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|  | Government of Sudan  **Ministry of Labour and Social Development** |  |

**Response to OHCHR Questions on GFSP**

KEY QUESTIONS

1. Added value of the Global Fund for Social Protection (GFSP)

The GFSP is intended to contribute to four objectives:

(a) improving the cooperation of efforts towards the establishment of social protections floors, worldwide, both at multilateral/ inter-agency level and country level;

(b) Capacity building and improving international cooperation in order to strengthen the ability for LICs to mobilize domestic resources;

(c) Increasing levels of financial support to low income countries; and

(d) Providing risk insurance for LICs with poorly diversified economies and those that are particularly vulnerable to shocks.

1.1. Taking into account these objectives, what do you see as the added value of the GFSP?

***The introduction of the document has already provided valid explanation for why a GFSP shall be established; we are glad to see such efforts being made to support social protection systems. The listed objectives are also important and will insure having basic rights achieved and enable countries to meet the SDG targets on social protection. Having a global funding instrument will enable Sudan to sustain and improve the social protection system. The Government of Sudan is committed to supporting and improving social protection, however, the current economic crisis faced by the country will not enable the government to cater for all needs. Having GFSP will avail necessary financing to complement own government funding and fulfil the needs of the citizens.***

1.2. Do you see one or more of these objectives as a priority?

***All the listed four objectives are of a global priority. For the Government of Sudan, we have already made some concrete steps toward establishing social protection floors in the country. ILO, the World Bank and UNICEF, to name a few, are already supporting the Government in building its institutional and staff capacity to establish social protection floors and also to mobilise local resources to finance the social protection system.***

***Accordingly, for Sudan, the two last objectives, objective (c) and (d) are of great importance to the country and would be prioritised over other listed objectives.***

1. Synergies with existing initiatives
   1. How we ensure that the initiative for a Global Fund for Social protection builds on, and ensures appropriate synergies with, existing initiatives in this are, in particular the coordination achieved through SPIAC-B (Social Protection Inter-Agency Cooperation Boards), USP2030 (Universal Social Protection 2030 Partnership) and the ILO Flagship Programme on ‘Building Protection for All’?

***From reading the introduction and going through the listed objective, the GFSP seems to be dedicated specifically to supporting Low Income Countries (LIC). However, GFSP shall still be a member of all other initiatives to ensure complementing existing efforts.***

* 1. How to ensure that GFSP complements, and does not compete with, other existing multilateral funds, in particular the funds placed under the Multi-Partner Trust Fund Office (MPTF Office)?

***Coordination and cooperation shall be in place to ensure complementing activities.***

1. Strengthening International Coordination

3.1. How can objective (b) (Capacity-building and improving international cooperation in order to strengthen the ability for LICs to mobilize domestic resources) be most effectively achieved?

***Each country is different, the role of GFSP will be to support countries requesting such support to identify sources of funding. For Sudan, as mentioned earlier, we are currently working with partners to determine financing and identify funding sources. However, due to the current economic conditions in the country, we don’t envisage that we will be able to cover all financial needs and will thus need external funding. We think the GFSP will be the best mean to cover such needs.***

3.2. Could the GFSP lead to improved international coordination against tax evasion and tax avoidance, including base erosion and profit shifting by transitional cooperation, and if so, how?

***According to the listed objectives, this seem out of the mandate of this mechanism. However, if this was included in the mandate of the GFSP and as an objective; then it can possibly contribute to tax evasion and tax avoidance of corporations.***

1. Provision of financial Support

4.1. How can objective (c) (Increasing levels of financial support to low income countries) be most effectively achieved?

***Allocating funds should be through application and to countries with sound proposals.***

4.2. If the GFSP provides financial support for the establishment of social protection floors, should this be in form of grants or in form of loans?

***Conditional grants, the conditionality shall be related to performance of the country. If the country is achieving positive outcomes, they should be entitled to receive funding and if not, then they need to reflect on political commitment and considerable efforts from the national government to initiate and support the social protection system for them to receive funding. While investing in social protection can have considerable outcome for any country, the sector in it self will not generate any income for recipient countries and thus giving these funds in form of a loan will overburden the LIC and increase their debt and may discourage many countries from applying for the GFSP and investing in improving their social protection system.***

4.3. Should financial support be made conditional upon recipient countries increasing their own budgetary efforts towards social protection (e.g. through matching funds)?

***Allocating some local funding to support social protection is a must. The GFSP can identify a minimum percentage for recipient countries to contribute to any received funding.***

4.4. Should other conditions be imposed or recipient countries and if so, which ones and why?

***Political will and financial accountability could be one of the conditions. Recipient countries shall also submit proposal requesting funding and shall be reporting regularly on progress. The GFSP could conduct monitoring visits and meeting to track progress toward meeting agreed objectives.***

4.5. How could the imposition of conditions be reconciled with the principle of national ownership?

***The allocated funds need to be directly allocated to recipient countries to use on their own. This will ensure national ownership of the system and of the allocated funds. However, financial reporting and monitoring of agreed indicators shall be utilised to ensure the systems are effective and allocated funds are used for their intended purpose and are contributing to improve the recipient country social protection system.***

1. Innovative sources of financing

5.1. Should GFSP develop into a forum for discussion of innovative sources of financing, such as a worldwide tax on digital companies (the GAFAM), a carbon tax on air or maritime transport, a tax or financial transactions or other?

***While all these listed mechanisms are very innovative, from the way this mechanism is described, the suggested taxation are all not within the direct mandate of the GFSP. However, the UN, as a system can suggest adopting one or some of these taxes and allocate them to fund the GFSP.***

1. The informal economy

6.1. Should GFSP play a role in encouraging the extension of social protection to workers in the informal economy, in line with ILO Recommendation No.204 on the Transition from informal to the Formal Economy (2015), and, if so, how would it do so?

***As ILO is already supporting this task, GFSP doesn’t need to duplicate their efforts. However, one of the conditions for receiving funds for recipients’ countries could be to have objectives and indicators related to informal workers, and the received funds shall be utilised to increase the percentage of informal workers covered by social protection.***

***For the Government of Sudan, ins***

1. The role of private sector

7.1. Should the private insurance sector play a role in the organisation of the reinsurance branch of the GFSP, if so, how do you envision such a role?

***The private sector can play a role in supporting the GFSP, but not specifically in reinsurance. They could provide general advice to GFSP on ways to make their funding successful and of a sustainable impact.***

1. Governance

8.1. What governance structure should the GFSP have?

***The GFSP headquarter can have administrative boards and policy boards to collect lesson learned and to give policy direction and track overall progress. While regional offices can have only policy boards responsible for directly supporting recipient countries in the specific region, these boards will be able to give country specific and region-specific policy direction and monitor the progress of activities. The Evaluation office can be based in the Headquarter as well. As GFSP is dedicated to support LIC, the headquarter can be hosted in one of the LIC rather than a developed country.***

8.2. What roles do you envision for governments, international agencies (such as, in particular, the ILO, the World Bank, or the UNDP), or for social partners?

***ILO, the World Bank and UNDP shall be directly involved in management of the GFSP. All LIC governments can be members of the GFSP and have reporting responsibility regardless of being an active recipient of the funds or not. Another role of GFSP could be to report annually on LIC progress in social protection.***

8.3. What lessons ca be drawn, in particular, from the Global Fund on AIDS, tuberculosis and malaria?

***Global Fund can be consulted in the formulation and management of the GFSP to include any lessons learnt. However, unlike GFSP shall be funds for countries to support their own ongoing social protection systems with the aim of strengthening the system and increasing quality and coverage.***

1. Next steps

9.1. If a mandate were to be given to certain organisations to develop operational proposals for the establishment of the GFSP, what approach would you recommend?

***Consultative approach with LIC to identify their needs and tailor this mechanisms to their present and future needs.***

9.2. Should SPLAC-B be tasked with this mandate? Or USP2030? Or should another approach be followed, for instance requesting the OECD and the ILO develop operational proposal for the GFSP?

***The best approach will be to request the ILO to develop such operational proposal, as they are the global lead on Social Protection and have clear idea on what are the current gaps and what specific role could be taken by the GFSP.***