

Regional Expert Group Meeting on Social Expenditure Monitor for Arab States *06 December 2019, ESCWA, Beirut*

Context

The ability to target public expenditure in accord with social development priorities and macro-fiscal sustainability remains a challenge for most governments of the region today. Absence of a comprehensive public social expenditure monitor often results in inefficiency in budget allocation to support multiple and overlapping social programs or policies and the allocations often mis-match or they are inadequate to meeting the needs toward achieving the SDGs. Given the pressure on public budgets across countries in the region, continuing with such expenditure management tends to be unsustainable.

A comprehensive monitoring of public social expenditure would improve allocative efficiency and effectiveness of budgeting as well as it will be an enabling tool to rationalize expenditure components toward achieving different objectives, including delivering quality public services and “social investments” that promote inclusive development, social stability, enhance economic growth and revenues over time. A right mix of expenditure is important to drive the economy and society toward achieving the SDGs, not just higher levels of social expenditure, as emphasized in the ESCWA report (2017) on *Rethinking Fiscal Policy for the Arab Region*.

Following keen interests from Member States about assessing social expenditure in a more comprehensive way, ESCWA is supporting their efforts to establish a “*Social Expenditure Monitor (SEM): An Integrated Framework for Supporting Macro-Fiscal Policies and the SDGs*”. The activity is initiated as a pilot project in Jordan and Tunisia. ESCWA would be happy to support all member States who are interested to implement the SEM.

ESCWA is finalizing a common regional framework of SEM, which is aligned with the SDGs.¹ The dimensions and indicators of the SEM provide a comprehensive mapping of social expenditure in areas including #education, #health and nutrition, #social protection and food security, #housing and community amenities, #employment and labour market interventions, #environment protection and #culture, arts and sports. The tool is flexible enough to be tailored to national contexts.

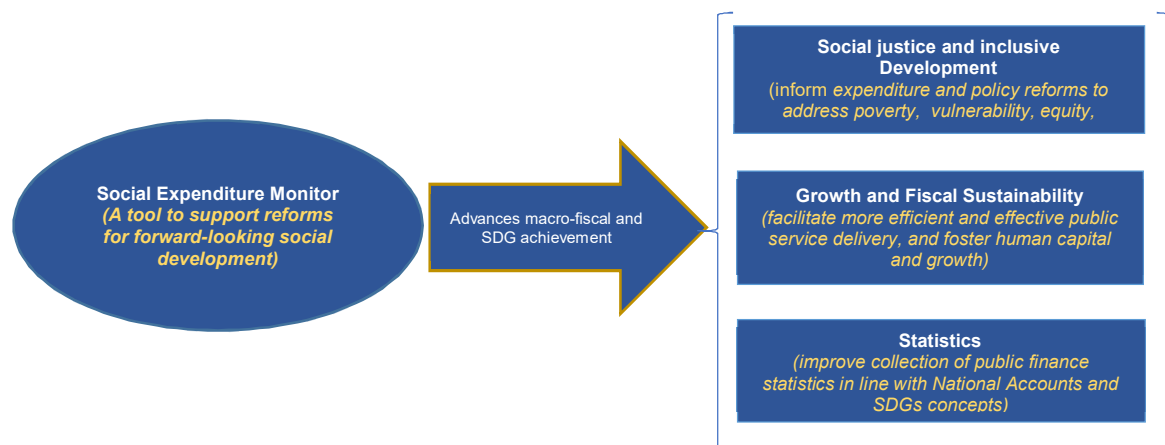
ESCWA’s SEM is designed as a multipurpose policy tool offering several benefits:

- (a) SEM is a **pioneering tool for Arab States** to **assess** social policy **spending** and **reallocate** resources to the neediest sectors of development;
- (b) SEM provides a comprehensive mapping of social expenditure and informs Governments on **rebalancing public expenditures priorities** towards enhancing social protection reforms,

¹ ESCWA framework of SEM has benefitted from several rounds of discussion with member States representatives and experts, including from Jordan, Tunisia, Kuwait, Morocco, and the State of Palestine. The regional workshop on “Social Expenditure Monitor for Arab States”, held in Beirut on 24 and 25 June 2019, invited lively discussions involving member State representatives, civil society organizations, United Nations Country Team representatives, ESCWA and other United Nations entities improving the scope of the SEM. Considering all feedback, the SEM framework is currently being finalized. More details about the workshop are available at: <https://www.unescwa.org/events/social-expenditure-monitor-sem-arab-states>.

addressing poverty and inequality, improving young persons' capabilities, and furthering economic diversification, productivity and growth;

- (c) To establish SEM, ESCWA will offer national workshops and training events on mapping and modelling tools to **strengthen capacity** of policymakers to undertake reforms in **fiscal policy choices** and make more efficient and effective budget decisions;
- (d) SEM could be **an advocacy tool** for Governments to better highlight their needs for greater international cooperation and financing for sustainable development;
- (e) SEM builds **coherent statistics**: it connects financial statistics to National Accounts, which enables better macrofiscal analysis.



Following the finalization of the SEM framework, programme mapping and data mapping tools have been developed and data compilation for the SEM indicators are currently work-in-progress. We aim to share with the member States a more practical view of the SEM framework and its usefulness for policy while aiming to discuss active cooperation of member States, especially authorities in budget departments, about data needs to build a comprehensive SEM and macro-fiscal tools.

Objectives of the Expert Group Meeting

The primary objectives of the meeting with representatives of member States are:

- To discuss the ESCWA Social Expenditure Monitor (SEM) framework and provide any feedback on the indicators of the SEM with a focus on tailoring the indicators to national contexts and its usefulness for budgeting and social policy reforms.
- To discuss relevance of budget data for the SEM, mapping dimensions and indicators of SEM into national budgets, identify challenges and possibilities of filling data gaps.

Format of the meeting

Each session will open with brief speaking points from ESCWA, which will be followed by question and answer and participants are encouraged to share their feedback on the SEM.

For additional information or questions, please contact:

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Agenda

Expert Group Meeting on Social Expenditure Monitor for Arab States	
Day 1	
8:30 – 9:00	Arrival and registration
9.00 – 9.30	Welcome remarks: <ul style="list-style-type: none">• ESCWA• Objectives of the meeting
9.30 – 11.30	Session 1: Social Expenditure Monitor (SEM) for Arab States <p>The session aims to provide an overview of the concept of social expenditure and presents the ESCWA framework of Social Expenditure Monitor (SEM). The discussion focuses on its usefulness and application to potential budget and policy reforms in the context of improving allocative efficiency and effectiveness of budgeting toward achieving the SDGs.</p> <p>Speakers: ESCWA Participants are invited to share their feedback and Q & A</p>
<i>11.30 – 02.00</i>	<i>Break for Prayer and Lunch</i>
02.00– 03.45	Session 2: Indicators of SEM, Data Needs, National Budgets <p>The session aims to discuss relevance of budget data for the SEM, mapping dimensions and indicators of SEM into national budgets, identify challenges and possibilities of filling data gaps.</p> <p>Speakers: ESCWA Participants are invited to share their feedback and Q & A</p>
<i>3.45-4.00</i>	<i>Coffee break</i>
4.00 – 5.00	Session 3: Implementing the SEM: Round Table Discussion <p>The session aims to receive feedback from participants in a Round Table Discussion format on tailoring and implementing the SEM in each national context.</p> <p>Wrap Up</p>