

Global Accelerator on Jobs and Social Protection for Just Transitions



Theory of Change and proposed list of core indicators

Version for consultation

1. Theory of Change

The Theory of Change of the Global Accelerator is based on the 3 pillars approach outlined in its [implementation strategy](#) and builds on the theoretical rationale annexed to this document.

It is structured on the following components:

- **Global Accelerator approach and actions:** Reflects pillar 3 on enhanced multilateral cooperation, coordination, monitoring and accountability, supported by a whole of government approach. Key means of action include: Capacity development, partnership development, analytical work, knowledge management, technical advisory support, as well as social dialogue and policy dialogue.
- **Implementation model:** This brings together pillars 1 and 2 of the Global Accelerator, supporting the development of integrated employment and social protection policies and programmes, linking them to appropriate financing strategies, in support of sectors with high potential for decent jobs creation and the extension of social protection.
- **Outcomes:** Outcomes are clustered along the following categories: Budgeting, expenditures and alignment of investment; Revenues and redistribution; Enabling policies with Gender-transformative focus; Institutional capacity.
- **Development objectives:** Aligned with SDG targets to which the GA directly contributes.

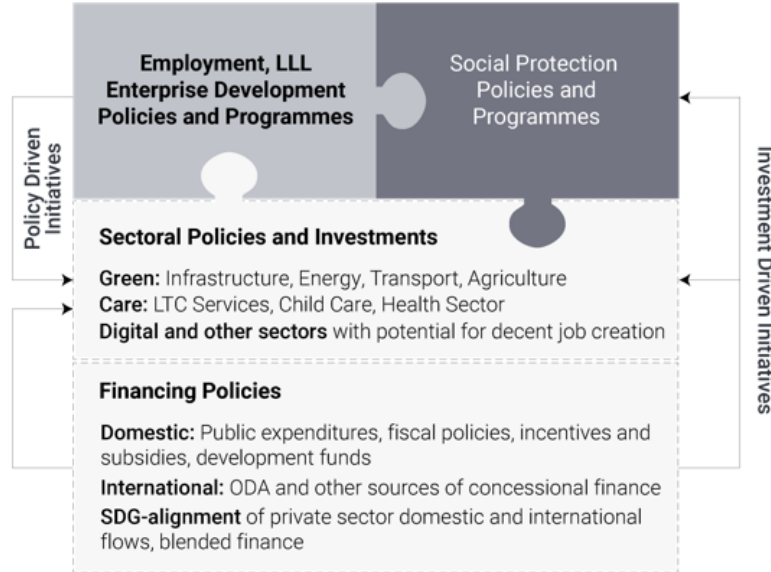
GLOBAL ACCELERATOR ON JOBS AND SOCIAL PROTECTION FOR JUST TRANSITIONS - THEORY OF CHANGE

GA APPROACH & ACTIONS

APPROACH	Whole of government
	Social dialogue and tripartitism
	Policy coherence, coordination, multilateralism and alignment
	Monitoring and accountability
	Ex-ante & ex-post assessment

- Capacity Development
- Partnership Development
- Analytical Work
- Knowledge Management
- Technical Advisory Support
- Social and Policy Dialogue

IMPLEMENTATION MODEL



PRE-REQUIREMENTS AND KEY ASSUMPTIONS

- 1 High level political commitment secured and sustained
- 2 Governance structure established
- 3 Global Accelerator roadmap developed
- 4 Informed analysis and dialogue: Diagnostics, ex-ante impact assessments, macro and fiscal space analyses, costing analyses, public expenditure reviews, data generation, etc.
- 5 Development of an integrated financing strategy, based on INFF where appropriate

OUTCOMES

Budgeting, expenditures and alignment of investment	Social protection and decent employment objectives are better integrated into national budget processes and better aligned to support leading sectors
Revenues & Redistribution	Volume, synergies, coherence, equity and efficiency of social protection and employment spending improved
Enabling policies w/ gender-transformative focus	An efficient combination of public & private financial flows supporting job creation and social protection objectives, aligned with SDGs, established
Institutional Capacity	Tax and redistributive policies address inequalities of outcome
	Enhanced fiscal space, including through more progressive fiscal measures
	Macro, sectoral and fiscal policies influence decent jobs creation and social protection outcomes
	Formalisation and other integrated policies and strategies implemented
	Improved business environment, access to finance and BDS promoting inclusive job rich growth
	Labour market, TVET and social protection institutions strengthened or established, including to generate and analyse data and ensure enforcement
	Financial sector stakeholders strengthened to support the creation of decent work in targeted sectors

DEVELOPMENT OBJECTIVES



- Accelerated creation of decent and productive jobs, particularly in the green, care and digital economies
- Accelerated achievement of universal, comprehensive, adequate and sustainable social protection
- Just Transitions – country specific outcomes

Crosscutting: Environmental sustainability, gender, reducing inequalities

2. Outcome indicators

This section provides a suggested list of Outcomes and indicators for the Global Accelerator. Indicators are meant to be aggregable at global level across GA programs, irrespective of the type or thematic focus of the policies and programme implemented at country level.

They are structured along the Theory of Change of the Global Accelerator.

1. Development objectives level

Direct contribution to SDG targets:

1.3 Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable

1.A Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions

3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.

4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

5.4 Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate

5.C Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels

8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium sized enterprises, including through access to financial services

8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training

10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality

17.1 Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection

17.3 Mobilize additional financial resources for developing countries from multiple sources

17.16 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries

17.19 By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries

Indirect contribution:

4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.

4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.

7.1 By 2030, ensure universal access to affordable, reliable and modern energy services

7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

10.1 By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average

13.2 Integrate climate change measures into national policies, strategies and planning

16.6 Develop effective, accountable and transparent institutions at all levels

16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels

Development objectives	Indicators
Accelerated creation of decent and productive jobs in particular in the green, care and digital economies,	<ul style="list-style-type: none">• Quantitative and percentage increase in decent jobs in targeted sectors (defined by a set of indicators which covers both job quantity and quality), disaggregated by age, sex, and other relevant dimensions• Change in informal employment as a proportion of the total, by sector and sex (SDG 8.3.1) and, where possible, by age and disability status• Change in the number of learners benefiting from lifelong learning opportunities, by sex
Accelerated achievement of universal, comprehensive, adequate and sustainable social protection	<ul style="list-style-type: none">• Number of persons and percentage increase in effective population coverage by social protection (with some sex disaggregation, and disaggregation by branch of SS), including children, people with disabilities, migrants• Number of persons and percentage of population with increased level of benefits• Number of persons and percentage increase in legal coverage for social protection• Number of persons and percentage of population covered by a new branch of social security

2. Enabling outcomes level

Outcomes	Indicators
<p>1. Social protection and decent employment objectives are better integrated into national budget processes and better aligned to support leading sectors</p>	<ul style="list-style-type: none"> • Employment targets and indicators are reflected in relevant budget programmes • Share of LMPs on GDP/budget • Share of credit (pub. or private) channelled to productive investments and social protection • Existing USP policy, and share of social protection in government budget and GDP (with trends over years)
<p>2. Volume, synergies, coherence, adequacy and efficiency of social protection and employment spending improved</p>	<ul style="list-style-type: none"> • Increase in the share of employment-related social spending or active labour market programme spending out of total national budget [including in the context of just transition] • Increase in the job content of public investments (direct, and indirect, induced job creation), estimated through employment impact assessments; • SDG Indicator 1.a.2: Proportion of total government spending on essential services (education, health and social protection) • Increase of share of social protection expenditure in total government expenditure and in percentage of GDP • Indicator of efficiency of PFM for social protection (under construction) – disaggregated contributory/ non-contributory • Compliance with R202 guiding principle (j) <i>transparent, accountable and sound financial management and administration</i>
<p>3. An efficient combination of public and private financial flows supporting the objectives of job creation and social protection and aligned with SDGs is established</p>	<ul style="list-style-type: none"> • Percentage net increase in resources (domestic and ODA) allocated directly to social protection and employment programmes • Leverage ratio of private to public financial flows per GA sector • Employment and social protection reflected in INFFs analysis reflected in policy options and policy choices. • Sources of financing for social protection (social insurance contributions, tax-financed SP, ODA...) • Compliance with R202 guiding principles (h, i, and k) --- (h) solidarity in financing ...; (i) diversity of methods and approaches in financing; (k) financial, fiscal and economic sustainability with due regard to social justice and equity

	<ul style="list-style-type: none"> • SDG impact management and measurement approaches integrated in private investors operations
4. Tax and redistributive policies address inequality of outcome	<ul style="list-style-type: none"> • Increase in public revenues from progressive income, wealth and consumption tax rates • Alignment of wage growth with productivity growth • Kakwani index (subject to the country and availability of data)
5. Enhanced fiscal space, including through more progressive fiscal measures	<ul style="list-style-type: none"> • Tax collection capacity in percentage of GDP
6. Macro, sectoral and environment policies influence decent jobs creation and social protection outcomes	<ul style="list-style-type: none"> • Employment and universal social protection objectives feature in monetary/central bank core objectives; • Commitment to countercyclical measures to support businesses and workers in downturns, with emphasis on female-dominated sectors;
7. Formalisation and other integrated policies and strategies implemented	<ul style="list-style-type: none"> • Total amount of Social security contributions collected from workers (with a trend over years) / [and possibly: as a percentage of total social protection expenditures] • Enterprise registered by type of enterprise (size, sector, location) + compliance with fiscal, labour, social obligations (amount paid) • Total government revenue (% of GDP), by source (SDG 17.1.1) • Quantitative and percentage increase in the number of workers by formal/ informal : <ul style="list-style-type: none"> - contributing to social security by employment status - working within the range of 'normal working hours' (35-48h/week) - earning less than the defined benchmarks (for example, XX per cent of the median wage or median labour income), by status in employment - affiliated to a union, a professional organization, a workers' association or a member-based organization of workers, by status in employment. - trained/retrained by type of training provider - covered by Fundamentals Principles and Rights at Work
8. Improved business environment, access to finance and BDS promoting inclusive job rich growth	<ul style="list-style-type: none"> • Credit to MSMEs as ratio of GDP • Credit to MSMEs as ratio of GDP, disaggregated by GA sector

3. Institutional capacity outcomes (within enabling outcomes)

Outcomes	Indicators
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<p>1. Countries have strengthened institutional capacities, efficiency, governance and accountability frameworks to support the design and implementation of integrated policy and programme packages.</p>	<ul style="list-style-type: none"> • Structure and mechanisms in place to improve coordination on employment and social protection policies, with budgeting and macroeconomic policies • Capacities to implement, integrated macro-sectoral diagnostics for jobs, lifelong learning, social protection and greening • Capacities to commission, conduct Employment Impact Assessments and act on their findings and recommendations • Active and labour market policies are structured around pathways that facilitate transitions to and within the labour market; • Policies are aligned with international labour standards • Financial governance improved through the adoption and implementation of actuarial or public finance management recommendations • Management information systems and administrative processes and tools designed, implemented or improved, including ability to scale up in a crisis. • Tripartite and gender-balanced representation in the boards of social security institutions and skills development institutions (at national and sector levels) introduced or strengthened • National and sector-level governance and dialogue between State, private sector/employers, and workers, on industrial/sectoral policies, job creation, skills development, social protection and just transition to environmental sustainability/green jobs effectively channel the voice of workers and employers. • Complaints and appeals mechanisms designed, implemented or improved, ensuring the participation of social partners, young people, and other members of the community
<p>2. Policy decisions are based on improved and accessible labour market information and social protection data, analysis, and monitoring and evaluation (M&E) systems.</p>	<ul style="list-style-type: none"> • Regular robust labour market and establishment surveys on employment, skills anticipation, incomes and social protection (SSI) to inform policies • Integrated labour market information systems combining statistical and administrative data are designed, implemented and improved • Distributional impact assessments are carried out both on spending and expenditure • M&E framework for social protection and employment are developed and implemented, with strengthened gender-disaggregated data

	<ul style="list-style-type: none"> • National Statistical Offices are better equipped/have their capacities strengthened to perform diagnostics (inequality) and to respond to tri-annual Social security inquiry • Data on social protection coverage and adequacy regularly updated and shared.
3. Enhanced capacity of pathfinder countries to assess returns on investment that integrated social protection and jobs interventions can generate at the macroeconomic level, at the sectorial level and at individuals, households, and enterprises level.	<ul style="list-style-type: none"> • Estimation of fiscal multipliers for employability and social protection spending • Fiscal space analysis • Estimation of poverty and inequality impact of social protection (and employment) policies and measures
4. Countries have strengthened institutional capacities for increased domestic resource mobilization (e.g. sustainable budgeting, fiscal reforms, earmarked taxes, reinforced inspection) and investment measures (e.g. wage subsidies, tax incentives).	<ul style="list-style-type: none"> • Tax to GDP ratio • A national financing dashboard developed with baseline, financing gaps and investment needs, and sources and levels of financing linked to integrated policies.
5. Financial sector stakeholders strengthened to support the creation of decent work in targeted sectors	<ul style="list-style-type: none"> • #financial institutions signatory to international or national sustainability framework/s • #financial institutions with increased depth and breadth of financial and non-financial service offering targeted at GA sectors • #financial institutions with sustainability management systems tracking DW impacts in their operations targeted at GA sectors
6. Poverty and vulnerability analysis undertaken or updated and disseminated including connections to social protection and employment.	<ul style="list-style-type: none"> • Poverty and vulnerability analysis completed/or updated, including disaggregations by age, gender, and disability. • Government lead dissemination event with connections to employment and social protection policy responses.
7. Social protection and employment systems strengthened to better respond to future shocks and support socio-economic transformations	<ul style="list-style-type: none"> • Number of social protection and employment systems that have updated their legal framework, included measures and automatic triggers, and integrated financial mechanisms to efficiently respond to shocks • Number of social protection and employment policies and systems that include provisions and measures to support just transitions and social and economic transformations
8. Social protection and employment systems strengthened to be inclusive of gender, disability and migrant populations	<ul style="list-style-type: none"> • Number of social protection and employment systems that have updated their legal framework, to be inclusive of gender, disability, refugees and migrant populations.

Annex I: Charting the Narrative of the Global Accelerator on Jobs and Social Protection for Just Transitions



The chart illustrates the main narrative lines of the Global Accelerator on Jobs and Social Protection for Just Transitions, highlighting the policy interactions and impacts of integrated social protection and employment policies combined with investments in strategic sectors. The purpose of the chart is not to provide an operational approach for the Global Accelerator but rather a theoretical rationale, including a representation of two types of synergies between integrated social protection and employment policies, “causal” and “definitional.”

The chart is structured by three main criteria, moving from left to right. These are **policy instruments**, intermediate **targets** with associated **indicators**, and finally the Global Accelerator **goals** of helping countries to create 400 million decent jobs and to extend social protection coverage to the 4 billion uncovered, expressed in a Venn diagram. The goal of 400 million includes creating new decent jobs outright as well as upgrading existing jobs to decent jobs, notably through the provision of social protection. The three policy domains centrally depicted in the chart are sectoral, employment and social protection policies. Though the focus of the Global Accelerator is on the latter two, sectoral policies also play a role given the Global Accelerator’s emphasis on the green, digital and care sectors as well as other sectors with high potential for decent job creation. To avoid overcrowding the chart, an inset illustrates the promotion of Fundamental Principles and Rights at Work (FPRW) as an essential additional policy domain.¹ FPRW, particularly freedom of association and the effective recognition of the right to collective bargaining (FA/CB rights), facilitate the equitable distribution of productivity gains and thus the creation of decent jobs.

As noted, the chart illustrates both causal and definitional synergies between social protection and employment policies, consistent with the rationale for the Global Accelerator’s holistic approach. **Causal synergies** result from positive **policy interaction effects** between sectoral and employment policies, on the one hand, and employment and social protection policies, on the other.² For example, if there are three types of employment policies and three types of social protection policies, there are potentially 9 pairwise interaction effects between employment and social protection policies.³ This suggests that some pairs of policy interactions may be more impactful than others in moving towards the Global Accelerator’s targets and goals. The arrows from policy instruments to intermediate targets widen as they pass through the policy interaction stage, indicating increased policy impacts through positive interaction effects.

Definitional synergies result from the overlapping goals of the Global Accelerator. That is, if we define a decent job to include social protection, then by extending social protection to uncovered workers who have otherwise decent jobs, this simultaneously contributes to both the Global Accelerator’s goals. For the purposes of illustration, a decent job in the context of the Global Accelerator is defined as having three dimensions: 1. Compliance with the FPRW, 2. Provision of adequate wages or incomes while complying with maximum hours

¹ For more on FPRW, see: [ILO Declaration on Fundamental Principles and Rights at Work \(DECLARATION\)](#)

² Though not illustrated here, there can also be important positive interaction effects as well as overlap between social protection and sectoral policies, such as social protection provision through investments and job creation in the care sector.

³ Examples of social protection policies are statutory social insurance schemes, cash transfer programmes, and employment guarantee schemes; Examples of employment policies are public employment services, job training (both active labour market policies) and unemployment insurance (a passive labour market policy). Employment guarantee schemes are also a type of employment policy and unemployment insurance is also a type of social protection policy, examples of overlap between social protection and employment policies.

of work,⁴ and 3. Provision of adequate and comprehensive social protection.⁵ Based on this definition, a worker can have none of these 3 dimensions, any 1 of the 3, any 2 of the 3, or all 3, while non-workers (e.g., children and the elderly) can either have or not have social protection.

Regarding the Venn diagram:

- The left-hand side represents the creation of new decent jobs outright as well as the upgrading of existing jobs to decent jobs by providing FPRW and/or adequate wages/incomes to workers that already have social protection.
- The overlapping middle represents the upgrading of existing jobs to decent jobs by providing social protection to workers that already have both FPRW and adequate wages/incomes – that is, the **definitional synergies** between social protection and employment policies.
- The right-hand side represents the provision of social protection to non-workers and workers without both FPRW and adequate wages/incomes.

Intermediate targets have accompanying indicators expressed in monetary terms, facilitating measurability as well as comparability across sectoral, employment and social protection policy domains. Sectoral and social protection policies are comprised of both public and private expenditures.

Green, digital and care sectors are characterized as “leading” sectors, defined by economies of scale and positive productivity spillovers (externalities) onto the wider economy. In this sense, the expansion of these sectors results in a mutually reinforcing positive dynamic of economic and productivity growth, or a Kaldor-Verdoorn virtuous cycle.⁶ The three policy domains are shown to contribute to the Global Accelerator’s goals through this virtuous cycle as well as directly. The chart highlights the critical role that social protection has not only on poverty and vulnerability but also on employment and productivity, through increased human capabilities, productive capacities and assets (including by preventing the loss of these assets when a household faces a shock with economic consequences) and by enabling households to more readily take advantage of economic opportunities.

The chart is framed on the left by fiscal space, both through domestic spending and Overseas Development Assistance (ODA), having two-way causality with macroeconomic policy. As a result of progress towards the Global Accelerator’s goals, the chart is framed on the right by both social and political outcomes and by new fiscal space created by increased tax revenues, through both growth and share effects – that is, more GDP and more GDP on which taxes are paid. These are represented in the chart by the size and share of the GDP pie. Increasing fiscal space through the share effect depends on workers and employers having sufficient trust in the governance and sustainability of social protection systems and in government institutions more generally, as part of a renewed social contract.⁷

The chart focuses on the direction of causality from left to right, not because other directions of causality do not come into play but rather to focus on the Global Accelerator’s main narrative lines. Macroeconomic policy, notably, has sweeping effects on the Global Accelerator’s targets and goals. Yet two feedback loops are emphasized: 1. From new fiscal space to fiscal space available to finance policies in support of the Global Accelerator and 2. From social and political outcomes such as reduced inequality and transitions to sustainable economies to the virtuous cycle of economic and productivity growth, making a link between the Global Accelerator and the Global Coalition for Social Justice.

⁴ For more on living wages and incomes, see: [ILO Brief: Setting adequate wages: The question of living wages](#)

⁵ For more on the ILO’s definition of adequate and comprehensive social protection, see: [Texts adopted - Resolution III: Resolution concerning the second recurrent discussion on social protection \(social security\) \(ilo.org\)](#)

⁶ Kaldor, N. 1967. *Strategic Factors in Economic Development*. Ithaca, Cornell University Press; Kaldor, N. 1968. “Productivity and growth in manufacturing industry: A reply”, *Economica*, 35(140), 385–91.

⁷ For more on a renewed social contract, see: [Secretary-General calls for renewal of social contract in new report 2021 \(unric.org\)](#)

The arrows in the chart represent hypothesized causality. Even when causality is substantiated, the challenge of attribution remains, given the multiple causal factors affecting the GA's wide-ranging targets and goals. That is, to what extent are observed changes in the Global Accelerator's targets and goals attributable to policy interventions in support of the Global Accelerator? This is the role of impact assessment.

Global Accelerator on Jobs and Social Protection for Just Transitions: theoretical rationale

