



Towards a SOCIAL PROTECTION FLOOR in LIBERIA

A **Social Protection Floor (SPF)** guarantees **basic protection** to people from risks and vulnerabilities that they face in their lives. These risks include poverty, hunger, disease, unemployment and natural disasters. This protection takes the form of cash transfers, in-kind transfers, public works and access to essential services. An **SPF is nationally-defined**; it is designed and implemented according to the social, economic and political context in the country.

The Government of Liberia seeks to design and deliver a tailor made SPF for all Liberian residents. It is important that all Liberians are aware of their right to social protection and that they are represented in the **National Dialogue process** to ensure that the SPF design is suited to their needs.

The National Dialogue process is led by the Government of Liberia and involves all the relevant Ministries and Agencies as well as the workers (represented by the Liberia Labour Congress) and employers (represented by the Liberia Chamber of Commerce). Other stakeholders include civil society, non-governmental organisations and international development partners. The National Dialogue is an important process to agree on the establishment of minimum living standards. It will contribute to the achievement of the SDGs in Liberia and the national vision of becoming a middle-income country.

HEALTH



SPF guarantee 1:

Access to essential health care, including maternity care that is accessible, affordable and of good quality



SPF guarantee 3:

Basic income security in case of sickness, unemployment, maternity, disability or work-related injury to all people of working age

CHILDREN



SPF guarantee 2:

Access to nutrition, education and care so that all children can have a healthy and productive future



SPF guarantee 4:

Basic income security to all people in old age, to alleviate vulnerability and take care of special needs

WORKING AGE

OLD AGE

Social protection in Liberia: Where have we come from?

From the end of its civil war in 2004 and until 2014, Liberia experienced high GDP growth, at 7 per cent. This growth was largely driven by an increase in exports and had an influence on reducing national poverty rates. Although public services were damaged during the civil war, there have been significant improvements in education, health and sanitation since 2007.

In 2014, with the outbreak of Ebola and a decline in commodity prices, the GDP growth slowed dramatically to 0.7 per cent. It led to closure of businesses and mines, mass job losses and reduced household incomes. About half of household breadwinners reportedly lost their jobs or self-employment activities during 2014. Vulnerability as a result of the Ebola epidemic was particularly acute amongst children. Elderly people and people living with disabilities suffered additional hardship and social exclusion.

In response to these challenges, the Government came up with the Economic Stabilization and Recovery Plan in April 2015. The Plan sets out strategic actions for post-Ebola recovery, stabilization of the economy and inclusive growth.

Where do we stand now?

Social protection in Liberia comprises basic health services, contributory social insurance and non-contributory social assistance schemes.

1. A basic package of health services is provided to everyone, under the national policy.
2. Contributory social insurance schemes provide benefits to people, mostly in the formal sector, in case of a work-related injury, disability, for funeral and at retirement.
3. Social assistance is mostly donor-driven and takes the form of cash transfers, public works programmes, school feeding and food distribution.

Where do we go next?

Liberia aims to become a middle-income country by 2030 and thus plans to build a national social protection system that is commensurate with the middle-income status.

Social assistance provides a foundation for a Social Protection Floor. With the **SPF as a basis**, Liberia can extend progressively higher benefits to more people and thereby **build a comprehensive, inclusive and responsive national social protection system**.



Liberia's vision for 2030

To **progressively build a social protection system** which ensures that:

- everyone, including the informal sector, can access programmes to be protected from lifecycle risks and external shocks,
- those who can work can access efficient labour markets and graduate from poverty,
- the poorest and most vulnerable people have a basic income and can access essential services,

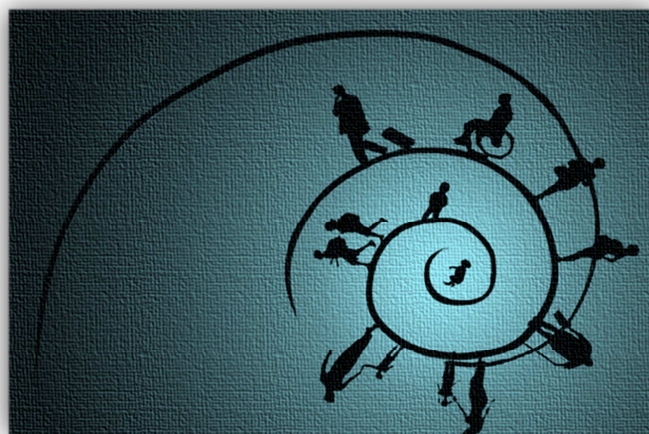
and thus, contributes to **inclusive economic growth**.

First National Dialogue on

“An SPF in Liberia”

23–25 May 2017, Monrovia

The first national dialogue to discuss an SPF in Liberia brought together participants from the government, employers, trade unions and development agencies under the leadership of the **National Social Protection Steering Committee** and chaired by the **Ministry of Gender, Children and Social Protection**.



Its purpose was to **initiate an evidence-based dialogue process** towards the establishment of a national Social Protection Floor. A preliminary assessment by the International Labour Organization (ILO) conducted in January 2017 showed that there are gaps in covering all people in Liberia with what can be considered as an adequate level of social protection. During the dialogue, participants considered this evidence base and shared information among themselves, to increase their awareness and understanding of social protection schemes and challenges in Liberia. Further, they jointly identified some initial recommendations to build an SPF in Liberia.



HEALTH

The outbreak of Ebola in 2014 unmasked some inherent weaknesses in the national healthcare system. Liberia's most pressing needs are to **improve its healthcare infrastructure** and to invest in **training medical personnel** in order to improve the quality of services provided at public health facilities.

Further, basic health services should **not be donor-dependent**. This entails exploring sustainable health financing mechanisms and establishing a contributory scheme for those who can afford to pay the premiums, while ensuring that the most vulnerable are covered. It is also crucial to ensure that **people are aware** of their entitlements.



CHILDREN

More than 40% of Liberia's population are children below the age of 15. As they are the future of the country, investing in their education and development and ensuring family support for children are of utmost importance. However, the cost of purchasing books and uniforms and registering children in schools can be prohibitively expensive for some families.

Consequently, participants at the first national dialogue agreed upon the need to **provide a child benefit** to ease the financial burden on families. Preliminary estimates show that providing 1,000 Liberian dollars per month to all children 0-5 years of age would cost 5% of GDP and progressively extending it to all children 6-14 years of age by 2025 would cost 10% of GDP.

The **Liberia Children's Law 2011** provides a comprehensive framework for children's rights, but it has not been implemented yet. Of all children, orphans and other vulnerable children require special attention, for **foster care and domestic adoption**.



WORKING AGE

The workforce of Liberia is relatively young and mainly in the informal sector. Most people working in the unregulated informal sector and as unpaid family workers are not covered by social protection. Even in the formal sector, only 30% of workers are covered by the contributory social security scheme which provides benefits in case of disability, work-related injury or death of the breadwinner. Participants agreed on the necessity to **expand social protection coverage** in the formal sector and extend to the informal sector, by exploring innovative mechanisms for the latter.

Special policies are needed to address the needs of people with disabilities and improve their access to public facilities. Estimates show that **providing a disability benefit** of around 3,000 Liberian dollars per month, which is equal to the minimum pension and half the poverty line, would cost 0.4% of GDP by 2025.

One of the largest barriers to accessing benefits is bureaucracy and consequent delays. **Decentralizing processes** to the counties and **creating one-stop shops** for receiving social benefits and services could help to reduce bottlenecks and ensure timely payments.



OLD AGE

While the number of older people in Liberia is relatively small, in the absence of a social pension, many older people in the informal sector and the rural areas continue to work well past their retirement age.

Basic salaries in Liberia are low and this has an impact on the pensions. The average contributory pension is currently even lower than the poverty line. There is a need to **increase the level of benefits** and ensure that they are adjusted to inflation and the cost of living. **Providing a social pension** of 3,000 Liberian dollars per month to all people above the age of 65 would cost approximately 2.7% of GDP by 2025.

There is a lack of awareness and acceptance of the concept of insurance in Liberia. Therefore, it will be crucial to **raise awareness among people** of the advantages of insurance and their entitlements.

What's next?

While the **first national dialogue** agreed on some SPF recommendations, a **continuous dialogue process is needed to build an SPF in Liberia**, based on the following steps:

- A **matrix** is created to analyse the social protection system, gaps, challenges and recommendations
- **Cost** of the recommendations is estimated
- **Second national dialogue** is held to discuss and validate the matrix and costing model
- A **report** of the national dialogue process is drafted
- **Third national dialogue** is held to launch the report



For more info, visit www.social-protection.org/gimi/gess/ShowProject.action?id=3068 or contact abujareg@ilo.org, gabrielnfernandez@gmail.com