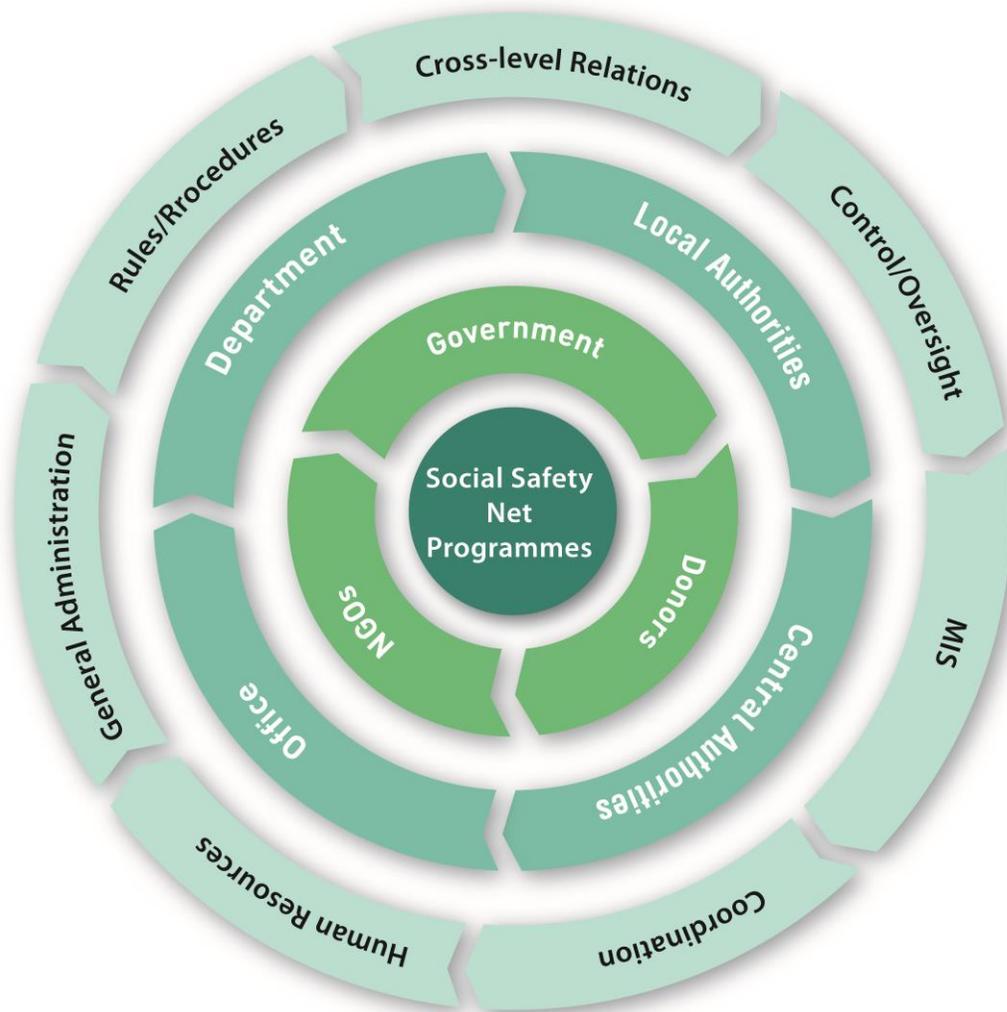




**Standing Committee  
for Economic and Commercial Cooperation  
of the Organization of Islamic Cooperation (COMCEC)**

## **Institutional System of the Social Safety Net Programmes in the OIC Member Countries**



**COMCEC COORDINATION OFFICE  
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## **Institutional System of the Social Safety Net (SSN) Programmes in the OIC Member Countries**

The Analytical study titled “Institutional System of Social Safety Net Programmes in the OIC Member Countries” was prepared by the COMCEC Coordination Office specifically for the 4th Meeting of the COMCEC Poverty Alleviation Working Group with a view to enriching the discussions during the Meeting.

Targeting and delivery mechanisms receive significant attention in the SSN research and literature. Nonetheless, institutional systems of the SSN programmes remain understudied. For the effective implementation of the SSN programmes, institutional structure and capacity issues bear great importance. In this respect, this study devoted the institutional systems of the SSN programmes in the OIC Member Countries.

Institutional structure of the SSN programmes vary significantly in the OIC member countries due to economic, political and social factors. Among these factors, income level is a significant determinant on the policy choices related to SSN area. In this study, institutional systems of the SSN programmes in the OIC member countries have been analysed according to income levels, namely high, middle (upper and lower middle) and low income. The study presents some key elements of institutional structures of SSN programmes, including but not limited to formal institutional structures, decentralization, institutional capacity, coordination, and oversight systems.

In the study the analysis are made in two stages. At the first stage, a general review related to the institutional systems of the SSN programmes in 57 OIC member countries was provided in accordance with the questionnaire conducted and desk reviews. At the second stage, five member countries, namely Indonesia, Jordan, Turkey, Azerbaijan and the Gambia were analysed deeply on the basis of field visits conducted to these countries.

### **Overview of the Institutional Systems of SSN Programmes in the OIC Member Countries**

Institutional systems of SSN programmes in the Member Countries have been analysed in terms of institutional structure and institutional capacity. Regarding institutional structure; policy-making process, harmony of SSNs with the larger administration system, cross organizational and cross-level relations, programme rules, procedures and processes, decentralization and centralization degree, control and oversight systems of the SSN systems were examined. Regarding institutional

capacity, human resources, Management and Information System (MIS) and coordination issues have been analysed.

#### Policy-Making

In high and middle income OIC member countries, policy-making processes are part of a reform of social protection, sometimes it coincides with the precautions taken against external shocks.

While in high income countries donors have a very limited role, in middle income countries they usually take place in policy-making process. In low income countries, SSN programmes are designed mostly as a response to external shocks. In these countries donors have an important role in both policy-making and implementation processes of SSN programmes.

#### Three levels of institutional system

Quality of general administrative systems influences the quality of institutional structure of SSN systems. Since middle and high income countries have relatively well-established administrative systems, they are capable of implementing full-fledged SSN programmes, as in Turkey’s case. However, low income countries choose SSN programmes with less complicated implementation processes as in the case of the Gambia.

In high and middle income OIC countries SSN systems were mostly government-led ones; but in low income countries they are donor-led systems. In addition, there is not a standard government unit that is responsible for the SSN systems in the in the Member Countries. While the finance, economy and planning ministries play a critical role in both policy-making and implementation processes of SSN systems in low income countries, in high and middle income countries their role is relatively limited.

Moreover, centralized institutional structures are common among the OIC Member Countries, in which rules and procedures are determined at the central level. Generally high and upper-middle income member countries have central structures and lower-middle and low income countries have decentralized SSN structures.

#### Control and Oversight Mechanism

A successful model for having an effective control and oversight mechanism requires a separate and independent body from implementing bodies, which is rare in the OIC countries. In most of the member countries monitoring and oversight mechanisms are embedded in the implementing institutions of SSN system.

#### Human Resources

In low income countries lack of qualified human resources exist not only in policy-making and implementation phases but also at local and central levels. In these countries, some capacity building activities are supported by donor aids via technical assistance. In middle income countries lack of qualified human resources exists in implementation phase and mostly in central level.

#### MIS

The recent trend in the OIC Member Countries is the establishment of computer-based MISs, especially in low and middle income OIC countries. However, in low income countries the absence of an advanced level MIS is a challenge due to weak internet connection, lack of computers at the local level and low human capacity on utilizing the advanced systems.

**Coordination**

Especially in low and middle income OIC countries, where the fragmentation is high, coordination among the SSN institutions (horizontal coordination) is still a significant challenge. To overcome coordination problem, some OIC Member Countries have set up inter-ministerial committees and some have created new institutions. Additionally, in low and middle income countries, inter-program coordination (vertical coordination) problems, across central and local level agencies, are experienced due to absence of a developed monitoring system and/or the lack of necessary human resources at local level.

**Recommendations**

Some of the recommendations provided by the study are as follows:

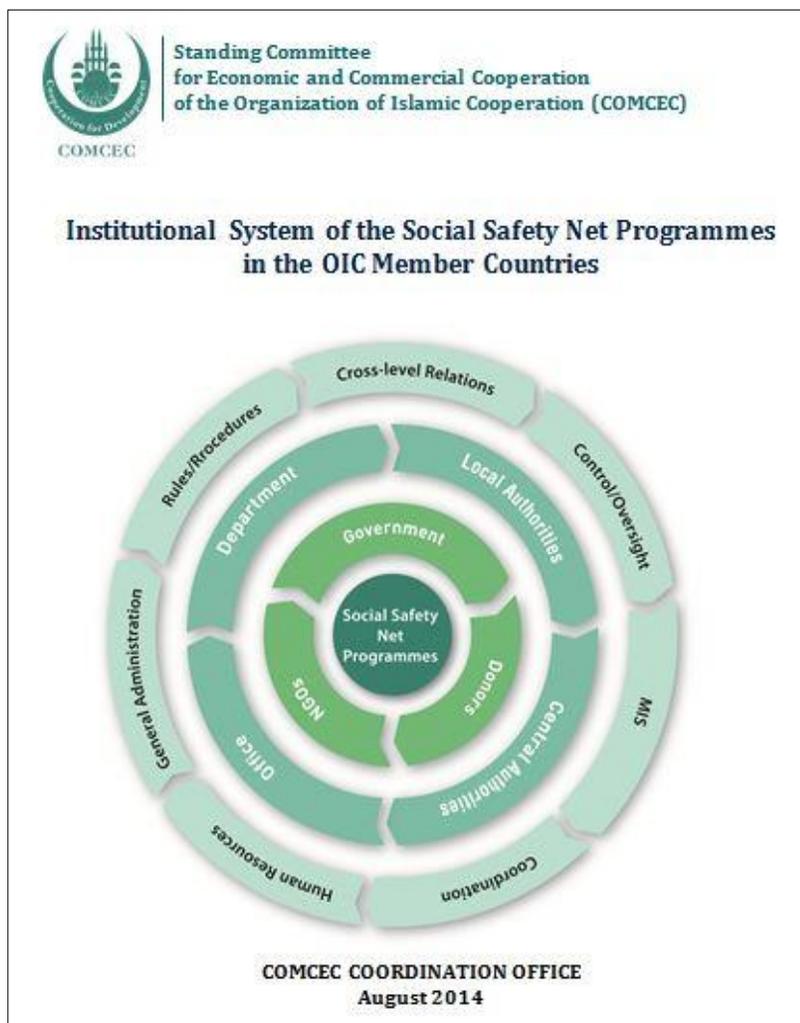
Increasing effectiveness of the SSN programmes: More than one SSN programme having the same target population and providing similar type of benefits should be administered by a single institution, and these programmes should be unified if possible.

However, if inclusion of more than one institution is a necessity, a well-functioning coordination mechanism needs to be established.

Ensuring coordination in the SSN system: Existence of several institutions in SSN systems might lead to fragmentation and overlaps in the tasks and responsibilities. When a coordination unit is established to overcome these problems, it should be a single and powerful one in order to handle coordination efficiently.

Increasing the role and capacity of local authorities: Increasing the involvement of local authorities in decision-making process of SSN system might improve the effectiveness of the programmes. Besides, the human resources capacity of local authorities need to be improved for ensuring the effective implementation of the SSN Programmes.

Improving effectiveness of control and oversight systems, strengthening human resources and Improving effectiveness of donor assistance are other important recommendations highlighted in the study.



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