A Global Fund for Social Protection:

Lessons from the diverse experiences of global health, agriculture and climate funds
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Moderator

Shahra Razavi
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Social Protection Department,
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Shahra Razavi is the Director of the Social Protection Department at the International Labour Organization. She is a development economist, with more than 25 years of experience working on social policy, social protection, gender and development. Before joining the ILO in 2020, she was Chief of the Research and Data Section at UN Women, and Senior Researcher at the United Nations Research Institute for Social Development (UNRISD). She obtained her Bsc. from the London School of Economics and Political Science (LSE), and her MSc. and Ph.D. from Oxford University and has published extensively on social policy, social protection, gender, labour markets and the care economy in a development context.
Objective

Based on the study “A global fund for social protection. Lessons from the diverse experiences of global health, agriculture and climate funds” produced by a team of researchers, led by Professor Nicola Yeates at the Open University in the UK, and Professor Chris Holden at the University of York, and published by the ILO, this webinar aims to present experiences of setting up global funds across the health, climate and agriculture sectors and the lessons to be learnt from them that can guide further thinking about the implementation of a prospective global fund for social protection. Discussion will focus on institutional governance arrangements of existing global funds carefully selected for their diversity in terms of origins, longevity, aims and institutional structures, and what they tell us about critical governance issues that need to be carefully navigated in the design and institutionalization of a global fund for social protection.
The recent social, ecological and economic crises have revealed the ways in which international financial architectures have failed to support the development of universal social protection systems and floors. This paper examines the idea of a Global Fund for social protection, which has emerged as a potential solution to these structural failings.
Speakers

Nicola Yeates
Professor of Social Policy, School of Social Sciences and Global Studies, The Open University

Dr. Nicola Yeates is Professor of Social Policy at The Open University, UK. Her research focuses on the dynamics of global social policy with regard to state and non-state actors in domestic and cross-border spheres of governance. She has published widely on social protection, migrations, health and social care, and trade.

Chris Holden
Professor of International Social Policy, University of York

Chris Holden is Professor of International Social Policy at the University of York, UK, where he is Director of the Centre for Research in Comparative and Global Social Policy (CRCG). He has published widely on the relationships between the global economy, transnational corporations and health and social policy. He is co-editor with Nicola Yeates of Understanding Global Social Policy (3rd Edition, 2022). He is Chair of the Editorial Board for the Journal of Social Policy and a member of the International Advisory Board of the journal Global Social Policy.
Speakers

Markus Kaltenborn
Professor of Public Law at the Faculty of Law & Co-Director of the Institute of Development Research and Development Policy, Ruhr-University Bochum

Markus Kaltenborn is Professor of Public Law at the Faculty of Law and Director of the Institute of Development Research and Development Policy (IEE), Ruhr-University Bochum, Germany. His main areas of research are health law, the law of development cooperation, human rights law and social protection law. He is member of the board of supervisors of Oxfam Germany, member of the German Institute for Human Rights (DIMR) and member of the Global Coalition for Social Protection Floors (GCSPF).

Gita Sen
Honorary Senior Advisor and Distinguished Professor, Ramalingaswami Centre on Equity & Social Determinants of Health, Public Health Foundation of India, Bangalore

Gita Sen has over 40 years of experience working nationally and internationally on gender equality and women’s human rights. A citizen of India, she holds a PhD in Economics from Stanford University. Some positions she has held include as co-chair of the Gender and Rights Advisory Panel of WHO’s Dept of Reproductive Health Research, and on the governing boards of UNRISD and UNU.

Olivier de Schutter
UN Special Rapporteur on extreme poverty and human rights

Olivier De Schutter was appointed the UN Special Rapporteur on extreme poverty and human rights by the Human Rights Council at its 43rd session, in March 2020. Mr De Schutter was the Special Rapporteur on the right to food from 2008 to 2014, and a member of the Committee on Economic, Social and Cultural Rights between 2015 and 2020. Prior to those appointments, he was Secretary-General of the International Federation for Human Rights (FIDH). He holds a LLM from Harvard University, a diploma cum laude from the International Institute of Human Rights (Strasbourg) and a PhD in Law from UCLouvain.
Speakers

**Pierre Vincensini**
Senior Advisor,
International Organization of Employers

*Pierre Vincensini* is senior adviser at the IOE, dealing with employers’ activities related mainly to the ILO. His areas of expertise include social and labour issues related to occupational safety and health, social protection, environment and sustainability. Pierre is also leading the GOSH network, an exclusive information-sharing platform on OSH issues for MNEs. Prior to joining IOE, Pierre worked for MEDEF, advising and assisting French companies on European and International labour law. He also worked at BUSINESS FRANCE - the French international development agency. Pierre is graduated in political sciences (Sciences Po) and holds two master’s degrees in economics and social affairs.

**Alison Tate**
Director of Economic and Social Policy,
International Trade Union Confederation (ITUC)

*Alison Tate* is the Director of Economic and Social Policy of the ITUC, a body representing 207 million workers in 165 countries. She has worked in Australia, Asia-Pacific and internationally in trade union, human rights and community development. In her role at ITUC, she represents unions in bodies including the UN, the G20 and international financial institutions.
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A Global Fund for Social Protection: Lessons from the diverse experiences of global health, agriculture and climate funds
A global fund for social protection
Lessons from the diverse experiences of global health, agriculture and climate funds

Nicola Yeates and Chris Holden
Research context

• 4.14 billion people – 53.1% of the world’s population, especially those in low- and middle-income countries – are excluded from any social protection scheme
• Structural gaps in global financial and development architectures

Question

• What might the governance structures and mechanisms of a putative new global fund for social protection (GFSP) ‘look’ like?

Aims

• Understand the experiences of setting up global funds across the health, climate and agriculture sectors
• Identify lessons to be learned from these experiences that can guide further thinking about the implementation of a putative GFSP
Country-programmable aid of key global funds as % of total, 2007–20

Note: The figure aggregates data for four climate funds (AF, climate investment funds, GEF, GCF), GFATM, Gavi and IFAD
Country-programmable aid of key global funds, 2007–20 (millions US$)

Note: The figure maps data for four climate funds (AF, Climate Investment Funds, GEF, GCF), GFATM, Gavi, and IFAD. A total is also provided.
Research focus

- Institutional governance arrangements of seven global funds
  - Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM)
  - Gavi, the Vaccine Alliance (Gavi)
  - Global Financing Facility for Women, Children and Adolescents (GFF)
  - International Fund for Agricultural Development (IFAD)
  - Global Environmental Facility and the closely-related Least-Developed Countries Fund (LDCF) and Special Climate Change Fund
  - Green Climate Fund (GCF)
  - Adaptation Fund (AF)

- Selected for their diversity vis. origins, longevity, aims and institutional governance structures

- A note on terminology
  - global fund vs Global Fund
  - fund vs. financing facility
Five dimensions of governance

- Institutional and organizational structures of the fund;
- Resource mobilization and the development of affordable and sustainable financing;
- In-country stakeholder engagement, country ownership and coordination with national authorities and donors;
- Quality of investment and alignment with human rights and international labour standards; and
- Strong focus on data, results, learning and innovation.

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Findings 1: Institutional and organizational structure

- All the climate funds reviewed have their roots in the UN Framework Convention on Climate Change (UNFCCC)
  - Facilitates synergies and high-level political support
- World Health Organization (WHO) has clear significance for health funds, but GFATM and Gavi are independent global public-private partnerships (GPPPs)
  - Undermines capacity of leading health intergovernmental organization (IGO) because funds flow direct to GPPPs
  - Proliferation of funds leads to fragmentation
- The World Bank plays a key role for many funds
  - Global Financing Facility for Women, Children and Adolescents (GFF)
- Representation of developing countries on governing boards of funds is a key issue
  - The Adaptation Fund (AF) is unusual in affording developing countries a clear majority on its board – 2/3
  - Informal practices also important, e.g. donor state ‘caucuses’ prior to board meetings
  - Scrutiny from CSOs and independent experts is important – on boards and externally

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Findings 2: In-country stakeholder engagement, country ownership and coordination with national authorities and donors

• Participation of, and engagement with, national stakeholders

• The direct access model used by the Adaptation Fund (AF) (and subsequently adopted by the Green Climate Fund) facilitates both stakeholder participation and country ownership
  • The direct-access approach [...] means that the countries can have their own national agencies accredited to receive funding directly from us, which cuts away the middleman role that some, for example, UN organizations, have traditionally played in development finance. Countries really appreciate the fact that they can fully be at the driver's seat and take full responsibility of their adaptation projects, so that has been a total success for the last ten years (AF respondent 1).

• CSOs need technical support (e.g. for bid development) and finance (e.g. for meetings)
• Some CSOs better equipped than others
• GFATM country coordinating mechanisms (CCMs) seem to have done well in increasing CSO participation

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Findings 2: In-country stakeholder engagement, country ownership and coordination with national authorities and donors

• Country ownership and coordination with national authorities and donors
  • As above, the AF direct access model is key to bolstering country ownership
  • Direct access can raise issues of capacity and accountability, so needs to go hand-in-hand with capacity building

• The proliferation of health funds creates potential for duplication or conflicting goals
  • But this is mitigated by coordination mechanisms, e.g. GFATM’s country coordinating mechanisms (CCMs)

• Country ownership:
  • Low-income country representation on boards
  • Conditionality
Findings 3: Resource mobilization and the development of affordable sustainable solutions

• Resource mobilization and crowding in of global funding sources

• GFATM and Gavi set up as GPPPs to crowd in funding and in-kind donations from the private sector and foundations such as Gates
  • Very successful, but:
  • Private sector entities given a formal role in the governance structures – undermines accountability?
  • The normative human rights based framework of WHO undermined?

• In agriculture, IFAD has been much more cautious about private sector involvement in order to protect its reputation

• Climate funds often use co-financing with the private sector
  • Suits some project more than others

• The extent of ‘new money’ from innovative forms of finance is often overstated
• International forms of taxation are advocated by some
  • Financial transactions tax / airline taxes / carbon taxes

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Findings 3: Resource mobilization and the development of affordable sustainable solutions

• Development of sustainable national systems and crowding in of domestic funds

• Key aspect of a proposed GFSP is to ensure sustainable *domestic* funding for national social protection systems
  • Makes it different to other funds in some ways

• Climate funds use co-financing with recipient governments, but key difference with GFSP is that climate funds are premised upon *common but differentiated responsibilities* between developed and developing countries

• In health, GFATM premised on responding to need not domestic financing capacity
  • There is debate about whether it facilitates the development of sustainable country-level health systems

• Nevertheless, GFATM aims at graduation away from support as countries move up the income ladder

• Both GFATM and GFF offer ‘debt-swap’ agreements

• Domestic resources can be enhanced by taxing “public bads” – tobacco, sugary foods, carbon, etc

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Findings 4: Quality of investment and alignment with human rights and international labour standards

• Human rights emphasis in all the funds we looked at is on gender and Indigenous peoples
• With mixed results

• Broader human rights that affect health, including those relating to income security, the right to health regardless of income, and labour standards, seem to have received far less attention
• Relates back to the point about the normative role of the WHO and whether this is undermined by GPPPs

• IFAD sets a positive example by adhering to the 10 principles of the UN Global Compact and requiring all investments and private sector partners to do so
Findings 5: Focus on data, results, learning and innovation

- Health funds, in particular, have clear metrics-based monitoring and evaluation frameworks.

- But have successfully supplemented this with community-based engagement and evaluation.
Conclusions/lessons

• The financing gap for social protection needs to be closed – a GFSP could be a key mechanism
• But there are risks/challenges
• The experiences of global health funds suggests that it is necessary to have strong high-level political support from the start, including large donors willing to commit funds and sustain them over time
• An additional global fund could fragment funding to low-income countries further or create parallel structures, rather than contribute to the building of sustainable national social protection systems
• Accountability issues relating to the private sector: the terms of engagement with private sector funders and partners need to be clear from the start
• Embedding robust environmental, social and governance norms and standards into a fund’s practices and investment strategy is essential
• Country ownership and stakeholder engagement are crucial to the success of the fund and its goals, especially since sustained domestic funding will be needed in the long term
Selected recommendations

• A GFSP should be clearly anchored in human rights instruments and international labour standards
• Social partners and CSOs should be full and equal members of inclusive deliberative processes in the setting up of a GFSP
• Seeking funding from the private sector/philanthropic foundations in no way implies that they should have a role in the governance structure of a GFSP
• Innovative forms of financing and partnerships with private actors should be premised on adherence to the principles of the UN Global Compact
• Low-income countries should have a key role in the fund’s governance structures, and on at least an equal basis with high- and middle-income countries
• Open and widely-accessible board meetings and robust monitoring and evaluation systems would further enhance transparency and accountability
• Country ownership can be further enhanced by minimizing the use of explicit or implicit conditionality
• Further consideration should be given to the way recipient countries would access a GFSP. In this, significant weight should be given to the positive experiences and preferences of Southern countries for a direct-access model of allocating finance
• Notwithstanding the above recommendations, a GFSP should operate on the understanding that recipient low-income-country governments are committed to progressively building their own social protection systems and mobilizing necessary resources for these over time.

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Governance issues in a putative global fund for social protection

**country ownership**
- international support → for social protection systems (not for individual projects)
- funding eligibility → (+), if funds are used for (non-discriminatory) social protection floors

**inclusive partnership**
- contributing states ("donors") and recipient countries → equal voting rights
- civil society, employers’ and trade union associations → participation in decision-making

**accountability**
- transparency / control between the Fund and the contributing states
- transparency / control between the Fund and recipient countries
Workers’ Remarks: Advancing a Global Social Protection Fund

ILO Webinar, 26 October 2023

Alison Tate
Director, Economic and Social Policy
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Social protection – a trade union issue

53% of the global population lacks effective social protection coverage, with coverage gaps being strongly linked to financing.

- Social protection is an integral part of the global labour movement demands;
- Unions have supported the proposal for a Global Fund for Social Protection.
Conclusions from the International Labor Conference (2021)

[21] In line with its constitutional mandate to set international social security standards, its tripartite structure and its technical expertise, the ILO should:

- **(c) explore options for mobilizing international financing for social protection**, including increased official development assistance, to complement the individual efforts of countries with limited domestic fiscal capacities to invest in social protection or facing increased needs due to crises, natural disasters or climate change, based on international solidarity, and initiate and engage in discussions on concrete proposals for a new international financing mechanism, such as a Global Social Protection Fund, which could complement and support domestic resource mobilization efforts in order to achieve universal social protection.
Comments on the key findings: 1/2

• The study highlights the **success of other funds in ‘crowding in’ sources of funding**, including attracting substantial ODA funds;

On the **governance structure**:

• **Receiving countries’** ownership, with **LICs** key role;

• **TUs and CSOs** institutionalised membership and involvement;
Comments on the key findings: 2/2

- **Rights-based** approach, aligned with **International Labour Standards**;
- **Safeguards** in place if private investments considered;
- Setting-up **an independent international monitoring body** to ensure accountability and transparency.
Next steps

• A wide range of organisations are calling for the implementation of a new Global Fund for Social Protection.

“We call on all governments to create a Global Fund for Social Protection based on global solidarity, to support countries to design and implement social protection floors”

“... a Global Social Protection Fund, could increase the level of international resources for social protection investment and support countries to enhance efforts to mobilize domestic resources to close existing financing gaps.”
Further reading

• International Labour Conference Conclusions on Social Security (2021)

• ITUC Campaign Brief A Global Social Protection Fund is Possible (2021)

• USP2030 Joint Statement: Principles for Financing Universal Social Protection (2022)

• GCSPF Civil Society Call for a Global Fund for Social Protection (2022)
Thank you for joining!

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