

INISTRY OF LABOUR AND SOCIAL ROTECTION

TATE DEPARTMENT FOR SOCIAL ROTECTION & SENIOR CITIZEN AFFAIRS

ΚΕΝΥΔ **Expansion of** SOCIAL PROTECTION CONFERENCE contributory and noncontributory social protection systems

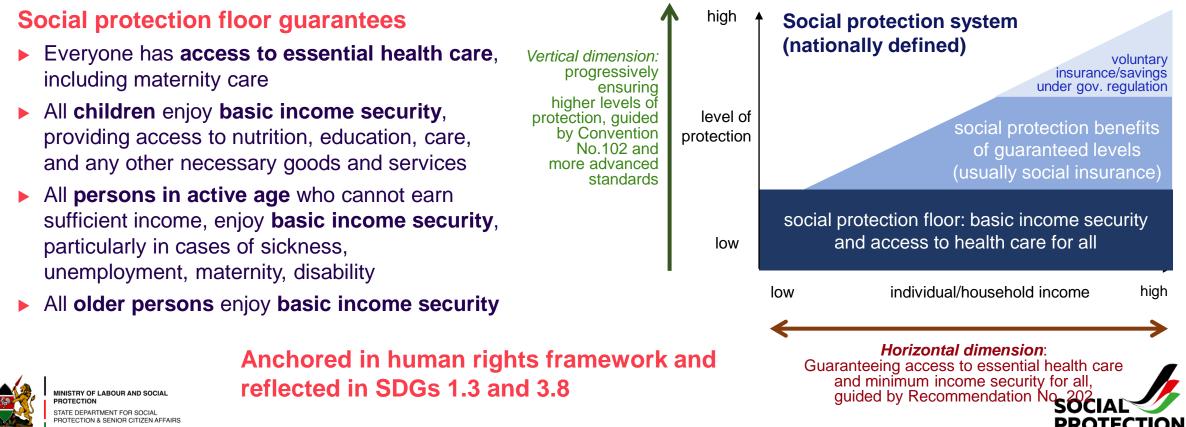
2023

Social Protection Programme Manager, Rwanda and Burundi, International Labour Organisation (ILO)





Internationally agreed framework provided by ILO Recommendation, 2012 (No. 202)

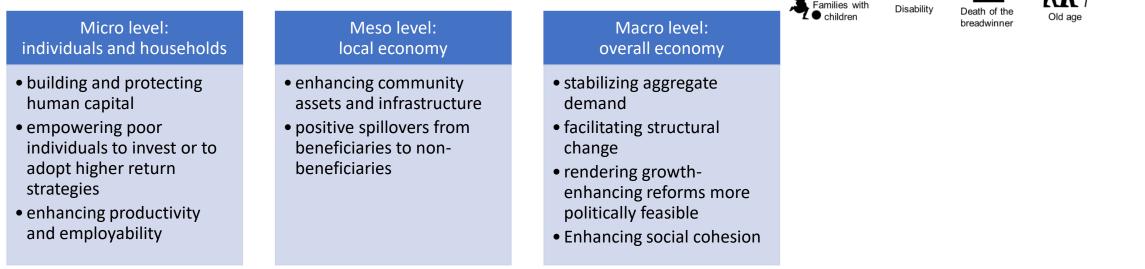


CIAL PROTECT

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Limited coverage of social protection constitutes not only a social challenge, but also an economic challenge

Positive economic impacts of investments in social protection





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CONFERENC

Income/business/

livelihood risks

Work injur

Medical car

Unemployment

Accelerating Inclusive and Integrated Social Protection

Social risks

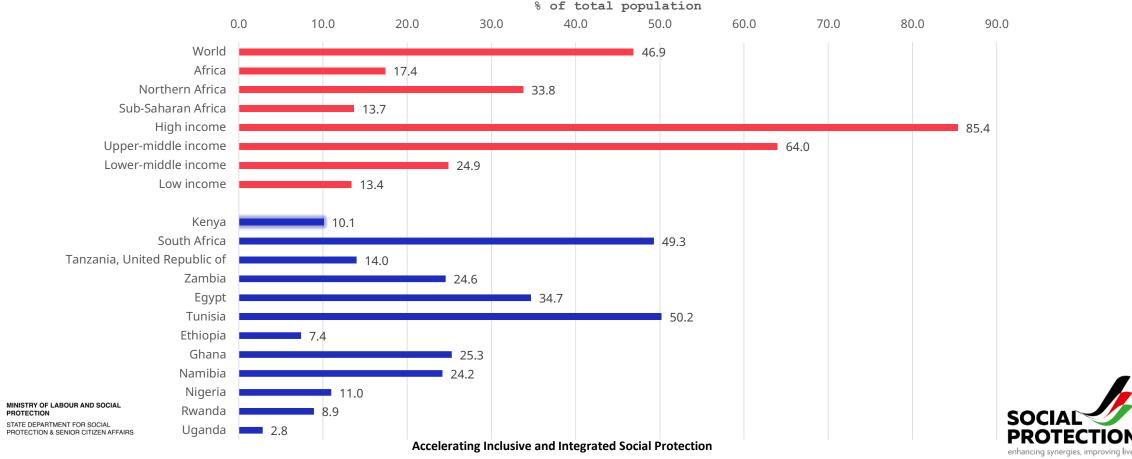
Maternity

Sicknes

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SDG indicator 1.3.1: Effective social protection coverage, selected regions and countries, 2020 or latest available year

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Informal employment and its drivers

Multiple drivers of informality

- Inability of the economy to create enough formal jobs
- Low productivity
- Inadequate or absent regulatory framework
- Weak enforcement systems
- Lack of transparency and accountability of public institutions
- Lack of information and awareness
- Lack of worker voice and representation
- Lack of social protection (cause and consequence of informality)



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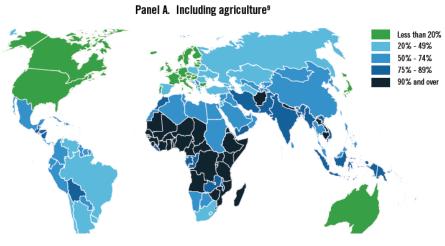
Legal barriers Financial barriers Administrative barriers

- Enforcement gaps
 - Lack of information/awareness

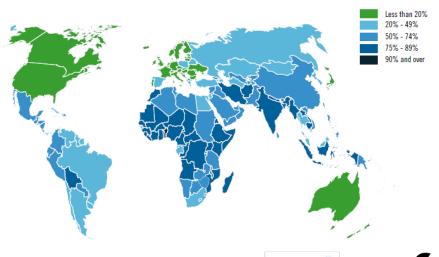
Various barriers to social protection

Informal employment in per cent of total employment, latest year

2023 KENYA SOCIAL PROTECTION CONFERENCE



Panel B. Excluding agriculture

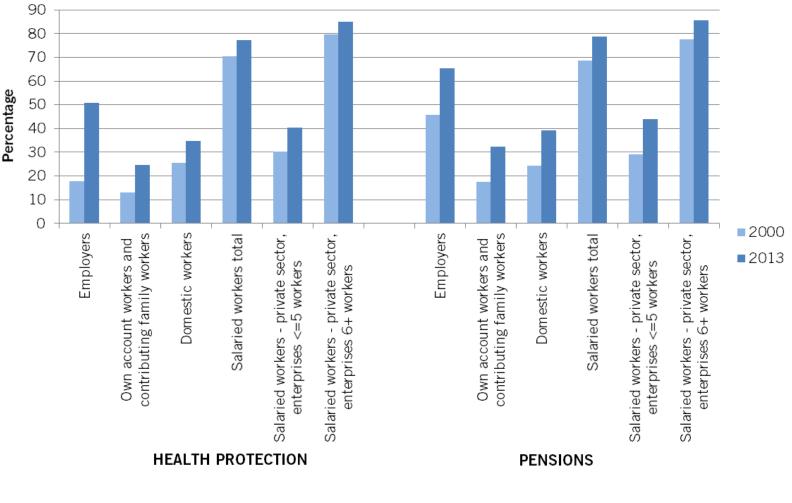


Source: ILO, 2018. Women and men in the informal economy and statistical picture. Geneva. http://www.ilo.org/wcmsp5/groups/public/---



Accelerating Inclusive and Integrated Social Protection documents/publication/wcms_626831.pdf

Extending social security coverage is possible: Health and pension coverage by status in employment in Latin America



Source: Based on ILO 2015: Panorama Laboral.



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Accelerating Inclusive and Integrated Social Protection

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Extending legal coverage, taking into account situation of different types of workers (e.g. domestic workers in *Uruguay, South Africa*; agricultural workers in *Brazil, Ecuador*)

Extending coverage: some practical measures (1)



MINISTRY OF LABOUR AND SOCIAL PROTECTION STATE DEPARTMENT FOR SOCIAL PROTECTION & SENIOR CITIZEN AFFAIRS Adapting financing mechanisms: Simplifying and adapting tax and contribution payment mechanisms (monotax, rural economy), subsidizing low-income groups through progressive taxes (e.g. *Uruguay*)

Adapting the level, frequency, calculation and collection of contributions (*Brazil, Ecuador, China, Philippines*)

Simplifying administrative procedures, facilitate access and ensure portability and transparency (e.g. integrated service delivery solutions in *Mongolia, Cambodia*; expansion of physical and mobile/electronic access points in *South Africa, Mexico*)



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Ensuring adapted inspection, compliance and incentive mechanisms (*Chile, Costa Rica, Malaysia, Saudi Arabia*)

Extending coverage: some practical measures (2)



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Facilitating organisation of workers (e.g. awareness raising in Cabo Verde, Tunisia; collective registration agreements in Dominican Republic)

Strengthening incentives for formalization (public procurement policies in *South Africa;* SME support programme in *Costa Rica;* tax incentives for employers of domestic workers in *France* and *Belgium*)



Accelerating Inclusive and Integrated Social Protection

ILO promotes a transformative approach to the extension of coverage

«Informal workers»

Extension without a clear policy vision

Extension often limited to voluntary savings mechanisms

Workers

(recognizing heterogeneity)

Differentiated and adapted approach

- Wage workers
 - Sector of employment
 - Occupation
 - Size of enterprise
- Self-employed workers
 - Employers
 - Own-account workers
 - Contributing family members



MINISTRY OF LABOUR AND SOCIAL PROTECTION STATE DEPARTMENT FOR SOCIAL PROTECTION & SENIOR CITIZEN AFFAIRS Need to open the black box of «informal workers» to find adapted, sustainable and equitable policy solutions

> Extension of social security coverage with a clear focus on facilitating transitions from the informal to the formal economy

Transformative approach

More decent work, higher productivity, strengthened human capabilities, more sustainable and equitable social protection systems



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Harnessing digital technologies

- ICT capabilities and technologies enables the implementation of adequate social protection services to difficult-tocover groups
- Defining and/or establishing an identification system
- Simplifying information requirements for registration and facilitating the registration process
- Implementing data quality assurance mechanisms
- Increased exchanges of information will require updated governance and control mechanisms to protect the privacy and integrity of the information and insure availability
- Establish an action plan showing provision for infrastructure, software, professional staff and an ICT investment plan
- Relevant technologies: mobile technologies, security and privacy, interoperability and data analytics
- Consider electronic payment and online services system for registration, delivering benefits & services and for collecting contributions

Effective service delivery capacity comes from harnessing ICT and data. This, combined with comprehensive social protection policies and adequate financing can ensure social protection rights for all



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How to accelerate the extension of social protection to those not yet protected?

Key principles:

- Universality of protection, including for workers in all types of employment
- Adequacy
- Portability and transferability
- Transparency
- Gender equality
- Good goverance and trust



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Mandatory coverage	Voluntary coverage
Large risk pool	Small risk pools
High-quality benefits and services, easy access	Low quality and poor access to benefits and services
Simplified administrative procedures, harnessing digital technology	Complex and cumbersome administrative procedures
High transparency and accountability, high trust	Low transparency and accountabili low trust
Unified/coordinated system	Fragmented schemes
Integrated policy framework	Isolated/disconnected policies
Sufficient fiscal space using a good mix of contribution and tax financing	Inadequate financing framework
Broad and well-informed social dialogue	No social dialogue



kers in the informal economy (informaleconomy.social-protection.org)



Encouraged



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THANK YOU!

ANY QUESTIONS?

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