

BUILDING SOCIAL PROTECTION FLOORS WITH THE ILO TOGETHER, TO CHANGE MILLIONS OF LIVES IN PARAGUAY



International
Labour
Organization

INSUFFICIENT SOCIAL PROTECTION COVERAGE

With over 7 million people, Paraguay is the ninth largest country in South America. Total poverty has been decreasing over the last several years. In 2015, 22.2 per cent of residents were living in poverty, with extreme poverty affecting 10 per cent of the population.

Paraguay has low social security coverage among the economically active population. Approximately 2.5 million of workers are not covered by social security, which represents 78 per cent of the total workforce in the country. Access to benefits and services is still difficult; more than 63 per cent of salaried workers aged 15 years and above are not effectively covered by social security, with even higher figures in rural areas (74 per cent).

Paraguay has the will to better protect its population by implementing new social protection schemes. In October 2015, a new law specific to domestic workers was put into effect, modifying their working conditions to be consistent with the ILO's Domestic Workers Convention, 2011 (No. 189), which was ratified by Paraguay. The Law establishes the rights to food and housing and sets a 20 per cent increase in the minimum wage for domestic workers (representing an increase from 40 to 60 per cent of the national minimum wage). However, this rule is open to criticism because domestic workers still routinely do not receive a guaranteed full minimum wage.

EXTENDING COVERAGE TO THE INFORMAL AND FORMAL SECTORS

While some gaps remain in both legislation and national practice, Paraguay is in a position to ratify the ILO's Social Security (Minimum Standards) Convention, 1952 (No. 102). The country might consider implementing some of the standards listed in the Convention by making some adjustments to their legislation and practice.



In addition, social partners are currently discussing ways to incorporate elements of the ILO's Social Protection Floors Recommendation, 2012 (No. 202), into the national social protection system. Among the challenges are the need to promote access to information on the social security system for employers and workers, as well as to better control the registration and payment of contributions through enhanced social security administration.

The Government could also consider implementing reforms aimed at strengthening the legal framework and institutional capacity to extend social protection. The process of creating an integral and effective social protection system is not an easy task. Therefore, Paraguay needs technical assistance to extend social protection to its entire population.

NATIONAL DEVELOPMENT PLAN 2014-2030

In December 2014, Paraguay adopted the National Development Plan 2014-2030. This Plan identifies three main areas of action for the country's public policy through 2030: (i) poverty reduction and social development; (ii) inclusive economic growth; and (iii) increase the country's competitiveness in the world market.

With this plan, the country expects to see reductions in extreme poverty, child malnutrition, and child and maternity mortality, while simultaneously increasing secondary education coverage to 95 per cent.



FROM RIGHT TO REALITY WITH YOUR SUPPORT

The ILO has long experience in supporting countries to extend social protection to all. Despite recent positive developments, Paraguay faces numerous challenges in establishing its social protection floor. With your help, we can support Paraguay's commitment to extend access to social protection for all people.

With your support, we can:

- Achieve greater linkages between different programmes in the social protection system, as well as improve coordination between institutions in the social sector.

US\$ 200,000 for one year

- Expand the fiscal space in order to make the system sustainable taking into consideration the objective of extending coverage.

US\$ 100,000 for one year

- Expand non-contributory programmes to the most vulnerable regions.

US\$ 200,000 per year

- Expand social security coverage to groups that are not covered, with the informal economy as a priority.

US\$ 200,000 per year

- Strengthen institutional capacity of social protection institutions.

US\$ 500,000 for three years

- Share the country's experiences through briefs, web pages, and videos.

US\$ 50,000

- Strengthen and mainstream social dialogue instruments through continuous capacity building and participation of workers' and employers' organizations.

US\$ 100,000

LISTENING TO YOUR AMBITIONS

As a donor, you receive regular reports on the progress made and have access to ongoing project activities and performance indicators.

To further discuss your objectives and the ways in which you can support stakeholders in Paraguay and improve millions of lives, you can contact:



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