

APPENDIX 16. MYANMAR



March 2022





A16.1. Executive summary

During the reporting period from January 2021 to March 2022, the Project undertook several major activities and delivered several outputs, including:

- Design and costing of an Unemployment Insurance scheme.
- In-depth analysis to improve shock responsiveness of social protection in Myanmar including recommendations on policy, financing, and management.
- Supported the strengthening of public financial management in Myanmar.

Despite challenging conditions, the Project published and completed eight technical reports and prepared training and knowledge transfer resources which are essential contributions to the implementation and development of an effective unemployment insurance system and strengthened the existing social protection schemes in the country, particularly in response to possible future crises.

For project visibility and communication, the Project produced one animated video on unemployment insurance to raise awareness among the tripartite partners and other stakeholders in the future, and one short article about Myanmar Unemployment Insurance actuarial analysis, which was published on relevant ILO communication platforms.

Following the military seizure of power on 1 February 2021, the United Nations Country Team (UNCT) of Myanmar developed a Guideline on principles of engagement to ensure that programmes and activities carried out by UN agencies did not in any way lend legitimacy to the military regime. Complying with UNCT's engagement principles, the 2021 workplan and activities of projects were revised extensively reflecting the changing context, including postponing some of the planned activities and suspension of engagement with military-led ministry interlocutor and the Social Security Board (SSB). Since ILO social partners, particularly workers had called off their participation in the tripartite structure as long as the Military remains in power, the Project first suspended and then cancelled all tripartite meetings, consultations and capacity building activities that require the participation of government agencies and the Social Security Board (SSB) (and eventually had to cancel them as the Project did not find the situation improved). Instead, the Project prioritized background studies, technical assessment, and knowledge products which required less engagement with stakeholders but were considered essential for future national dialogue on the design and implementation of an unemployment insurance scheme. In addition, a number of resources were prepared to be used when the situation changes in Myanmar or when there might be changes in the UNCT principles of engagement making such activities possible again.

Finally, it is important to note how the Project managed to turn crisis into opportunity, even under the extreme and challenging conditions it has been operating. The lessons learnt may be useful for other projects operating in countries facing instability and uncertainty. A week after presenting the Project's workplan to the Government, the military takeover took place, thus the Project was subject to overhaul its implementation plan and team structure. The Project was able to quickly rechannel resources to the research components as well as rethinking other processes such as analysis and the format of deliverables. In practice, to allow the continuity of technical activities on the ground and to carry out research more budget was allocated to external collaboration activities. However, due to additional and unpredictable changes in the banking system as introduced by the Myanmar Central Bank to tightly control all of the works across UN agencies, it had been difficult for technical collaborators to carry out their tasks without being scrutinized by the military authorities. The continuation of the work with external collaborators would in itself expose them to the military regime which is against the principle of conflict sensitivity. For delivering research outputs, the Project decided to increase the involvement of ILO staff members based in DWT-Bangkok and CO-Jakarta in conducting research and technical activities without external support. As a result, ILO staff members are primary authors of six out of the eight publications and joint authors on the two remaining. Such flexible arrangements were only possible with other donor funding. In turn, the collaboration among projects provided good hubs of knowledge and coherence of works across the ILO and thus enhanced the effectiveness and value for money.

Sustainable Development Goals:	SDG targets 1.1, 1.3, 5.4, 8.5, 10.2, 10.4, 16.6, 17.14, 17.18		
UNDAF Outcome:	Outcome 1 Priority 1.4 Social Protection		
P&B Outcome:	Outcome 8		
DWCP outcome:	MMR 151		
Project budget in EUR: 200,000	·		
Project duration in months: 16	Planned	Actual	
Project start date:	October 2020	November 2020	
Project end date:	December 2021 March 2022		

► A16.2. Budget/Planning information

► A16.3. Summary outputs

A16.3.1. Output delivery¹

Outp	ut	Output status	Output summary
Outcome 1: Development of a Post Covid19 social protection strategy to strengthen financial sustainability of the SSB and increase the robustness of systems to future shocks and crises			
1.1.	Assessment of the effectiveness of current benefits (Health and Social Care Scheme and Employment Injury Insurance Scheme) to address risks and vulnerability in times of crisis, and recommendations to strengthen shock responsiveness of the SSB	Completed	• Published an assessment report of the effectiveness of current social security benefits to address risks and vulnerability in time of crisis, and detailed recommendations to strengthen shock responsiveness of SSB. Featured selected international best practice.
1.2.	Actuarial analysis to assess the impact of COVID19 on the financial sustainability of the SSB and recommendations	Completed	 Produced a detailed spreadsheet model which stimulates the impacts of the dual crisis of COVID-19 and the military takeover on the finances of social security schemes as well as on different future crisis scenarios. Published a report summarizing financial projections and implications for social security, using findings from the abovementioned projection tool.
1.3.	Analysis of options and recommendations for Social Security Fund Investment	Completed	 Published a technical report on SSB fund investment. This report assessed the current investment management, strategy and governance. A separate report on recommended measures to take was also produced. Other knowledge dissemination material (i.e., Summary presentation on key findings and recommendations for social security SSB investment) for future knowledge sharing and consultation with SSB was also developed.
1.4.	Consultations and coordination meetings with stakeholders, integration of inputs in technical reports and recommendations	Cancelled	• UNCT Myanmar principle of engagement post military takeover disallowed engagement with military authorities. Hence, this output that required direct engagement with Ministry of Labour and SSB had been suspended since February 2021, after project justification and review excise.

¹ Based on the Implementation Plan.

Outp	ut	Output status	Output summary	
Outcome 2: Build the foundations of an Unemployment Insurance scheme, as per Social Security 2012				
2.1.	Design and costing of an Unemployment Insurance scheme	Completed	 Undertook and published actuarial analysis report. In addition to costing analysis for the proposed UI scheme, this report also assesses the impacts of COVID-19 on the financial sustainability of the SSB and provides recommendations. In collaboration with ILO/Japan BUILD Project, the Project also delivered several additional outputs. The Project produced Unemployment Insurance technical papers as follow: Policy Design for unemployment benefits in Myanmar: The Social Security Law, 2012 and the Social Security Rules 2014; Employment Termination in Myanmar: Rules and Payment on Separation; Literature Reviews: Rules and trends on employment termination and dispute resolution in Myanmar. 	
2.2.	Consultations and coordination meetings with stakeholders, integration of inputs in technical reports and recommendations	Cancelled	• The Project organized project launch and first technical meeting with MoL and SSB on 29 January 2021. However, all consultation meetings with tripartite partners were cancelled after the military takeover, complying with UNCT's principles of engagement that prohibit communication with military authorities, and due to safety and security risks of the participants, especially workers and trade unions members.	
2.3.	Tripartite consultations on design options and meetings with stakeholders	Cancelled	• Apart from project kick-off meeting with SSB on 29 January, all tripartite consultations were suspended since February 2021.	
2.4.	Capacity building of SSB management board on Unemployment Insurance design and administration	Cancelled	 As reported above, capacity building training and activities for SSB were cancelled since February 2021, complying with UNCT and ILO Office in Myanmar's guidance. Nonetheless, capacity building training materials and knowledge sharing products were produced by the Project as a preparation for future capacity building when engagement with SSB can be resumed. 	

\boxtimes	Highly satisfactory	Satisfactory
	Implementation of almost all (>80%) outputs is on schedule as envisaged in the implementation plan and almost all (>80%) indicator milestones have been met.	Implementation of the majority (60-80%) of outputs is on schedule as envisaged in the implementation plan and the majority (60-80%) of indicator milestones have been met.
	Unsatisfactory	Very unsatisfactory
	Some (40–60%) outputs are being implemented on schedule as envisaged in the implementation plan and/or only some (40–60%) indicator milestones have been met.	Few (<40%) outputs are being implemented on schedule as envisaged in the implementation plan and/or only a few (<40%) indicator milestones have been met.

A16.3.2. Outputs: Overall delivery assessment²

The project outputs are assessed as being delivered in a highly satisfactory manner because the project completed all its key technical outputs, i.e. Output 1.1-1.3 and 2.1. In addition, the capacity building material has been prepared in respect of Output 2.4. The project could not deliver Output 1.4 and partially Output 2.2-2.4 because it was not permitted to undertake them by the UN and the office. The project was affected by a pure external factor that was registered as a high-impact risk on the progress report in 2020 – the project recognised the continuation of the UN no-engagement-principle with the military government as a high-impact risk factor, and the UN did not change this principle during the project implementation period. It should also be noted that all technical analysis and material developed through the project is now ready to be used for some consultations and capacity building activities as soon as the situation allows. This project brings valuable lessons learnt for working in other countries where data is only partially or not available, when restrictions apply to meet with counterparts and/or there is political/economic instability.

² This is a self-assessment.

► A16.4. Summary outcomes

A16.4.1. Outcome achievement³

Indicator	Baseline (before project start)	Target (end-of-project goal)	Outcome summary⁴
Outcome 1: Development future shocks and crises	of a Post Covid-19 social prot	ection strategy to strengther	n financial sustainability of the SSB and increase the robustness of systems to
Review of current provision and assessment of impact of shocks and crises and recommendations to improve shock responsiveness is endorsed by tripartite stakeholders	Baseline: 0 No evaluation of the responsiveness of the SSB to shocks and crisis undertaken	Target: 1 Review of how current provision responds to shocks and crisis and recommended measures, and report discussed	 Target achieved: One report, entitled "Current social protection provision in Myanmar, the impact of the crisis and recommendations to improve shock responsiveness", produced. Complying with UNCT and ILO-Yangon's guidance, all the tripartite consultations were cancelled. Since consultation with stakeholders on the outcomes of this report is not yet possible during the project implementation, the technical report remains to be endorsed by tripartite stakeholders in the future.
Analysis of current and likely future development of financial status of schemes and recommendations approved by tripartite stakeholders	Baseline: 0 No actuarial evaluation of the SSB undertaken to assess the impact of Covid19 response on financial sustainability	Target: 1 One report of the analysis of the current and likely future development of financial status of schemes and recommendations for improving the sustainability	 Target achieved: Produced and delivered a spreadsheet model which stimulates the impact of current and future crises on finances of social security schemes, as well as on different future crisis scenarios. A report summarizing financial projections and implications for social security, using findings from the projection tool was delivered. Complying with UNCT and ILO-Yangon's guidance, all the tripartite consultations were cancelled. The technical report remains to be endorsed by tripartite stakeholders in the future.

³ Based on the M&E plan.

⁴ Compare achievement against planned target as per indicator.

Indicator	Baseline (before project start)	Target (end-of-project goal)	Outcome summary⁴
Technical report with recommendations and a SSB investment strategy is endorsed by SSB	Baseline: 0 No strategy to ensure sustainability and shock responsiveness of the SSB	Target:-1 Discussion report with investment recommendations provided to the SSB	 Target achieved: A technical report on an analysis of SSB fund investment management and governance and a report summarising key recommendations and good international practice produced with supporting training resources. Although this report could not be endorsed by the SSB, all the reports under Outcome 1 will remain valid and useful for the SSB in the future.
Output 2: Build the found	lations of an Unemployment I	nsurance scheme, as per Soc	ial Security Law 2012
Technical report on the Design of the UI scheme and costing of different options for scheme design is presented to the tripartite stakeholders	Baseline: 0 No design of the Unemployment scheme	Target: 1 Design of the UI scheme and costing of different options for scheme design	 Target achieved: One actuarial report, entitled "Cost assessment for an unemployment insurance scheme in Myanmar as at 1 October 2022" published. Additional outputs were also delivered. The Project produced five technical papers on Myanmar unemployment insurance. Please see the detailed list of these knowledge products in section 2 (summary outputs table).
Consensus on the proposed design options of the UI scheme	Baseline: 0 Government and Social partners have not yet discussed the design of the UI scheme	Target: 1 Report on the description of social dialogue process and consensus reached on the different parameters endorsed by the tripartite stakeholders.	 Target partially achieved (impossible to fully achieve in the current context): The first technical meeting with MoL/SSB was organized on 29 January 2021. After the military coup, the Project was not allowed to engage with tripartite stakeholders, in particular the MoL/SSB. Thus, the Project was unable to hold any dialogue and consultation with the stakeholders on the proposed UI scheme design, despite all the necessary studies and materials having been prepared for the national dialogue. The outputs however allow for such activities to rapidly take place when the situation returns to normal.
Training and knowledge transfer sessions	Baseline: 0 SSB has never implemented the UI scheme and hence have no knowledge on possible design and implications of implementation	Target: 6	 Target partially achieved (impossible to fully achieve in the current context): As reported above, capacity building training activities planned for SSB were cancelled. No training and knowledge transfer session was organized during the reporting period. Nonetheless, the Project has already prepared training package and awareness-raising materials on unemployment protection and national actuary for future knowledge transfer sessions.

A16.4.2. Achievement of the project outcomes

Highly probable Almost all (>80%) reporting period milestones have been met. Based on the indicators and risk assessment, it is highly probable all outcomes will be achieved by the end of the project.	Probable The majority (60–80%) of reporting period milestones have been met. Based on the indicators and risk assessment, it is probable the majority of outcomes will be achieved.
Low probability Some (40–60%) reporting period milestones have been met. Progress is being made on the outcomes but based on the indicators and risk assessment only some outcomes will be achieved.	Improbable Few (<40%) reporting period milestones have been met. Limited progress is being made on the outcomes and based on the indicators and risk assessment only a few outcomes will be achieved.

► A16.5. Narrative report: Managing for results

A16.5.1. Result summary

Prior to the Project approval, the ILO Office in Myanmar received full collaboration and support from its constituents in the preparing of the concept note and activities going forward on unemployment insurance in response to the COVID 19 pandemic. This Project was demand-driven and consulted widely from the outset. However, a few months after the Project was launched, Myanmar encountered a major socio-economic and political setback due to the military takeover that took place on 1 February 2021. Almost instantaneously after the takeover, worker representatives announced they would not take part in any tripartite forum where the Military represented the government. This has ended tripartite engagement in Myanmar. The Project also noted that a large number of Social Security Board (SSB) staff have joined the Civil Disobedience Movement (CDM) and went on strike. Following the military takeover, the UNCT of Myanmar developed a Guideline on principles of engagement to ensure that programmes and activities carried out by UN agencies do not in any way lend legitimacy to the military regime. Consistent with the UNCT's engagement principles, the 2021 workplan and activities of projects were revised extensively reflecting the changing context as the result of the military coup. As a result, some of the planned activities, including engagement with military-led ministry interlocutor and the Social Security Board (SSB), were cancelled.

The Project cancelled all tripartite meetings, consultations, capacity building and trainings for government which were planned under Output 1.4, 2.2 and 2.3, strictly complying with ILO-Myanmar Office's guidance and UNCT Myanmar's principles of engagement with authorities. Instead, the Project focused on research, technical studies and production of knowledge materials under Outputs 1.1, 1.2, 1.3, and 2.1 and 2.4, which were essential for strengthening existing social security schemes, increasing shock responsiveness, improving investment management and governance and future national discussion on the design, financing and implementation of an unemployment insurance scheme and related capacity building. Additional studies undertaken include a review of existing national social security legislation against international laws and standards, labour market analysis, and review on institutional and financial frameworks, including

actuarial analysis and costing of the proposed Unemployment Insurance scheme. The Project also carried out studies such as an analysis of shock responsiveness of the current social security system and investment analysis for SSB fund, which will contribute toward strengthening public financial management (PFM) in Myanmar and improving responses to future crisis.

While capacity-building activities for government and stakeholders were not possible under the political context, the Project has developed training packages and knowledge products for awareness-raising and dissemination of knowledge in regard to unemployment protection in Myanmar, which will be of use the day the activities can resume. The political and banking crisis resulting from the military takeover immensely disrupted the initial workplan of this project, raised significant data and information challenges and required the project to extensively revise its activities to ensure they do not lend any legitimacy to the military. This delayed some of the key activities for a couple of months.

Throughout the reporting period, the Project closely monitored and assessed the political development and impacts of the dual crisis of COVID-19 and the military takeover, and resources were carefully utilized in areas and activities that could contribute towards strengthening of social protection systems and PFM in Myanmar. Activities implemented through this Project were further complemented by the Japanese government funded BUILD Project, which particularly focused on strengthening linkages between Unemployment Insurance and Active labour market policies in Myanmar. Thus, several additional outputs relating to background studies and research assessments were also delivered in collaboration with the BUILD Project.

Self-evaluation results

For further guidance on the objectives and methodology to conduct a self-evaluation please consult <u>ILO's</u> <u>evaluation policy guidelines</u> "section self- and internal evaluations"

Relevance – Were the project objectives and strategy consistent with beneficiaries' requirements, country needs, ILO priorities and partners' and donors' policies?

Having as objective, the aim to strengthen shock responsiveness of social protection schemes in Myanmar, the Project was directly relevant to the situation in Myanmar. Whilst the military takeover made project conditions challenging, it also meant that the impacts could be analysed in 'real time'. The outputs will be important to the SSB and Myanmar as a whole to strengthen existing schemes and their financing to address and respond to future crises.

Effectiveness – To what extent can changes in the observed outcomes be attributed to the project? To what extent has the project contributed to changes in the project's ultimate beneficiaries? How effective was the project in advancing gender equality and inclusion of people with disabilities within the context of project's objectives?

The Project delivered technical analysis but also road maps for the SSB and other national institutions so that recommendations and measures to take can be rapidly and effectively put into place. In turn this will support the poorest in society for whom social protection is so important. In addition, the work under the Project included an analysis split by gender outcomes, for example, the impact of the recent crisis on female affiliation to the existing social protection schemes.

Sustainability – To what extent has the project produced durable results that can be maintained, or scaled up and replicated, within the local development context, or as a global approach or policy, after the completion of the project? Are there any internal or external factors that may affect the sustainability of results?

The outputs were didactic with clear road maps for implementation. In addition, the Project focused on providing training and knowledge materials which means that when it becomes possible, the counterparts and key constituents in Myanmar will be able to benefit from the outputs of the Project. Lessons learnt from the Project including the challenge of securing adequate and reliable data will be useful for other projects. Whilst the sustainability of project activities will depend on the situation in the country, the measures taken will increase the probability that the activities and outputs will leave an important legacy for the country.

A16.5.2. Monitoring, evaluations, and other reviews including with implementing partners and EU Delegations

The initial project management and staffing process were carried out in line with the project objectives and workplan. For the staffing of the project, standard ILO practices were used to ensure recruitment was fully in line with good practices and rules.

The project workplan and activities were developed and consulted with stakeholders, in particular the MoL/SSB, through a meeting in January 2021 until the project was required to cease engagement with authorities after the military takeover in February. As a result of the military takeover, the Project review and risk assessment exercises were carried out within the ILO Liaison Office in Myanmar in early March 2021, to ensure that the project implementation was not prone to the risks addressed in the UNCT's engagement principles paper. The four risks include:

- Risk-1 Perceived as legitimizing the de facto authorities.
- Risk-2 Having a potential negative impact on human rights.
- Risk-3 Fuelling conflict dynamics.
- Risk-4 Presenting potential negative reputation for the UN given current circumstances.

Complying with these UNCT Myanmar principles and strictly following the ILO conferences' resolution and ILO Governing Body decision regarding the Myanmar crisis, the Project revised its workplan and priorities reflecting the volatile political and security context. The adjusted workplan was internally reviewed by the Office, and all the consultation meetings and capacity building activities with the SSB and tripartite partners were suspended until further notice. To assess the progress and achievement of the project, elements of Monitoring and Evaluation were incorporated into this new workplan.

On a monthly basis, the project team met together virtually to measure the progress of the project against the M&E workplan, to assess the project risks and challenges, and to assess the budget spending if it was justified and good value for money with any progress made, ensuring that activities implemented by the Project were effective and relevant to the political context of the country and that budget was efficient and wisely expended. The project progress, outcomes and challenges were regularly reported and consulted with social protection units of ILO headquarter and regional offices, and the EU delegation in Myanmar. Whenever necessary, project adjustments were carried out in the process, reflecting the evolving political context and lessons learned.

During the reporting period, the Project was unable to organize any technical meeting and workshop with the workers and employer representatives due to several reasons, including safety and security concerns for the participants.

A16.5.3. Main challenges, risks and corrective action

The project has faced several challenges that hindered progress in delivery of outputs due to the dual crisis of the Myanmar military takeover and the COVID-19 pandemic:

(a) The main challenge was the impacts of the military takeover on 1 February 2021. It was followed by a wave of protests and works stoppages and the emergence of Civil Disobedience Movements (CDM), which saw hundreds of SSB staff refusing to work under military management. For most of them, their employments were terminated as a result. Trade unions also refused to collaborate with the military regime and suspended their participation in the tripartite mechanism. Many of the trade union leaders and members who protested were subsequently detained, imprisoned or even killed, and with many more with arrest warrants issued and thus made the exercise of rights by trade union and workers impossible or with great difficulties. Trade unions also announced they would not take part in any tripartite forum where the Military would represent the government. This Call effectively ended the tripartite engagement in Myanmar.

Mitigation: Project justification and review exercises were conducted within ILO Liaison Office in Myanmar in March 2021, project workplan and activities were amended extensively to reflect the on-going political turbulence. The Project suspended all engagement with government agencies including the project's key implementing partner SSB until future notice, complying with UNCT Myanmar's principles of engagement that disallowed contact with military authorities and while the issue of UN credential remained to be resolved. Taking into consideration safety and security concerns of workers, the Project also cancelled all the awareness raising sessions and consultation meetings that required participation of the stakeholders. Capacity building and training which were initially planned for SSB staff were also put on hold and then cancelled as a result. Instead, the Project focused on research, training materials and technical studies which are essential for future national consultations and capacity building workshops.

(b) Another challenge is the spread of COVID-19, which resulted in an international travel ban and domestic travel restrictions for Myanmar since March 2020. Coupled with the political turbulence, gatherings were limited, and staff were unable to travel to the Office or undertake any mission to places outside of Yangon for work-related issues. COVID-19 worsened in the third quarter of 2021, and transmission persisted until the end of the Project reporting period.

Mitigation: Research and assessments, technical working sessions and meetings took place using remote working modalities. As the staff members of the ILO office have been working from home since March 2020 and have substantial experience in carrying out such remote meetings and consultation sessions, the project was able to successfully deliver its outputs.

(c) The third challenge consisted of the limited availability of data of sufficient quality, and in soft format. Indeed, since February 2021, the project was carried out under challenging political conditions without any interaction with the SSB or other stakeholders to verify or secure any data or information. This could potentially impact the quality of the analysis.

Mitigation: In mitigating the problem, the Project used a range of adaptative and flexible approaches in obtaining and analysing the data for various studies. In carrying out actuarial analysis for the proposed Unemployment Insurance scheme, the Project called on data and information secured at the end of 2020 and made relevant adjustment to reflect the current political development. The Project also ran sensitivity analysis to assess what would happen if experience was not in line with base assumptions. The project also used published information from the official public websites, while data and information were cross-checked with other sources, and analysis to assess the reasonableness of the figures were undertaken. Despite the fact that studies were carried out under challenging conditions with very limited data, the findings and recommendations from these studies are useful and sufficiently indicative and relevant, providing a solid basis of an eventual consultation with stakeholders in the future for validation and decision making.

(d) The last challenge is concerning banking problems faced by the Project since February 2021. Following the military takeover, the private banks in Myanmar experienced liquidity shortages and major restrictions were imposed on withdrawal and transfer of money. Furthermore, the ILO bank account was frozen by the military regime for several months. At the Project level, this resulted in delays in making payments for its consultants and service providers.

Mitigation: At the country level, the ILO Liaison Office in Myanmar put pressure on the military regime to unfreeze ILO bank accounts in the period to August 2021. At the Project level, the finance team negotiated with the national external collaborators to find a solution to settle the pending payments. With assistance from Finance at the Regional level, alternative ways of payment were sought and approved on a case-by-case basis.

A16.5.4. Opportunities and corresponding strategy adjustments

While adequately resourced and effective implementation of unemployment insurance is essential in order to ensure income security for unemployed workers, it is also important that support and services are available for those unemployed workers to re-join the labour force or to upgrade their skills for new employment. Active labour market policies (ALMP) target the unemployed and dismissed workers but also the underemployed, inactive, first-time job seekers and specific groups such as older workers, migrant workers, etc. They help make the unemployed and inactive more employable, promote labour demand by maintaining workers in jobs or creating temporary employment, and contribute to a better matching of jobseekers with available job offers. Vocational and on-the-job training programmes improve employability of the unemployed and upgrade the skills of workers laid-off, as well as those of workers who need to adapt to new occupational profiles. Efforts towards achieving effective and efficient ALMPs are a logical parallel framework in supporting the sustainability and adequacy of the unemployment insurance scheme. Thus, to complement the work carried out under the EU funded SP&PFM-Myanmar project, the Japanese government funded the "Bolstering Unemployment Insurance and Labour Market Policy Development in Myanmar (BUILD)" Project which was launched on 17 March 2021. It particularly focused on strengthening the linkages between unemployment insurance and ALMP measures in Myanmar. The expected long-term impact of this Project is to enhance income security and employability for all workers in Myanmar, as well as a successful transition to a more robust and crisis-resistant social protection system. Since March 2021, these two projects worked closely together by developing a joint workplan as an effort to strengthen the unemployment protection system and ALMP services in Myanmar, and to avoid overlaps.

The main adjustment in the project strategy took place after the change in the national policy context. As already mentioned, the work plan was revised and as a result, capacity development activities and consultations with national institutions and social partners were replaced by technical reports and knowledge products, developed in partnership with the BUILD project. These products will be of great value for future social dialogue on the implementation of an unemployment insurance scheme and ALMP services. The Project team believes strongly that efforts which prepare for future capacity building will improve the understanding of tripartite partners of employment insurance and the role of social protection in the future and therefore strengthen social protection and labour market measures in the country.

Furthermore, after the military takeover, staff whose security situation in some Yangon areas were at higher risk, were allowed by the ILO Office to relocate to a safer place, and therefore worked from remote locations. Thus, amid the twin crisis of the military takeover and COVID-19 pandemic, all Project planning and internal team consultations were organized through virtual meetings. On a positive note, due to the pandemic, the Project economised travel, meeting, and other expenses. Maintaining the momentum of social protection work in Myanmar was essential, in the context that unemployment and poverty rates in Myanmar were rapidly increasing, and social protection needs had become more important than ever. The savings from travel allowed the no-cost extension of the Project for another three months until 31 March 2022.

A16.5.5. Contribution of the Project to the COVID-19 response and recovery

The overall objective of this Project is to support Myanmar to efficiently respond to COVID-19 and other future crises by strengthening the shock-responsiveness and financial sustainability of the national social protection system, in order to protect workers and households from falling further into poverty particularly in times of crises. All outputs were in some way concerned with this issue and this aim was reflected in the outputs.

For example, the report entitled, "Current social protection provision in Myanmar, the impact of the crisis and recommendations to improve shock responsiveness" provides insights into the effectiveness of existing social security schemes in Myanmar in responding to crisis such as the COVID-19 pandemic. This paper discusses the benefit provision and financing mechanisms of social protection schemes currently in place in Myanmar, highlights how such schemes meet their objectives in the current crisis context and assesses the shock responsiveness of existing schemes and how they are set up to respond to different crises. Lessons learned and recommended measures can already support measures to better respond to the current situation in Myanmar.

A16.5.6. Specific interventions related to public finance management

As reported above, the project was designed to contribute to the COVID-19 response by improving the robustness of financing of SSB schemes in support of Myanmar's efforts to improve sustainability of the overall social protection system, whilst ensuring adequate benefits. In achieving this objective, and with necessary adjustment made after the military takeover, the Project heavily focused on the financial implications of current and future social protection provision in Myanmar.

Many technical studies, such as financial analysis and projection for the proposed Unemployment Insurance scheme and recommendations for SSB fund investment, were conducted under this objective to strengthen the sustainability of existing social security schemes and the future scheme. A number of recommendations on investment governance and management of SSB funds were made, which will reinforce the financial situation of the system and provide a financial cushion in future crises. Findings, results, and recommendations from these technical studies will provide inputs into broader considerations regarding government finances and fiscal space. A report on actuarial analysis, entitled 'Cost assessment for an unemployment insurance scheme in Myanmar as at 1 October 2022' was produced. The report sets out costing estimates for a proposed unemployment insurance scheme based on different policy scenarios as well as under different assumptions and parameters.

Furthermore, the project also published two reports on SSB fund investment, entitled "Overview of Governance and Investment Management Structures and Process in Myanmar and the impact of the Crisis" and "Recommendations to improve investment governance and management to respond to crises and shocks". The first report looked at existing social security schemes and provided an overview of current investment governance and management structures and processes. The second report provided ILO technical advice and recommendations for improvements to identified gaps and risks in existing governance and management structures and processes and benchmarked against the approaches and structures set out in ISSA Investment Guidelines and international best practices.

Engagement with the SSB and government agencies for presenting and validating the findings and recommendations from these technical studies was not possible during the Project period, due to the need to comply with the UNCT Myanmar's principles of engagement. Nevertheless, all work created an excellent basis for national consultations and capacity building in the future when reengagement with SSB is allowed and work on unemployment insurance scheme set up and delivery, and benefit and financing reforms to improve shock responsiveness of existing schemes can be made.

A16.5.7. Complementarity with the EU Delegation's interventions and on-going and future budget support programmes

The work to be carried out by the SP&PFM Project was expected to contribute towards efforts to improve social protection coverage, adequacy and sustainability of benefits in the country. This was planned to complement current and future EU initiatives in the country. The technical assessments and papers delivered by SP&PFM project, in particular report on "Employment Termination in Myanmar: rules and payments on separation", are expected to contribute toward EU's current efforts to promote responsible investment and labour practices in Myanmar by the EU companies and garment factories in the current context.

In addition, the findings and recommendations obtained from technical studies and survey research (e.g., Assessment on Unemployment and Compensation in the COVID-19/post-military takeover context) are expected to inform the EU's future programming and budgeting regarding strengthening social protection and public finance management in Myanmar, including relief and

emergency response initiatives. The SP&PFM Myanmar project, together with other ILO/EU projects, also created a communication channel with EU delegation Myanmar to brief about project progress and achievements and to discuss about further collaboration between ILO and EU in Myanmar. Technical reports and articles produced by the project were also shared with EU delegation in Myanmar before publishing them.

A16.5.8. Synergies with other social protection interventions and strategic partnerships with other development partners

As reported above, the SP&PFM Myanmar Project worked closely with the Japanese Government funded BUILD Project which focuses on strengthening linkages between Unemployment Insurance and Activities Labour Market Policies. While income protection of workers during the time of unemployment under unemployment insurance scheme is important, it is also essential that ALMP services are available for unemployed workers to re-join the labour force. The BUILD Project focused on promoting the adoption of an efficient and effective ALMP and creating conditions to implement the unemployment insurance scheme foreseen under the 2012 Social Security Law. The long-term vision of both projects is to enhance income security and employability for all workers in Myanmar, facilitate return to work as well as a successful transition to a more robust and crisis-resistant social protection system. Thus, the two projects developed a joint workplan and co-funding of research activities as a collaborative effort in strengthening unemployment protection and ALMP in Myanmar.

Under the 'ILO-Luxembourg Health Protection Project" funded by the Grand Duchy of Luxembourg, ILO had been working to improve existing insurance schemes for workers such as Health and Social Insurance and Employment Injury Insurance, and the information management system of the SSB of Myanmar. All these projects, including SP&PFM, aimed toward achieving the common goal which is the extension of social security coverage to the whole population and all sectors. Furthermore, the works carried out under the SP&PFM Myanmar Project initially complemented on-going ILO interventions on the actuarial assessment of the SSB health and social care scheme, which sought to assess the current and future financial situation of the scheme as well as informing decisions on extension of coverage to dependents and civil servants. This actuarial assessment project was suspended in 2021 but the data secured at the end of 2020 was useful in the analysis undertaken under this project.

The results of the close collaboration between these development cooperation projects are also expected to inform policy options for the future revision of the 2012 Social Security law. Overall, this Project synergizes well with other ILO's Decent Work initiatives and other social protection projects in Myanmar under the framework of the Decent Work Country Programme (DWCP) in order to extend social protection and promote social dialogue.

A16.5.9. Overall budget analysis

The total budget approved for this Project was US\$ 203,819 and the total expenditure of the Project by 31st March 2022 was US\$ 203,463.88 in total. The final delivery rate of the project is 99.8%. Although national consultations, coordination meetings, and trainings were cancelled, the budget for these activities was reallocated to research and technical studies, and publication of the knowledge products. As such, additional technical products were delivered by the project using this repurposed budget. The additional outputs are listed in Section-2: Outcomes Summary Table (Output 2.1).

In addition to the need to postpone activities that required stakeholders' participation under outputs 1.4, 2.2 and 2.3, the regime changes and political turbulence in Myanmar delayed the delivery of some activities for several months in 2021. Initial budget estimation before the military takeover was that the Project would exhaust all the fund by December 2021 if the project was able to deliver all the planned activities. As the Project was not allowed to carry out national consultation meetings and training activities, this resulted in a substantial unspent balance. Consequently, toward the end of 2021, the Project requested a no-cost extension for another three months until March 2022 which was agreed by the European Commission.

The SP&PFM Project in Myanmar also shared costs with the Japanese Government funded BUILD Project in conducting research and technical assessment in order to generate better and coherent results and more substantive technical products.

Self-evaluation results

Efficiency – How optimally were the resources and inputs (e.g. funds, expertise, time, etc.) used to produce results? Do the expected project results justify the costs incurred? To what extent did the project leverage resources (financial, partnerships, expertise) to promote gender equality and non-discrimination?

Funds were used efficiently to ensure outputs were delivered in line with the Project objectives. A significant amount of deliverables were produced under the Project which highlights the value for money of the Project. Whilst the situation required a change of approach (i.e. the Project had to rely on internal human resources instead of external consultants), the focus on providing value for money was maintained and was enhanced by a re-allocation of internal resources. In particular, without mobilising staff from the BUILD Project, this Project would not have managed to accommodate an increased demand on involvements of staff members in delivering the research outputs. The sharing of costs and human resources between the two projects certainly contributed to maximising the efficient use of allocated budgets.

A16.5.10. Lessons learned and good practices

There are two good practices featured in Annex 4:

- Project Management and adapting resources in crisis times. The Project was flexible in reacting to the situation on the ground in Myanmar with a more appropriate allocation of resources reflecting the difficulty of securing data, inability to meet with counterparts and the need to leave legacy documents and materials for future use.
- Producing good actuarial analysis with limited data. The Project was faced with the challenge
 of producing good quality analysis on which decisions could be based now and in the near
 future without easily accessible data. However, the experience of the project showed that
 despite these challenges, an adapted and flexible approach ensured that valuable analysis
 could still be produced. The experience of the project may provide useful lessons for similar
 situations where data is difficult or impossible to obtain.

A16.5.11. Visibility & Communication

The Project ensured that <u>the Myanmar page of the overall SP&PFM programme website</u> was complete and kept up to date. All publications and communication products of the Myanmar SP&PFM project were also uploaded in both SP&PFM programme website to communicate with the general audience. The project also created <u>a webpage about the project</u> and uploaded detailed information about the SP&PFM activities in the ILO Liaison Office in <u>Myanmar website</u>.

However, since the military takeover in February 2021, due to security issues and domestic political sensitivities, the Project decided to limit communication and visibility activities. Hence the Project was not able to deliver community products as initially planned under the challenging context. Furthermore, all communication products and publications produced by the Project were required to go through a very strict approval process of the ILO Liaison Office in Myanmar, ensuring that communication products do not show any indication of collaboration between ILO and the military, or do not lend any perception of legitimacy to the military regime in public eyes.

During the reporting period, the Project was able to publish a total of eight technical papers, one news article, and one awareness raising video about unemployment protection. In the publication of these products, the project strictly followed both the ILO communication guidelines and the EU communication and visibility requirements. The Project also ensured that the EU delegation in Myanmar was involved in the publication process and shared all the publication materials for clearances and endorsements. The Project also consulted with ILO-HQ for each publication/communication product before sharing publicly to ensure they meet the communication and visibility requirements set by the EC.

A16.5.12. Conclusions and Recommendations

Conclusions and re	commendations from the self-evaluation
Conclusions ⁵	1. Despite the challenges, a substantial amount of top quality work was completed. The Project required flexibility from the ILO (financial and administrative HRD issues) as the work processes were adapted to respond to the difficulties and environment in Myanmar.
	2. The legacy element of the Project was secured through the delivery of a number of technical reports and training materials which will be used at a later date when the situation allows. In addition, the team made an effort to ensure that technical reports were as didactic as possible with summaries, presentations and international examples to improve and enhance accessibility.
	3. In terms of the output and analysis, the project ensured the provision of relevant and applicable recommendations in reports it produced to improve the shock responsiveness of the social protection system in Myanmar based on detailed analysis of the current situation. The project was undertaken in a country being significantly affected by a dual shock allowing an understanding of the realities of such a situation on social protection and the wider economy and society. Despite the data challenges, this real time analysis of the development of the crisis provided valuable information and insights on these impacts. The double shocks Myanmar has suffered so far are unprecedented. The recommendations remain valid but subsequent follow-on work is important to assess how the crisis and its impact develops over time and as more data becomes available. In addition, the actuarial report on a new UI scheme will provide the basis for its introduction as soon as the situation allows. Activities strengthened financing and therefore sustainability of schemes.

⁵ Conclusions should synthesize the main findings into statements of merit and worth. As such, judgments need to be fair, impartial, and consistent with the findings.

Conclusions and recommendations from the self-evaluation				
Recommendations ⁶	commendations ⁶ 1. Introduction of UI Scheme with appropriate stakeholder discussion and based on the analysis under the report	Responsible entity: ILO, Tripartite Stakeholders		
		Priority (<i>high, medium, low</i>): High		
		Resources (high, medium, low, NA):		
		Timeframe (long-, medium, short-term):		
	2. Strengthening shock responsiveness of the social	Responsible entity: ILO, Tripartite Stakeholders		
	protection system and its financing through the implementation of ILO recommendations on policy,	Priority (high, medium, low): High		
		Resources (high, medium, low, NA):		
management, administrative, communication, financing and investment measures.	Timeframe (long-, medium, short-term):			

⁶ Recommendations should follow from conclusions; link to lessons learned; and describe a time-frame (short-, medium-, long-term), the degree of priority (high, medium, low), who is called upon to act and acknowledge whether there are any resource implications.

Annex A16.A1. Project risk register

Risk Identified	Mitigating Measures	Additional risk response ⁷	Change ⁸	Impact ⁹
Covid-19 related travels and gathering restrictions in 2021 and 2022	Remote working modalities Innovative teaching modalities	-	No change in the total level of risk	Assured health safety of staffs and partners
Limited government ownership due to change in Government in 2021	Complying with UNCT principle of no engagement following the military takeover on 1 Feb 2021 Postponing project activities that require engagement with tripartite stakeholders, including stakeholder consultations and capacity building training	-	Increase in the total level of risk	Project implementation in line with UNCT principles of engagement Maintained good reputation of ILO and donor (EU) in Myanmar
Limited Government availability due to competing priorities	No engagement with SSB and government agencies since the military takeover	-	Increase in the total level of risk	-
Availability of international consultants and willingness to conduct remote consultancies only	Identification of a few experts Facilitating remote working modalities using following support approaches: Simultaneous translations services; Use of dynamic and innovative digital tools to facilitate on-line workshops	-	Increase in the total level of risk	-

⁷ Outline any additional mitigating measures or any change in the planned mitigating strategy and provide a rationale.

⁸ The change column summarizes any change in the identified risk as a result of the corrective/mitigating measures.

⁹ Outline the impact on project objectives once the mitigating measures were put in place.

Risk Identified	Mitigating Measures	Additional risk response ⁷	Change ⁸	Impact ⁹
Limited access to internet and frequent communication and electricity cut off	Flexible working hours from Yangon office Tightened cyber security within ILO Put provisions to allow for staff to access internet via mobile data as well as the changes of the VPN	-	Increase in the total level of risk	Internet restriction was not constant, and it was relaxed later in mid- 2021. Despite of challenges, most outputs were delivered
Banking and payment problems	The ILO bank accounts got frozen by military authorities and restriction were imposed on transactions. Thus, with assistance from Finance at the Regional level, alternative ways of payment were sought and approved on case-by-case basis	-	Increase in the total level of risk	Could make the payments to suppliers toward the end of 2021, but the process was still very slow with heavy restrictions imposed

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> Annex A16.A2. Knowledge products of the project

List of knowledge products, technical reports and studies produced by the project. All documents listed here will be attached to the progress report and should be uploaded to the website <u>www.socialprotection-pfm.org</u> and the ILO social protection country page.

Title of the product or report	Type of product (working paper, brief, technical report, video, capacity building content, etc)	Published/not published
Policy design of unemployment benefits in Myanmar - Social Security Law 2012 and Social Security Rules 2014	Technical Report	Finalized. Considering the political situation in Myanmar, the office will decide whether to publish them or not, and when
Employment Termination in Myanmar: Rules and payments on separation	Technical Report	to upload them on the ILO's website.
Cost assessment of unemployment insurance scheme in Myanmar as at 1 October 2022	Technical Report	
Current social protection provision in Myanmar, the impact of the crisis and recommendations to improve shock responsiveness	Technical Report	
Overview of Governance and Investment Management Structures and Processes in Myanmar and the impact of the crisis	Technical Report	
Recommendations to improve investment governance and Management to respond to crises and shocks	Technical Report	
Literature Review: Rules and Trends on employment termination and dispute resolution in Myanmar	Working Paper	

Annex A16.A3. Communication and visibility

News Article

• "Producing actuarial analysis with limited data – ten lessons from Myanmar"

Video

• <u>Understanding Employment Insurance and Active Labour Market Policies (Burmese Subtitle)</u>

Webpages

- <u>Myanmar country page on Social Protection Website</u>
- Project page on ILO-Myanmar website

Publications





Annex A16.A4. Emerging good practices

Country	Myanmar
Title of the practice	Project Management and adapting resources in crisis times
Summary – Briefly describe the good practice, including results and the support provided by the SP&PFM Programme (1 paragraph)	The project was flexible in reacting to the situation on the ground in Myanmar with a more appropriate allocation of resources reflecting the mitigation mechanism to curb with difficulty of securing data, inability to meet with counterparts and the need to leave legacy documents and materials for future use.
Context – Describe relevant elements of the context and the preconditions of practice (the starting point)	In a week after presenting a project's workplan to the Government, the project was subject to overhaul its implementation plan and team structure due to the military seizure of power. The Project was able to quickly channel resources to research components as well as rethinking other processes such as analysis and the format of deliverables. In fact, more budget could have been allocated to external collaboration works to allow the continuity of technical works on the ground and to carry out research works. However, due to additional and unpredictable changes in the banking system as introduced by the Myanmar Central Bank to tightly control all of the works across UN agencies, it had been difficult for technical collaboration work to carry out without being scrutinized by the military authorities. To continue to pursue the work with external collaborator would in itself expose the collaboration to the military regime and thus against the principle of conflict sensitivity. For delivering research outputs, the project decided to increase the involvement of ILO staff members based in DWT-Bangkok and CO- Jakarta in conducting research and technical activities without external support; namely, ILO staff members are primary authors of six out of the eight publications and joint authors on the two remaining. Such flexible arrangements were only possible with other donor funding. In turn the collaboration among projects provide good hubs of knowledge and coherence of works across the ILO and thus enhance the effectively and value for money.
Good practice – Present the practice/experience, explaining the actors involved, the innovative methods/working methodology, the step-by-step to achieve the results	The project immediately shifted human resources to deliver research outputs with in-house manpower without external supports. The project decided to increase the involvement of ILO staff members based in DWT-Bangkok and CO-Jakarta in conducting research activities without external supports.
Main results – Briefly describe the results already achieved	ILO staff members are primary authors of six out of the eight publications and joint authors of the other two. This was achieved in a relatively short period of time.
Success factors – List the factors that contributed to the success of the practice (bullet points)	Such flexible arrangements were not possible without other donors' funding to maintain their staff contracts in each office. The lesson presents the effectiveness of the regional in-house expert's facility to provide country offices with technical supports.

Country	Myanmar
Challenges – List the main existing challenges (bullet points)	 As the in-house experts were financed by other projects funded by several donors and were also responsible for delivering outputs in their covering countries, there were challenges to complete and publish technical papers in line with the planned timeline due to competing priorities. The project does not foresee the political situation of the country to improve anytime soon for resuming of consultation meetings with tripartite constituents to present the design options of the proposed UI, and to validate the technical and research findings. The COVID-19 and political unrest in Myanmar continue to impact the operationalization of the project and ILO-Yangon Office as a whole. As the result of persisting banking crisis and heavy restrictions imposed on financial, the office continues to face challenges to make on-time payment to suppliers and national EXCOL consultants. Limitation of data has been one of the main challenges in carrying technical studies and will remain as a challenge at least in the foreseeable future unless the issue is properly addressed.
Lessons learned – Indicate up to 3 lessons learned from this experience that could be useful for other countries (more general than success factors)	 Be flexible and adaptable with the workplan and activities in places where political development is unpredictable but be always vigilant and prepared for whatever changes and challenges that may come. While achieving all project outputs is important, the projects implemented under ILO should never compromise the core values of ILO, in pursuit of project success.
Next steps	 When reengagement with tripartite stakeholders become possible in the future, knowledge sharing sessions to be organized to improve their understanding on unemployment protection, by using the knowledge products produced under SP&PFM project. To validate the findings and organize national consultations with workers, employers and government (SSB) in the future for implementation of UI scheme in Myanmar. To organize capacity building trainings for national actuaries in order to strengthen PFM and SSB fund management in Myanmar in the future. To continue to advocate for reform of the national social security law and the expansion of social security coverage to informal sectors and all population, through technical supports.

Country	Myanmar
Title of the practice	Producing good actuarial analysis with limited data
Summary – Briefly describe the good practice, including results and the support provided by the SP&PFM Programme (1 paragraph)	Adapting approaches to collecting data to reflect the impossibility to work directly with stakeholders and in the crisis context in Myanmar. The experience of the Project showed that despite these challenges, an adapted and flexible approach ensured that valuable analysis could still be produced. The experience of the Project may provide useful lessons for similar situations where data is difficult or impossible to obtain.
Context – Describe relevant elements of the context and the preconditions of practice (the starting point)	The Project was faced with the challenge of producing good quality analysis – on which decisions could be based now and in the future – without easily accessible data.
Good practice – Present the practice/experience, explaining the actors involved, the innovative methods/working methodology, the step-by-step to achieve the results	 The actuaries followed professional standards and good practices but adapted their approach to the realities in Myanmar principles. This included: Run sensitivity analysis, what-if scenarios and stress testing Use previous historical experience in other countries which had suffered similar abrupt shocks Reflect data uncertainty in a cautious set of assumptions Future proof the outputs under the project
Main results – Briefly describe the results already achieved	Top quality analysis that can be relied on for future decision making on social protection policy and financing.
Success factors – List the factors that contributed to the success of the practice (bullet points)	 Professional and adaptive approach based on actuarial principles Flexibility in mindset Rely on the expertise of local colleagues
Challenges – List the main existing challenges (bullet points)	Lack of data and channels for collecting it. Need to verify publicly available data for credibility.
Lessons learned – Indicate up to 3 lessons learned from this experience that could be useful for other countries (more general than success factors)	 As actuaries, be driven by professional standards When unable to meet with stakeholders, cost and provide a wider range of different design and financing options for future discussions Adopt a flexible but cautious approach by always respecting standards and guidelines to ensure professional work is delivered