



Independent Evaluation Office  
of the International Monetary Fund

# PRESS RELEASE



No.17/01  
FOR IMMEDIATE RELEASE

July 24, 2017  
Washington, D.C., USA

## **IEO Releases Evaluation of The IMF and Social Protection**

The Independent Evaluation Office (IEO) of the International Monetary Fund (IMF) today released its evaluation of The IMF and Social Protection. The evaluation examines the IMF's involvement in social protection in its member countries in the context of surveillance, programs, and technical assistance. The evaluation was discussed by the IMF's Executive Board on July 19, 2017.

In releasing the evaluation report, IEO Director Charles Collyns emphasized that the IMF has stepped up its attention to social protection over the past decade and has moved beyond its traditional focus on fiscal sustainability to recognize that social protection can also be "macro-critical" for broader reasons including social and political stability concerns.

Project leader Ling Hui Tan noted that there was substantial variation in the IMF's involvement in social protection across countries. To some degree this variation reflected an appropriate response to country-specific factors, but idiosyncratic factors also seem to have played a part, particularly in surveillance, as staff had different views on what kind of work they were expected to do in this area and on the IMF's role in social protection. In the program context, the IMF almost always emphasized the need to mitigate potential adverse effects on the most vulnerable, although authorities sometimes found staff to be insufficiently attuned to local conditions, and implementation challenges arose in some cases due to local capacity constraints and differences in country commitment.

The evaluation found that efforts by IMF external communications to emphasize the Fund's "human face" did not always convince stakeholders, especially civil society, in part because of heightened expectations.

IMF-World Bank cooperation on social protection generally worked well. However, the IMF's preferred approach that social protection be targeted to the poor and vulnerable posed challenges for collaboration with UN agencies espousing the human rights-based approach to social protection.

Mr. Collyns welcomed the positive response to the evaluation from the Executive Board, which broadly endorsed all the recommendations to further enhance the IMF's effectiveness in this area:

- The IMF should establish a clear strategic framework to guide its involvement in social protection among multiple competing priorities.

- When social protection is determined to be a macro-critical priority under the strategic framework, the IMF should provide tailored policy advice based on in-depth analysis of the particular country situation. The advice would draw on work by development partners or country authorities where available, but in its absence, the necessary analysis may need to be undertaken in-house.
- The IMF needs to find more realistic and effective approaches to program design and conditionality to ensure that adverse impacts of program measures on the most vulnerable are mitigated.
- In external communications, the IMF should realistically explain its approach to social protection issues, and what it can and cannot do in social protection, given its mandate and limited resources and expertise.
- The IMF should engage actively in inter-institutional cooperation on social protection to find ways to work constructively with development partners, particularly institutions with different mandates and policy priorities.

IMF Management will work with staff to implement the recommendations based on a Management Implementation Plan anticipated to be presented to the Board within six months.

The report, the Statement by the Managing Director, the Summing Up of the Executive Board meeting, along with supporting documents, are available at <http://www.ieo-imf.org>.

Contact: Charles Collyns  
Tel. +1 202 623 7312; e-mail: [ieo@imf.org](mailto:ieo@imf.org)