the design of EU support</b>		
I-121	EU-supported interventions based on sound analyses of opportunities (including fiscal space), and problems and barriers (including	<p>Employment is the main determinant for accessing the social protection system, and the MIPD 2011 –2013 pays particular attention to labour market challenges: high unemployment (especially among young persons in urban regions), low labour force participation of women (below 30%), incompatibility between the skills provided by the education system and those required in the labour market, and gender gaps in education that limit girls’ opportunities.</p> <p>The HRD OP includes a socio-economic and SWOT analysis of the concerned sectors: Labour Market and Employment; Education and Vocational Training;</p>

#	Indicators	Evidence
	in terms of institutional environment) to achieving universal access to social protection	<p>Combating Poverty and Social Exclusion.</p> <p>Institutional capacity building represents one of the priorities of EU assistance to Turkey. The MIPD 2011 – 2013 plans a total of EUR 700.85 million for Transition Assistance and Institution Building (228.62 in 2011, 233.90 in 2012, and 238.33 in 2013). Within the Social Development component of the programme, the first objective of EU assistance is to bring Turkey closer to the EU policies and parameters of the Europe 2020 strategy, both in terms of strengthening employment and human resources development as well as building institutional and administrative capacity</p> <p>Source: MIPD 2011 – 2013.</p> <p>One horizontal priority of the HRD OP is the sustainability of operations through improving governance at institutional, financial and political levels. Institutional aspects considered in the OP refer to promoting a programme or project find ways to incorporate its results into their every-day work and culture. This implies Continuity of staff; Transfer of lessons; Internal information and promotion activities.</p> <p>Source: HRD OP.</p> <p>In the social protection sector, the first objective is effective implementation of the European Social Fund (ESF) and bringing Turkey closer to the EU policies and parameters of the Europe 2020 strategy, both in terms of strengthening employment and human resources development as well as building institutional and administrative capacity.</p> <p>Source: MIDP 2011 – 2013.</p> <p>Based on the field mission projects examined, project design is essentially a national function and appropriate national (and international, when indicated) expertise was applied. When queried about “How did this idea come about?” the typical answer was that a Ministry study had been commissioned involving staff, academics, etc. The CCT top-up was based on an impact analysis carried out in 2012 by the MoFSP with EU support; a thorough needs analysis was carried out by the MoNE when formulating the project combatting school violence, etc.</p> <p>Source: <i>Field mission interviews</i></p> <p>A number of fiscal space issues emerged during field interviews. The most significant is the persistent deficit in the social security system, largely ascribed to informality, under-registration, and early retirement, which are the key policy concerns of social security analysts and policymakers. The EU supported a project to enhance registration, and registration has increased; the informal sector has decreased from 50% of the workforce in 2000 to 33% of the workforce at present. A pilot project to encourage mothers to remain in the workforce through support for home-based child care is underway in five cities, but this is far too small to have an impact, nor was it meant to. With its emphasis on excluded and vulnerable populations, the EU has not addressed core social insurance issues that are most closely related to fiscal space. On the other hand, the EU support has been significant for social protection.</p> <p>Source: <i>Field mission interviews</i></p>
I-122	EU-supported interventions based on correctly identified uncovered and underserved groups	<p>There is no single comprehensive social protection strategic document covering the period in Turkey; rather there is the 9th Development Plan (DP) 2007-2013, to which the EU MIPDs align.</p> <p>According to national sources, the target groups of social assistance recipients are disadvantaged people: women, children, youth, and people with disabilities.</p> <p>Source: <i>Field mission interviews</i></p> <p>The HRD OP lists six categories as disadvantaged groups: People with Disabilities; Convicts and Ex-Prisoners; Internally Displaced Persons; Roma Citizens; Parents of working children and the children in need of special protection; Poor Persons Living in Gecekondu Areas.</p> <p>Source: <i>HRD OP</i>.</p> <p>While the ES component of the social security system includes a small means-tested non-contributory pension for those aged 65+ with no other resources, no evidence that the EU has specifically targeted this programme for support could be found at this stage.</p>

#	Indicators	Evidence
		<p><i>Source: Field mission interviews</i></p> <p>Field mission interviews indicate that underserved and groups are appropriately identified and targeted by all interventions. Current social policy (e.g., eligibility for programmes) is guided by the Integrated Social Assistance Database developed with WB support several years ago relying on data from multiple institutions. This can, for example, guide the CCT programme by identifying women with low income whose children are in school as required. Another example of targeting underserved groups is that the youth sports programme was targeted at vulnerable youth in low income areas.</p> <p><i>Source: Field mission interviews</i></p>
I-123	EU-supported interventions utilise census, economic and social data	<p>The HRD OP includes a detailed analysis of the situation in the country and provides extensive statistical data (demography, macroeconomic, and social indicators). As the statistical information provided by the HDR OP is for 2004, the EC Implementing Decision updates the main socio-economic indicators through an analysis of the main evolutions in Turkey.</p> <p><i>Source: EC: Commission Implementing Decision for adopting a multi-annual Action Programme for Turkey on Employment, Education and Social policies. December 2014.</i></p> <p>While the absence of a recent census is a constraint, the integrated database just described appears to offer a reasonably effective tool for guiding EU-supported interventions and poverty relief. Furthermore, the Central Registration Administration System (Merkezi Nüfus İdaresi Sistemi, abbreviated as MERNİS) is also being adapted to extend to the refugees.</p> <p><i>Source: Field mission interviews</i></p>
I-124	Data gaps identified and adequately mitigated in design of EU support	<p>Data on some indicators is missing and for others data are incomplete. Certain indicators are wrongly defined. Not all statistics are available on the NUTS 2 Regions.</p> <p><i>Source: Providing Technical Assistance for the First Interim Evaluation of Human Resources Development Operational Programme. Interim Evaluation Report, November 2011.</i></p> <p>See comment above.</p>
I-211	Trends in social insurance (old-age pension, disability, unemployment, etc.) coverage rates, e.g. Proportion of work force actively contributing to a pension scheme Proportion of unemployed receiving unemployment benefits Proportion of elderly receiving a pension, etc. (2010)	<p>In 2011, the proportion of workforce actively contributing to a pension scheme was 52.1% (58.4% for men, and 37.1% for women).</p> <p>The proportion of unemployed persons receiving unemployment benefits in the total pool of unemployed declined from 8.7% in 2004 to 6.5% in 2011:</p> <ul style="list-style-type: none"> <li>• 2004: 8.7,</li> <li>• 2005: 5.4,</li> <li>• 2007: 4.3,</li> <li>• 2008: 5.1,</li> <li>• 2009: 7.9,</li> <li>• 2010: 6.3,</li> <li>• 2011: 6.5.</li> </ul> <p>The proportion of elderly (Men: 60+; Women: 58+) receiving a pension represented, in 2010, 88%</p> <p><i>Source: ILO SP Report 2014.</i></p> <p>There is extensive statistical information on social protection in Turkey, provided by the Statistical Institute (<a href="http://www.turkstat.gov.tr/PreHaberBultenleri.do?id=18856">http://www.turkstat.gov.tr/PreHaberBultenleri.do?id=18856</a>). In 2014, the spending on social protection accounted for TL 249 billion (14.3% of GDP), which is by 13.1% higher than in 2013. Old age pensions represented 47% of total, while social exclusion 1.3%, family and children allocations 3.1%, and unemployment benefits 1.8% of total. Cash benefits represented 65.5% of total SP benefits, out of which 94.2% went to disability, old age and survivors' pensions. Means-tested benefits represented 9.7% of total; the largest share being allocated to disabled persons (34.1%), followed by family/children benefits (28.4%) and sickness/health care (21.2%).</p> <p>Based on field interviews, GoT's main concern with SP is the degree of informality</p>

#	Indicators	Evidence
		(about a third of the workforce. This is more thoroughly discussed below. <i>Source: Field mission interviews</i>

#### 4.1.2 EQ2

#	Indicators	Evidence
<b>JC 21 Social protection coverage and uptake extended / broadened with EU support</b>		
I-212	EU support for social protection recognizes special needs of the informal sector.	<p>The EU assistance takes into account the informal sector of the Turkish economy. According to the HDR OP, the undeclared work represents a major challenge for the country's labour market, as it accounts for nearly half of employment (as of 2000; informality is now estimated to be about one-third). Most of the informal employment is present in agriculture (90 %), where almost all of the unpaid family workers are not covered by the social security system. This is somehow common for the sector, as the social security legislation does not cover, or partly covers for some periods, the agricultural employees; they are outside the system: they do not contribute to and do not benefit from the system. In urban areas, the highest share on informality is in the group of daily wage earners, which is also one of the most disadvantaged categories of population, with a remarkably low level of social protection and practically no social security.</p> <p>The EU assessment of the Turkish system of social protection concludes that to be covered by the system, a person needs to have a job in the formal sector. Such a system excludes those without a connection to the formal labour market (seasonal or casual workers). Since approximately one out of four workers in Turkey are casual employees, the share of vulnerable groups with respect to social protection is quite large. One should raise concern with regard to the coverage percentage for the pension (90% officially) and the health care (86%) systems. Because of double counting, these figures are upwardly biased. Double counting seems to be occurring due to the following two reasons: (i) the a priori estimation of the dependency ratio might be a realistic one if only one individual (the husband or the wife) works, but unrealistic if both work; (ii) If one insured changes a system and fails to report this, he or she can be double counted.</p> <p>The high level of unregistered employment suggests that, on the one hand, there is a lack of implementation of mandatory insurance and that, on the other hand, there is a lack of incentives to join the system.</p> <p>The abundance of unpaid family workers (especially in agriculture) is still an important problem area. It is estimated that throughout the country the ratio of unpaid family workers to total employment is close to 30%. These people are not covered by any social security system. Attention should be paid to the fact that women account for more than 60% and men for about 10% of the working population who are unpaid.</p> <p>Field interviews with the SGK experts indicate that low registration is their key concern. This was reduced from 50 to 30 % of the workforce since 2000 but still represents a significant challenge. The ILO identifies unpaid family work, which is widespread, as a major concern. The vast majority of Turkish firms employ 1-9 persons, making social security evasion attractive (as do high contribution rates) and enforcement difficult. If social security laws were strictly enforced, mass number of small Turkish firms would simply be forced to close.</p> <p><i>Source: Field mission interviews</i></p>
I-213	EU support for social protection recognizes special needs of children.	<p>Projects 2 and 3 in the table above aim to provide supplementary education opportunities for youth and children with a view to increase social inclusion and cohesion, targeting three pilot provinces of South-Eastern Turkey: Diyarbakir, Sanliurfa and Batman.</p> <p>The project is fully in line with the priorities indicated in the policy documents such as EU Commission's Sport Policy, EU Youth Strategy as well as the MIPD. It is also relevant with the 9<sup>th</sup> Development Plan (2007-2013), which specifically state the objectives of strengthening human development and social solidarity as well as ensuring regional development in Turkey.</p>

#	Indicators	Evidence
		<p>Source: ROM Report, April 2015.</p> <p>A number of actions examined during the field mission targeted children. One has been described in detail, the CCT programme making payments to mothers whose children are enrolled in and attending school. With EU support, the MoYS implemented a programme to use sport as to reach young persons, many of them disabled and disadvantaged.</p>

Table 2 Number of pensioners by type of benefits (thousand)

	2008			2012			2015		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
<b>Disability</b>	<b>511</b>	<b>352</b>	<b>159</b>	<b>710</b>	<b>453</b>	<b>257</b>	<b>831</b>	<b>508</b>	<b>324</b>
Non-means tested	110	97	14	120	104	16	131	114	18
Means tested	401	256	145	590	349	241	700	394	306
<b>Old-age</b>	<b>6 853</b>	<b>5 145</b>	<b>1 707</b>	<b>7 944</b>	<b>5 979</b>	<b>1 965</b>	<b>8 534</b>	<b>6 536</b>	<b>1 998</b>
Non-means tested	5 985	4 834	1 151	7 137	5 702	1 434	7 928	6 268	1 659
Means tested	867	311	556	808	276	531	606	267	339
<b>Survivor</b>	<b>2 493</b>	<b>247</b>	<b>2 246</b>	<b>3 135</b>	<b>265</b>	<b>2 870</b>	<b>3 368</b>	<b>250</b>	<b>3 118</b>
Non-means tested	2 491	246	2 245	2 893	64	629	3 070	248	2 821
Means tested	2	1	1	242	1	240	298	1	297
<b>Total</b>	<b>10 041</b>	<b>5 753</b>	<b>4 288</b>	<b>12 047</b>	<b>6 706</b>	<b>5 341</b>	<b>13 012</b>	<b>7 302</b>	<b>5 710</b>

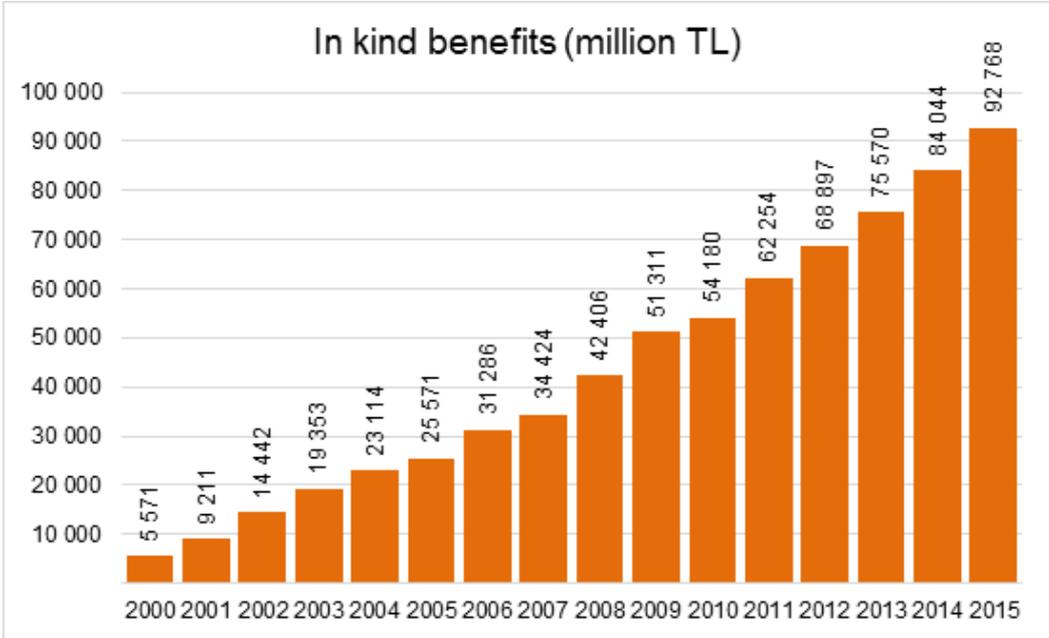
Source: <http://www.turkstat.gov.tr/PreTabloArama.do?metod=search>

In 2015, the total number of pension beneficiaries was 1.3 times higher than in 2008, with the highest increase recorded in case of disability (by 62.6%). The number of old-age pensioners increased by 24.5% (27% for men). Within the disability group, the means-tested benefits in total disability pensions passed from 78.4% in 2008 to 94.6% in 2014. The share of beneficiaries of non-means tested pensions in total number of recipients in the category declined slightly from 87.3% in 2008 to 83% in 2014.

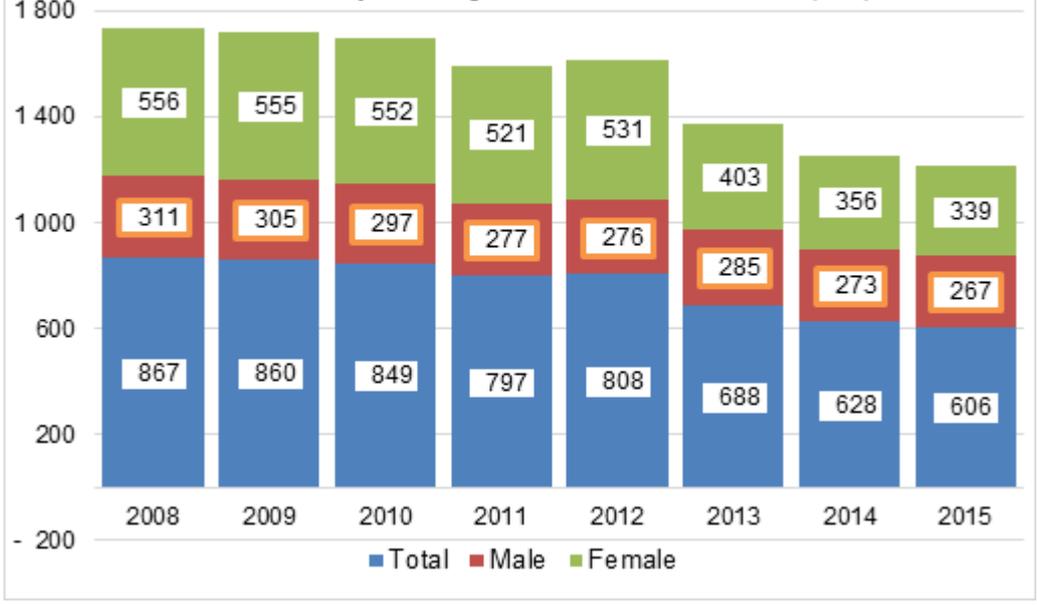
#	Indicators	Evidence
<b>JC 22 Universal access to adequate health services put in place / strengthened with EU support</b>		
I-221	Proportion of population with access to basic health services (e.g., living within 5 km of a health facility (e.g. <a href="http://www.who.int/healthinfo/indicators/2015/chi_2015_110_health_service_access.pdf?ua=1">http://www.who.int/healthinfo/indicators/2015/chi_2015_110_health_service_access.pdf?ua=1</a> ).	<p>With the adoption of Law 5510/2006 on universal health care, the coverage of population increased to more than 90%.</p> <p>Source: Utku Balaban: Social Inclusion Policies in Turkey. Ankara University, February 2014.</p> <p>Access to health care is limited for publicly funded patients accessing care in private hospitals. They must make significant out-of-pocket contributions to meet the costs not covered by public insurance. Hence, while in theory all Turkish people are able to visit a private hospital for a service covered in the health insurance benefit package, in practice, access to private hospitals and full exploitation of user choice is still the domain of those who can afford to pay significant out-of-pocket costs.</p> <p>Source: OECD: Reviews of Health Care Quality in Turkey. Raising standards. November 2014</p> <p><a href="http://www.oecd.org/els/health-systems/Review-of-Health-Care-Quality-Turkey_ExecutiveSummary.pdf">http://www.oecd.org/els/health-systems/Review-of-Health-Care-Quality-Turkey_ExecutiveSummary.pdf</a>.</p> <p>Poor persons have also limited access to appropriate care. The government introduced the green card system to provide equal access to health care; people who cannot afford to pay for medical services are granted green cards that allow them to benefit from free health care. However, the system has many problems and in reality the poor persons cannot access easily the health care services.</p> <p>Source: <a href="https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1781919/">https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1781919/</a>.</p> <p>Immigrants and IDPs have equally serious problems to access the Turkish health care system. Overall, 60.4% of them have difficulties in this respect (58% in urban areas and 68.7% in rural ones). The following main factors lead to difficulties in accessing health services (% of respondents):</p>

#	Indicators	Evidence
		<p>Financial Difficulties 48.6            No Health Insurance 45.2            Unable to Speak Turkish 27.4            No Facility Nearby 12.9            Discrimination 6.8</p> <p>Source: <i>Utku Balaban: Social Inclusion Policies in Turkey. Ankara University, February 2014.</i></p> <p>From the WHO perspective, based on field interviews, Turkey has largely succeeded in achieving universal health coverage for mainstream populations. Remaining problems include quality care, the significant number of persons not registered in the universal health insurance system (e.g., migrants), the rising cost of private care, etc. However, the key concern for coverage is persons with special lifelong needs, for example, the disabled and mentally ill. Another major concern is improving preventative care to address the growing number of non-communicable diseases linked to lifestyle (nutrition, smoking, exercise).</p>
I-222	Proportion of women receiving adequate ante-natal care. 2007-2013 (e.g., <a href="http://www.who.int/healthinfo/indicators/2015/chi_2015_76_antenatal_care.pdf?ua=1">http://www.who.int/healthinfo/indicators/2015/chi_2015_76_antenatal_care.pdf?ua=1</a> )	<p>Between 2007 and 2014, the Antenatal care coverage as the percentage of women receiving adequate ante-natal care represented 92% (at least one visit), respectively 74% (at least 4 visits).</p> <p>Source: WHO: <i>World Health Report 2015.</i> <a href="http://apps.who.int/iris/bitstream/10665/170250/1/9789240694439_eng.pdf?ua=1">http://apps.who.int/iris/bitstream/10665/170250/1/9789240694439_eng.pdf?ua=1</a>.</p>
I-223	Proportion of health costs paid out of pocket	<p>The share of out-of-pocket payments in total private expenditures on health declined from 74.6% in 2000 to 66.3% in 2012.</p> <p>Source: WHO: <i>World Health Report 2015.</i> <a href="http://apps.who.int/iris/bitstream/10665/170250/1/9789240694439_eng.pdf?ua=1">http://apps.who.int/iris/bitstream/10665/170250/1/9789240694439_eng.pdf?ua=1</a></p> <p>However, according to the World Bank figures, this proportion is slightly different and an increasing tendency of the indicator is actually observed over the period 2000 – 2014:</p> <ul style="list-style-type: none"> <li>• 2000: 67.68,</li> <li>• 2005: 70.78,</li> <li>• 2010: 76.25,</li> <li>• 2011: 75.49,</li> <li>• 2012: 76.28,</li> <li>• 2013: 77.94,</li> <li>• 2014: 78.71.</li> </ul> <p>Source: World Bank : <a href="http://data.worldbank.org/indicator/SH.XPD.OOPC.ZS?locations=TR">http://data.worldbank.org/indicator/SH.XPD.OOPC.ZS?locations=TR</a>.</p> <p>In recent year, there has been enormous progress in health care finance. Out-of-pocket payments now account for no more than 16% of the total due to the extension of universal health care.</p> <p>Source: WHO representative interview</p>
<b>JC 23 Access to basic income security strengthened with EU support</b>		
I-231	Programmes related to basic income security (e.g., conditional cash transfers, non-contributory social pension, social assistance) in place with EU support	<p>The 9<sup>th</sup> NDP sets among its priorities the “Strengthening of human capital and social solidarity” with the aim to improve the income distribution, social inclusion and fight against poverty.</p> <p>As part of the HRD OP, the Joint Inclusion Memorandum (JIM) is aimed at jointly identifying the principal challenges, as well as the actual, or envisaged political measures in Turkey, in line with the European objectives to eradicate social exclusion and poverty. JIM includes a wide range of issues like employment, income distribution and monetary poverty, education, housing, health, transport, social security, social services and social assistances. The priorities identified in the JIM constituted the basis for drafting the HRD OP in which an agreed position between Turkey and the Commission has been adapted.</p> <p>Source: HRD OP.</p>

#	Indicators	Evidence
		<p>The non-contributory system of social protection in Turkey is based on four pillars, each of them regulated by a specific law:</p> <ul style="list-style-type: none"> <li>• Old-age (social) pensions for destitute old persons (65+).</li> <li>• Social Assistance provided through the Social Solidarity Fund, a quasi-governmental agency acting as umbrella organization and financing entity for 931 district-level Social Solidary Foundations (SSF). The SSF are mostly involved in income generating micro-projects and local one-off social assistance.</li> <li>• Social assistance delivered through the General Directorate for Social Services and Child Protection, which operates under the umbrella of Ministry of Family and Social Policies and is responsible for carrying out coherent national Social Assistance activities.</li> <li>• Green Cards for the citizens who are incapable to pay for Health Care Services.</li> </ul> <p>Source: <a href="http://www.comcec.org/wp-content/uploads/2015/08/Turkey1.pdf">http://www.comcec.org/wp-content/uploads/2015/08/Turkey1.pdf</a>.</p> <p>In line with JIM agreed priorities, “Promoting of services for people with disabilities” project in the table above was implemented between 2010 and 2011. The project was highly relevant with respect to Social Security and Employment Chapter of the National Programme for Adoption of the Acquis (NPAA), under the task heading “Upgrading the Social Security System.”</p> <p>Source: ROM Project Report.</p> <p>The field mission interviews confirm that the EU did not support social pensions, which are run through the social security system. The EU supported basic income through CCTs administered by the MoFSP, a highly successful programme that has been leveraged to assist refugees, and did support capacity building at SGK overall.</p> <p>Source: Field mission interviews</p>
I-232	In-kind transfers (e.g., food and in-kind transfers for work) in place with EU support	<p>Social assistance is provided through cash and in kind benefits. In kind transfers take place in form of delivering coal, food, clothing, education materials, etc. For example, people in need are provided one meal every day by serving directly at home and monthly food assistance.</p> <p>Unfortunately, since people who have to benefit from social assistances provided by different institutions are not determined commonly on the basis of objective criteria at the national level; it is hard to evaluate the coverage and the effectiveness of these services.</p> <p>The General Directorate of Social Assistance and Solidarity is the main institution providing social assistances in cash and in kind to people in need. Local administrations, especially municipalities and NGOs also have facilities for poor people living in <i>gecekondu</i> areas to provide in kind benefits.</p> <p>Source: HRD OP.</p> <p>The amount of in-kind transfers has increased significantly; in 2005, they were 16.65 times superior to the value allocated in 2000 (see the figure below). The large majority of in kind benefits go for sickness and health care (85%) in form of free medical services and pharmaceuticals, followed by disability (5.6%) – also preponderantly in form of medical services, pharmaceuticals and prosthesis, family/children (4.7%) and social exclusion (3.2%). The cumulated amount of in kind transfers to elderly, unemployed and survivors represents only 1.6% of the total. [Data for 2015]</p> <p>Source: TurkStat (<a href="http://www.turkstat.gov.tr/UstMenu.do?metod=kategorist">http://www.turkstat.gov.tr/UstMenu.do?metod=kategorist</a>).</p> <p>The Social Assistance and Solidarity Foundations stand as the operating agencies of the General Directorate for Social Assistance and Solidarity. They are the most visible social assistance actor of the central government, as they operate in every district of Turkey. Given their relatively long history, citizens at risk of poverty are aware of the presence of these foundations and their services. As these foundations currently act as the agency responsible for the distribution of most of the in-kind transfers to the population, other departments of the General Directorate shape their operations in relation to the foundations.</p>

#	Indicators	Evidence
		<p>The content of the transfers to the urban poor is made up mostly of the basic necessities such as the firing fuel, food, and clothing. Istanbul metropolitan municipality recently began to distribute coupons instead of assistance in kind or cash transfers.</p> <p>In practice, in-kind transfers are costlier and less assessable than cash benefits. For instance, soup kitchens operate under the jurisdiction of and by the initiative of the individual Social Assistance and Solidarity Foundations at the district and provincial levels. Accordingly, an increasing volume of resources seems to have been allocated to the periodic transfers in recent years as a result of an implicit policy choice, rather than the expenditures on food or firing fuel assistance.</p> <p><i>Source: TurkStat, <a href="http://www.turkstat.gov.tr/UstMenu.do?metod=kategorist">http://www.turkstat.gov.tr/UstMenu.do?metod=kategorist</a>.</i></p> <p>The field mission did not reveal any information on in-kind transfers. However, it confirmed that the Turkish social assistance regime (as well as its social insurance system) is highly fragmented, with a large range of benefits for selected populations. The SGK regards this as a barrier to progress. These include widow benefits, Ramadan top-ups, and may well include in-kind benefits such as clothing, fuel, etc.</p>
	<p>Figure 1</p>	<p><i>In kind benefits (million TL, 2000 - 2015)</i></p>  <p><i>Source: TurkStat (<a href="http://www.turkstat.gov.tr/UstMenu.do?metod=kategorist">http://www.turkstat.gov.tr/UstMenu.do?metod=kategorist</a>)</i></p>
<b>JC 24 Gender inequalities in social protection coverage reduced</b>		
I-241	<p>Conditional cash transfer programmes for mothers and children in place with EU support</p>	<p>Under the social insurance scheme, cash maternity benefits are provided in form of nursing benefits conditional to at least 120 days of contributions in the year before childbirth. A lump sum is paid for a live birth.</p> <p>In case of work incapacity, the beneficiary must have at least 90 days of contributions in the year before childbirth. The benefit represents 66.7% of earnings and is paid for up to eight weeks before and eight weeks after the expected date of childbirth. The benefits are extended for two weeks in case of multiple births.</p> <p><i>Source: <a href="https://www.ssa.gov/policy/docs/proqdesc/ssptw/2016-2017/europe/turkey.html">https://www.ssa.gov/policy/docs/proqdesc/ssptw/2016-2017/europe/turkey.html</a>.</i></p> <p>Conditional Cash Transfers (CCT) are implemented under the programme “Conditional Education and Health Assistance Program”. Since 2007, it is implemented by the General Directorate of Social Assistance and Solidarity (GDSAS) with funds of the Social Aid and Solidarity Promotion Fund. In 2011, the GDSAS was incorporated into the Ministry of Family and Social Policies.</p> <p>Between 2003 and 2006, approximately EUR 100 million were used for CCT implementation, of which 90 million from the Social Assistance and Solidarity Fund.</p>

#	Indicators	Evidence
		<p>CCT is ongoing and the payments are made directly on a monthly basis to mothers who make their children continue their primary and secondary education, obtain adequate pre-natal care, basic health and nutrition services for their children at 0-6 age group. An extra 20% incentive is granted to mothers who sent their girls to school.</p> <p>Overall, over the period 2003 – 2006 the cumulated number of mothers receiving CCT for pregnancy/health amounted to 19660.</p> <p>Source: 1. HRD OP, 2. Utku Balaban: <i>Social Inclusion Policies in Turkey</i>. Ankara University, February 2014.</p> <p>The EU financed the project "<a href="#">Strengthening the Impact of the Conditional Cash Transfer Programme in Turkey for Increasing High School Attendance</a>". The purpose of this Operation is to provide additional financial support for increasing school attendance rates of high school students in poverty who are potential and current beneficiaries of Conditional Cash Transfer (CCT) Programme with a view to reducing the risk of early school leaving. The goal is to be achieved through:</p> <ul style="list-style-type: none"> <li>• Strengthening the effect of the CCT programme on attendance rates in high school by providing financial incentives for high school students in poverty who are potential and current beneficiaries of the CCT programme (9<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> grades),</li> <li>• Increasing the high school attendance rates of both male and female students who are CCT beneficiaries and potential CCT beneficiaries by supporting them to the last level of high school education,</li> <li>• Diminishing the high early school leaving rates of CCT high school students and potential CCT high school students.</li> </ul> <p>Source: <a href="http://www.ikg.gov.tr/en-us/projects/oiss.aspx">http://www.ikg.gov.tr/en-us/projects/oiss.aspx</a></p> <p>The 2011 – 2012 assessment of CCT programme concluded that:</p> <ul style="list-style-type: none"> <li>• With regards to education: non-attendance days decreased by 50% and it is higher in rural areas, respectively for girls (twice as compared to boys); attendance rate for secondary education in the 2009-2010 academic year was 79.4% among beneficiary boys and 79.36% among beneficiary girls, whereas these rates were 57.19% and 50.08% among boys and girls who did not receive any assistance, respectively.</li> <li>• With regards to health: the rate of mothers taking their children for regular health check, which was 63.25%, increased to 74.13% after they started receiving social assistance; according to health personnel, social assistance had a positive impact on general health conditions, increasing the awareness of families in the area of health, and frequency of their doctor visits.</li> </ul> <p>An impact assessment study of the CCT programme was conducted between 2010 and 2012. A pre-test/ post-test (counterfactual method of evaluation) comparison group design was used with families in the comparison groups selected from municipalities ineligible to participate in the programme. The treatment group was selected from the beneficiaries. The study was conducted among 10,797 household in March-April 2011 and in 8,752 households in March-April 2012 respectively.</p> <p>Source: <i>UNICEF Improving Conditional Cash Transfers in Turkey. Policy Paper, January 2014</i></p>
I-242	Maternity programmes in place, offer adequate coverage, and operational with EU support	<p><i>Turkey has a maternity programme in place under its social insurance system. The EU has not and does not support it. It has supported, through SGK, an innovative programme designed to support maternity benefits while simultaneously encouraging registered employment of women. This consists of CCTs, earmarked for hiring a home babysitter, to women who return to the registered labour force following birth.</i></p> <p>Source: <i>Field mission interviews</i></p>
I-243	Social assistance coverage of the elderly, disaggregated	<p>Elderly receive old pension benefits (non-means tested) and social assistance benefits in form of means-tested cash transfers for those in poverty or uncovered by the social insurance. The total number of beneficiaries decreased from 867,000 persons in 2008 to 606,000 in 2015. The same declining trend is observed in the</p>

#	Indicators	Evidence																																				
	male/female if possible	<p>share of women receiving social assistance non-means-tested benefits: from 64.14% in 2008, to 55.93% in 2015.</p> <p>At the same time, the number of beneficiaries of social insurance pensions increased more rapidly, from 6 to 7.93 million between 2008 and 2015. However, this increase is almost exclusively for men; the share of women benefiting from social insurance pensions remained practically constant: 19.3% in 2008 and 20.9% in 2015.</p> <p>Source: TurkStat (<a href="http://www.turkstat.gov.tr/UstMenu.do?metod=kategorist">http://www.turkstat.gov.tr/UstMenu.do?metod=kategorist</a>).</p>																																				
	<p>Figure 2</p> <p style="text-align: center;"><i>Number of elderly receiving means-tested SA benefits ('000, 2008 - 2015)</i></p>  <table border="1" data-bbox="263 526 1300 1131"> <thead> <tr> <th>Year</th> <th>Total</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>2008</td> <td>867</td> <td>311</td> <td>556</td> </tr> <tr> <td>2009</td> <td>860</td> <td>305</td> <td>555</td> </tr> <tr> <td>2010</td> <td>849</td> <td>297</td> <td>552</td> </tr> <tr> <td>2011</td> <td>797</td> <td>277</td> <td>521</td> </tr> <tr> <td>2012</td> <td>808</td> <td>276</td> <td>531</td> </tr> <tr> <td>2013</td> <td>688</td> <td>285</td> <td>403</td> </tr> <tr> <td>2014</td> <td>628</td> <td>273</td> <td>356</td> </tr> <tr> <td>2015</td> <td>606</td> <td>267</td> <td>339</td> </tr> </tbody> </table> <p>Source: TurkStat (<a href="http://www.turkstat.gov.tr/UstMenu.do?metod=kategorist">http://www.turkstat.gov.tr/UstMenu.do?metod=kategorist</a>)</p>	Year	Total	Male	Female	2008	867	311	556	2009	860	305	555	2010	849	297	552	2011	797	277	521	2012	808	276	531	2013	688	285	403	2014	628	273	356	2015	606	267	339	
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Other relevant information	<p>Based on reports consulted, in general, the level of gender analysis of social protection issues in Turkey has been high.</p> <p>The first priority of HRD OP is related to the increase of employability among women and youth. This translates into the objective of promoting labour force participation of female and young persons, including those involved in agricultural activities. In Turkey, the female labour force participation rate is low in rural areas (35.8 %) and even lower in urban areas (21.4 %). Actions for increasing women's participation include measures on education, vocational training, ALMPs, and affordable child care facilities. Actions for increasing the employment of young include ALMPs, respectively counselling and guidance services in general. For those with low educational attainment, the focus will be on internships, vocational courses.</p> <p>The EC elaborated a detailed report on gender issues in Turkey emphasising the need to systematically carry out gender mainstreaming within the IPA structures. The main conclusions of the report are:</p> <ul style="list-style-type: none"> <li>• The employment rate of women (28.7%) is considerably below the EU-27-average (58.6%). The share of women actively looking for work in Turkey (9.6%) is comparable to the EU-27-average (10.6%).</li> <li>• 23.8% of Turkish women are working part-time, compared to 32.1% in the EU-27. The average female part-time working hours is 18.4 hours (20.2 in EU-27)</li> <li>• Since 2002, the tertiary education attainment of women in Turkey has almost doubled, to 10.6% in 2012, but is still less than half of the EU-27-average of 25.8%. The promotion of gender atypical fields of study remains a main challenge.</li> <li>• Compared to EU-27, horizontal segregation is more pronounced in Turkey. Also, only a small demand for gender-atypical fields of employment is observable.</li> </ul>																																					

#	Indicators	Evidence
		<ul style="list-style-type: none"> <li>The rate of women on board is at 10% (EU-27 average 16%). The share of women in management positions is at 7% and thus not even a quarter of the EU-27 average of 33%.</li> </ul> <p>Source: EC: <i>The current situation of gender equality in Turkey – Country Profile 2013</i>.</p> <p>SGK has piloted a “nanny” programme which provides low-income women (&lt; 2x minimum wage) with a subsidy provided that they employ an intra-mural child minder and return to the workforce (as monitored by) social security contributions. This a small pilot programme supported by the EU (8,000 beneficiaries of which 7,000 compliant).</p>

#### 4.1.3 EQ3

#	Indicators	Evidence
<b>JC 31 EU support to social protection coordinated with MSs</b>		
I-311	Evidence for regular coordination efforts between EC and EU MSs in field of social protection at global level	Indicator not relevant at country level
I-312	EU participates in / manages joined-up approaches (e.g., joint programming, MDTFs, joint monitoring, etc.) including social protection components	A simple web search on “joint programming EU Turkey” and similar phrases yields no hits. As discussed elsewhere, the EU administers the EU Trust Fund for Syrian refugees in the sum of Euro 3 billion, with significant contributions by MSs. This has connections with SP.
I-313	EU strategy, programming and programme documents related to SP refer to EU Member States’ policies and support.	<p>Bi-lateral support is provided by several EU member states (e.g.: Denmark, France, Germany, the Netherlands, Sweden the United Kingdom) and/or their development agencies (British Council, SIDA, MATRA, etc.)</p> <p>Source: <i>MIPD 2011 – 2013</i>.</p> <p>In the social protection sector, Germany’s international cooperation with Turkey dates back to the 1960s. The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH has maintained an office in Ankara since 1998. Working on behalf of the German Government, GIZ is assisting host communities in setting up education programmes and creating opportunities for generating income for Syrian refugees. GIZ also funds community centres which provide various services for refugees and local marginalised groups.</p> <p>GIZ is also actively engaged in EU pre-accession assistance programmes, focusing mainly on education and vocational training (TVET), employment, women’s empowerment and human rights.</p> <p>Source: <a href="https://www.giz.de/en/worldwide/290.html">https://www.giz.de/en/worldwide/290.html</a>.</p> <p>The Netherlands provides assistance through MATRA, in particular through the Social Transformation Programme.</p> <p>Source: <a href="http://turkey.nlembassy.org/key-topics/civil-society/matra-fund-in-turkey">http://turkey.nlembassy.org/key-topics/civil-society/matra-fund-in-turkey</a>.</p> <p>The overall aim of the Swedish (SIDA) cooperation with Turkey is to help strengthen the public administration and judicial system and increase the respect for human rights, by supporting the EU accession process.</p> <p>Source: <a href="http://www.sida.se/English/where-we-work/Europe/Turkey-/Our-work-in-Turkey/">http://www.sida.se/English/where-we-work/Europe/Turkey-/Our-work-in-Turkey/</a>.</p> <p>UK, through the British Council and DFID, provides assistance to Syrian refugees in terms of facilities and humanitarian aid.</p> <p>Source: <a href="https://devtracker.dfid.gov.uk/countries/TR/projects">https://devtracker.dfid.gov.uk/countries/TR/projects</a>.</p>
<b>JC 32 EU actively participates and promotes European and international principles and values in national</b>		

and regional policy dialogues on social protection		
I-321	Evidence of suitably qualified staff formally designated and actually deployed to support social protection at country, regional and HQ level	At least three EUD programme officers have responsibilities in the area of social protection, and EUD capacity was judged during the field mission to be sufficient.
I-322	Evidence of EU active engagement in regional fora on social protection.	<i>Indicator not relevant at country level.</i>
<b>JC33 EU effectively participates in global policy dialogues on social protection</b>		
<i>JC not covered by the analysis at case study level</i>		

#### 4.1.4 EQ4

#	Indicators	Evidence
<b>JC 41 Increased participation of social partners, civil society, and private sector in national dialogue on social protection</b>		
I-411	EU promotes and facilitates social dialogue (government, trade unions, employers' organisations) and dialogue with civil society through its social protection programmes	<p>According to the Interim Evaluation Report of EU, during the implementation of the HRD-OP strong collaborations have been established with relevant public institutions, non-governmental organisations, social partners, and universities during different phases of implementations. This collaborative approach helped to improve HRD-OP mechanism; enabled stakeholders share their experience and knowledge, built up opportunities for more creative ways to address problems and allowed a more effective management.</p> <p><i>Source: Interim Evaluation of Human Resources Development Operational Programme. November 2011.</i></p> <p>Under IPA II The Civil Society Facility Turkey ("Sivil Düşün II") 2014-15. aimed to improve the environment for active citizenship and to strengthen the capacity of organised active citizens. Under the Action Plan 215, priorities were: supporting the development of civil society through more active democratic participation in policy and decision making processes; promoting a culture of fundamental rights and dialogue; enhancing civil society dialogue and inter-cultural exchange between civil societies in Turkey and Europe. Civil Society Facility projects have, among other things, fought gender-based violence. EIDHR has been used to support human rights defenders.</p> <p><i>Source: EUD website</i></p> <p>EC elaborated the Guiding Principles for EC Support of the Development of Civil Society in Turkey 2011-2015. The document is to be seen in relation with the objectives formulated in existing strategy and programming documents, including the Accession Partnership and the Multi-Annual Indicative Planning Document 2009-2011.</p> <p><i>Source: Guiding Principles for EC Support of the Development of Civil Society in Turkey 2011-2015.</i> <a href="http://avrupa.info.tr/fileadmin/Content/Files/Guiding_Principles_for_EC.pdf">http://avrupa.info.tr/fileadmin/Content/Files/Guiding_Principles_for_EC.pdf</a>.</p> <p>Through the HRD OP the EU financed the project "Increasing Adaptability of Employees and Employers with a Social Dialogue Approach". The purpose of this operation is to increase the adaptability, qualifications and competence of employers, employees and employee representatives' through implementing training programmes and strengthening social dialogue between employees, employers, NGOs, public institutions and local actors.</p> <p><i>Source: <a href="http://www.ikg.gov.tr/en-us/projects/oiss.aspx">http://www.ikg.gov.tr/en-us/projects/oiss.aspx</a>.</i></p> <p>The HRD OP intends to ensure a wider involvement of civil society through the following activities:</p> <ul style="list-style-type: none"> <li>• The HRD Monitoring and the Sub Evaluation Committee for HRD will include the civil society.</li> </ul>

#	Indicators	Evidence
		<ul style="list-style-type: none"> <li>• Involvement and participation of civil society and local administrations in the 12 NUTS II regions, including provinces and municipalities, will be ensured. To that purpose, technical assistance may be used by the MLSS as OS to establish coordination mechanisms and advisory forums.</li> <li>• The members of the HRD OP Monitoring Committee will include: Representatives from the civil society and socio-economic partners.</li> </ul> <p><i>Source : HRD OP</i> See also JCs 42 and 43 below.</p>
I-412	Evidence for strengthened capacity of social partners (trade unions and employers' organisations) to participate in social protection policy dialogue.	<p>The main strategic documents such as JIM, JAP, and LLL Strategy have been prepared in consultation with relevant public institutions, NGOs, social partners, and universities. In addition, social partners and NGOs have been actively involved in developing the HRD OP: two committees were formed: High Level HRD Committee with high ranking representatives of all relevant stakeholders; Technical HRD Committee, consisting of experts from all relevant stakeholders. On the other hand, the Sectoral Monitoring Committee for HRD component includes the main stakeholders, while social partners and NGOs will be involved in the implementation of the measures.</p> <p><i>Source: HRD OP.</i></p> <p>The EU implemented a specific project "Dialogue between Trade Unions Organisations in Turkey and the European Union with a focus on Young Workers". The project aimed at enhancing the dialogue, communication and cooperation between trade unions in Turkey and EU member states with a special focus on youth. The project is in line with EU priorities and national policies for the development of civil society and its involvement in the shaping of public policies; facilitation of open communication cooperation between all sectors of civil society and European partners; ensuring that full trade union rights are respected in line with EU standards and the relevant ILO Conventions; further reinforcing social dialogue, facilitating and encouraging cooperation with EU partners.</p> <p><i>Source: ROM Project Report.</i></p> <p>One of the fundamental principles of the Turkish Confederation of Employer Association (TCEA) is the development of bipartite and tripartite cooperation. TCEA benefited from EU funding for the implementation of a research project entitled "Corporate Social Responsibility for all", funded under the Civil Society Facility 2011-2012, Multi-beneficiary Programme 2011-2012. The Turkish Confederation of Employer Associations implemented the project together with other partners. The basic objective of the project is to create awareness and build capacity regarding corporate social responsibility in employer organizations in South East Europe.</p> <p><i>Source: <a href="http://tisk.org.tr/en/wp-content/uploads/2016/04/CSR.pdf">http://tisk.org.tr/en/wp-content/uploads/2016/04/CSR.pdf</a>.</i></p> <p>Within "Strengthening Institutional Capacity of Centre for Labour and Social Security Training and Research" project in the table above, the main beneficiary (ÇASGEM) has several social partners. The most important ones are the trade unions and the employer organisations, like the Confederation of Progressive Trade Unions of Turkey, the Confederation of Turkish Real Trade Unions, the Confederation of Turkish Trade Unions and the Turkish Confederation of Employer Associations. All along, ÇASGEM has organised many training activities through these confederations. For example, in 2010 some 20 training programmes (out of 174) had been conducted in 20 different cities for 3452 participants for these organisations.</p> <p><i>Source : Project ROM Report</i></p> <p>In "Strengthening Institutional Capacity of Centre for Labour and Social Security Training and Research" project in the table above, MLSS, local authorities and social partners have been consulted during the project preparation stage and their opinions and comments have been taken into consideration. The participation of these stakeholders in relevant project activities was planned, but also in the technical management through the possibility of participating in the Steering Committee Meetings. The interest of some social partners in closer involvement in project measures has even increased. Consequently, the understanding of the</p>

#	Indicators	Evidence
		<p>project plans and objectives is adequate to good among all stakeholders.  <i>Source: Project ROM Report.</i></p> <p>Social dialogue, both tripartite and bipartite, remains limited. The economic and social council has been inactive since 2009. The percentage of unionised workers in the private sector, while having marginally increased to 11.5 % in 2016, is still very low. In 2015 collective agreements cover only 7.5 % of private sector employees, well below Member States' figures. Legislative shortcomings such as double thresholds for collective bargaining and the lack of a right to strike for public servants are contrary to European standards and ILO conventions. Informal workers, retired and unemployed persons, and an overly wide range of categories of public servants remain excluded from the right to organise. Many union protests and demonstrations were prevented in the reporting period, disproportionately restricting trade union rights. Trade union confederations have reported serious allegations about numerous dismissals, harassment, retaliatory action, arrests and police assaults against trade union officials for legitimate trade union activity. In the aftermath of the 15 July coup attempt, two trade union confederations and their 19 member trade unions, totalling almost 50 000 affiliated workers, were closed by decree under the state of emergency over alleged links to the Gülen movement. No information was available on the precise charges laid against the confederations and the trade unions.  <i>Source: EU 2016 Progress Report on Turkey</i></p> <p>Opinions on the strength of social dialogue vary. According to the Social Security Institute, the social partners (trade unions and employers organisations) are strong and the SSI works closely with them through Board representation. The MoLSS generally confers with the social partners. According to the ILO, unionisation and collective bargaining coverage are low.  <i>Source: Field mission interviews</i></p>
I-413	SP mainstreamed in other policy dialogues where relevant, e.g. trade and migration	<p>The mainstreaming of SP into sectoral policies takes place at Ministry level under the coordination of the MoEUA. When a Ministry formulates a policy with SP implications, this will go through the normal process. There will be a workshop involving government, civil society representatives, academia, etc. The draft policy will be circulated to all relevant ministries for review and comment. MoEUA takes responsibility for checking the policy against relevant EU policies and strategies.  <i>Source: MoEUA representative interview</i></p> <p>There was some progress in the area of social policy and employment, where the rate of unregistered employment has been decreasing, but important gaps remain. Social dialogue mechanisms do not function effectively as a result of obstacles in legislation which need to be removed. Labour law needs to be amended and enforced for the benefit of the entire workforce. Working conditions, including health and safety at work have yet to be addressed. Anti-discrimination, social inclusion and social protection policies and practices need to be improved. Overall, legal alignment in this area is moderately advanced  <i>Source: EU Progress Report 2014... Chapter 19, Employment and Social Policy.</i>  <i>To note: Chapter 19 of the accessions negotiations on employment and social policy, the chapter most relevant for social protection, has not yet been opened.</i>  <a href="https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-migration/background-information/docs/eu_support_to_lebanon_and_jordan_since_the_onset_of_syria_crisis_en.pdf">https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-migration/background-information/docs/eu_support_to_lebanon_and_jordan_since_the_onset_of_syria_crisis_en.pdf</a></p>
<b>JC 42 EU support encourages use of NGO, local authority, and private sector expertise in policy aspects of service design and delivery under supported reforms</b>		
I-421	In policy dialogue, EU advocates for LA involvement in design, delivery, and monitoring of social	<p>In order to ensure ownership of the HRD OP, the 43 Provincial Governorships in the 12 eligible NUTS II regions were consulted.  <i>Source: EC Interim Evaluation Report, 2011.</i></p> <p>Consequently, the central government, local stakeholders, EU Member States and other donors have all been consulted in the design of the MIPD. The MIPD</p>

#	Indicators	Evidence
	protection services under supported reforms	<p>mentions among the forms of assistance and HRD OP measures: Strengthen institutional capacity and the efficiency of public administrations and public services at national, regional and local level and, where relevant, the social partners and non-governmental organisations with a view to reforms and good governance in the employment, education and training, as well as social fields.</p> <p>Source: MIPD 2011 – 2013.</p> <p>According to HRD OP, applying the principle of partnership is a key element of all IPA interventions. The main goal of this principle is to ensure the participation of the social partners and other stakeholders in the preparation, implementation, monitoring and evaluation of IPA support. As a result of the consultation of local governorships for the elaboration of HRD OP, the following comments were integrated or strengthened in the final document:</p> <ul style="list-style-type: none"> <li>• The priority areas and measures are in line with the requirements and comments of the local administrators.</li> <li>• Local administrations underline the need to create new workplaces while giving necessary trainings, the HRD OP will tackle this need by providing maximum collaboration with RC OP.</li> <li>• Lack of administrative capacity on project designing and implementation has been emphasized, the technical assistance component will be used as a tool to tackle with this need.</li> <li>• Awareness raising activities will be necessary in order to get a sufficient number of high quality projects and to explain the intervention areas of the different OPs. The Technical assistance component under the HRD OP has a separate measure in order to meet this need.</li> </ul> <p>Source: HRD OP</p>
I-422	In policy dialogue, EU advocates for NGO and private sector involvement in design, delivery, and monitoring of social protection services under supported reforms	<p>The Guiding Principles for EC Support of the Development of Civil Society in Turkey 2011-2015 states that: “European Commission encourages citizens to actively participate in social and political life, also in Turkey. A broad citizen participation in collective choices fills the system with life at all stages, from agenda-setting through legislation to implementation and monitoring, as well as at local, regional, national, European or other levels. It is thus key to fulfilling and sustainably anchoring the Copenhagen political criteria in Turkey, before and beyond accession. Similarly, a dynamic civil society can contribute to the accession process becoming more than a technical process between the candidate country's and the EU's institutions. Instead, it should be a process driven by citizens, and making the institutional, political and economic changes that are part of the accession process more understood and sustainable.</p> <p>Source: Guiding Principles for EC Support of the Development of Civil Society in Turkey 2011-2015.</p>
I-423	National and international NGOs and private sector firms with specialist expertise contracted for service design and delivery under supported reforms	<p>The majority of listed projects have been implemented by private consulting firms with long experience in the social protection area (Human Dynamics, Bernard Brunhes International, etc.). No evidence was found of services contracted to local actuarial consulting firms.</p> <p>In case of “Capacity Building of Social Security Institutions (SSI)” project, where specific expertise was required, WHO was selected as contractor. More recently, the project Protection and provision of basic services to the out-of-the-camp Syrians in Turkey was implemented by UNICEF and WFP. ECHO is currently implementing humanitarian actions under IPA II, IcSP, and the EU Trust Fund for Syrian Refugees.</p>
<b>JC 43 Social partners' and other stakeholders' involvement in policy development in line with national / regional / global social dialogue context has been encouraged by EU</b>		
I-431	Evidence of social partners and civil society organisations (e.g., advocacy NGOs, research	<p>The draft MIPD was consulted in 2010 with the civil society organisations. These consultations were much appreciated by all stakeholders and led to substantial discussions and increased ownership. The same year, a jointly arranged seminar on MIPD was held in Ankara where Turkey presented the new approach to potential beneficiaries of the assistance and to several stakeholders, including</p>

#	Indicators	Evidence
	organisations) involved in EU-supported policy development events on SP including international fora	<p>civil society representatives. Through the MIPD, horizontal priorities will be supported as cross-cutting themes, such as participation of civil society in EU programmes, equal opportunities for men and women, support to disadvantaged and vulnerable groups as well as the development of good neighbourly relations. Efforts are focused on bringing together key organisations in order to develop a clear strategy for the development of civil society and to maximize the contribution which civil society can make to Turkey's preparations for EU membership. Within the MIPD 2011 – 2013, the Commission aims to allocate indicatively around 2-5% of the overall assistance for the three years to civil society support.</p> <p><i>Source: MIPD 2011 – 2013.</i></p> <p>Social partners have been involved in the preparation process of the HRD OP from the very beginning. The Operational Programme is based on strategy documents (JIM, JAP, and LLL) have been drafted with the involvement of the civil society. Social partners were involved in the drafting process from the very first stage, the measures and activities of the HRD OP have been defined according to their opinions.</p> <p><i>Source: HRD OP.</i></p> <p>The first objective of Guiding Principles for EC Support of the Development of Civil Society in Turkey 2011-2015 (Improvement of the environment for active citizenship) includes a specific activity (Administrative practices promoting effective civic participation in local, regional and national-level policy processes). This activity foresees several specific actions: Encourage Turkey in the creation of a comprehensive framework including dialogue mechanisms for civic participation; Support relevant public authorities in practicing effective civic consultation including consulting right-based CSOs; Support trust building and the advocacy efforts of organized citizens for improving civic participation; Support information activities for organized citizens on programming processes and EC policies on civic participation; Encourage Turkey to widen and deepen civic involvement in the overall IPA programming process and in individual projects supported under IPA; Encourage Turkey to establish a permanent working group to accompany IPA programming with the participation of representatives from organized citizens and relevant public institutions.</p> <p><i>Source: Guiding Principles for EC Support of the Development of Civil Society in Turkey 2011-2015</i></p> <p>The first draft of the Guiding Principles was based on a thorough review of existing studies and assessments of civil society in Turkey, including the needs assessment carried out by TACSO within the framework of the 2008 multi-beneficiary Civil Society Facility. Based on this draft, the EU Delegation organised an open consultation of civil society on the Guiding Principles from 5 April to 30 May 2010 with 12 meetings throughout Turkey. There was also an electronic consultation with Turkish Civil Society and Turkish Authorities. Almost 500 persons participated and 382 comments were recorded, 268 of which were directly related to the Guiding Principles. All inputs were carefully assessed as part of the finalisation of the Guiding Principles. The document sets out the needs expressed during the consultation in terms of objectives, results and indicators for EU support to civil society. The EU indicated that in future years, the Guiding Principles would be re-assessed based on feedback from CSOs. The CSF–deconcentrated national window builds directly on this process and will be the subject of regular consultation throughout its implementation.</p> <p><i>Source: Guiding Principles for EC Support of the Development of Civil Society in Turkey 2011-2015</i></p>
I-432	Regional and global networks of social protection stakeholders supported	<p>Component 1 of the Civil Society Facility is entitled “Framework Partnership Agreements for supporting networks”. This component will include a grant scheme to introduce Framework Partnership Agreements (FPAs) that will support existing or new national, regional, local or thematic platforms and networks through technical assistance, capacity building training, exchange of information and best practices, including re-granting and/or direct in kind support to smaller CSOs and/or members of the network/platform.</p>

#	Indicators	Evidence
		<p>Source: Civil Society Facility 2011-2012. Country Fiche: Turkey.</p> <p>Objective 1, Activity c) of the Guiding Principles is aimed at promoting civic participation in local, regional policy process.</p> <p>Source: Guiding Principles for EC Support of the Development of Civil Society in Turkey 2011-2015</p>

#### 4.1.5 EQ5

#	Indicators	Evidence
<b>JC 51 Selected types of social protection schemes reformed / modernized / strengthened institutionally and financially</b>		
I-511	Appropriate capacity development measures supported by EU	<p>The “Strengthening Institutional Capacity of Centre for Labour and Social Security Training and Research” project contributed to capacity development of ÇASGEM. Under Result 1, the capacities of the ÇASGEM staff has been notably developed and strengthened through various training courses and two study visits. The related indicators (OVIs) that were achieved are, for instance, the development of evaluation forms for training, the strengthening of evaluation capacity of the ÇASGEM experts and the knowledge and awareness raising on EU Acquis in Social Policy and Employment.</p> <p><i>Source: Project ROM Report.</i></p> <p>The “Strengthening Institutional Capacity of Centre for Labour and Social Security Training and Research” project was designed to strengthen the institutional capacity of ÇASGEM by addressing the shortcomings that were identified by an internal audit of MLSS. All planned activities will certainly contribute to this end. The foreseen training activities, the internships and the study visits will support the establishment of a core group of trainers in ÇASGEM who can apply their knowledge in providing effective training in line with international standards to the requesting customers.</p> <p>The research capacity of the ÇASGEM staff has been improved through the delivered training courses. The training staff has recently been increased from 23 to 33.</p> <p>Strengthening the institutional capacity and the development of the individual capacities of the experts is likely to have a positive impact on the human resources system of ÇASGEM.</p> <p><i>Source: Project ROM Report.</i></p> <p>The human and institutional capacity was strengthened with respect to the design, development, delivery, evaluation of trainings and marketing and research in line with EU social policy and employment requirements. The project’s main components resulted in the improvement of the quality of training delivered by ÇASGEM, through the development of new modules and increasing their frequency and participants. This requires providing additional training to existing instructors to develop their personal and occupational skills. A particular focus was placed on increasing knowledge and awareness on EU social and employment policies. Some modules in occupational health and safety for professionals were delivered via e-learning methods; the project provided ÇASGEM with a model for such a platform.</p> <p><i>Source: Project ROM Report.</i></p> <p>Prior to the project, CASGEM essentially had no capacity to carry out research. Now, it has capacity in labour law, social security law, occupational safety and health, and personnel development.</p> <p><i>Source: Meeting with CASGEM representatives.</i></p> <p>The project “Capacity Strengthening of Social Security Institutions” was highly relevant with respect to Social Security and Employment Chapter of the NPAA, under the task heading “Upgrading the Social Security System” and the subtask of strengthening the human resources of the relevant institution.</p> <p>The achieved project results have definitely contributed to reinforce the administrative and institutional capacity of the SGK to develop aligned policies in the field of coordination of social security schemes and social security policy.</p>

#	Indicators	Evidence
		<p><i>Source: Project ROM Report.</i></p> <p>“Capacity Building of Social Security Institutions” project has made a significant contribution to institutional and management capacity. The participatory and inclusive approach to implementation has ensured the establishment of a sound knowledge base and in-depth understanding for stakeholders at all levels. The methodologies and tools developed by the project continue to facilitate the multiplication of community-based services.</p> <p><i>Source: Project ROM Report.</i></p> <p>The project “Capacity Building of Social Security Institution” contributed to the capacity developed through training (including ToT) and awareness raising activities. The project targeted a considerable number of SGK staff, but also other stakeholders. Knowledge of the EU standards and practices in the social security field was substantially increased. For the first time in Turkey, the Project mapped the situation of the social security with a full reference to the comparative EU situation and SGK adopted an overall strategy paper. Capacity developed has been very useful in order to empower SGK for their active involvement in the wider frame of the EU cooperation.</p> <p><i>Source: Project ROM Report.</i></p> <p>The project’s relevance was reinforced by the merging of former organisations into one as SGK in 2008, resulting in a need to enhance the SGK’s capacity at central level. The need to develop capacity at the provincial level has continued to be an important issue for the SGK, which has been a motivation for further capacity building at the provinces via its own trainers. The overall project design included two complementary Technical Assistance components: institutional capacity building, and building the awareness of the public institutions.</p> <p>The achieved project results have definitely contributed “to reinforce the administrative and institutional capacity of the SGK to develop aligned policies in the field of coordination of social security schemes and social security policy”. The capacity developed through training and awareness raising activities has targeted not only a considerable number of Staff, but also a wide scope of other stakeholders. Thus, the project purpose has been substantially achieved.</p> <p>The created and equipped training centre has been continuously used for capacity development activities after the project end, both for SGK and other relevant stakeholders.</p> <p>Capacity developed has been very useful in order to empower SGK for active involvement in the wider frame of the EU cooperation.</p> <p><i>Source: Project ROM Report.</i></p> <p>In addition, the EU financed the project “<a href="#">Increasing the Institutional Capacity of the Ministry of Family and Social Policies in the Field of Social Inclusion Policies</a>”. The purpose of the intervention is to improve the policy-making, implementation and monitoring capacity of the Ministry of Family and Social Policies and its partners including other governmental and non-governmental institutions and mechanisms in the field of social policy and anti-discrimination in order to strengthen the link between employment, education and social inclusion policies to facilitate the integration of disadvantaged persons into the labour market</p> <p><i>Source: <a href="http://www.ikg.gov.tr/en-us/projects/oiss.aspx">http://www.ikg.gov.tr/en-us/projects/oiss.aspx</a>.</i></p> <p>The project promoting inclusion of disabled youth via sports’ capacity building activities targeted teachers, youth leaders and NGO representatives, which has been crucial to safeguard the involvement of schools, mobilisation of teachers and students in the project activities, as well as the disabled. Civil society organisations of the region, such as CATOM’s and MEKSA have been actively involved in project activities via providing participants.</p> <p>Being a young Ministry, without any EU project experience, Ministry of Youth and Sport has benefitted from the project activities in terms of institutional capacity. The training modules created, as well as the systematic training programmes and the handbook prepared for the three different age groups make a valuable contribution to the institution’s training capacity.</p> <p>Under Component 1 (Increased capacity amongst teachers, youth leaders and</p>

#	Indicators	Evidence
		<p>NGO activists in the pilot areas for provision of socially inclusive sports resulted in the preparation of modular training materials for targeting three different age groups (10-14, 15-18, and 19-24). 14 Training of Trainers have been organised with a total of 489 potential sports education trainers as participants.</p> <p>Source: Project ROM Report.</p>
I-512	Weaknesses in SP legal frameworks, identification, registration, payment, etc. systems analysed, appraised, and addressed with EU support	<p>The “Strengthening Institutional Capacity of Centre for Labour and Social Security Training and Research” project established a working group on legislative structure &amp; recommending drafting law and directives that provide a substantial impetus for improving the institutional capacity of the Centre in long run. The output might lead to advocate the establishment of an advisory or management board for ÇASGEM that includes representatives from social partners and from the MLSS. Such body would enhance a participatory approach to demands for future ÇASGEM services and thus create a positive impact on the working life in Turkey by meeting the expectations of workers, employees and other actors of the labour market.</p> <p>Source: Project ROM Report.</p> <p>Through the EU-financed KITAP project, the ILO worked with the Social Security Institute to promote registered employment, resulting in concrete recommendations that led to a Regulation on extension of social security. The project developed policy strategies and documents. Development of legislation on domestic employment was a major achievement.</p> <p>Source: Field mission interview.</p>
I-513	EU support takes SP governance issues into account and addresses gaps and deficiencies	<p>In general, governance of social protection in Turkey appears adequate. While there is relatively little dialogue with social partners, the MoLSS does engage them in discussions and notes their input. The same goes for NGOs. The Social Security Institute board is comprised of six government representatives and six representatives of the social partners.</p> <p>Source: Field mission interviews</p> <p>The HRD OP planned the activity: Strengthen institutional capacity and the efficiency of public administrations and public services at national, regional and local level and, where relevant, the social partners and non-governmental organisations with a view to reforms and good governance in the employment, education and training, as well as social fields. In the context of the HRD OP, sustainability of operations is regarded as a part of good governance and is elaborated in these three aspects: Institutional, Financial and Political.</p> <p>Source: HRD OP.</p>
<b>JC 52 Nationally defined social protection floors promoted</b>		
I-521	Evidence that the EU advocates in policy dialogue with government to adopt the national social protection floor approach	<p>The EU is engaged with the Government in policy dialogues on social protection through the Employment and Social Reform Programme dialogue. MoLSS is the lead counterpart for the dialogue. There was no evidence at country level that the SPF approach has been promoted. The ILO’s main approach to improving social protection in Turkey is the fight against unregistered employment, in part through the KITAP project implemented by SGK and financed by the ILO.</p> <p>Source: MoLSS and ILO representative interviews</p>
I-522	EU support to SP coordinated with ILO country and regional offices	<p>In Turkey, the ILO-EU partnership enabled the implementation of several joint programs to promote social dialogue in the textile sector. It contributed to the creation of a sectoral advisory committee, which is a forum for social dialogue bringing together international and national social partners.</p> <p>A multi-country ILO-EU project (including Turkey) on child labour was equally implemented. The cooperative work has had an important impact on child labour policy in all participating countries.</p> <p>Source: The ILO and the EU, partners for decent work and social justice. <a href="http://www.ilo.org/wcmsp5/groups/public/@europe/@ro-geneva/@ilo-brussels/documents/publication/wcms_195135.pdf">http://www.ilo.org/wcmsp5/groups/public/@europe/@ro-geneva/@ilo-brussels/documents/publication/wcms_195135.pdf</a>.</p> <p>The ILO’s principal concern about social protection is the informality of work and the feminization of informality. Females are presumed to get benefits through spouses. EU support to SGK has addressed this issue.</p>

#	Indicators	Evidence
		<i>Source: ILO representative interview</i>
<b>JC 53 Fiscal implications of EU-supported social protection schemes, including redistributive effects and transition to sustainable national financing, considered</b>		
I-531	EU supported social protection schemes designed / administered on the basis of sound financial and actuarial analysis	<p>The Turkey Country Study on Social Protection, carried out by EU, served as basis for designing and implementing further technical assistance in the field. The study identified the main demographic, economic and financial factors influencing the overall system of social protection of the country. From financial point of view, the assessment concluded that the SP spending is excessively fuelled by budgetary transfers, which results in high budget deficits.</p> <p>On the other hand, the pension system continues to be a major fiscal burden on the budget. The transfers that have been made to social insurance institutions with distorted actuarial balances by the Government Budget fluctuate at around 2% of GDP.</p> <p><i>Source: EC: Study on the Social Protection Systems in the 13 Applicant Countries. Turkey Country Study, 2003.</i></p> <p>However, a new study undertaken by OECD in 200<sup>6</sup> reveals that the pension system continues to serve as an important barrier to a more rapid expansion of the formal sector economy in two ways. First, early-retirement incentives (including severance payments) continue to push many incumbent formal sector workers into the informal sector, often at ages as young as 40-45. While new labour force entrants face a much higher retirement age, policies for incumbents are fiscally expensive, inequitable, and serve to swell the ranks of the informal sector. Second, even when the transition to the new pension rules is complete, net replacement rates will remain very high by OECD standards, requiring high social security contribution rates that make it too expensive for firms to employ low-skilled labour in the formal sector. Thus, further pension reform is one of the keys to overcoming Turkey's economic duality. Finally, since the pension system does not cover the informal sector, it does little to alleviate poverty among the wider population of older people.</p> <p><i>Source: The Turkish Pension System: Further Reforms to help solve the Informality Problem</i>  <a href="http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=ECO/WKP(2006)57&amp;docLanguage=En">http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=ECO/WKP(2006)57&amp;docLanguage=En</a></p>
I-532	Evidence of EU supporting the transition to sustainable national financing for social protection	<p>The EU Country Report on SP makes a diagnosis of financial sustainability of the Turkish system of social protection. The report concludes that the burden on the budget will go up to some 5% of GNP by 2050, as life expectancy will go up and coverage will expand. Future reforms are therefore needed, as otherwise the system's financial sustainability will be questionable. In long run, further reforms must be proposed to either increase retirement age or to cut benefits and/or increase contributions, or a combination of these, to maintain the financial sustainability.</p> <p><i>Source: EC: Study on the Social Protection Systems in the 13 Applicant Countries. Turkey Country Study, 2003.</i></p> <p>The most significant effort to promote fiscal sustainability is the expansion of persons participating in the formal workforce, and EU support has been well targeted to that end. This is also the principal concern of the ILO.</p> <p><i>Source: SGK and ILO field mission interviews</i></p> <p>The reforms adopted after 2006 improved the situation in the social insurance component. This is confirmed by the 2014 Pension Sustainability Index (PSI). Under the adjusted rankings (comparable to 2011 country list), Turkey was able to move up in the ranking. A combination of different factors led to this shuffle – in particular, improved aging perspectives, the introduction of pension reforms and an improved economic development that helped take pressure from public finances. Further improvements are also observed in 2016 PSI: Turkey's sustainability score has improved. However, the country still has an insufficiently sustainable pension system and further reforms are needed to ensure the</p>

#	Indicators	Evidence
		<p>financial sustainability.</p> <p>Source: Pension Sustainability Index. 2014: <a href="https://www.allianz.com/v_1396002521000/media/press/document/other/2014_P_Sl_ES_final.pdf">https://www.allianz.com/v_1396002521000/media/press/document/other/2014_P_Sl_ES_final.pdf</a>.</p> <p>The same conclusion is found in the EU funded ASISP evaluation from 2014. Pension expenditures in Turkey have increased from 7.9% in 2012 to 8.3% of GDP in 2013. The main reason for this increase is the adjustment of pension amounts. However, the budget transfer (including government contributions) to SGK pension fund has increased from 4.5 % in 2012 to 4.6% of GDP in 2013. The problem of sustainability is still of actuality.</p> <p>Source: ASISP Report Turkey 2014.</p>
I-533	Evidence of poverty impacts and redistributive effects analysed and monitored at all stages of EU support to SP	<p>The Gini coefficient declined from 0.49 in 1994 to 0.44 in 2002 and this downward trend has continued afterwards. Over the period 2002 – 2005, the poverty rates decreased significantly: from 1.35% to 0.87% in case of food poverty, respectively from 26.96% to 20.5% in case of food and non-food poverty.</p> <p>Source: HRD OP.</p> <p>After 2006, due to ample reforms of social protection, the poverty rate declined even more. At 40% threshold, the rate passed from 12.8% in 2006 to 8.7% in 2015.</p> <p>Source: Turkish Statistical Institute: <a href="http://www.turkstat.gov.tr/PreTablo.do?alt_id=1013">http://www.turkstat.gov.tr/PreTablo.do?alt_id=1013</a>.</p>
I-534	Evidence of intergenerational equity issues considered in the design of the EU support to SP.	<p>The pension system has so far fostered high intergenerational inequities, as younger participants have contributed to a non-sustainable system. It has not so far addressed the broader needs of low-income workers, who may not be able to accumulate enough savings under the compulsory retirement system to provide themselves with an adequate income level for old age. It should also be noted that a substantial amount of people work in the informal sector, or as unpaid (family) workers, with no coverage at all</p> <p>Source: EC: Study on the Social Protection Systems in the 13 Applicant Countries. Turkey Country Study, 2003.</p> <p>In field interviews, intergenerational equity was never mentioned; the overriding concern is social protection for the informal sector, and the policy orientation is to address this by reducing informality.</p> <p>Source: Field mission interviews</p>

Table 3 Poverty rates (%) 2002-2005

Poverty rate	2002	2003	2004	2005
<b>Food poverty: Total</b>	1.35	1.29	1.29	0.87
Urban	0.92	0.74	0.62	0.64
Rural	2.01	2.15	2.36	1.24
<b>Food and non-food poverty: Total</b>	26.96	28.12	25.6	20.5
Urban	21.95	22.3	16.57	12.83
Rural	34.48	37.13	39.97	32.95
<b>&lt; 1\$ per day: Total</b>	0.2	0.01	0.02	0.01
Urban	0.03	0.01	0.01	0
Rural	0.46	0.01	0.02	0.04
<b>&lt; 2.15 \$ per day: Total</b>	3.04	2.39	2.49	1.55
Urban	2.37	1.54	1.23	0.97
Rural	4.06	3.71	4.51	2.49
<b>&lt; 4.3 \$ per day: Total</b>	30.3	23.75	20.89	16.36
Urban	24.62	18.31	13.51	10.05
Rural	38.82	32.18	32.62	26.59

Source: HRD OP.

Over the period 2006 – 2015, the same declining tendency in poverty is observed:

**Table 4** Poverty rates / threshold 2006-2015

Poverty rate/ Threshold	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
40%	12,8	9,9	10,1	10,6	10,3	10,1	10,0	9,1	8,7	8,7
50%	18,6	16,3	16,7	17,1	16,9	16,1	16,3	15,0	15,0	14,7
60%	25,4	23,4	24,1	24,3	23,8	22,9	22,7	22,4	21,8	21,9
70%	32,0	30,1	30,9	31,1	30,6	30,0	30,2	29,5	29,4	29,5

Source: Turkish Statistical Institute: [http://www.turkstat.gov.tr/PreTablo.do?alt\\_id=1013](http://www.turkstat.gov.tr/PreTablo.do?alt_id=1013)

#	Indicators	Evidence
<b>JC 54 Government social protection programmes consolidated and rationalized where necessary</b>		
I-541	Evidence for improved institutional structure and procedures of agencies responsible for social protection with EU support	<p>Contribution of the EU projects to institutional and management capacity is generally high, in fact the highest among monitoring criteria of sustainability. The absorption capacity is well maintained after the project end. Thus, the beneficiaries have improved their project management capacity through effective stakeholder collaboration and are expected to implement the newly acquired skills.</p> <p>Source: <i>Technical Assistance for Result Oriented Monitoring in Turkey – Phase II. Performance of IPA Component I - TAIB projects. Review of ROM Monitoring Findings, 2015.</i></p> <p>“Strengthening Institutional Capacity of Centre for Labour and Social Security Training and Research” project designed a more effective institutional structure for the Centre. There is evidence that the project will increase the institutional capacities of ÇASGEM in many aspects, like design, development, delivery and evaluation of training courses.</p> <p>Source: <i>Project ROM Report.</i></p> <p>The achieved results of “Capacity Building for Social Security Institutions” project have definitely contributed to reinforce the administrative and institutional capacity of the SGK to develop aligned policies in the field of coordination of social security schemes and social security policy. The capacity developed through training and awareness raising activities has targeted not only a considerable number of SGK staff, but also a wide scope of other stakeholders.</p> <p>Source: <i>Project ROM Report.</i></p> <p>In the social protection sector, there is clear leadership of the MoLSS, especially taken into consideration that it has received accreditation since 2012. MoLSS has a strategic planning department. The EU Coordination Department of MoLSS has a good capacity on strategic planning with a range of trainings having been conducted, even though there is still room for improving coordination between the EU Coordination Department and the Strategic Planning Department.</p> <p>Source: <i>Mapping of Sector Strategies. Employment, Education, HRD, Social Policies. Final Report, February 2014.</i></p>
I-542	Evidence for established / improved coordination mechanisms across all public agencies with SP responsibility	<p>In the field of Employment, Education, HRD and Social Policies, the main coordination mechanisms are at the operational level and do not have established manuals, work procedures, in contrast to monitoring mechanisms which have checklists, templates and manuals developed on the operational level.</p> <p>Source: <i>EC: Mapping of Sector Strategies Final Report. February 2014.</i></p> <p>In implementing the HRD OP activities, several institutions collaborate at certain level with each other in order to improve employment, education, and social inclusion. The Ministry of Labour and Social Security implements the action plan with the coordination of the Ministry of Industry and Commerce and the Ministry of National Education. They hold annual meetings at the end of each year with the participation of the three ministers in order to secure political support at the top management level. İŞKUR has collaborations with various public and private bodies such as the Ministry of National Education, KOSGEB, Turkcell, Turk Telecom, General Directorate of</p>

#	Indicators	Evidence
		Social Support and Solidarity and Ministry of Forests and Environment. Source: Providing Technical Assistance for the First Interim Evaluation of Human Resources Development Operational Programme. Interim Evaluation Report, November 2011.
I-543	Universal approaches favoured over targeted ones where appropriate (in EU support)	Turkey adopted in 2006 the Law 5510 on Social Insurance and Universal Health Insurance. This allows the universal coverage of the whole population by the health care system, as well as universal social insurance benefits for contributors. After 2008, universal financial coverage became a part of the Health Transformation Programme. For the health care sector, the state contributes to the system at a rate of one quarter of the universal health insurance premiums collected per month (Law 5510, Article 81). The contributions for people with incomes below one third of the minimum wage are paid by the state. There is an option to pay lower contributions for those whose income is above one third of the minimum wage but below minimum wage (Law 5510, Article 80). <i>Source: EU: ASISP Report Turkey, 2014.</i>

#### 4.1.6 EQ6

#	Indicators	Evidence
<b>JC 61 Social protection as a human right promoted at all levels</b>		
I-611	Thematic, regional and country strategies and interventions incorporate rights-based approach to SP	As highlighted in the Council Conclusions on an Agenda for Change <sup>1</sup> , support for social inclusion and human development will continue through at least 20% of EU aid. Such efforts should help enhance the capacity of the poor and vulnerable groups to escape from poverty, to better cope with risks and shocks. They should be pursued with partner countries on a demand-driven basis, through a rights-based approach. The EU will encourage partner countries to include in their national policies the provision of higher levels of social security through, inter alia, income security and universal and non-discriminatory access to essential services throughout their life cycle. <i>Source: 2012 Communication on social protection in EU development cooperation; Council conclusions on Social Protection in European Union Development Cooperation 3191st Foreign Affairs - Development - Council meeting Luxembourg, 15 October 2012</i>  There is no mention of rights-based approach to SP in the EU documents. However, the MIPD mentions that under the political criteria, democratisation and the rule of law, the promotion of human rights (including the protection and rights of vulnerable groups) and women's rights and the situation in the east and the South-East), as well as good governance – have been addressed through a number of projects aimed at the judiciary, the law enforcement bodies, civil society and education institutions. <i>Source: MIPD 2011 – 2013.</i>  The HRD OP, on the other hand, states that the Social Security Reform envisages establishing a system including equal rights and liabilities for all citizens. <i>Source: HRD OP.</i>  AN expected result under IPA II is improved coverage and adequacy of social protection systems, with effective and efficient delivery of social policies and improved social protection mechanisms that focus on disadvantaged or vulnerable groups. <i>Source: IPA II Strategy Paper 2014-2020.</i>
I-612	Evidence that EU advocates for a rights-based approach in global fora	<i>Indicator not relevant at country level.</i>
<b>JC 62 EU support addresses concerns about excluded populations</b>		
I-621	Gender, disability, ethnic minority, children's, etc.	The EU Gender Report makes a detailed analysis of gender differences on the labour market participation, (employment rates, payment gaps, promotion, etc.). The report emphasised the need to systematically carry out gender mainstreaming within the IPA

#	Indicators	Evidence
	<p>issues mainstreamed in EU SP support</p>	<p>structures, while the thematic report focusing on political criteria highlighted the need for priority indicators – particularly in the field of gender equality – to ensure sufficient prioritisation between projects.</p> <p>Source: Gender Equality in Turkey 2013.</p> <p>The MIDP Sector Objectives for EU support include “Improved integration, respect for and protection of (...) women’s rights, reduction of violence against women and children, gender equality and anti-discrimination”</p> <p>Source: MIDP 2011 – 2013.</p> <p>In order to strengthen social cohesion, the HRD OP adopted the goal of promoting gender equality. There is a gender difference in enrolment rates for pre-primary education: 47.8 % of the population having pre-primary education consists of girls and 52.2 % consists of boys.</p> <p>The gender difference in terms of enrolment rate in secondary education is greater than in primary education. The net enrolment rate for girls is 52.16 % while for boys it is 60.71 % in 2006-2007 education year. School leavers reflect the gender disparity; the rate of school leavers after primary education is 10.5 % for boys and 19 % for girls in 2005-2006.</p> <p>Source: HRD OP.</p> <p>These gender differences in education are addressed through the higher support given to girls in the EU-financed CCT programme implemented by the MoFSP. This programme also reaches the refugee population. 2 million children are benefitting from CCTs under the programme, and an estimated 600,000 of them are in high school. A comparative study has estimated that the rate of early school leaving has been reduced by 13 percent in pilot provinces for 2014-15.</p> <p>Only one out of five people with disabilities at working age participate in labour force. The labour force participation rate of women with disabilities is one fourth of the average.</p> <p>Source: HRD OP.</p> <p>The “Strengthening Institutional Capacity of Centre for Labour and Social Security Training and Research” project contributed to increased accessibility of training for the vulnerable groups, especially for the disabled.</p> <p>The “Supporting social inclusion through sports education” project provided supplementary social and sports training to the children and youth of the region and provided training to an equal number of boys and girls.</p> <p>The “Capacity Building of Social Security Institutions” project developed and implemented a service model in Turkey to ensure the human rights of people with mental disorders and intellectual disabilities by providing community-level care.</p> <p>One of the sectorial objectives of MIDP is the improved integration, respect for and protection of children’s rights and reduction of violence against children.</p> <p>Source: MIPD 2011 – 2013.</p> <p>With respect to minorities, one of the MIPD objectives is the protection and promotion of minority’s rights and fight against discrimination.</p> <p>Source: MIPD 2011 – 2013.</p> <p>Through the ORD OP, the EU financed the following interventions:</p> <ul style="list-style-type: none"> <li>• <a href="#">“Increasing Employability of People with Disabilities.”</a> The purpose of the operation is to increase the employability of PwD through developing their social skills, behavioural rehearsal, communication skills, physical functioning, writing skills, cognitive skills, motivation, stress management skills, use-of-time skills, self-awareness, job-search skills, efficiency and productivity and to facilitate their integration into the labour market, and also to bring up specialized educators and health professionals about the employment of PwD.</li> <li>• <a href="#">“Promoting Social Inclusion in Densely Roma Populated Areas.”</a> The purposes of this operation are the following: to improve the quality of delivery of education/vocational education and training/lifelong learning, health, employment and social protection and social assistances services provided to target group; to increase the coordination among different public service providers; to increase social harmony/cohesion by enhancing the knowledge and awareness for social</li> </ul>

#	Indicators	Evidence
		<p>inclusion of the target group; to increase target groups' access to and demand for public services; to increase employability of target groups.</p> <ul style="list-style-type: none"> <li>• <a href="#">“Facilitating Access of Disadvantaged Higher Education Students to Labour Market Including Scholarship Support.”</a> The purposes of the operation are as follows; to increase the attendance rates of disadvantaged students in higher education and decrease the drop-out rates of disadvantaged students in higher education due to lack of economic self-sufficiency; to ease transition from school to work by improving generic skills and labour market skills; to increase the awareness of university students on the opportunities provided by the EU and Turkish institutions regarding employment; to increase the cooperation between DG CHI, universities and other institutions dealing with employment and social inclusion policies and facilitate the access of disadvantaged students to labour market; to reinforce the capacity of DG CHI regarding the service provided to disadvantaged students.</li> <li>• <a href="#">“Employment and Social Support Services Coordination and Implementation Model for the Integration of Disadvantaged Persons.”</a> The purpose is to contribute to the sustainable integration of the disadvantaged persons into the labour market by establishing a model for coordination and implementation of employment and social support services within the target Municipalities under supervision and guidance of UMT.</li> <li>• <a href="#">“Improving Social Integration and Employability of Disadvantaged Persons.”</a> The purpose of the intervention is to facilitate access of disadvantaged persons to the labour market and public employment services by eliminating barriers existent for the disadvantaged persons. To attain that final aim, the sub goals are: Increasing the employability and labour force participation of disadvantaged persons; Increasing awareness on the problems of disadvantaged groups and combatting discrimination against them which results in exclusion from the labour market; Increasing the institutional capacity of social partners and the Department of Disadvantaged Groups of the Ministry of Labour and Social Security which constitutes one of the main public institutions that develop policies and act in favour of disadvantaged persons.</li> </ul> <p>Source: <a href="http://www.ikg.gov.tr/en-us/projects/oiss.aspx">http://www.ikg.gov.tr/en-us/projects/oiss.aspx</a>.</p> <p>The 2010 Progress Report highlights the continuing discrepancy between schooling rates of children in the Southeast stating that "the gender gap in secondary and other levels of education persists ...Close to 200.000 children - especially girls in some Eastern and South-eastern provinces - are still out of school. There is also a significant gender gap, net enrolment rates being 67.55% among boys and 62.21% among girls."</p> <p>The gender differences are seen clearly in the 12 NUTS II Regions. In the 2005-2006 education year, rates of girls are 43.2% in secondary school while these rates are 56.8 % for boys in East and Southeast Anatolia. The problem in some provinces is severe. For instance, the net enrolment rate for girls is only 6.1% in Mus, 7.58% in Bitlis, 10.2 % in Mardin and 10.66 % in Siirt. Children of families living in these areas, especially girls, have some difficulties in access to secondary education, mainly due to the effect of traditions, lower socio-economic levels of families and inadequate number of schools and classrooms and lack of attractive and advanced VET Programmes.</p> <p>Source: 2010 EU Progress Report</p> <p>In the field of social inclusion and protection, Turkey is making commendable efforts to address the additional strain on social infrastructure exerted by high numbers of refugees in some provinces. A recently adopted national strategy and action plan on Roma citizens aim to address the problem of low-skilled and low-status work and child labour. Contrary to recent years, poverty indicators show no improvement in reduction of social inequalities. Severe material deprivation persists, especially for Roma children, and it is higher in the eastern regions. People with disabilities are at high risk of social exclusion and poverty; measures to increase their employment have been ineffective. The public sector's employment rate for people with disabilities is around 2%, well below its commitments. Turkey has taken important steps to promote community living, but an integrated and comprehensive policy framework still</p>

#	Indicators	Evidence
		<p>needs to be developed for social policies, services and assistance. Social protection expenditure represents 14.3 % of the GDP, with almost half of it allocated to old age pensions. High inactivity rates for women and high levels of undeclared labour pose a risk to the sustainability of the pension system. Home-based carers have become a major component of Turkey's care system, but they lack professional training and incentives to pay social security premiums.</p> <p><i>Source : 2016 EU Progress Report</i></p>
I-622	<p>NGO/CSO capacity to advocate in for SP needs of excluded populations strengthened</p>	<p>Turkish NGOs were involved in drafting the Joint Inclusion Memorandum. NGOs from a variety of fields have been actively involved in developing the HRD OP. Together with social partners, the NGOs are also involved in the implementation of HRD OP measures.</p> <p>There are many projects run by public institutions, social partners and NGOs on women's employment.</p> <p>Non-formal education is provided, among other institutions, by NGOs.</p> <p>NGOs are carrying out several activities and projects aiming at promoting social inclusion of disadvantaged persons.</p> <p>The Administration has two consultant committees (Executive Committee for People with Disability" and Council for People with Disabilities) with members from NGOs.</p> <p>However, although NGOs seem to be working actively to defend the rights of people with disabilities, their activities are not sufficient in terms of institutional capacity, cooperation between themselves and other public and private Institutions.</p> <p><i>Source: HRD OP.</i></p> <p>The civil society action plan under IPA-II embodies a strategy to increase civil society capacity and strengthen its voice in all areas.</p> <p><i>Source: EUD website</i></p>
<b>JC 63 Levels of social protection (benefits) increased (adequacy improved) (see EQ2 for coverage)</b>		
I-631	<p>Trend in non-contributory pension as percentage of average wage</p>	<p>No data on trend available. In 2011, the share of non-contributory pension in the average wage in the economy represented 7.3% (data not available for other years).</p> <p><i>Source ILO SP Report 2014.</i></p> <p>Persons aged 65+ with no pension rights are entitled to a social pension administered by MoFSP.</p> <p><i>Source: Interview, Social Security Institute</i></p>
I-632	<p>Trend in adequacy of social assistance benefits</p>	<p>The adequacy of social assistance benefits (percentage of benefits in total welfare of recipient) improved significantly since 2008. After a sharp decline in 2005, when it represented 1.47% as compared to 2.75% in 2004. The indicator reached 7.65% in 2012:</p> <ul style="list-style-type: none"> <li>• 2004: 2.75,</li> <li>• 2005: 1.47,</li> <li>• 2006: 1.65,</li> <li>• 2007: 1.74,</li> <li>• 2008: 1.91,</li> <li>• 2009: 6.37,</li> <li>• 2010: 7.76,</li> <li>• 2011: 7.42,</li> <li>• 2012: 7.65.</li> </ul> <p><i>Source: World Bank ASPIRE data accessed through <a href="http://www.indexmundi.com/facts/turkey/indicator/per_sa_allsa.adq_pop_tot">http://www.indexmundi.com/facts/turkey/indicator/per_sa_allsa.adq_pop_tot</a>.</i></p>
I-633	<p>Trend in adequacy of unemployment benefit: Percentage of unemployed receiving unemployment benefits (contributory and non-contributory)</p>	<p>The Adequacy of unemployment benefits and ALMP (% of total welfare of beneficiary households) increased slightly between 2004 and 2007 (when it reached the highest level), then followed a sinusoidal evolution. In 2012, the indicator came back to practically the same level as in 2004:</p> <ul style="list-style-type: none"> <li>• 2004: 9.4,</li> <li>• 2005: 10.9,</li> <li>• 2006: 9.98,</li> <li>• 2007: 12.51,</li> <li>• 2008: 8.17,</li> <li>• 2009: 7.96,</li> </ul>

#	Indicators	Evidence
	schemes)	<ul style="list-style-type: none"> <li>• 2010: 8.62,</li> <li>• 2011: 11.78,</li> <li>• 2012: 9.66.</li> </ul> <p>Source: <a href="https://knoema.com/WBWDIGDF2016Oct/world-development-indicators-wdi-quarterly-update?tsId=1787880">https://knoema.com/WBWDIGDF2016Oct/world-development-indicators-wdi-quarterly-update?tsId=1787880</a>.</p> <p>Unemployment coverage is very limited, as those without employment prefer to go into informality.</p> <p>Source: Interviews..</p>
I-634	Social protection expenditure as a proportion of GDP Spending on working age population. Spending on the elderly. Spending on children	<p>Total social protection expenditures (including health care) have more than doubled between 1990 and 2011:</p> <ul style="list-style-type: none"> <li>• 1990: 5.68,</li> <li>• 1995: 5.59,</li> <li>• 2000: 9.77,</li> <li>• 2005: 9.87,</li> <li>• 2007: 10.51,</li> <li>• 2009: 12.82,</li> <li>• 2011: 13.11.</li> </ul> <p>In 2011, if health care spending is excluded, the share of social protection expenditures in GDP represented 7.21%</p> <p>In 2011, the share in GDP of public social protection expenditures for old persons represented 6.98%. No social protection spending is recorded for children. In 2011, the share in GDP of social protection expenditures for working age population accounted for 0.24% in terms of social benefits (excluding general social assistance) and 0.06% of GDP in terms of unemployment benefits</p> <p>Source: ILO SP Report 2014.</p>

#### 4.1.7 EQ7

#	Indicators	Evidence
<b>JC 71 The modalities and implementing partners (channels) selected are appropriate given the objectives pursued and the partner country context</b>		
I-711	The choice of modalities and implementing partners reflects clearly identified comparative advantages and institutional capacity needs and constraints	<p>The EU interventions have been implemented through a combination of national and international institutions, involving both governmental and non-governmental partners. Private consulting companies were selected for projects requiring specific expertise -- "Strengthening Institutional Capacity of Centre for Labour and Social Security Training and Research," "Supporting social inclusion through sports education – phase II," and "Promoting services for people with disabilities" project. WHO was entrusted with the implementation of "Capacity Building of Social Security Institutions (SSI)" project.</p> <p>In terms of counterparts, the listed projects worked with CASGEM (Centre for Labour and Social Security Training, Ministry of Labour and Social Policy, Ministry of Health, Ministry of Youth and Sport, and the Social Security Institution.</p> <p>Source: ROM Reports.</p> <p>Under IPA II, employment, education and social policies meet the relevant criteria under IPA II for a sector support programme. Activities are supported through service, supply and work contracts, grant schemes, twinning, in cooperation with international organisations, where appropriate. Investment support however will receive a limited proportion of the allocation for this sector. The programme could be rolled out into two tranches (2014-17 and 2018-20).</p> <p>As was the case under IPA 2007-13 (component IV), IPA II assistance will continue to support final beneficiaries and target groups with a view to achieving maximum outreach. This may be in the form of grants, budget support, or financial assistance through financial engineering instruments.</p> <p>Source: IPA II Indicative Strategy Paper for Turkey (2014-2020).</p>
I-712	The approach employed by the EU fosters high quality	<p>The process of partnership consultation between EU and Turkey started with the establishment of the High Level Human Resources Development (HRD) Committee. The first meeting, in which information was provided for the new programming</p>

#	Indicators	Evidence
	dialogue between the EU and national stakeholders	<p>period, was organized in May 2006. The need for a strong partnership approach has been shared with the high-ranking representatives of the stakeholders. During the revision of the HRD OP draft, close cooperation was maintained by means of several high level bilateral meetings.</p> <p><i>Source: MLSS: Human Resources Development Operational Programme. 2007.</i></p> <p>Cooperation between Turkey and EU has continued in the field of social policy and employment, such as the projects for increasing the employability of the people with disabilities, strengthening the labour inspection system and women's participation in the labour market.</p> <p><i>Source: MIPD 2009-2011 Turkey.</i></p> <p>Policy is formulated with the involvement of all stakeholders. If a Ministry wishes to publish a strategy paper, there will be a workshop with Government, civil society representatives, etc., then a draft will be circulated to all relevant Ministries.</p> <p><i>Source: Interview, representative of Ministry of European Affairs</i></p>
I-713	The aid delivery methods and channels used promote ownership of SP by national stakeholders	<p>The project "Strengthening Institutional Capacity of Centre for Labour and Social Security Training and Research": In terms of "Ownership of social partners" (specified in the ToR), or their readiness for taking ownership over project results, the social partners, like HAK-IS and TISK are ready and even expect in the future a closer cooperation and coordination with ÇASGEM concerning the development of training modules and research subjects. This would enhance the quality and target orientation of future services provided by the Centre and increase the demand for such services.</p> <p>However, ÇASGEM's ownership over the project results is still below expectations. For instance, handing-over the management of the ÇASGEM website is realistically feasible before the project end, the management is not yet ready to take it over.</p> <p><i>Source: Project ROM Report.</i></p> <p>The project "Supporting social inclusion through sports education": The Project benefited from high ownership at ministerial level, as well as from the good working relations, efficient communication and smooth coordination mechanism established with the beneficiary. The high level of ownership has safeguarded the efficient implementation to a great extent. Ownership by target groups is promising at various levels. At the central (Beneficiary) level, main project outputs such as the training materials and the Trainers' Handbook, as well as the Strategy Note analysing how social exclusion can be addressed through sports education, will be used by the MoYS to support disseminating, scaling-up and further developing the project outputs. At the local level, ownership is apparent among provincial stakeholders. The project targeted disadvantaged groups who were identified and directed to the project activities with the involvement of many local actors (schools, local police). Therefore, the project has largely contributed to good governance and inter-agency cooperation at the local level enhancing ownership to continue in future.</p> <p><i>Source: Project ROM Report.</i></p> <p>The project "Promoting of services for people with disabilities": The design of the project proved to be satisfactory, allowing the SGK to reach an effective and solid ownership of its achievements, as it well addressed the needs. High level of ownership of the project results has been continued since the project ended at the expertise level, along with the middle and top management of the SGK (the Social Security Institution).</p> <p><i>Source: Project ROM report.</i></p> <p>The project "Capacity Building of Social Security Institutions": Participation of all stakeholders, including patients and their relatives as service users in the planning and implementation of the activities ensured the quality of and ownership for the outputs: The institutional and financial sustainability of the intervention is high as reflected by the continued ownership at the central level and the enthusiasm of service providers in the community based centres together with the planned follow-up project expected to start in 2016.</p> <p>Ownership by the target group continues to be high. They are looking forward to continued and enhanced services given the direct positive impacts on their quality of life and work experience.</p>

#	Indicators	Evidence
		<p>Ownership by other institutions at operational level faces restraints due to limited resources as well as socio cultural resistance and stigmatisation.</p> <p>The interaction between the project and policy level was very high as reflected in the active involvement and strong ownership of both Ministers.</p> <p><i>Source: Project ROM Report.</i></p> <p>National ownership was demonstrated to be good in all field phase interviews. This was, for example, particularly evident in discussions with staff responsible for the conditional cash transfer programme (designed to keep children in school) in the Ministry of Family and Social Policy and for the community mental health programme in the MoFSP and Ministry of Health. On several occasions, Government representatives stated that it was not EU finance that was crucial, as there are domestic budgetary resources to finance national policies, but rather the EU perspective and EU expertise.</p> <p><i>Source: Field mission interviews</i></p>
<b>JC 72 EU financed interventions in the social protection field are mutually reinforcing</b>		
I-721	Financing instruments (bilateral vs. regional, geographic vs. thematic) are combined to exploit complementarities and promote synergies	<p>The project “Strengthening Institutional Capacity of Centre for Labour and Social Security Training and Research” project interacted with two other projects under implementation during the same period:</p> <ul style="list-style-type: none"> <li>• Strengthening the Social Dialogue for Innovation and Change project, whose beneficiary is the MoLSS, affiliated bodies of the Ministry and Social Partners. During the implementation term of this project, two experts from ÇASGEM took an active management role of the project and attended some training. Thanks to these project activities, those experts gained experience regarding EU funded project preparation and implementation.</li> <li>• Occupational Health and Safety project, whose beneficiary is the Directorate General of Occupational Health and Safety of the MoLSS. Some experts from ÇASGEM attended the conferences which were organized by the project.</li> </ul> <p><i>Source: Project Fiche.</i></p> <p>A major area of synergy and complementarity between social protection and other areas is refugees. The Facility for Refugees in Turkey, which entered into force in March 2016, is designed to ensure that the needs of both refugees and host communities are addressed in six priority areas: humanitarian assistance, migration management, education, health, municipal infrastructure, and socio-economic support. Actions are being financed / implemented by ECHO (European Commission’s Humanitarian Aid and Civil Protection department) for humanitarian assistance, IPA (Instrument for Pre-Accession) and IcSP (Instrument contributing to Stability and Peace), and the EUTF (EU Regional Trust Fund for Syrian Refugees) for non-humanitarian assistance. The Ministry for Family and Social Policy is implementing one ECHO project.</p> <p><i>Source: EUD website, field interview with representative of MoFSP</i></p>
I-722	EU support to SP in partner countries has been reinforced by the mobilisation of expertise from EU Member States (via instruments such as TAIEX/Twinning or the SOCIEUX facility)	<p>Turkey was one of 25 countries for which technical reports were prepared under the SOCIEUX project “Study on the Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe” funded by DG EMPL and implemented in the period November 2010 – July 2012.</p> <p><i>Source:</i><a href="http://international.gvg.org/cgi-bin/render.cgi?__cms_page=en_news_7">http://international.gvg.org/cgi-bin/render.cgi?__cms_page=en_news_7</a></p> <p>Turkey has benefited both from Twinning and TAIEX, although social protection was apparently not a key sector. There were a number of twinings in the area of gender equality, and one on reforming the labour inspectorate (with MoLSS).</p> <p><i>Source:</i> <a href="http://www.ab.gov.tr/files/EKYB/eslestirme_klasoru/member_states_involvement_01_02_16.pdf">http://www.ab.gov.tr/files/EKYB/eslestirme_klasoru/member_states_involvement_01_02_16.pdf</a></p> <p>Turkey is eligible for the PROGRESS programme, but a web search of the programmes’ website yielded no hits.</p> <p><i>Source: <a href="http://ec.europa.eu/social/main.jsp?langId=en&amp;catId=327">http://ec.europa.eu/social/main.jsp?langId=en&amp;catId=327</a></i></p>
<b>JC 73 EU support has been delivered in a timely fashion, minimising costs for all parties involved, and has been effectively monitored</b>		
I-731	Frequency of delays in implemented	In the “Supporting social inclusion through sports education” project, some delays occasionally occurred regarding the approval of proposed NKE’s and the use of

#	Indicators	Evidence
	interventions related to SP	<p>incidental budget, which have created minor difficulties in implementation, such as the necessity to postpone some workshops. Nevertheless, flexibility and high expertise level of the Technical Assistance Team, including the numerous senior and junior NKE's mobilised as trainers, are highly appreciated by the Beneficiary and this prevented major delays and difficulties that could hamper efficient project implementation.</p> <p><i>Source: Project ROM Report.</i></p> <p>The "Capacity Building of Social Security Institutions" project: The provision of human and material resources experienced delays due to: the recruitment procedures of WHO, procurement procedures regarding the rule of origin; the institutional restructuring at the Beneficiary Institutions; and particularly the policy decision to scale up the community based services countrywide. On the other hand, the delays in the initiation of the second phase for almost two years is an issue of concern among the key stakeholders, which may lead to loss of memory and the momentum gained during the implementation of the project while reducing the prospects of future impact.</p> <p><i>Source: Project ROM Report.</i></p> <p>Concern over delays in approval of the new project were strongly expressed during the field mission, especially in view of the fact that the project is widely believed to have been a great success.</p> <p><i>Source: project representatives from MoFSP and MoH</i></p> <p>The HRD OP of the MoLSS reported significant delays in project contracting. Every tender requires prior EUD approval. At present there are more than 200 contracts in process, but only 7 months are left to enter into them before the funding expires. The HRD OP reports that programming on average takes 2-3 years for procurement. In that time, the needs of the beneficiaries change. For contracts to remain relevant they have to be changed, and this causes more delay. The EU Delegation is very busy and approval of every single step of a program takes months. On the other hand, contracting care is necessary to stop problems. The recent CCT follow on project "failed" because a public servant was proposed for the service contract. But a public servant if hired must be approved. Approval was not given and the project tender had to be cancelled. This may be an example of the system working to prevent problems.</p> <p>There are no implementation difficulties after contracts are signed. Under IPA I there was a time period of three years for project execution. Under IPA II this will be changed to five years, and this will render execution easier.</p> <p><i>Source: meeting with MoLSS representative</i></p> <p>While the quality of TA received was high, the tendering process was slow.</p> <p><i>Source: meeting with CASGEM representatives.</i></p> <p>The Central Financing and Coordinating Unit (CFCU) of the MoLSS, responsible for implementing IPA assistance, is extremely bureaucratic.</p> <p><i>Source: Meeting with UN agency representative.</i></p>
I-732	Transaction costs are minimised for all parties involved	Based on the contracting delays reported above, transaction costs were high.
I-733	Monitoring and evaluation allows for adjustment of SP support responding to performance and context	<p>The possibility to assess impact prospects during a ROM mission for on-going projects is limited, especially when internal monitoring and reporting is primarily activity-focused. Real impact can be better determined sometime after the implementation is finished (ex-post ROM), or through a specific impact assessment study.</p> <p><i>Source: Technical Assistance for Result Oriented Monitoring in Turkey – Phase II. Performance of IPA Component I - TAIB projects. Review of ROM Monitoring Findings 2015.</i></p> <p>At country level, a Monitoring Information System (MIS) has been being developed and updated since 2006. The use and the commitment of entering data and providing updates and inputs to system is not compulsory. In order to ensure consistent input to the system, monitors have been assigned indicating that the feed</p>

#	Indicators	Evidence
		<p>in to the system still necessitate a back-up organisation.</p> <p>The Central Grant Monitoring Teams (CGMT) are within İŞKUR (11 permanent and full time staff members), Ministry of National Education (approximately the same staff number, but not all are full time), and SGK (one person full time).</p> <p>Source: Providing Technical Assistance for the First Interim Evaluation of Human Resources Development Operational Programme. Interim Evaluation Report, November 2011.</p> <p>For monitoring/evaluation of the HRD OP, and in order to ensure coherence and coordination for implementing IPA components, programmes and operations as well as the progress in the implementation of IPA assistance, the following monitoring committees were established:</p> <ul style="list-style-type: none"> <li>• IPA Monitoring Committee covering all IPA components;</li> <li>• Sectoral Monitoring Committees for each OP;</li> <li>• National Coordination Structures (Financial Cooperation Board; Regional Development and Human Resources Development Coordination Committee for 3rd and 4th components of IPA).</li> </ul> <p>Source: HRD OP</p> <p>Monitoring and evaluation of the HRD OP implementation takes place through the HRD OP Monitoring Committee (HRD OP MC), co-chaired by the Deputy Undersecretary of MLSS (responsible for EU Coordination &amp; IPA Management Department) and a representative of EC. The members of the HRD OP MC include the National IPA Coordinator, a EC representative, a representative of the Strategic Coordinator for Components III and IV, representatives of public institution involved in HRD issues, representatives of the CFCU and the units of the MLSS involved in the implementation of the HRD OP, representatives of civil society and socio-economic partners, the National Authorizing Officer, and a representative of the National Fund. Secretariat and administrative support to HRD OP MC is provided by the Monitoring and Evaluation Unit. The HRDOP Monitoring Committee report to the IPAs Monitoring Committee.</p> <p>Source: HRD OP</p> <p>The CCT programme implemented by the MoFSP to encourage mothers to keep their children in school has benefitted from an integrated database drawing in data from thirteen separate institutions' databases to provide a comprehensive picture – including data to ensure that children are, in fact, attending school at least 80% of the time as called for by the programme. Community-based workers visit the household every two months to verify actual need. Programme design benefited from an impact study done in 2012 which found that the amount being transferred was insufficient, as a result of which the programme was adjusted.</p> <p>Source: Meeting with MoFSP representative</p> <p>With EU support, a monitoring system to track the Child Protection Strategy is being implemented. The existing system is too complicated (120 indicators) and based on administrative data rather than results</p> <p>Source: Meeting with MoFSP representative.</p>

#### 4.1.8 EQ8

#	Indicators	Evidence
<b>JC 81 EU policy and interventions in social protection support and supplement other policies / interventions, including those of other donors and MSs</b>		
I-811	Institutional structures / mechanisms in place to coordinate SP policies and interventions across MSs and other international donors.	<p>The donor coordination group for Social Policy and Employment is led by the EUD together with the ILO.</p> <p>Source: MIDP 2011 – 2013</p> <p>On the side of the other donors in the area of health protection the World Bank provides loans to the Ministry of Health and important technical advice is provided by the World Health Organisation. UNICEF provides assistance in the health area. Finance in this area is provided also by the Council of Europe Development Bank, European Investment Bank and the Islamic Development Bank. The donor coordination group for Social Policy and Employment is led by the EUD together with</p>

#	Indicators	Evidence
		<p>the ILO.</p> <p>The first draft of the MIPD 2011-2013 was discussed with the Embassies of Member States in Ankara, IFIs, bilateral and international organisations and civil society organisations. These consultations were much appreciated by all stakeholders and led to substantial discussions and increased ownership.</p> <p><i>Source: MIPD 2011 – 2013. 20</i></p> <p>The HRD OP is coordinated only between EC and Turkish government through the Strategic Coherence Framework (SCF), prepared under the coordination of the Strategic Coordinator (Ministry of Development).</p> <p>As a major strategic document, the SCF takes into account the priorities of Turkey and the EU, as stated in major policy documents, especially in the Multi-annual Indicative Planning Document. It aims to provide coherence and consistency between the two operational programmes for the 2007 – 2013 period. HRD OP has been prepared in line with the SCF. In order to provide coherence with the SCF, several consultation meetings have taken place between the Operating Structure (OS) and the Strategic Coordinator.</p> <p>Source: Source: Providing Technical Assistance for the First Interim Evaluation of Human Resources Development Operational Programme. Interim Evaluation Report, November 2011.</p> <p>In parallel, a consultation meeting with some of the most active international institutions in Turkey (ILO, EBRD, EIF, World Bank, and UNICEF) was organised in April 2014 with a view to inquire possible areas of cooperation. As a result of this process, cooperation with international organisations is being explored as a probable modality under all actions of this programme.</p> <p><i>Source: EC: Commission Implementing Decision for adopting a multi-annual Action Programme for Turkey on Employment, Education and Social policies. December 2014.</i></p>
I-812	EU is able to leverage its support by generating funding from other sources.	No information has been obtained on funding from other sources.
<b>JC 82 EU support for social protection coherent with other EU sector policies (e.g. trade, employment)</b>		
I-821	DG NEAR / DEVCO-financed SP support cross-refers to policies and strategies of other relevant DGs and avoids duplication and conflicts	<p>DG NEAR works closely with other Commission services responsible for thematic policies (e.g., DG EMPLI for social protection, as well as with the European External Action Service and Commission services on external action, to facilitate and help ensure a consistent approach.</p> <p><i>Source: <a href="http://ec.europa.eu/europeaid/general_en">http://ec.europa.eu/europeaid/general_en</a>.</i></p> <p>At national level, responsibility for ensuring consistency rests with the Ministry of European Affairs, which reviews Ministry strategies / policies. For example if the Ministry of Youth and Sport develops a policy, this will be circulated to all relevant Ministries including MoEUA, who will check on consistency with policies of DG EDU.</p> <p><i>Source: Interview with representative of MoEUA</i></p>
I-822	Existence of inter-DGs coordination on SP	<i>Not relevant to the country case.</i>
Other relevant information		<p>The Kizilaykart is a banking card is distributed to refugees and is used to provide cash benefits. The GoT has implemented an extension of the Conditional Cash Transfer (CCT) program used to support poor families and extended it on a large scale to provide support to the refugees. The card bears logos of the EU and of Turkey as the assistance is being provided by the EU.</p>

#	Indicators	Evidence
		

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## 4.2 Overview of EU-funded key interventions

<i>Financing instrument</i>	<i>Title</i>	<i>Implementation period</i>	<i>EU contribution (EUR)</i>	<i>Implementing partner(s)</i>
<b>2007-2013</b>				
IPA I Comp IV	Capacity Building of Social Security Institution Sosyal Güvenlik Kurumu (SGK)	2010-2011	1,095,000	Sosyal Güvenlik Kurumu (SGK)
IPA I Comp I	Promoting of community based services for vulnerable people with mental and physical disabilities	2010-2014	3,800,000	Ministry of Family and Social Policy, MoH, WHO
IPA I Comp I	Supporting social inclusion through sports education (especially vulnerable youth in Southeast Turkey)	2012-2014	2,300,000	Ministry of Youth and Sports
IPA I Comp I	Supporting social inclusion through sports education – phase II	2013-2014	1,800,000	Ministry of Youth and Sports
<b>2014-2017</b>				
IPA I Comp I	Protection of children from all forms of violence (emotional, physical, verbal, psychological) in school to promote well-being and achievement	2013-2015	2,700,000	Ministry of National Education
IPA I Comp I	Strengthening Institutional Capacity of Centre for Labour and Social Security Training and Research (ÇASGEM)	2014-2016	2,250,000	ÇASGEM
IPA I Comp IV	Capacity building for the Ministry of Family and Social Policy to promote services to the disabled, inclusive employment	2015-2017	4,645,214	Ministry of Family And Social Policy
IPA I Comp IV	Promoting an increase in registered employment and increased social security coverage	2015-2017	10,320,289	SGK
IPA I Comp IV	Increasing women's formal employment through support of home-based child care services	2015-2017	3,962,500	SGK
IPA I Comp IV	Improve implementation of Human Resources Development Operational Programme (HRD OP) through increasing capacity and support for programming, project management and evaluation, QC	2015-2017	3,364,294	Ministry of Labour and Social Policy, HRD OP
IPA Comp IV	Strengthening the Impact of the Conditional Cash Transfer Programme in Turkey for Increasing High School Attendance	n/a	n/a	n/a
IPA Comp IV	Increasing Adaptability of Employees and Employers with a Social Dialogue Approach	n/a	n/a	n/a
IPA Comp IV	Facilitating Access of Disadvantaged Higher Education Students to Labour Market Including Scholarship Support	n/a	n/a	n/a
IPA Comp IV	Improving Social Integration and Employability of Disadvantaged Persons	n/a	n/a	n/a

## 4.3 List of people interviewed

<i>Surname</i>	<i>First name</i>	<i>Organisation Unit</i>	<i>Responsibility</i>
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<i>Surname</i>	<i>First name</i>	<i>Organisation Unit</i>	<i>Responsibility</i>
Demir	Mehmet Caner	EU Delegation	Sector Manager Social Policy and HR Development
Agtaş	Özge Berber	International Labour Organization, ILO Office for Turkey	Programme and Administrative Officer
Akcay	Esra	Ministry of Health	Project Manager Health Care Expert
Akin	Gamze	Ministry of Labour, HR Development Operations	EU Expert, Programme Management, Monitoring and Evaluation
Aktaşoğlu	Esat	Ministry of Labour, HR Development Operations	Chief of Project Management Unit
Altay	Furda Cinal	Centre for Labour and Social Security Training and Research ÇASGEM	Head of Research
Altun	Bulut	Ministry of Youth and Sports	Project Manager
Arslantos	Handon	Ministry of Family and Social Policy	Social Service Expert
Biçkıcı	Mehmet	Ministry of Youth and Sports	Director General for Projects and Coordination
Çağlayan	Pinar	Ministry of Family and Social Policy	Social Assistance Expert
Cihanoglu	Gülniker	Ministry of Labour, HR Development Operations	EU Expert, Programme Management, Monitoring and Evaluation
Demir	Ceren	Ministry for EU Affairs	Evaluation
Ercan	Ali	Ministry of Labour, HR Development Operations	HRPT
Erdogan	Onur	Centre for Labour and Social Security Training and Research ÇASGEM	Researcher
Ergani	Cağrı	Ministry of Labour, HR Development Operations	EU Affairs
Filcheva	Marina	UNICEF	
Gelikten	Ayşe	Ministry of Family and Social Policy	Social Assistance Expert
Gencal	Bariş	Social Security Institution SGK	Project Manager
Göv	Ertan	Ministry of National Education	Department Head General Directorate for Special Education and Guidance Services
Gülcügil	Iraz Övkü Soyalp	UNICEF	Chief of Social Protection
Hatirnaz	Nuray	Ministry of Family and Social Policy	Head of the Department of EU and Foreign Relations
İnaltekin	Önal	Ministry of Family and Social Policy	General Manager, Social Service Department
Karacan	Con	Ministry of Labour, HR Development Operations	EU Affairs
Karan	Ahmet	EU Delegation	Social Policy and Social Insurance Sector Manager
Karatekeloğlu	Petek	Ministry for EU Affairs	EU Affairs Expert/Coordinator
Kaskati	Tolga	BSY Grup	Managing Partner
Kaya	Ersin	Ministry of Family and Social Policy	Social Assistance Expert

<i>Surname</i>	<i>First name</i>	<i>Organisation Unit</i>	<i>Responsibility</i>
Köseoglu	Nagehoi	Ministry of Labour, HR Development Operations	Project Management Unit
Koyuncu	Zeynep Aydemir	EU Delegation	Social Policy and Employment Sector Manager
Lewis	Jane	European Commission ECHO Ankara Turkey	Head of Office
Metin	Şahin	Ministry of Family and Social Policy	Project Manager
Okur	Mehmet Alif	Ministry of Youth and Sports	Sports/Training Expert
Ozcan	Ramzan Olan	Ministry of Youth and Sports	Sports/Training Expert
Özkaya	Avni	Ministry of Family and Social Policy	Deputy General Manager, Social Service Department
Pirgon	Mehmet	Ministry of Family and Social Policy	Social Service Expert
Re	Elaine	Ministry of Family and Social Policy	Social Service Project Manager
Sangeli	Deniz	Ministry of Family and Social Policy	Social Service Expert
Sener	Arzu	EU Delegation	Monitoring and Evaluation
Sezer	Ahmet Helmi	Social Security Institution, or Sosyal Güvenlik Kurumu (SGK)	Social Security Expert, General Directorate of Strategic Development
Tunçkanat	Figen	EU Delegation	Social Policy and Health Sector Manager
Ursu	Dr. Pavel	World Health Organization	WHO Representative
van de Wiel	Lieke	UNICEF	Head of Country Office
Vazansever	Selim	Ministry of Labour, HR Development Operations	Coordinator, Programme Management, Monitoring and Evaluation
Yağmur	Ahmet Serdar	Social Security Institution SGK	Social Security Expert, Strategy Development Presidency
Yazar	Irem	Ministry of Labour, HR Development Operations	Proejct Management Unit

## 4.4 Bibliography

### 4.4.1 EU strategy and programming

- EC (2014): Indicative strategy paper for Turkey (2014-2020) adopted on 26/08/2014.
- National Programme - Turkey - IPA 2007, 2008, 2009, 2010, 2011, 2012, 2013.
- IPA 2010 - National Programme Turkey amended: Commission Decision C(2010) 8334 of 23 November 2010, Financing agreement, amended financial proposal, Addendum N°1, annexes.
- IPA 2011 - National Programme Turkey amended: Commission Implementing Decision of 11/11/2011, Draft financing agreement for year 2011 part 2, Financing proposal IPA.
- Multi-annual Indicative Planning Document (MIPD) 2007-2009, 2008-2010, 2009-2011, 20011-2013, for Turkey- Commission decision C(2007)1835 of 30/04/2007.

### 4.4.2 National framework

- Ministry of labour and social security, Republic of Turkey (2007): Human resources development Operational Programme CC N° 2007TR05IPO001.
- Ministry of labour and social security, Republic of Turkey (2007): Human resources development Operational Programme third version CC N° 2007TR05IPO001.

### 4.4.3 Project documentation

The team reviewed the available project documentation (action fiches/TAPs, grant contracts, implementation and monitoring reports, evaluations, etc.) of the following interventions (see also details in the list presented in Annex 2):

- Capacity Building of Social Security Institution Sosyal Güvenlik Kurumu (SGK)
- Promoting of community based services for vulnerable people with mental and physical disabilities.
- Supporting social inclusion through sports education (especially vulnerable youth in Southeast Turkey).
- Supporting social inclusion through sports education – phase II 2014-2017.
- Protection of children from all forms of violence (emotional, physical, verbal, psychological) in school to promote well-being and achievement
- Strengthening Institutional Capacity of Centre for Labour and Social Security Training and Research (ÇASGEM).
- Capacity building for the Ministry of Family and Social Policy to promote services to the disabled, inclusive employment.
- Promoting an increase in registered employment and increased social security coverage.
- Increasing women’s formal employment through support of home-based child care services.
- Improve implementation of Human Resources Development Operational Programme (HRD OP) through increasing capacity and support for programming, project management and evaluation, quality control.
- Strengthening the Impact of the Conditional Cash Transfer Programme in Turkey for Increasing High School Attendance.
- Increasing Adaptability of Employees and Employers with a Social Dialogue Approach.
- Facilitating Access of Disadvantaged Higher Education Students to Labour Market Including Scholarship Support.
- Improving Social Integration and Employability of Disadvantaged Persons.

### 4.4.4 Evaluations and studies

- Carlos Soto Iguaran: The Turkish Welfare Regime under Pressure: Resilience or Change? Région et Développement n° 34-2011.
- Civil Society Facility (2011-2012): Country Fiche: Turkey Programme
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- EC (2013): The current situation of gender equality in Turkey – Country Profile
- EC (2014): ASISP Report: Pensions, Health Care and Long Term Care- Turkey
- EC (2014): The European Union's IPA Program for Western Balkans and Turkey- Mapping of Sector Strategies final report
- EC (2015): ESPN Thematic Report on Social Investment-Turkey
- EC (2015): Evaluation of EU Assistance to Turkey in the field of Health and Safety at Work
- EC (2015): Technical Assistance for Result Oriented Monitoring in Turkey- Phase II- Performance of IPA Component I- TAIB projects- Review of ROM Monitoring findings during 2015
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- Ministry of Labour and Social Security; EC: Human Resources Development Operational Programme.
- Republic of Turkey Social Security Institution Introductory Booklet Ankara, 2016
- State Planning Organisation: 9th Development Plan 2007 – 2013
- Technical Assistance for Result Oriented Monitoring (ROM) in Turkey- Phase II Final report 19 September 2014- 18 September 2016
- UNICEF (2014): Policy Paper on Improving the Conditional Cash Transfers in Turkey
- WHO (2011): Turkey Health System Assessment Performance
- World Bank (2014): Turkey's Integrated Social Assistance System.

#### 4.4.5 Other

- EC (2011, 2012, 2013, 2014, 2015, 2016): EU Progress Report: Turkey.
- External Assistance Management Report (EAMR) Delegation: Turkey – Periods: 2012, 2013, 2014.
- Enlargement strategy and main challenges 2007-2008, 2008-2009, 2009-2010, 2010-2011, 2011-2012, 2012-2013, 2013-2014, 2014-2015. Communication from the Commission to the European Parliament and the Council.

#### 4.4.6 Web-links

- EU Delegation in Turkey: [http://ec.europa.eu/enlargement/instruments/funding-by-country/turkey/index\\_en.htm](http://ec.europa.eu/enlargement/instruments/funding-by-country/turkey/index_en.htm)
- Ministry of Labour and Social Security: <http://www.csgb.gov.tr/En>
- Ministry of National Education: [http://www.meb.gov.tr/meb\\_haberindex.php?dil=en](http://www.meb.gov.tr/meb_haberindex.php?dil=en)
- Ministry of Youth and Sport: <http://www.asimetrik.com.tr/en/portfolio/t-c-genclik-ve-spor-bakanligi/>