

# MODULE 6

## Building the assessment matrix

**Duration:** 2 hours

**Prerequisites:** Modules 2, 4

### Key questions:

1. What is the structure of the assessment matrix?
2. What are the benchmarks to assess the social protection situation?
3. What are the main parameters to describe existing schemes?
4. What are the policy gaps and implementation issues?
5. How to qualify and quantify policy gaps and implementation issues?
6. What methods can be used to progressively develop a shared diagnosis of the social security situation and recommendations for new or expanded SPF provisions?

### Objectives:

This module explains in detail the process of building the assessment matrix. It aims to create a shared diagnosis of the social security situation, identify policy gaps and implementation issues, and propose new or expanded SPF provisions. The module provides a methodology to be used to complete the matrix and to come up with shared recommendations to complete the social protection floor.

### Overview:

#### What is the structure of the assessment matrix?

The assessment matrix includes one row for each guarantee of the social protection floor and one column for each of the following: SPF objectives, existing social protection provisions in the country, planned social protection provisions, policy gaps, implementation issues, and recommendations.

For each guarantee, participants complete the assessment matrix by:

- recalling the SPF objectives;
- describing existing and planned social protection provisions in the country;
- comparing the country's social protection situation with SPF objectives and identifying possible policy gaps and implementation issues; and
- agreeing through discussions with all stakeholders on priority recommendations to achieve SPF objectives.

Figure 9. The assessment matrix

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

### What are the benchmarks to assess the social protection situation?

For each guarantee (access to health care, income security for children, income security for the working age group, income security for the elderly), participants recall the SPF objectives related to these guarantees. The SPF objectives can serve as benchmarks against which all social protection provisions can be assessed.

The first guarantee, namely access to health care, aims at a situation where all residents have access to a nationally defined set of goods and services that constitutes essential health care, including maternity care, which meets the criteria of availability, accessibility, acceptability, and quality.

The second guarantee, namely income security for children, aims at a situation where all children enjoy basic income security, at least at a nationally defined minimum level, providing access to nutrition, education, care, and any other necessary goods and services.

The third guarantee, namely income security for the working age group, aims at a situation where all residents in active age who are unable to earn sufficient income enjoy basic income security, in particular, in cases of sickness, unemployment, maternity and disability.

The fourth guarantee, namely income security for the elderly, aims at a situation where all residents in old age enjoy basic income security at least at a nationally defined minimum level.

According to the Social Protection Floors Recommendation, 2012 (No. 202), Member States should give consideration to the following (paragraph 8):

- (a) persons in need of health care should not face hardship and an increased risk of poverty due to the financial consequences of accessing essential health care. Free prenatal and postnatal medical care for the most vulnerable should also be considered;
- (b) basic income security should allow life in dignity. Nationally defined minimum levels of income may correspond to the monetary value of a set of necessary goods and services, national poverty lines, income thresholds for social assistance or other comparable thresholds established by national law or practice, and may take into account regional differences.

The national dialogue which takes place while building the assessment matrix also contributes to the progressive definition of a shared social protection vision for the country which constitutes the nationally defined social protection floor.

### What are the main parameters to describe existing schemes?

In the subsequent column, participants list existing social protection schemes for each guarantee. These schemes may be contributory or non-contributory, targeted or universal, mandatory or voluntary.

To describe each scheme, a number of parameters are necessary as indicated in the example of the “500 baht scheme” in Thailand: name of scheme, name and references to the laws and regulations, responsible body (name of ministry or institution), target group and eligibility criteria, number of persons actually covered (and as a percentage of the target group), types and levels of benefits provided (cash or in-kind benefits, periodic or lump-sum payments, means-tested or universal, and so on), and financing sources (general tax revenues, workers’ contributions, employers’ contributions, and external funding).

Figure 10. Parameters to describe a social security scheme

Name of the scheme	Legal framework	Responsible body	Target group	Eligibility criteria	Population covered	Benefits	Financing
“THB500 scheme”	Old Age Act B.E. 2546 (2003) Specific regulations in 2009 (on disbursement criteria and methods)	Local Administration under the responsibility of the MSDHS	Thai elderly who do not receive any other public pension	<ul style="list-style-type: none"> <li>• Thai nationals</li> <li>• Age 60+</li> <li>• Register at local admin.</li> <li>• Domicile in district of local govt.</li> <li>• Not receiving other old age pension</li> </ul>	In 2011, 72.4 per cent of the elderly over 60 years of age	THB600 60–69 years of age, THB700 70–79 years of age, THB800 80–89 years of age, THB1,000 90 and +	General tax revenues

In addition to the description of existing schemes, it is also interesting to learn about the government’s vision and its social security strategy. This information will be particularly useful when providing recommendations to the government so as to ensure that the recommendations are in line with the government’s strategy.

## What are the policy gaps and implementation issues?

Participants then compare the inventory of existing and planned schemes with the SPF guarantees. In some cases the social protection floor can be considered as achieved for certain guarantees. This is the conclusion that was reached in Thailand for health care. In most cases, however, the social protection floors' objectives are clearly not achieved. This may be due to a policy gap or an implementation issue. In conducting such an analysis, particular attention should be given to the level of coverage and access to benefits among women and men, and conclusions made on whether equal protection is guaranteed.

### *Policy gaps*

- Policy gaps occur when a share of the population is not covered by the social security law. In most cases, uncovered populations include informal sector workers, dependants of formal sector workers, migrant workers, people with disabilities, domestic workers, and other specific vulnerable groups.
- Policy gaps may also come about in situations of ad-hoc policies and absence of legal frameworks. This is the case for many anti-poverty, donor-driven programmes that provide scholarships, cash transfers, school feeding, and take-home rations to poor and vulnerable households. These programmes often are not embedded in national legislations.
- Policy gaps also arise in the absence of schemes for some of the SPF guarantees. In Cambodia, for instance, there is no existing old-age pension scheme in place.
- Policy gaps also happen when the levels of benefits are insufficient to guarantee income security. For instance, lump-sum payments upon retirement and non-indexed pensions do not provide sufficient protection in old age. Existing social transfers may not be set at an adequate level to have a significant impact on poverty reduction.
- In some cases the benefit packages are not adapted to the needs of the people or to changing environments. Transportation costs in case of emergencies are not covered in many health care packages. This exclusion may have dramatic consequences in countries like Indonesia where the population is scattered across 17,000 islands.
- In ageing societies, new needs may arise for people with dependencies that are not yet taken into account by existing policies (e.g. the need for long-term care).
- Benefit packages that are not portable or the absence of provisions in cases of unforeseen events – such as major economic recessions or natural disasters – entail a lack of responsiveness which can be considered as a policy gap.
- A lack of clarity of what is included in a benefit package may lead to difficult situations where beneficiaries cannot claim benefits for which they are entitled. This is the case when a health care package is assumed to cover “everything” when in practice it only covers what is available at the point of delivery, i.e. in the public health care facilities.
- In some cases the law cannot be implemented because the law has no decrees for implementation or rules and regulations. This is also considered a policy gap.

- Lack of portability of social security benefits can be also considered as a policy gap because it leads to situations where workers who have worked for multiple employers or have moved from one scheme to another may never be entitled to receiving an old-age pension.

### *Implementation issues*

- Implementation issues occur when, despite existing policies or legislation, beneficiaries do not have effective access to their entitlements.
- Implementation issues can come about as a result of weak enforcement of existing social security laws. This can happen, for instance, when formal sector employers fail to register all their employees and when the social security office does not have the inspection services in place to ensure full registration and regular payments of contributions. Evasion of social security contributions may happen as well when employers outsource a share of their activities to self-employed workers and small- and medium-sized enterprises.
- Implementation issues may take place in cases of supply-side shortages. For example, despite universal access to social health protection in Thailand, some people in rural and remote areas have limited access to health services due to unequal distribution of facilities and skilled personnel (professional doctors and civil servants may be reluctant to relocate to remote or rural areas).
- Lack of communication with and awareness among final beneficiaries may also lead to low utilization rates of social protection services. People may not have complete information about the schemes they are eligible for and the benefits available to them. In addition, they may not understand programme registration processes. For non-nationals, information on social protection programmes may not be available in their own language.
- The proliferation of anti-poverty programmes in some countries may lead to inefficiencies and administrative burdens. This can stem from each programme establishing its own registration procedures and targeting methods instead of building synergies between programmes by sharing common administrative functions.
- Fragmentation of programmes may lead to duplication where beneficiaries are covered by more than one scheme for the same contingency. This is especially an issue in the absence of a common identification and management information system.
- Many schemes have ambitious policies or mandates but inadequate resources or capacities to reach out to new members and beneficiaries. This is often the case with social security institutions that are attempting to expand voluntary insurance schemes to self-employed workers. This is the case in Thailand where the social security office aims to expand social security coverage to informal economy workers under the provisions of the Social Security Act, article 40.
- Ineffective monitoring and evaluation systems make it difficult to track whether or not the policy is effectively implemented.

When you do this exercise it is important to keep in mind that in most countries specific vulnerable groups may be excluded from the law or may be excluded in practice. These groups include people living with HIV or with other chronic diseases, migrant workers, refugees, domestic workers, people with disabilities, indigenous people, stateless people, and, in some cases, women and children.

## How to qualify and quantify policy gaps and implementation issues?<sup>8</sup>

Policy gaps can be qualified and quantified by answering the following questions:

- What is the scope of existing social security provisions? The social risks and contingencies against which some groups of the population are covered need to be listed by looking at the existing legal framework.
- How many persons are legally covered? For each branch of social security (health care, maternity, old-age pensions, and so on), the groups in the population that are legally covered should be identified (e.g. only salaried workers employed in enterprises of ten or more salaried workers). Then their number needs to be assessed (by using available statistical information quantifying the number of persons concerned at the national level). Then this number needs to be divided by the appropriate reference group, such as the total number of employed persons (including employees and the self-employed), the total number of economically active persons, the working age, or the total population.
- Is the statutory level of benefits adequate? To answer this question, the statutory level of benefits can be compared with benchmarks such as the poverty line, minimum wage, or any other level of reference of what could represent basic income security.

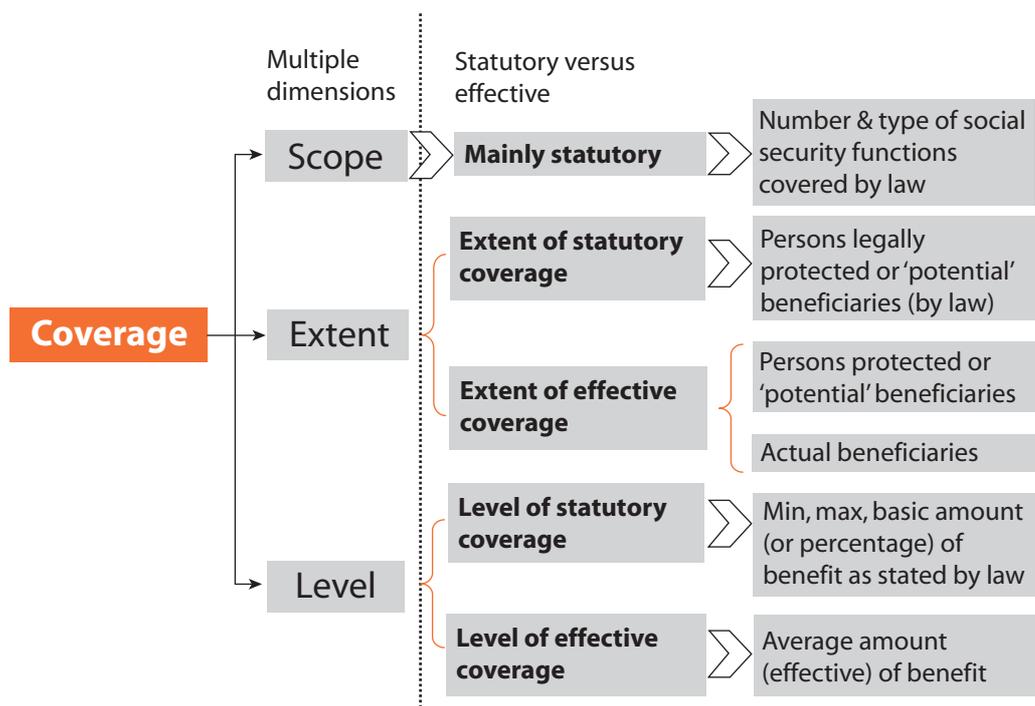
Implementation issues can be qualified and quantified by answering the following questions:

- How many persons are effectively covered? This should include the number of persons effectively covered by statutory schemes, as well as the number of persons effectively covered by programmes without a statutory basis (e.g. pilot programmes). Note that effective coverage can be measured by two complementary though separate concepts: (a) persons effectively protected in case a risk or contingency occurs (for instance all members of social health insurance schemes or all contributors to pension schemes); and (b) beneficiaries who actually receive benefits or utilize services (for instance all those who have claimed at least one health insurance benefit during the year or all elderly persons receiving a pension).
- Is the actual level of benefits adequate? To answer this question the benefits actually received by beneficiaries (e.g. unemployment benefits or pensions paid) can be compared with benchmarks such as average earnings, minimum wage, or the poverty line. In the case of contributory pension schemes, the effective level of coverage may also relate to future benefit levels.

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<sup>8</sup> Source: adapted from International Labour Office: *World Social Security Report 2010/11: Providing coverage in times of crisis and beyond* (Geneva, 2010).

Figure 11. The multiple dimensions of coverage



Source: F. Bonnet, PowerPoint presentation “Diagnostic and analytical tools to support the extension of social security” (Geneva, ILO, 2013).

### Agreeing through discussions with all stakeholders on priority recommendations to achieve SPF objectives

The proposed recommendations shall aim to close policy gaps, solve implementation issues, and complete the SPF.

Formulating recommendations shall be done through discussions with line ministries, local government representatives, workers’ and employers’ organizations, civil society, and other stakeholders.

Heated debates may arise over most relevant recommendations and broad policy design options. In Thailand, for instance, stakeholders disagreed on the type of child allowance to be proposed to the government with some advocating for a universal allowance and others pushing for a targeted programme. Other discussions may arise regarding necessary trade-offs between long-term investments in social protection (building a comprehensive social health protection or education system) versus short-term interventions (distributing tablet computers for children in primary schools or staple food to vulnerable households).

### What methods can be used to progressively develop a shared diagnosis of the social security situation and recommendations for new or expanded SPF provisions?

Initially, information on social protection schemes may be collected by:

- conducting a literature review;
- reading monitoring reports;

- referring to relevant laws and regulations;
- reading annual and statistical reports of the schemes and programmes;
- directly contacting the institutions responsible for operating the main social protection schemes; and
- analysing household survey data, such as surveys on household incomes and expenditures (particularly when the main social protection programmes are identified in the survey questionnaires), demographic and labour force surveys, health surveys, and assessments of the health and education systems.

The information collected should provide an overview of existing social protection provisions and data on the target group not actually covered or insufficiently covered. It is useful to know what parts of the target group are not adequately covered, what their needs are, what their capacities for making social contributions are, their skills and ability to work, and their situation in the labour market. This information can help us define adequate and different options to cover major parts of the population in need of protection.

Following this, the participants can acquire further detailed knowledge of each scheme and learn about possible implementation issues, through bilateral consultations with relevant institutions, ministries, workers' and employers' organizations, as well as civil society. Talking to relevant stakeholders may be the only way to capture information that is not available in writing.

Once a first draft of the assessment matrix is ready, a national workshop can be organized to share the preliminary findings with stakeholders, confront the stakeholders with different views and positions, update the available information, and come up with shared recommendations on ways to complete the SPF for each of the four guarantees.



## Takeaway message:

The assessment matrix is used to understand the social protection situation of the country. This situation is usually linked with the country's sense of social justice, culture, and history. The social protection situation can be described by reviewing existing laws and regulations and by gathering information on the effective implementation of social protection schemes. By comparing the social protection situation with the social protection floor's objectives, a number of policy gaps and implementation issues may be identified and discussed among stakeholders. Finally, recommendations shall be formulated to close the gaps, overcome implementation issues, and achieve a nationally defined social protection floor.



textbook



e-box

### Resources:

	Master module 6 – Building the assessment matrix		
	Presentation – Building the assessment matrix		
	Presentation – Quantifying gaps and measuring coverage		
	Self-learning tutorial – Building the assessment matrix		
	Building the assessment matrix		
	Part 1 – Developing the assessment matrix for a country		
	Part 2 – Experience of constructing the matrix for Thailand		
	Part 3 – Questions and opinions		

e-box available at: <http://www.social-protection.org/gimi/pages/abnd/>