

**Vision 2030 Jamaica National  
Development Plan**

**Social Security  
Sector Plan**

**Draft**

**Revised September 2009**



# **VISION 2030** **JAMAICA**

## **SOCIAL SECURITY**

### **SECTOR PLAN** **2009 - 2030**

**September 2009**

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## 1.0 Introduction

Social insurance is a critical dimension in social protection. It incorporates that set of provisions that give financial assistance, in whatever form, to persons to support consumption in the face of risks. Some of these risks include loss of employment, income instability in retirement, changes in circumstances and ill health. Social insurance has historically been provided through a mixture of government programmes and private investments.

The Social Security Sector Plan focuses on creating a social security system for Jamaica that will comfortably mitigate the risks attendant on individuals who face income instability. The Vision Statement that was crafted to guide the development of this plan is:

*“An efficient and sustainable social security system that provides and maintains adequate coverage for all”*

The Sector Plan was prepared by the Social Security Task Force which was one of 31 Task Forces established to prepare Sector Plans under various themes that would contribute to the achievement of Vision 2030 Jamaica – National Development Plan (NDP). The Social Security Sector Plan contributes to the NDP under National Outcome number 3, “Effective Social Protection” which falls under National Goal 1: “Jamaicans are Empowered to Achieve their Fullest Potential”. The Vision Guiding the NDP is

*“Jamaica, the place of choice to live, work raise families and do business”.*

## 2.0 Situational Analysis

2.0.1 The provision of social insurance and social assistance in Jamaica prior to and since independence has reflected in large measure the political economy of each period. Similar to the issue of poverty (see Poverty Reduction Strategic Plan), public policy has progressed from palliative and ameliorative, to a conscious effort at increasing coverage and protection of workers. Poor Laws and Old Age Superannuation Schemes have given way to an expansion in public sector schemes, occupational pension schemes, and a range of new benefits including national health insurance. A comprehensive system of social insurance, the National Insurance Scheme (NIS), was founded in 1966, with supporting legislation and regulations. A plethora of social insurance and assistance provisions have

followed, including Rehabilitation and Compassionate Grants, Programme of Advancement Through Health and Education (PATH), National Health Fund, Jamaica Drugs for the Elderly (JADEP) and the National Insurance Pensioners Health Fund (NHF). Social security also has been enhanced with the adoption of specific national policies, including the National Policy for Senior Citizens and the National Policy for Persons with Disabilities.

2.0.2 Changes in the population structure over the long term have placed Jamaica in the current experience of what is termed a demographic transition. Jamaica has been described by the UN as being in the advanced moderate ageing stage of this process. What it signifies is a population in which the proportion of children is decreasing, while the working-age members are increasing, as well as the proportion of elderly (see Population Strategic Plan this document). Improvement in life expectancy rates results in the elderly living longer. Several countries across the world have experienced this demographic transition and foresight requires that appropriate social security policies need to be derived to combat the implicit challenges. For Jamaica, the projections indicate that by 2030, children will constitute 22.1 per cent of the population, while the elderly will comprise approximately 12 per cent. This compares with the current 36.5 per cent for children, and 10.6 per cent for the elderly population. An ageing population gives rise to several important policy implications, specifically for social security development. The challenge is to grasp the opportunities given by the ‘demographic bonus’ – the period in which the working-age component is growing – capitalizing on the potential for savings and investment, and structured retirement planning.

2.0.3 Within social insurance (including pension schemes) there is a mixture of contributory and non-contributory programmes. The NIS is contributory, and provides benefits compatible with ILO Minimum Standards, including retirement, invalidity, orphans, widow/widower, employment injury and maternity allowance, to name a few. It covers employed persons, self-employed and voluntary contributors. Retirement pensions form the majority of benefit payments under the NIS, accounting in 2006 for some 71 per cent. Recent data (March 2007) show that only 28 per cent of persons 60 years and over received benefits under the Scheme, signalling a large coverage gap among this population. Major challenges to the NIS include the wide coverage gap, imbalance in contributions compared with benefit payments, the existence of a large (57 per cent of workforce) informal economy, and longer payout periods due to increased life expectancy rates. Health insurance (NI Gold), and healthcare subsidies at the national level are offered through the National Health Fund, Jamaica Drugs for the Elderly Programme, the Government Pensioners Health Scheme. These target the elderly and persons with chronic illnesses. The NHF objective is to provide universal coverage, financial risk protection and equity in financing, and currently both institutional and

individual benefits are accommodated under the Fund. However, fragmentation in the administration of health-related benefits for elderly persons is an issue of concern.

2.0.5 There are several public sector pension schemes and private occupational pension schemes undertaken by companies/businesses. The majority of public pension schemes are non-contributory– Pay-As-You-Go, with the exceptions being in statutory bodies, Executive Agencies and other decentralized public bodies. Public pensions are regulated by over 30 separate pieces of legislation applying to different categories of workers in the public service. In the public sector, major reforms are being considered due to the challenges being faced by the state. Among these challenges are the multiplicity of legislation, burden of high and rising liability on the Consolidated Fund, non-contributory defined benefit schemes, and the need for greater accountability and improved management information systems. The non-contributory schemes are proposed to be replaced by funded schemes.

2.0.6 Occupational pensions outside of the public sector and specified retirement schemes have fallen under the jurisdiction of the Financial Services Commission since major reforms were undertaken beginning 1999. The Policy on pension reform is contained in the White Paper of May 2001. The first phase of this reform introduced a regulatory framework for the management and administration, and fiduciary integrity of these schemes, embodied in the Pensions Act of 2005. A second Phase to these reforms is focusing on strengthening existing legislation for safeguarding the adequacy of pension benefits (portability, vesting, indexation, protection of benefits). These reforms are expected to encourage private savings, long-term investments and the development of creative retirement products.

## **3.0 Social Security Worldwide: Lessons Learned and Best Practice**

3.0.1 Historically, societies and governments have developed mechanisms to provide income security for older persons to reduce poverty and vulnerability. The social security landscape is however changing considerably with the demographic shifts that are being experienced. In 1990 almost half a billion people, slightly more than 9 per cent of the world's population were over 60 years old but by 2030 the number is expected to triple to 1.4 billion. Significantly, most of this growth will take place in developing countries, over half of it in Asia and more than a quarter in China alone. As world population ages, social security systems face numerous challenges worldwide. Informal community and

family-based arrangements are declining while formal systems are faced with sustainability issues.

**3.0.2 Issues and Challenges:** The challenge to provide adequate income security in old age is manifested differently in various parts of the world:

- a. *In Africa and parts of Asia* which have traditionally relied on extended families, mutual aid societies and other informal mechanisms, formal systems that involve the government are rudimentary. However, as increasing urbanization, conflicts and socio-economic problems weaken family and communal ties, informal systems are brought under pressure and are no longer adequate. These countries have therefore contemplated fundamental changes in the way they provide social security. The major challenge is to move towards formal systems of income maintenance without further weakening informal mechanisms and placing a disproportionate burden on governments.
- b. *Latin America, Eastern Europe, Russia* and other economies in transition faced with the issue of affordability of formal social security systems introduced many years ago have had a pressing need to re-evaluate policy. Liberal early retirement provisions and generous benefits have required high contribution rates, leading to widespread evasion. The large informal sector in Latin America, for example, has been said to be due in part to attempts by workers and employers to avoid wage taxes. Resulting labour market distortions and economic difficulties have meant that these countries have not been able to pay benefits promised.
- c. *The advanced industrial countries of the Organization for Economic Cooperation and Development (OECD)* face similar problems to Eastern Europe and Latin America as their populations age. Public social security programmes covering almost the entire population have paid out large pensions over the more than three decades of prosperity, as poverty declined. Future sustainability necessitates steep increases in payroll taxes and reduction in benefits. The challenge has been to introduce reforms that are good for the country as a whole, in the long term, even if this involves taking away benefits from some groups, in the short term.

**3.0.3 Best Practices:** There have been many and varied responses to the challenges faced by social security systems of countries around the world which can provide important lessons of experience for Jamaica.

- a. There has been a general movement away from pay-as-you-go to fully funded schemes. The pay-as-you-go schemes have been found to be unsustainable, leading to burdensome liability on state finances, and risks for pension payouts.
- b. Pension reforms led by countries such as Chile in Latin America have introduced multi-pillar systems. This normally includes a mandatory publicly managed pillar, mandatory privately managed pillar and a voluntary pillar. The public (first) pillar has the objective of alleviating poverty among older persons and co-insuring against multiple risks, and allows redistribution towards the poor. The second mandatory pillar is fully funded, privately managed, links benefits actuarially to costs and provides income-smoothing or saving function for all income groups within the population. The voluntary occupational or personal savings plan, the third pillar, provides additional protection for people who want more income and insurance in their old age.
- c. Many OECD countries also have been moving toward a system that combines publicly managed pension plans designed to meet basic needs with privately managed occupational pension plans or personal saving accounts to satisfy the higher demand of middle and upper income groups.
- d. Innovative schemes have been introduced in some developing countries in Asia and Africa to close the coverage gap for persons in the large and continually growing informal sector. This includes, for example, special schemes for rural groups such as fishermen and farmers in South Korea.
- e. Social pensions (non-contributory benefits) have been introduced in many developing countries to reduce poverty among older persons. Social pensions are a valuable and strategic element of a minimum social security package. They also make important contributions to older people's empowerment. Available statistics indicate that 72 countries have either means-tested or universal social pensions. Forty-six of these countries are low or middle income with the cost ranging from 0.3 to 2.0 per cent of GDP. Most existing schemes are fully nationally financed. Bangladesh, for example, which has the third highest number of poor older people in the world after India and China started its social pension scheme, "*Boishka Bhata*" or *old - age allowance*, in 1998 to reach the oldest and poorest 20 people in each ward (rural district). The scheme which is administered by the Ministry of Social Welfare and financed out of the state budget provides benefits for 1.3 million people in 2006 at a cost of 0.3 Per cent of that country's GDP.



## 4.0 SWOT Analysis

An analysis of the strengths, weaknesses, opportunities and threats to the delivery of social security was undertaken, with the results denoted in Table 1.

**Table 1: SWOT Analysis**

Strengths	Weaknesses	Opportunities	Threats
<ol style="list-style-type: none"> <li>1. Comprehensive and inclusive NIS Legislation</li> <li>2. Well developed NIS benefits administration system</li> <li>3. Guarantee of payments</li> <li>4. Growing NIF</li> <li>5. High returns on contributions of the individuals</li> <li>6. Regulatory framework for private pension schemes</li> <li>7. Wide range of benefits</li> <li>8. Good Health Insurance Coverage (NHF, JADEP, NI Gold)</li> <li>9. NIS is ear-marked funding (not in Consolidated Fund)</li> <li>10. Labour Legislation supportive of workers income security e.g. The Maternity Leave, Employment Termination and Redundancy and</li> </ol>	<ol style="list-style-type: none"> <li>1. Lack of awareness of NIS benefits and requirements</li> <li>2. Inadequate PR re the NIS benefits and requirements</li> <li>3. Difficulty in access to service centres</li> <li>4. Difficulty in meeting the requirements for receiving social security benefits e.g. TRN</li> <li>5. Lack of unique national ID system</li> <li>6. Difficulty in enforcing the NIS law in the informal sector</li> <li>7. Low levels of compliance with NIS Act by the informal sector</li> <li>8. Inadequacy of benefit levels</li> <li>9. Slow claims processing</li> </ol>	<ol style="list-style-type: none"> <li>1. Demographic bonus (Growing working age population)</li> <li>2. Continuing pensions reform</li> <li>3. Restructuring of public service pension/ pension reform</li> <li>4. Informal economy as a potential source of funding for the social security system.</li> <li>5. Involvement of civil society in promoting personal responsibility</li> <li>6. Opportunity to review age of retirement</li> </ol>	<ol style="list-style-type: none"> <li>1. Growing informal sector</li> <li>2. New forms of employment contracts (growing informalization of work)</li> <li>3. Culture of immediate gratification – high propensity to consume</li> <li>4. Perceived low levels of personal responsibility</li> <li>5. Individualistic ethos</li> <li>6. Dependency burden due to demographic transition</li> <li>7. Costs of administration of small schemes under the new pensions regulation</li> </ol>

Strengths	Weaknesses	Opportunities	Threats
<p>Minimum Wage Acts</p>	<p>10. Inadequate records management (e.g. Manual systems)</p> <p>11. Inadequate level of NIS contributions</p> <p>12. Lack of portability of pension schemes</p> <p>13. Lack of paternity leave</p> <p>14. Lack of unemployment insurance</p> <p>15. Age differential between men and women for NIS benefits.</p> <p>16. Limited number of occupational pension schemes</p> <p>17. Fragmentation in administration of health schemes</p>	<p>7. A system of National registration being developed</p> <p>8. Benefits coordination being developed by the NHF</p>	<p>8. Unsustainable imbalance between contribution base and expenditure liabilities for public pensions</p>

## 5.0 Strategic Vision and Planning Framework for Social Security

The long-term process of planning for Social Security is guided by a Vision for the sector and for its stakeholders that can be achieved through their own efforts within a realistic time frame. The Vision reflects the contributions of the stakeholders represented on the Social Security Task Force and of stakeholder consultations held during the Vision 2030 Jamaica planning process.

### Vision Statement

The Vision Statement for Social Security in Jamaica is:

*“An efficient and sustainable social security system that provides and maintains adequate coverage for all”*

### The Plan

In keeping with the findings of the Situational and SWOT analyses, in particular the compelling dynamics of the demographic changes, the recognition of social security as a human right, and the need for economic and social sector responses to a large coverage gap, the Task Force posits the following as the overall development strategy for social security in Jamaica (see Table 2). Such a strategy must address ways of improving the coverage of social insurance and pensions; re-defining retirement planning to include state and non-state actors; creating sustainable financing options; and, among other issues, strengthening congruence between social and economic policies.

Following is a summary of the goals and outcomes under the Plan:

**Table 2: Summary of Goals and Outcomes**

GOALS	OUTCOMES
<b>1. Social Security coverage for all</b>	1.1 An increasing proportion of the population is covered by social insurance and occupational pensions
<b>2. Efficient and effective social security system</b>	2.1 Service delivery is client-friendly system-wide 2.2 Administrative efficiencies are generated 2.3 Adequacy of benefits are assured

<b>3. Sustainable system of financing for social security</b>	<p>3.1 The contribution base for social insurance (pensions) is significantly expanded</p> <p>3.2 Returns on investment of social insurance funds are maximized</p>
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### Sector Indicators and Targets

The proposed indicators and targets for the Social Security Sector Plan over the period 2009 -2030 are presented in Table 3 below.

**Table 3: Social Security Sector Plan – Indicators and Targets**

Sector Indicators	Baseline	Targets			Comments
	2007 or Most Current	2012	2015	2030	
<b>2. # of persons contributing to NIS:</b> (Males/Females) - # of Employers' contributions - Other categories					
<b>2. Level of participation in private retirement schemes</b>					
<b>3.% of Labour Force contributing to NIS</b> - Females 18 – 59 - Males 18 – 64					
<b>4. # of new registrations for NIS (Males/Females)</b>					

## 6.0 Implementation Framework and Action Plan for the Social Security Plan

### Implementation Framework

The implementation of the Social Security Sector Plan is an essential component of the implementation, monitoring and evaluation framework for the Vision 2030 Jamaica – National Development Plan. The Plan is to be implemented at the sectoral level by ministries, departments and agencies (MDAs) of Government as well as non-state stakeholders including the private sector, NGOs and CBOs. The involvement of all stakeholders is fundamental to the successful implementation of the National Development Plan and the Social Security Sector Plan.

#### Accountability for Implementation and Coordination

The Cabinet, as the principal body with responsibility for policy and the direction of the Government, has ultimate responsibility for implementation of the

#### Components of Vision 2030 Jamaica

The Vision 2030 Jamaica National Development Plan has three (3) components:

- 1. Integrated National Development Plan:**  
The integrated National Development Plan presents the overall plan for Vision 2030 Jamaica, integrating the 31 sector plans into a single comprehensive plan for long-term national development. The integrated National Development Plan presents the National Vision, the four National Goals and fifteen National Outcomes, and the National Strategies required to achieve the national goals and outcomes.
- 2. Medium Term Socio-Economic Policy Framework (MTF):**  
The Medium Term Socio-Economic Policy Framework (MTF) is a 3-yearly plan which summarizes the national priorities and targets for the country and identifies the key actions to achieve those targets over each 3-year period from FY2009/2010 to FY2029/2030.
- 3. Thirty-one (31) Sector Plans:**  
At the sectoral level Vision 2030 Jamaica will be implemented through the strategic frameworks and action plans for each sector as contained in the respective sector plans. Vision 2030 Jamaica includes a total of thirty-one (31) sector plans covering the main economic, social, environmental and governance sectors relevant to national development.

Vision 2030 Jamaica National Development Plan. Each ministry and agency will be accountable for implementing the National Development Plan (NDP) through various policies, programmes and interventions that are aligned with the strategies and actions of the NDP and the sector plans. A robust results-based monitoring and evaluation system will be established to ensure that goals and outcomes of the Plan are achieved. This system will build on existing national and sectoral monitoring and evaluation frameworks and will be highly participatory.

### **Resource Allocation for Implementation**

Vision 2030 Jamaica places great emphasis on ensuring that resource allocation mechanisms are successfully aligned and integrated with the implementation phase of the National Development Plan and sector plans. The requirements to ensure resource allocation for implementation will include alignment of organizational plans in the public sector, private sector and civil society with the National Development Plan, MTF and sector plans; coherence between the various agency plans with the National Budget; rationalization of the prioritisation process for public sector expenditure; and increased coordination between corporate planners, project managers and financial officers across ministries and agencies.

### **Action Plan**

The Action Plan represents the main framework for the implementation of the Social Security Sector Plan for Vision 2030 Jamaica. The tracking of implementation of this Sector Plan will take place through the Action Plan as well as the framework of sector indicators and targets.

The Action Plan contains the following elements:

- i. Sector Goals
- ii. Sector Outcomes
- iii. Sector Strategies
- iv. Sector Actions
- v. Responsible Agencies
- vi. Timeframe

## ACTION PLAN

**Vision: An efficient and sustainable social security system that provides and maintains adequate coverage for all.**

OUTCOMES	STRATEGIES	ACTIONS	LEAD AGENCY	TIMEFRAME
<b>Goal 1: Social Security coverage for all</b>				
<b>1. An increasing proportion of the population is covered by social insurance and occupational pensions</b>	1. Increase knowledge and awareness of social security provisions	a. Implement intensive ongoing public education programme on NIS, including among youths in schools and colleges {1,2,5,}	MLSS	<b>Ongoing</b>
	2. Increase participation rate in social insurance schemes (e.g. NIS, NI Gold, NHF, JADEP)	b. Infuse awareness of social protection issues in life skills programmes at the Primary and Secondary Education levels {1}	MOE	<b>Ongoing starting year 3</b>
	3. Expand coverage of occupational pension schemes	c. Intensify the implementation of comprehensive programme of education and training by the FSC on requirements for establishment and operation of pension funds {3,}	FSC	<b>Years 1-3 – Ongoing</b>
	4. Establish a programme of research to support policy development	d. Expand the registration drive for NIS aimed especially at targeted groups within the	MLSS	<b>Years 1-3</b>
	5. Promote personal responsibility and planning for retirement (including			



OUTCOMES	STRATEGIES	ACTIONS	LEAD AGENCY	TIMEFRAME
	increasing private savings)	formal and informal sectors. {1,2,5,7,}		
	6. Expand the range of benefits provided by social insurance schemes	e. Review NIS legislation {4,6,7,9,10}	MLSS	<b>Years 1- 3</b>
	7. Achieve gender equity in the provision of benefits	f. Engage Jamaica Joint Confederation of Trade Unions (JCTU), the Jamaica Employers Federation (JEF) and other relevant stakeholders in discussions on social security issues through specially organized seminars and workshops which facilitate tripartite dialogue. {2,3,8}	MFPS, MLSS, JEF, JCTU	<b>Ongoing</b>
	8. Strengthen role of trade unions and NGOS			
	9. Determine new types of arrangements to cover non-formal employment (employer-independent schemes)	g. Increase the age of retirement for females to equate with that of males {7}	MFPS, OPM, Cabinet Office	<b>Years 1-3</b>
	10. Strengthen appropriate legislative and institutional frameworks for expanding social insurance )incl. private pensions) coverage	h. Conduct seminars and convene other fora on retirement planning {1,2,3,5,7,9}	MFPS, MLSS	<b>Ongoing</b>
		i. Continuously identify and analyse		

OUTCOMES	STRATEGIES	ACTIONS	LEAD AGENCY	TIMEFRAME
	11. Examine and determine modalities for the introduction of social pensions for the elderly	<p>international best practices in respect of social security coverage for the non-formal sector, for example, schemes for agricultural workers in Korea {4}</p> <p>j. Establish and implement legislative and regulatory framework for retirement schemes {10}</p> <p>k. Promote development of employer independent schemes</p> <p>l. Undertake feasibility studies to determine the possibility of expanding the range of benefits under the NIS (e.g. unemployment, social pension) {4,6}</p> <p>m. Review of the Maternity Leave and Employment and Redundancy Acts to determine new</p>	<p>PIOJ, MLSS</p> <p>FSC</p> <p>MFPS, MLSS</p> <p>MLSS, PIOJ</p> <p>MLSS</p>	<p><b>Ongoing</b></p> <p><b>Years 1- 3</b></p> <p><b>Years 1 – 3</b></p> <p><b>Ongoing</b></p> <p><b>Years 3 – 6</b></p>

OUTCOMES	STRATEGIES	ACTIONS	LEAD AGENCY	TIMEFRAME
		modalities of funding payments/benefits {6,9,10}  Determine appropriate modality for social pensions {11}	MLSS	2010
<b>Goal 2: Efficient and effective social security systems</b>				
<b>2.1 Service delivery is client-friendly system-wide</b>	2.1.1. Improve access to services and facilities	a. Use of mobile service units {1}  b. Internet access/Web-based systems {1}  c. Utilize post offices/postal agencies and other public centres to facilitate service delivery {1}  d. Use call centres, hotlines {1}  e. Expand the use of available technology to improve service delivery {1}  f. Provide ongoing customer service improvements and training {1}	MLSS  MLSS  MLSS  MLSS  MLSS, MFPS  MLSS, MIND	

OUTCOMES	STRATEGIES	ACTIONS	LEAD AGENCY	TIMEFRAME
<b>2.2 Administrative efficiencies are generated</b>	2.2.1. Reform and harmonize legislation relating to public pensions schemes	g. Review current legislation and determine harmonized legislation for entire sector (Public sector pensions) {2.2.1}	MLSS	
		h. Hold consultations with key stakeholders {2.2.1.& 2.3.1.}	MLSS	
		i. Draft Policy Document and new legislation {2.2.1.}	MLSS	
	2.2.2. Improve the management and administration of social security and pension	j. Review administrative practices to improve efficiencies {2.2.2.}	MLSS MFPS	
		k. Increase numbers in NIS Inspectorate to effectively monitor compliance {2.2.2.}	MLSS	
		l. Strengthen record-keeping and accounting systems {2.2.2.}	MLSS	
		m. Strengthen inter-agency linkages e.g. RGD, Tax Admin {2.2.2.}	MLSS, MFPS, RGD	

OUTCOMES	STRATEGIES	ACTIONS	LEAD AGENCY	TIMEFRAME
<p><b>2.3 Adequacy of benefits are assured</b></p>	<p>2.3.1 Improve benefits review to determine, establish and maintain acceptable benefit levels</p>	<p><b>n.</b> Implement single national registration system (i.e. unique identifier from birth to death) {2.2.2.}</p>	<p>MOHE, RGD, MLSS</p>	

OUTCOMES	STRATEGIES	ACTIONS	LEAD AGENCY	TIMEFRAME
<b>Goal 3: Sustainable system of financing for social security</b>				
<b>3.1 The contribution base for social insurance (pensions) is significantly expanded.</b>	3.1.1. Increase contributions to the NIS	<ol style="list-style-type: none"> <li>1. Conduct island wide public education campaign to increase participation</li> <li>2. Undertake detailed assessment of NIS contribution rate:               <ol style="list-style-type: none"> <li>a. required to achieve a target replacement income ratio.</li> <li>b. sustainability of the Fund</li> </ol> </li> <li>3. Undertake special enrolment programme – to target specific self employed groupings/professionals</li> <li>4. Strengthen systems for enforcing provisions of the</li> </ol>	MLSS  MFPS  MLSS  MFPS, MLSS	



OUTCOMES	STRATEGIES	ACTIONS	LEAD AGENCY	TIMEFRAME
social insurance funds are maximized	policy for social security funds	b. Amend NIS legislation to incorporate new investment regulations	MLSS	
	3.2.2. Improve the management of funds	a. Review legislation governing the operations of the Fund to ensure that fund being managed appropriately b. Conduct regular actuarial reviews as required by law. c. Review corporate governance framework d. Regular review of risk control, reporting and IT systems	MLSS  MFPS	

**N.B. Numbers in brackets in Action column denote association with specific strategies.**

**6.0 Critical Priority Areas** for effecting the strategic plan in the short - to medium - term have been identified as:

Short term:

1. Expanding participation in NIS in formal and informal sectors through extensive public Education Campaigns, and strengthening of the NIS Inspectorate to monitor compliance
2. Accelerating Public Sector pension reform to address unsustainable financing

Medium term:

1. Reviewing sustainability of NIS
2. reviewing social insurance legislation
3. Determination of social pensions for the elderly



## **7.0 Monitoring & Evaluation Framework for the Social Security Plan**

### **Monitoring and Evaluation Framework**

#### **Institutional Arrangements**

A number of institutions and agencies, including the following, will be involved in the monitoring and evaluation framework for the National Development Plan and the Social Security Sector Plan:

1. **Parliament:** The Vision 2030 Jamaica Annual Progress Report, will be presented to the Parliament for deliberations and discussion.
2. The **Economic Development Committee (EDC)** is a committee of Cabinet chaired by the Prime Minister. The EDC will review progress and emerging policy implications on the implementation of Vision 2030 Jamaica and the relevant sector plans.
3. The **Vision 2030 Jamaica Technical Monitoring Committee (TMC)**, or Steering Committee, is to be chaired by the Office of the Prime Minister and will provide oversight for the technical coordination and monitoring of the Plan and reporting on the progress of implementation.
4. The **Vision 2030 Jamaica Technical Secretariat** to be institutionalized within the PIOJ will play a leading role in coordinating implementation, analyzing social and economic data and information, consolidating sectoral information into comprehensive reports on Vision 2030 Jamaica's achievements and results,

maintaining liaisons with sectoral focal points in MDAs, and supporting the establishment and operation of Thematic Working Groups.

5. **Ministries, Departments and Agencies (MDAs)** represent very important bodies within the implementation, monitoring and evaluation system. They are the Sectoral Focal Points that will provide data/information on a timely basis on the selected sector indicators and action plans, and be responsible for the timely preparation of sector reports that will feed into the Vision 2030 Jamaica Annual Progress Report. For this Sector Plan, the main MDAs comprising the relevant Sectoral Focal Point will include the Ministry of Labour and Social Security, the Office of the Prime Minister, the Cabinet Office, the Financial Services Commission and the Ministry of Finance and the Public Service.
  
6. **Thematic Working Groups (TWGs)** are consultative bodies aimed at providing multi-stakeholder participation in improving the coordination, planning, implementation and monitoring of programmes and projects relevant to the NDP and sector plans, including the Social Security Sector Plan. TWGs will be chaired by Permanent Secretaries or senior Government officials and shall comprise technical representatives of MDAs, National Focal Points, the private sector, Civil Society Organizations and International Development Partners. TWGs will meet a minimum of twice annually.

### **Indicator Framework and Data Sources**

Appropriate indicators are the basic building blocks of monitoring and evaluation systems. A series of results-based monitoring policy matrices will be used to monitor and track progress towards achieving the targets for the NDP and sector plans, including the Social Security Sector Plan. The performance monitoring and evaluation framework will

be heavily dependent on line/sector ministries for quality and timely sectoral data and monitoring progress.

The results-based performance matrices at the national and sector levels comprise:

- At the national level, 60 proposed indicators aligned to the 15 National Outcomes
- At the sector level, a range of proposed indicators aligned to the sector goals and outcomes
- Baseline values for 2007 or the most recent past year
- Targets which outline the proposed values for the national and sector indicators for the years 2012, 2015 and 2030
- Data sources which identify the MDAs or institutions that are primarily responsible for the collection of data to measure and report on national and sector indicators
- Sources of targets
- Links to existing local and international monitoring frameworks such as the MDGs

Some gaps still exist within the performance matrix and a process of review to validate the proposed indicators and targets is being undertaken. This process is very technical and time consuming and requires significant cooperation and support from stakeholders and partners. The performance monitoring and evaluation framework will be heavily dependent on ministries for quality and timely sectoral data and monitoring progress. The system will benefit from our existing and relatively large and reliable statistical databases within the Statistical Institute of Jamaica (STATIN) and the PIOJ.

## **Reporting**

The timely preparation and submission of progress reports and other monitoring and evaluation outputs form an integral part of the monitoring process.

The main reports/outputs of the performance monitoring system are listed below.

1. **The Vision 2030 Jamaica Annual Progress Report** will be the main output of the performance monitoring and evaluation system.
2. **The annual sectoral reports** compiled by the Sectoral Focal Points for submission to the Vision 2030 Jamaica Technical Monitoring Committee. These will be integrated into the Annual Progress Report.
3. **Other products** of the performance monitoring system include issues/sector briefs and research reports.

## **Capacity Development**

There is recognition that building and strengthening technical and institutional capacity for the effective implementation, monitoring and evaluation of the Vision 2030 Jamaica NDP and the Social Security Sector Plan is critical for success. This calls for substantial resources, partnership and long-term commitment to training MDA staff. Training needs will have to be identified at all levels of the system; a reorientation of work processes, instruments, procedures and systems development will have to be undertaken; and staffing and institutional arrangements will need to be put in place. Partnership with the Management Institute for National Development (MIND) and other institutions also will be required to provide training in critical areas such as results-based project management and analysis, monitoring and evaluation, and data management to public sector staff and others.

## **List of Acronyms and Abbreviations**

EDC - Economic Development Council  
FSC – Financial Services Commission  
GDP – Gross Domestic Product  
ILO – International Labour Organisation  
JADEP – Jamaica Drugs for the Elderly Programme  
JCTU -Joint Confederation of Trade Unions  
JEF - Jamaica Employers' Federation  
MDAs- Ministries, Departments and Agencies  
MFPS – Ministry of Finance and the Public Service  
MLSS – Ministry of Labour and Social Security  
MOHE - Ministry of Health and Environment  
MTF - Medium Term Socio-Economic Policy Framework  
NCSC - National Council for Senior Citizen  
NDP - National Development Plan  
NHF – National Health Fund  
NIF - National Insurance Fund  
NIGOLD – National Insurance Gold  
NIS – National Insurance Scheme  
NPPD - National Policy for Persons with Disabilities  
NPSC – National Policy for Senior Citizens  
OECD – Organisation for Economic Cooperation and Development  
PATH - Programme of Advancement Through Health and Education  
SWOT - Strengths, Weaknesses, Opportunities and Threats  
TMC - Technical Monitoring Committee

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