SADC Employment and Labour Sector
Tripartite Technical Sub-Committee on Social Protection Meeting
14 – 15 May 2012, Birchwood Hotel, Johannesburg

Building **Policy Coherence** between **Social Protection Floors** and National Social and Economic **Development Strategies**

Conference Report

FRIEDRICH EBERT STIFTUNG

Bitso Paul Bitso is a researcher and a doctoral fellow at the University of Pretoria, South Africa. His PhD project investigates the consequences of disabling workplace injuries for former mineworkers in the Eastern Cape and Lesotho. Before taking up his doctorate studies, he worked as a director of a Workers Compensation Fund and prior to that in the banking sector. He holds a Master of Science in Social Protection Financing from the University of Mauritius and as an expert he has frequently published and presented on social protection matters.

Friedrich-Ebert-Stiftung (FES) is a private, non-profit organisation committed to the values of Social Democracy. It is the aim of FES to facilitate the political and social education of individuals of all walks of life in the spirit of democracy and pluralism as well as to contribute to international understanding and cooperation. FES carries out its mission in Germany and internationally through its programmes of political education, international cooperation, study and research. At present, FES maintains more than 100 offices worldwide, of which 19 are in sub-Saharan Africa.

The International Labour Organization (ILO) was founded in 1919, in the wake of a destructive war, to pursue a vision based on the premise that universal, lasting peace can be established only if it is based on social justice. The ILO became the first specialized agency of the UN in 1946. The ILO is devoted to promoting social justice and internationally recognized human and labour rights, pursuing its founding mission that labour peace is essential to prosperity. Today, the ILO helps advance the creation of decent work and the economic and working conditions that give working people and business people a stake in lasting peace, prosperity and progress. Its tripartite structure provides a unique platform for promoting decent work for all women and men. Its main aims are to promote rights at work, encourage decent employment opportunities, enhance social protection and strengthen dialogue on work-related issues.

The Southern African Development Community (SADC) is a Regional Economic Community comprising 15 Member States; Angola, Botswana, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe. Established in 1992, SADC is committed to Regional Integration and poverty eradication within Southern Africa through economic development and ensuring peace and security. The Southern African Development Community (SADC) Secretariat is the body that facilitates the implementation of SADC programmes and activities to meet its objectives and overall goal of poverty eradication and regional integration. Its mission is to provide strategic expertise and co-ordinate the harmonisation of policies and strategies to accelerate Regional Integration and sustainable development. The SADC Employment and Labour Sector consists of four tripartite (governments, workers' and employers' representatives) committees, the Committee of Ministers and Social Partners, the Committee of Senior Officials and Social Partners, the Technical Sub-Committee on Social Protection; and the Technical Sub-Committee on Employment and Labour. On Jan 1, 2008, SADC adopted the Code on Social Security in SADC to further extend the provisions contained in the Charter of Fundamental Social Rights in SADC. It provides strategic direction and guidelines in the development and improvement of social security schemes, in order to enhance the welfare of the people of the SADC region.

Cover Photo: The Conference Organisers (from left) – Mr Arnold Chitambo (SADC), Ms Emmanuelle St. Pierre-Guibault (ILO Geneva), Luis Frota (ILO Pretoria), Mr Heiner Naumann (FES Zambia) and Ms Kathy Banda Short (FES Zambia)

Published and Copyright by:
Friedrich-Ebert-Stiftung (FES)
Zambia Office, 5583 Great East Road
Kalundu, Lusaka, P.O. Box 30554
Phone: +260 211 295615/6, www.fes-zambia.org

Author of the Report: Bitso Paul Bitso (Pretoria, South Africa)

Edited by Luis Frota (ILO Pretoria) and Daniel Kumitz (FES Zambia); Proofreading by Chikwanda Chiti, Lusaka/Berlin
Cover Photo and other conference pictures by Daniel Kumitz (FES Zambia)
Cover Design and Layout by Eva Schmid, Berlin, Germany, eva-schmid@gmx.net
Printed by Associated Printers Ltd., PO Box 32104, Lusaka, Zambia

Friedrich Ebert Stiftung Zambia, P.O. Box 30554, Lusaka, Zambia

ISBN 978-9982-9973-0-0

Building Policy Coherence between Social Protection Floors and National Social and Economic Development Strategies

Conference Report

SADC Employment and Labour Sector
Tripartite Technical Sub-Committee on Social Protection Meeting
14 – 15 May 2012, Birchwood Hotel, Johannesburg

List of Acronyms

ARLAC – African Regional Labour and Administration Centre

ELS – Employment and Labour Sector

FES – Friedrich Ebert Stiftung

HDI – Human Development Index

ILC – International Labour Conference

ILO – International Labour Organisation

IMF – International Monetary Fund

IOM – International Organisation for Migration

MDG – Millennium Development Goals

NGO – Non-governmental Organisation

NISSA – National Information System for Social Assistance

Q&A – Questions and Answers

SADC – Southern African Development Community

SMME – Small and Medium Sized Enterprises

SPF – Social Protection Floor

SPFI – Social Protection Floor Initiative

UIF – Unemployment Insurance Fund

UN – United Nations

Background 1.0

For two days on 14-15 May 2012, social protection experts, representatives of national and international organisations and stakeholders from the SADC region convened at Birchwood Hotel Johannesburg in a tripartite conference, which was well attended by over 80 participants and organised in six panels based on key topics relevant for the design and implementation of the Social Protection Floors at the national level. Participants came from a wide range of sectors, such as representatives of ILO, social partners, namely government, employers, and employees, as well as academia and civil society. The aim was to discuss the proposed Recommendation of the International Labour Organisation on National Social Protection Floors. This recommendation was presented as Report IV (2B) to the 101st session of the International Labour Conference in Geneva and later adopted as Recommendation 202.

Chris Maroleng from e.TV channel Africa and Luis Frota, the ILO social security specialist at the Pretoria office, served as moderators on day one and two respectively. They engaged the panellists in an intensive debate that facilitated an open podium and extensive participation of the audience.

The discussions centred on the following key thematic topics:

- Scoping and defining national social protection floor policies
- Unlocking social and economic participation and productive capacities
- Coherent social security systems
- Governance and capacity to implement SPF policies and programs
- Measuring and creating fiscal space
- Guidance tools from SADC and opportunities for support

The proceedings commenced with the opening remarks from the director of FES Zambia Mr Heiner Naumann; the director of ILO Pretoria Mr Vic van Vuuren; Ms Tebogo Oletile on behalf of the Botswana Employers Association (BOCCIM) and SADC Employer Group (SEG); and Lesley Kettledas on behalf of the South African government which hosted the meeting.

Speakers highlighted that social security is not only a human right, but an economic necessity. It was observed that upheavals in other parts of the globe stressed the shortcomings of policies to eradicate poverty which deny people their right to social services and participation in economic development. The Recommendation on National Social Protection Floors was warmly welcomed by all participants and seen as an instrument that would increase social protection and economic development envisioned in the wake of its implementation.

2.0 Opening Remarks

Monday 14th May

From left: Mr Chris Maroleng (eTV Africa channel, moderator), Ms Tebogo Oletile (BOCCIM, Botswana Employers' Organisation); Mr Heiner Naumann (FES); Mr Arnold Chitambo (SADC Employment and Labour Centre at SADC Secretariat, Gaborone), Mr Vic van Vuuren (Director ILO DWT Southern and Eastern Africa); Mr Lesley Kettledas (Department of Labour, South Africa)

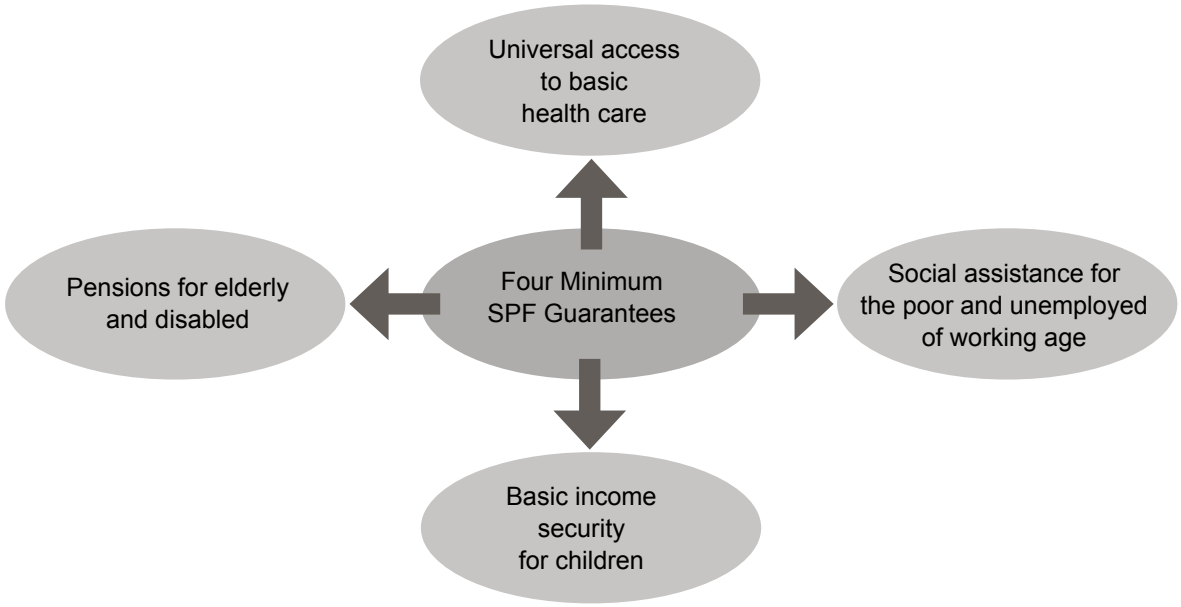
The Official Opening Session consisted of welcoming and theme setting remarks by Mr Heiner Naumann – Resident Director Friedrich Ebert Stiftung Lusaka Office and Coordinator for FES Social Security Activities in the SADC Region

In his opening remarks, Mr Naumann discussed issues at the heart of social protection floors. He observed that social security is a basic human right as provided by article 22 of the Universal Declaration of Human Rights. Many people in the world, particularly in Africa, still continue to live in conditions of chronic poverty and deprivation. 80 % of the world population lack comprehensive social security coverage, 30 % have no access to essential health care, 60 % of the elderly persons have to survive without a pension, 50 % of the children live in poverty without access to health care and education.

Mr Naumann indicated that there is dire need to improve the world's social protection as a whole, particularly when there is a common view that countries cannot build their future on the vulnerability of the citizens. Indeed the gathering to discuss how social protection can be improved and how cooperation between countries, international organizations, researchers, in short all interested parties could contribute to this programme could not have come at the more opportune moment. The initiative for social protection floors gained momentum directly after its launch in 2009.

Mr Heiner Naumann

Figure 1: Four Minimum Social Protection Guarantees



Source: ILO

The initiative was one of the main topics addressed at the 100th International Labour conference (ILC) conference in June the previous year in Geneva. The conference ended with governments as well as employers' and workers' representatives from 183 ILO member states committing themselves to the establishment of national social protection floors aimed at extending at least the minimum level of social security to all as part of comprehensive social security systems and explicitly encompassing the informal sector. The commitment is based on a two dimensional strategy. The horizontal dimension consists of a rapid roll out of social protection floors, while the vertical dimension seeks to provide progressively higher levels of protection.

Moving towards compliance with the requirements of ILO convention number 102 of 1952, the resolution emphasises that both dimensions have equal importance and should be pursued simultaneously. The initiative was again one of the most important topics at the ILC in 2012. Two weeks after the conference the delegates representing ILO members discussed how to complement the existing ILO standards and how to provide a non-binding guideline to the member states. Mr Naumann foresaw that this was likely to help to maintain momentum of the political debate and to make social protection the integral part of development strategies. The question of how the social protection floor with its four essential guarantees can be put into practice would have to be answered at the national level. In other words solutions must be tailor-made to suit national circumstances and implementation should be both flexible and progressive. South-South dialogue and exchange on best practices was already being used as a crucial instrument in this process with the ILO providing data, training and policy advice.

According to Mr Naumann it would seem that clear understanding is beginning to emerge from the international policy makers that social protection is not only a human right but also an economic necessity. It does not only serve as an automatic stabilizer in times of crisis, but it can also set in motion a cycle of development and growth for instance by improving health care and education. The four essential guarantees that make up the SPF can be regarded as a set of defined goals. How these goals are going to be reached, however, depends on the situation in each country. The ability of countries to find national solutions and mobilise domestic resources instead of relying on donor-driven processes helps to promote national ownership. It has been shown that basic social protection is affordable provided governments are willing to collect taxes and create an environment that is conducive to job creation. Sole reliance on international aid by contrast not only stands in the way of national ownership but also carries risks such as dependency on changing development agendas and inadequate utilization of local funds.

2.0 Opening Remarks

Vic Van Vuuren – Director ILO DWT Southern and Eastern Africa

Mr Vic van Vuuren

The ILO Director Mr van Vuuren approached the subject from the Decent Work Agenda. Under the decent work country programme, the ILO assists its member states through its offices to identify what they consider key priority areas. In pursuit of this objective, many countries had identified social protection and employment creation as priorities. High levels of unemployment continue to push many people and their families under the poverty line in the region. Social protection has been broadly recognised as a key policy field by all member states and the ILO. The minimum floor of rights had been on the agenda at the ILO for a number of years and the conventions and debates in the ILO would continue to encourage countries to bring about a minimum floor of rights. But when it comes down to where the "rubber hits the tar", it is going to be different debates that are going to have to be heard other than just accepting the principles at a macro level, Mr van Vuuren remarked. Whenever the subject of social security is discussed in many of ILO missions in different countries, agreements are in principle reached. However, when details are being unpacked then affordability becomes an issue and suddenly what appeared to be a brilliant idea dissipates like thin air as people turn their backs. The reality is that member states should start looking at how theoretical social security debates can actually be implemented at the core phase to make a difference to the lives of many vulnerable people who do not have access to basic social security.

What is also important is to recognize the importance of social dialogue amongst the traditional ILO social partners on issues of social security. Even more important is the realisation that social dialogue should not only be limited to traditional ILO social partners but beyond to include all the stakeholders. In this way, social security objectives will be achieved with ease for the betterment of livelihoods of all mankind. Mr van Vuuren acknowledged and welcomed the diversity of the group that came to debate this important topic of social protection floor for the advancement of social protection debates at both the SADC and national levels.

The objective of this conference was to find mechanisms that would make it possible for member states to align social protection floors and the national social and economic development strategies. At a recent meeting of the ARLAC in Victoria Falls the topic of social security had been discussed and an audit of what was in place in different countries had revealed that the SADC region was in no way near to having a common point of view in so far as social protection arrangements were concerned. It had become apparent that countries were at very different levels of implementing social security systems and hence, Mr van Vuuren called upon the conference to recommend strategies that would bring together, in a coherent and coordinated manner, social security issues in the SADC region. It is important, therefore, to look at the processes in the same way as looking at the content, since debating just the content is not going to assist in getting the ultimate result.

Tebogo Oletile - Botswana Employers' Organisation (BOCCIM)

On behalf of SADC Employers Group (SEG), Ms Tebogo Oletile thanked the organisers and all who participated in the conference in different ways. She gave an assurance that the SADC Employers Group was behind the conference and wished for successful deliberations.

Opening Remarks 2.0

Lesley Kettledas – Deputy Director General Department Of Labour, South Africa.

Mr Lesley Kettledas

In his opening remarks, Mr Lesley Kettledas of the Department of Labour, South Africa, echoed the sentiments of Vic van Vuuren and Heiner Naumann that the topic of social protection floors had been a subject of discussion for many forums over the years. He estimated that the development and adoption of the Yahonde Declaration on building the social protection floors in October 2010 was probably the 12th discussion or event that discussed social protection floors. There had been several discussions and adoptions of declarations in a number of areas on social protection. Similar discussions were also held at the regional and continental level including the African Union. The world economic situation, the global economic crisis that the SADC region also experienced, the financial crisis in Europe and beyond – these were all indicators that the world and its people were in dire need of social protection in circumstances such as the SADC region was experiencing at the moment. Mr Kettledas noted that the evolving world of work also poses hurdles and barriers to previous perceptions of social protection extension and presents challenges to find solutions that will ensure greater social protection particularly to the vulnerable sectors in societies. It is not by mistake that a gathering of this nature was hosted to seek solutions to social security problems that face the masses in the SADC region and beyond.

Mr Kettledas reiterated that other parts of world are experiencing political upheavals and these are testaments to the shortcomings of the policies that are earmarked to protect the vulnerable and poor against abject poverty and exclusion. Therefore, there should be no room for failure when looking at how to ensure that social protection floors become a reality for all irrespective of location. However, before social protection can become a reality, there are a number of barriers and hurdles that need to be overcome. Included among these is a need to build social protection floors that are tailored to national circumstances and levels of development. As part of a comprehensive social security system, the 100th session of the ILC had agreed on the following two deliverables:

- Implementation and maintenance of social protection floors as a fundamental element of national social security systems
- Implementation of social protection floors within strategies for the extension of social security that progressively ensure higher levels of social security to as many people as possible in terms of the social security standards set by the ILO.

What remains a major challenge is how to bring the ILO global social protection floor proposals into the realities within SADC, as Mr Kettledas elaborated, because most of the countries in the region have fragmented legislation in as far as social protection is concerned. The ability of the conference to come up with inputs that are aligned to national policies in coherence with social economic development policies in respective SADC member states is of paramount importance. At the SADC ELS meeting in Angola, members agreed on the need to call a conference that would compose of all relevant stakeholders representing diverse groups as a way of finding answers to all vexing issues around social protection floors for the benefit of many vulnerable and indigent people.

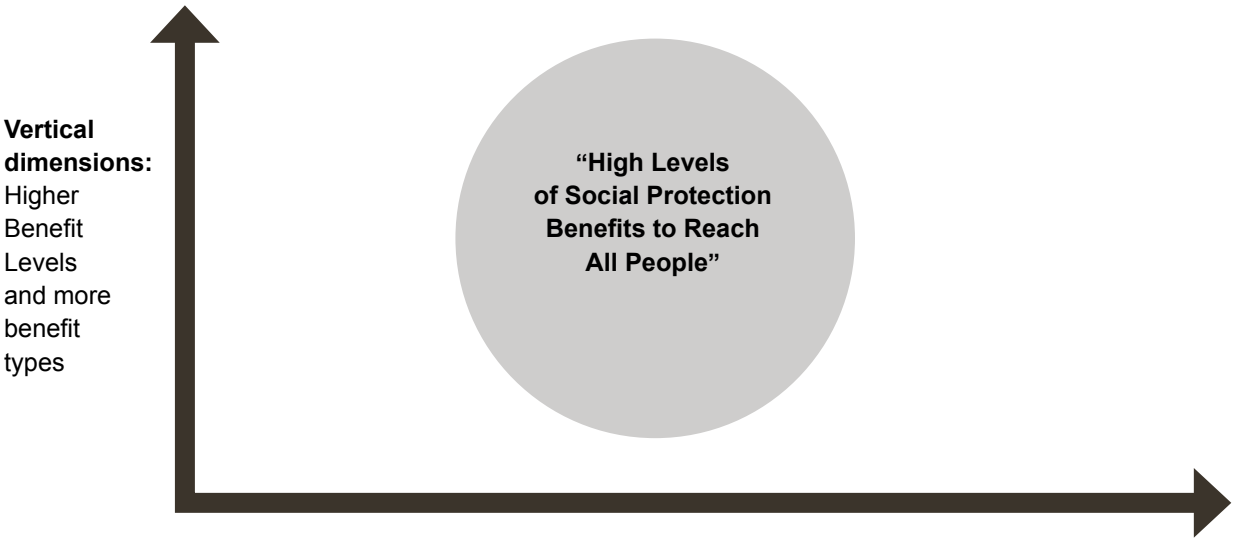
In conclusion, Mr Kettledas indicated that they were soon going to have another meeting as the Department of Labour in South Africa to consider the prospects of ratifying convention 102 of 1952 on minimum standards of social security. The ILO had been guiding them in that process and the meeting was going to offer a good opportunity for them to meet and consider some of the inputs

2.0 Opening Remarks

received from the ILO office. According to Mr Kettledas, The move was motivated by the fact that the South African social security system seemed to comply in many respects with the social security minimum requirements as spelled out in Convention 102 already.

Lively conference discussions. At the microphone Mr Alfred Masupha, President of the Zambia Federation of Employers (ZFE)

Figure 2: Horizontal and Vertical Expansion of Social Protection



Key Note Address by Ms Emmanuelle St. Pierre-Guibault, Legal Expert ILO Social Security Department Geneva

Towards an International Social Security Standard for National Social Protection Floors – Coming Discussions at the ILC (2012)

Ms Emmanuelle St. Pierre-Guibault

Ms St. Pierre-Guibault commenced her presentation by recapitulating the process that led to the development of the proposed recommendation and consultation process with member states and social partners including the development of a questionnaire to member states, its structure and content. She explained both the adoption process of the Social Protection Floor Recommendation, the components and implications of the draft proposal. The SPF defines four basic guarantees to constitute the social protection floor in any country, namely essential health care for all, basic income security for children, basic income security for those unable to earn sufficient income and basic income security for those of old age. In order to achieve this, the initiative does not adopt a one-size-fits-all approach, but rather proposes a tailor-made two-dimensional strategy and thus encourages countries to build up social services/protection guaranteed under the SPF in line with each country's economic and development policy framework and fiscal space. This concerns the horizontal dimension of the strategy (spreading social floors to all countries) to be followed by the expansion and building of more encompassing and far-reaching social protection institutions that offers a variety of benefits (vertical dimension). The Social Protection Floor Recommendation names objectives, scope and principles, followed by recommendations regarding the setup of national social protection floors (horizontal dimension), national strategies for the expansion (vertical dimension) and concludes with details on monitoring and evaluation. The recommendation is based on a plurality of approaches, ranging from insurance-based social security systems to targeted cash transfers and universal grants. These are to be decided nationally giving due consideration to national resources.

Ms St. Pierre-Guibault further pointed out that SPF strategies should be designed with the aim of progressively building and maintaining comprehensive and adequate social security systems that are coherent with national policy objectives. First, these strategies should set objectives that reflect national priorities; they should secondly identify gaps in protection and seek to close these gaps through appropriate and effectively coordinated schemes. Finally, these strategies should specify the financial requirements and other resources needed as well as the time frame and the sequencing for the progressive achievement of these objectives. In a cross cutting way these strategies should support disadvantaged groups and people with special needs and should support growth of formal employment as proposed by the employers at the ILC of 2011. With regard to monitoring the recommendation, members should put into place nationally defined monitoring mechanisms and there should be exchange of information and expertise with other countries and the ILO.

4.0 Deliberations

4.1 Scoping and Defining National Social Protection Floor Policies

From left: Ms Pat Horn (Street Net); Prof Marius Olivier (ISLP); Prof Alex van den Heever (WITS University GSPM); Prof George Mpedi (CICLASS, University of Johannesburg) Mr Necodimus Chipfupa (HELPAGE); Mr Gáspár Fajth (UNICEF)

The first panel addressed the issue of scoping and defining national social protection floor policies by probing the following broad issues:

- What added value do social protection floor approaches and strategies give to defining country priorities in social protection and health care?
- How do we define national social protection floors and establish effective contents for prescribed basic guarantees and strike a balance between services and cash transfers to improve access to basic services? How to build consensus around strategies and engaging in national processes of social dialogue around the social protection floor?
- What legal foundations and architecture are needed to develop rights based approaches for social protection?

Speakers on the panel were both researchers and experts in the field and representatives of NGOs and international organisations: Ms Pat Horn of Streetnet International, an Informal Workers Trade Unions Network, Prof Marius Olivier, a Social Security Legal Expert and Director of the Institute for Social Law and Policy (ISLP), Prof Alexander van den Heever, a Social Protection Economist of the University of the Witwatersrand, Prof Letlhokwa George Mpedi, Director of the Centre for International and Comparative Labour and Social Security Law at the University of Johannesburg, Mr Necodimus Chipfupa of Helpage International and Mr Gáspár Fajth of UNICEF Uganda.

The speakers generally agreed on the vast benefits to be gained from social protection programmes despite the costs. The following main issues were discussed at length (including contributions from the floor):

Inclusiveness

How to protect people working in the informal sector? Subsistence farmers may sometimes generate income even greater than of those employed in the formal sector. But in old age they are not entitled to any pensions guaranteed by contributory pension systems (despite the fact that their food production greatly contributes to a country's general welfare). Even in highly formalised countries like South Africa the problem remains, and strict formalisation policies may push informal workers, mainly women, out of income earning opportunities. A certain level of formalisation of informal sector into general worker controlled cooperatives and its transformation into a sound social solidarity economy was understood as a reform that could take informal economy to another level. It was unanimously agreed that it is a misconception to regard the informal economy as grey/black/illegal, which underestimates the sector's contribution and significance to the overall economic development.

Role of the State

The world is currently going through an economic recession which has brought a question of long term sustainability

for most social insurance schemes. Be that as it may it is still possible to have as many people as possible contributing to social protection schemes, what is needed is the ability to come up with innovative, creative and practical ideas to achieve maximum levels of social insurance coverage.

Mr Chipfupa gave an example of a farmer and a pyramid scheme in Tanzania to demonstrate how innovation could come about. To this end he showed that looking at the history of any country in Southern Africa one would realise that agriculture has been the main driver of economic development. This means that farm workers including the rural so-called peasant farmer have made an immense contribution into the economy generating income and even foreign exchange. Is it a problem of the farmer to put in place mechanisms which ensure that their contribution is counted and considered including a pension at old age? Obviously not! It is about putting systems in place which would take care of such efforts to consider the contribution of every national member. Our systems need to consider the informal sector in a way that they may contribute. In Tanzania for instance a pyramid scheme set up by people in the informal sector raised millions of Tanzanian Shilling in a matter of few months. So in a way there is possibility of an informal sector contributing if there are systems which guarantee their participation but the nation should not be exonerated from taking its responsibility to ensure that citizenry is based on equity.

Participation

It was noted that the involvement of the people in informal economy on matters that affect them is of paramount importance. This could be achieved among other measures by establishing statutory negotiating forums at different levels including local government, participatory budgeting, formalisation into general worker controlled cooperatives and transformation of informal economy into a sound social solidarity economy. The importance of social dialogue that goes beyond the traditional ILO tripartite structures on matters relating to social protection particularly with people in the informal sector was highlighted.

Social Dialogue

If social protection systems are to be effectively and efficiently developed, implemented and monitored, all stakeholders should be part of the processes and decisions either through their representatives or by themselves. It was noted that UN agencies such as the ILO are gradually beginning to recognise the importance of an all inclusive approach when dealing with social protection matters.

Social protection policies need to be embedded in general economic and development policy frameworks. Expected trade-offs from investments in social security may dissipate if not part of a broader agenda, and may be countered by shortcomings in other areas.

Convincing political stakeholders of the benefits of social protection is not always easy, and while ILO's new development paradigm "growing with equity" may have far-reaching transformation potentials, national coalitions and consensus need to be built. These should include the fight against corruption.

Challenges of a Rights Based Framework

The importance of the rights based approach to social security was underscored. As a prerequisite to this, however, there is a need to have appropriate legislative frameworks in place in order to be able to enforce the rights and to hold government accountable. The panel further noted that having guarantees as a right is not in itself sufficient but that monitoring and enforcement mechanisms on top of political will are also of prime importance.

However, in cases where people are not able to access their rights, accessible dispute resolution mechanisms within the social security system should be available for aggrieved parties to seek recourse, especially the poor and vulnerable who are often excluded. For example the indigent could seek legal assistance from institutions that provide legal aid. South Africa was cited as an example where the NGO's have played a critical role towards ensuring that the poor access their rights to social protection.

It is evident that the rights based framework is the way to go. But a challenge often comes up in situations where the independence of the judiciary is compromised. The role of international standards is critical in getting people to accept in general that it is not inappropriate to ask for the independence of the judiciary and to ask for a coherent interpretation to the rights based framework. Institutions that are responsible for the provision of social protection floors should also be competent and functional such that fewer cases would require the intervention of the judiciary. Be that as it may there is no point in creating programmes

4.1 Deliberations

which cannot really be enforced. Another view was that this is a challenge which requires all the stakeholders to sit down and develop ways and means of overcoming the challenge of a compromised judiciary.

Studies done in South Africa and other countries in the SADC region revealed that the rights based framework for social protection is extremely weak. These studies have found that much of what is happening in the area of social assistance or social protection floor is deficient, provision of which is discretion based without any backing policy framework. Statutory framework is often remote and available to minimal people in very extreme exceptions.

It was also highlighted that in the SADC region, coverage of migrants remains a particular challenge that could be addressed through inter-country coordination.

The bottom line is that access to social protection by and large depends on instruments that have been developed for its delivery beyond just the legislative framework. Properly functioning institutional frameworks would see many cases resolved by internal dispute resolution mechanisms.

Non-Discrimination and Voice

On the issue of non-nationals or foreigners, the extent to which the rights to social protection for non citizens are not

Q & A

Key questions and answers that emerged from panel one

There should be legal platforms that will allow the less privileged to enforce their rights and access social justice. Are there any lessons that we can learn to help the poor access their rights?

Generally in South Africa the indigent and vulnerable have managed to secure their rights. In some instances courts have made rulings in favour of disadvantaged but government had been slow to implement the decisions of the courts. Elsewhere in SADC this still remains a challenge.

Given the fact that there is cost involved in accessing justice is there a way that is not so expensive? Are there other innovative ways other than legal aid which are less costly?

Courts should be used as a matter of last resort given costs involved. There are other much cheaper options at the level of organisations/departments administering social security, such as tribunals. What needs to be done is just to make them more accessible. At the grassroots level paralegals may also be used. What is needed is support, financial and otherwise.

You talk of a very important issue that workers organisations need to be part of this dialogue but what we very often find in many parts of our continent is that workers organisations are often viewed with a degree of antipathy and suspicion particularly within the political arena by national governments this makes it difficult to bring workers organisations in negotiations especially when they are viewed negatively by governments.

History suggests that all workers gained what they have gained through being in opposition, fighting for what they need and that is obviously what workers in the informal economy are doing now, too. Governments generally listen when organisations are strong enough.

What is fascinating about your contribution is that it questions the issue of social protection floors at the institutional and state level. Are all states in Africa indeed geared to introduce rights based approaches to social security? Are the institutional frameworks in our societies also geared towards that?

The issue of rights and entitlements is not something that societies in general need to argue about, it should be there and that is a starting point that begins to change the rules of government. Independence of the judiciary is not something that is fully accepted throughout Africa and even in many developing countries is very problematic. If rights are not there people cannot enforce them. It is only the privileged few who advice the interest of politicians who would get their entitlements, not necessarily rights.

being properly recognised and attended to by the citizens of the host countries are tantamount to a "tragedy". There is no overarching policy on social protection for migrants in the whole of the SADC region. This continues to be the case despite several studies which were conducted in the last few years highlighting this weakness and yet nothing is done to redress this anomaly.

There was a feeling that children were in a worse situation when it comes to accessing social protection. It was learnt that even in a democratic society children do not have a voice since they don't vote. So, if one thinks of grants or pensions, for instance, many children could benefit immensely from these but since they do not have a voice the majority of them are excluded. Also in a family which is the most important institution, often children are not being seen as persons with rights, they are often ill-treated with limited room for recourse. To give a proper development opportunity to a child a strong collaboration is needed from all the role players including government, legal system, society, workers, parents, etc. Unless these systems are put in place there is a risk that vulnerable children will continue to be disadvantaged and a poverty trap be perpetuated.

Social Protection as an Investment

Much as it is purported to be an investment, social protection floors have a cost element. But who should meet this cost? "The tendency is that the private sector and the employer must bear the cost and I'm saying that is not correct", remarked Mr Makeka. Now who is going to meet the cost of the social protection floor? Social protection expenditure is generally financed by the state from the national budget; individual countries should therefore come up with innovative ways to create fiscal space. It may not be easy for some countries to achieve this without international donor support. Another view on this issue was that fiscal space is not much of a problem, what is needed is to get the design right and everything else will fall into place.

In most cases governments would realise the value in implementing social protection yet would also be too quick to question whether such schemes would be affordable. The question can better be tackled from the point of view that while social protection should generally be implemented purely on the basis of improving the livelihoods of the vulnerable and excluded members of society it can at same time fuel economic growth if appropriately implemented. Thus, provision of social protection is not seen as essentially an economic issue but that it can involve a redistribution of income so it can change the consumption from the micro economic level even in societies. The changing distribution and consumption within a society can have multiplier effects and can change the capability and distribution of industry within a society in a given country. If you have to look for instance at many of the European and OECD countries and look at the pre social security versus the post social security poverty levels, one would realise that those countries that are highly industrialised would have the poverty levels of about 30 % if they did not have social security mechanisms in place. So it is because they have got assistance in place and not because of the size of their economies that they have minimum levels of poverty.

In SADC very few if at all impact assessment studies have been done on both macro and micro economic levels. In South Africa some relevant studies have been done at least at micro economic level. There has been a positive feedback particularly from the social grant system. But this is not really replicated in most of the other countries. The strict empirical scientific evidence linking Africa is not yet there but it is a fact that if it is properly structured and more organised social protection systems do have major positive implications on both micro and macroeconomic levels.

Progressive Realization

The principle of progressive realisation in the context of social protection is understood to mean starting small and incrementally building on until both vertical and horizontal dimensions to social protection have been satisfied. Most countries in Africa including in SADC are low income countries. As a result, these countries depend largely on donor funds in the development of their social protection systems. Just on the issue of progressive realisation, it is important to look at such an issue within the context of the rights based framework; what does the principle of progressive realisation mean when operated within the rights based framework. It is not sufficient purely to have programmes and to have a starting point; the question is what does a complete right look like? The only rational thing would then be to look at the size of the poverty gap and then setting priorities accordingly. Nevertheless it was noted that there are pressing situations where it may not be appropriate to deal with progressive realisation in its

4.1 Deliberations

fundamental form as immediate realisation may be required in certain areas and to certain categories of people. For instance, if a system is found to discriminate unlawfully against a category of people by gender, women in particular, or nationality, and that is not countenance either in terms of the constitution or in terms of the international instruments which have been ratified, in such a case the verdict is clear: immediate realisation would be required to address such a problem.

Consequently, it was noted that as financiers of social protection programmes, donors somehow end up assuming the role of governments. However, donor funds should really just be there to give the people and the countries the confidence that social protection programmes are important and achievable. Over time governments should be able to take over full responsibility over the programmes because under donors the rights based frameworks may not be possible since donors can pull out at any time. In southern Africa it was observed that there are generally no entitlement frameworks. Most provisions are run as charity and depend on charitable disposition of the funder, usually government or donors.

Case Study 1 below shows that even least developed countries such as Lesotho can successfully implement social protection schemes:

Case Study 1:

Lesotho's Social Protection System – Lessons to Be Learnt

presented by Prof Marius Olivier

How far we can really go in terms of implementing social protection systems should to a large extent be informed by some of the successes and social protection advances experienced in the SADC region. An inspiration and motivation should be drawn from countries such as Lesotho which despite the size of its economy and being classified as a least developed country has successfully implemented social protection floors as a result of which it is increasingly gaining recognition in international literature. There was a study which was conducted on Lesotho, the verdict of which revealed that Lesotho has had remarkable achievement in the area of social protection, an old age grant being introduced solely on the basis of what the government of Lesotho provides, from the national budget. There is also an expanding programme for orphans and vulnerable children (OVC'S). It is estimated that there are 220,000 of these children in Lesotho and the programme is being rolled out with the support of European Union to initially reach at least 50,000 of them. All these measures, also including the introduction of free primary education, happen on the basis of significant and unprecedented government support. For the financial year 2011/12 Lesotho invested an additional 7 % on social assistance/social protection floor. There is more significant support being rolled out by the government in terms of accessible delivery, with very low opportunity cost, effective tax collection and low transaction costs.

However, there is another reality. What is this reality? Based on the UN HDI indicator, in 1998 Lesotho was number 127 of 174; in 2003, number 137; in 2006 number 149 and in 2011 it was number 160. Secondly, on the Millennium Development Goals (MDGs) Lesotho is on track in so far as only two of the MGDs; in fact, it is so off-track that last year the government of Lesotho entered into a special rational forum with UNDP to try and see what can be done to put Lesotho back on track to reach the MDGs. So as SADC countries, what can we learn here? Talking about social protection one should bear in mind the importance of establishing very comprehensive, strong and expanding social insurance frameworks that will at least allow a couple of opportunities for those who work and who can contribute to their own social security to at least so contribute in the whole of SADC region. This will certainly relief the burden on the national fiscals to help support only people in need through basic and essential social protection floors. Surely this is the path to follow!

4.2 Unlocking Social and Economic Participation and Productive Capacities

From left: Mr Boas Seruwe (Commissioner of the UIF, SA); Prof Leila Patel (UJ, SA); Mr Nii Moi Thompson, (UNDP, SA); Mr George Laryea-Adjei (UNICEF, SA); Mr Mathias Nyenti (CICLASS, UJ, SA); Prof Haroon Bhorat (UCT, SA).

The second panel followed up on aspects discussed on panel 1 and focused on challenges such as

- How to ensure optimum coherence between job rich growth and social security policies? How to ensure closer coordination of social protection with national development and employment policies, skills policies, so that they are mutually supportive and reinforcing?
- How to ensure that social security promotes positive labour market incentives and outcomes? How to strengthen and accelerate the implementation of active labour market policies and to promote greater linkages between these and income support measures and services?
- How to include special categories of workers (agriculture, temporary and contract workers etcetera under social security law?

Speakers on this panel were experts from universities and social security institutions: Mr Boas Seruwe, Commissioner of the South African Unimployment Insurance Fund, Prof Leila Patel, Director of the Centre for Social Development Africa at the University of Johannesburg, Mr Nii Moi Thompson, UNDP South Africa Country Senior Economist, Mr George Laryea-Adjei of UNICEF Pretoria, Mr Mathias Nyenti of the Centre for International and Comparative Labour and Social Security Law at the University of Johannesburg, and Prof Haroon Bhorat, Director of the Policy Research Unit, Department of Economics of the University of Cape Town.

Economic Development and Wealth Creation at Local Level

How exactly do economic spin-off effects and social protection programmes interrelate? Are wage subsidies and conditional cash transfers preferable tools to achieve greater labour market integration? It seems clear that social protection increases human capital development and helps to integrate otherwise excluded people into economic activities and hence societal activities. But how does macro-level planning translate into micro level implementation? In line with the SPFI tailor made approach, the question remains, how to maximise spin-offs in particular national environments. This leads back to the need of integrated and comprehensive policy frameworks that link social protection to economic and development policies.

Social protection is an investment in both the economy and society. It helps to eliminate intergenerational poverty. There is overwhelming evidence suggesting that provision of social security and economic development are complementary. The two are interrelated and the one reinforces the other. However, the contribution of social protection to productivity and economic development should not be taken as a prerequisite for implementing social protection systems. Rather the focus should be on the improvement

4.2 Deliberations

of the livelihoods of the people, particularly those that are vulnerable and excluded including women and children. Do social protection programmes win elections? Yes, definitely, agreed all the panellists. Social protection is a human right and while economic benefits should help rally support and alleviate budget concerns, they should not be the stake on which social protection policies are decided.

Women and Work

Women perform as cushions, they absorb a lot of the care and responsibilities in society, noted Prof Patel. This was echoed in recognition of the role that women play in the provision of social protection, particularly human development capital. It shows how the care responsibilities of women counter-effect their ability to go and work in gainful

Q&A

Key questions and answers that emerged from panel two

The study that was conducted in Soweto was fascinating. Is it a correct submission that because there are fewer job opportunities for work generally that women would therefore be more discriminated or less able to attain work irrespective of their qualifications. Following from that what conclusions can we draw from this research in Soweto?

The outcome of the research is positive about the child support grants and its impact in empowering women in the decision making process. It increases their decision making capacity in the homes, it gives them greater bargaining power and the children in the study were better cared for. Thus, women in the study interacted with their children more than the non-beneficiary households in the study. So the conclusion that can be drawn is that social protection can also meet other social goals and women in employment can better be supported by engaging them to find out what else they need because there are opportunity costs to women working.

Does provision of social protection, particularly child grants, lead to unwarranted increased fertility, birth rates and dependency?

Obviously not. There is overwhelming evidence that suggest that women receiving a grant either on their own behalf or on behalf of their children use some of the money for job search. A number of studies conducted on working population have shown a decline in fertility rates among working women. It would not be accurate, therefore, to suggest that social grants increase fertility and create dependency.

It is not so self-evident that social protection support needed by society will require an empirical approach towards its establishment especially in countries with limited research capacity and that the returns on such an investment are often seen in the long term. How do we engage on this issue? How do we create evident based research and indeed understanding of the need for social protection?

There can be an assortment of factors to this. It begins with the state accepting the importance and role of research in creating evidence. Then the state can itself take a lead in sponsoring research in that regard by either directly undertaking the research or collaborating with institutions of higher learning or other research institutions.

Can the agenda of social security policies and propoor economic growth be achieved without the involvement of institutions such as the World Bank, IMF and the others?

The advice would be to get finances in order and demonstrate prudent micro management and make use of IMF, the World Bank and others as a matter of last resort and certainly not for purposes of financing social protection. This is a way to pursue social protection policies. In this regard also there is plethora of evidence that point to the fact that social protection can be afforded nationally irrespective of economic development, the extent of which can be determined nationally within the respective fiscal space. In the case of African states, however, many states are already beneficiaries of budgetary support from these institutions and therefore they are expected to adhere to certain conditions and rules.

employment. Even if they do not formally work, they invest a lot of resources including time in the social care and education of their children. Yet, most of this valuable work performed by women often goes unnoticed and unaccounted for in economics statistics owing to the fact that the returns on investments in human development capital take longer to be realised (see Case Study 2 below).

The Youth and the Unemployed

In South Africa as in most countries in the SADC region there is often the missing middle in social protection systems. This involves people who are able but for one reason or another cannot take advantage of economic opportunities. Mostly these are young people, the youth the most volatile segment of the population. Professor Mpedi was quoted as saying: "The youth in South Africa live in no man's land, they need jobs to gain experience, yet they need experience to secure jobs." The issue of youth unemployment can be approached with a multiplicity of tools and, yes, wage subsidy is one of them, though there are concerns that it would create perverse incentives. Skills development is another event that must be done within the broader context of a carefully designed framework. Therefore any additional intervention that can assist in curbing the harmful effects of unemployment is welcome and should be supported by all. Accordingly, it follows that there is need to adopt different approaches in terms of looking at the factors that determine the demand for labour such as growth, micro economic policies and so on and to look at factors that affect the supply of labour quality namely the quality of labour available on the market in terms of education and skills development. Even when talking about skills development issues, both hard and soft skills should be thoroughly threshed. SMMEs and the informal sector with access to credit and financial markets can play a pivotal role in bringing about active labour market policy to the micro-enterprise sector and that is an engine for pro-poor growth.

All social protection arrangements should not only seek to provide compensation but should be in their very fundamental form, curative and promotional. What does this mean? In the context of labour market it means those who are in employment should remain in employment so that they continue to be self-sufficient. Yet, those who are excluded and marginalised should be integrated into society by way of social transfers such that the able and unemployed labour force can graduate and become

Case Study 2 highlights the impact of child support grant on women and children in South Africa.

Case Study 2:

Child Support Grant and Its Impact on Women and Children in Soweto, South Africa

presented by Prof Leila Patel

The research was conducted at the poor area in Soweto. The data from the study will help to understand the complexity of the practicalities of social protection floors when attempting to addressing issues of economic inclusion, social inclusion and participation. There are general discourses that women are lazy and do not come to work and depend on the grant. In the study, 12.5% of women in the area where the research was conducted receive the grant and only 8% are formally employed. The view is if you take statistics there are conclusions you can draw from them. Generally, employment opportunities are limited and women employment is much lower than men's and so the research sought to understand this in that broader context. The women in this study had completed secondary education which was positively co-related with another study on poverty. So they have very limited educational capabilities to get jobs in the labour market. They are definitely not passive beneficiaries of grants in that almost 25% of them are engaged in small business activities. An additional 25% of them are engaged in casual work. They are actively engaged in work in different ways. What was also learnt was that the majority spent 85% of their time in taking care of children. 40% of the women had children less than five years old. They lived far from areas where they could get jobs so there is huge transport opportunity cost of working. These are some of the barriers to women employment. Gender is being used here as a way of beginning the conversation because its quite a neglected aspect in social security and it can only be hoped that it raises the kind of gender dynamics and issues in relation to participation of women in the economy.

4.2 Deliberations

employed or even be self-employed and hence become contributing members themselves.

Redistribution of Opportunities

Is the state correctly placed to deliver social protection services? Most people seemed to agree that it is very important in the context of pro-poor growth that the state plays a redistributive role at a macro level but at a micro level the state can and should seek the delivery partners in order to meet its social protection objectives. Yet, in most cases the state is the ultimate best entity to deliver social protection interventions.

Many senior citizens are placed with the burden of HIV/AIDS by having to look after orphaned children among others. In the rural areas, what would be the best way to provide social assistance to this category of people given the fact that there are challenges relating to accessibility owing to lack of infrastructure. There can be partnerships with the private sector in the delivery of benefits. In Lesotho, for instance, just within the neighbourhood of South Africa tremendous work is being done in terms of delivering a pension. Even in the far removed and low infrastructure mountainous terrains they make it possible to reach senior citizens.

It is evident that social assistance is probably the most effective poverty alleviation mechanism most states have at their disposal. Social protection transfers remain a very important tool in pursuit of pro-poor growth around the world. Increased provisioning of social protection has made it possible for countries such as India, Brazil and other Latin American countries to significantly reduce the Gini Coefficients and general poverty levels.

To condition or not to condition! Is this a right or bad thing? There is on-going debate around this subject. The simple answer is that this depends on the circumstances of each case. The fact of the matter is that conditions are often put in place to either encourage or discourage certain behaviour, for example to encourage human capital development by requiring enrolment of school-going children or regular health check-ups. However, there are situations where it may be not be such a good idea to impose conditions when the imposition of conditions is likely to exclude many people who would otherwise benefit in the absence of such a condition. When making conditions both the supply and demand side should be balanced. For instance, in our example here, mothers would take children to health check-ups (demand side) if there is an efficient (affordable) transport system and accessible healthcare provision (supply side).

The market distribution of income is generally skewed towards the rich and wealthy. However pro-poor economic growth calls on the state to intervene in terms of redistributing such an income, most of which is collected through taxation so that those at the bottom of the distribution chain may also benefit from economic growth. Conversely, the middle class are often caught in the middle of distribution processes and their expenditure tends to increase at the lower rate than those in higher and bottom brackets of distribution. This predicament often causes a lot of industrial unrest resulting in the middle class embarking on strikes.

It was noted that it is often a challenge to administer social insurance policies in the informal sector. It is not clear whether the resistance is because of a financial burden on the part of the employers to pay for their employees or because of unattainable contributions or simply because of poor administration. It was finally observed that a combination of these factors should be seen as the cause coupled with a lack of entrepreneurship training and even more importantly the fact that employers in the informal sector find the paperwork overwhelming and extremely difficult.

4.3 Coherent Social Security Systems

From Left: Ms Brenda Sibeko (DSD, SA); Mr Albert E. Biwa (MLSW, Namibia); Mr Thembi Nkambule (SWANNEPHA, Swaziland); Mr Nunkoomar Deerpalsing (MSS, Mauritius); Dr Henry Chikova (NSSA, Zimbabwe)

The third panel discussed the issue of institution building, policy framework and the bringing together of fragmented and scattered social protection programmes and efforts in SADC countries and covered following aspects.

- How to promote integrated national social security policies and closer collaboration between social security delivery institutions? How to improve work in an inter-department and multi agency context?
- How to identify people in need of assistance, health care services or income support?
- What are the opportunities to achieve greater synergies between different financing and delivery mechanisms in order to ensure more effective and greater coverage?
- How to ensure a rights-based framework for the entire social security system and set medium term targets to progressively scale up ad hoc anti poverty programs so that they evolve into systemic permanent national social programmes anchored in national law?

Speakers were representatives of both public and NGO social security institutions in SADC countries, the Chief Director of the Department of Social Development (DSD) in South Africa, Ms Brenda Sibeko, the Deputy Director of Social Welfare at the Ministry of Labour and Social Welfare Namibia, Mr Albert E. Biwa, Mr Thembi Nkambule of the Swaziland National Network of People Living with HIV/AIDS (SWANNEPHA), the Senior Advisor at the Ministry of Social Security Mauritius, Mr Nunkoomar Deerpalsing and Dr Henry Chikova, Head of Division at the National Social Security Authority (NSSA) Zimbabwe.

After the speakers gave valuable insights into their professional experience and the history of the represented programs and institutions, an intense debate focused on a number of issues.

Fragmentation of social protection institutions and programmes is seen as a major obstacle to coherent and comprehensive policy frameworks. It precludes full coverage, leads to contradicting policies in different departments and hampers inter-programme harmonization. Mr Deerpalsing was happy to present Mauritius as a case where all social protection programmes are arranged under a common roof. He attributed the successes of Mauritius to political will and government's commitment, something which was declared to be desirable by representatives of many other states. He was quick, however, to remind the audience that Mauritius transformed to a middle-income country from a poor country, 97 % of whose economy was supported by mono-crop (sugar).

While it seems beneficial to attempt the formalisation of the informal sector, in most SADC countries this is a task that will consume enormous efforts in medium to long-term scenarios. Thus, finding ways how to reach the people in the informal sector is an urgent task at hand. Integrating institutions aimed at formal insurance and pensions systems with cash transfers or basic income grants directed at

4.3 Deliberations

people in subsistence production may not prove so easy. While coherence is very much desired, ways are needed to combine the two systems of thought. The bottom line may be, "you can have as many agencies as you want, just have them under a common roof", as remarked by Mr Biwa.

Case Study 3 elaborates how the South African Unemployment Insurance Fund promotes an active labour market:

Case Study 3:

Promotion of Active Labour Market by the Unemployment Insurance Fund (UIF), South Africa

presented by the UIF Commissioner Mr Boas Seruwe

Promotion of active labour market – the case study of South Africa Unemployment Insurance Fund; as presented by the UIF Commissioner Mr Boas Seruwe

The board of the UIF at the beginning of the economic crisis in 2008 grappled with the issue of how to develop income support mechanisms under its administration. The board realised that members were getting a raw deal in terms of UIF benefits which only last for eight months or so, after which members are left in the cold without any form of financial support. The board then made a recommendation to the Minister of Labour that the UIF should start playing an active role in terms of facilitating members' participation in the labour market. To this end the board felt that among other things members could be equipped with necessary skills that will enable their re-absorption into the labour market.

For example at the beginning of the economic crisis, the UIF committed about 1.2 billion Rand towards a scheme called "training layoffs" whose sole purpose was to try and identify companies that were aiming to retrench workers or restructure their entities. The idea was to try and identify the affected workers so that UIF could up their skills so that in turn they would remain productive and hence employed.

There were many other programmes which the UIF developed with the aim of improving competence of the workers. However, the implementation of these active labour market programmes was not without lessons. One of the key lessons learnt was that the success depended primarily on the involvement of other key stakeholders such as organised labour and organised business.

It is easier to establish social protection systems in countries where all the stakeholders come together and agree on the goals and objectives and how to achieve such objectives. This brings about coherence in social protection systems. It therefore becomes very easy for policies and laws to be drafted and implemented because all own the system. The state should be responsible in terms of playing a leading role and have to be strong enough to be able to drive the process.

To drive the social protection floor agenda, the country needs an institutional architecture and this does not simply mean the building and institution but encompasses legislative framework which is informed by strong policies that have full ownership by all the stakeholders.

Social protection decisions have to be made at national level on whether contingencies should be housed under one roof or whether they should remain fragmented with strong coordination mechanisms. This way duplication and "double dipping" would be avoided. Cost containment is critical when delivering social protection benefits. That is, social protection benefits should be delivered to as many people as possible at the minimum possible cost. Social security institutions can easily achieve this by sharing certain common costs where possible. For instance, institutions can share a data registry as opposed to each of the institutions having its own data registry. There is no system that would be perfect from the onset. The idea is to start something and then if it breaks "fix it as you go", as Ms Sibeko from the Department of Social Development, South Africa observed.

Social protection awareness raising campaigns still continue to be a challenge in the SADC. As a result, the majority of the people still lack access to information regarding their rights and responsibilities regarding social protection.

Care should be exercised when dealing with donors because often they have their own agendas which they could apparently impose on states. States, too, when given funds by the donors for a specific purpose tend to use such funds for other purposes including personal gain. As a result, donors now feel reluctant to work with states and prefer to channel their funds through NGOs.

In as much as HIV/AIDS continues to be a threat to lives of the people in the SADC and the rest of Sub-Saharan Africa, the majority feels that it would not be a good idea to isolate HIV/AIDS by having exclusive social protection programmes because such would leave out other needy people and here we are talking about inclusivity. In

addition exclusive programmes could only advance stigma. Rather, it was unanimously agreed that social protection systems should target all vulnerable people including people with HIV/AIDS.

A comprehensive coverage of social protection can be achieved through a lifecycle approach (see Figure 3) where social protection benefits are designed to meet the needs of people during each stage of life:

- •Children would generally receive grants;
- •the active and employed would receive benefits from social insurance schemes;
- •the able-bodied but indigent and/or unemployed would benefit from public works and/or social assistance;
- • the elderly, people with disabilities and others who are inactive (such as chronically ill) would receive benefits such as old-age pensions or disability grants.
- •In addition, all people (not just the above categories) would also receive health care.

Consequently, social protection should follow a multi-pillar approach as shown in Figure 4.

There is plethora of available literature that points to the fact that adequate provision of social security can act as a stabiliser during times of economic crisis.

Is there really a difference between social protection and social security? Some think “YES” others “NO”. It is common practice that these two terms are often used interchangeably. Yet, there is another school of thought that draws a distinction that social protection has to do with broader and encompassing interventions while social security falls within social protection covering elements of social insurance and social assistance.

The discussion around the subject of exit strategies was concluded by agreement that there is no such a thing as exiting from a social security. What can only happen is for individuals to graduate from one form of social security coverage to another and vice versa.

Figure 3: Life-Cycle Approach

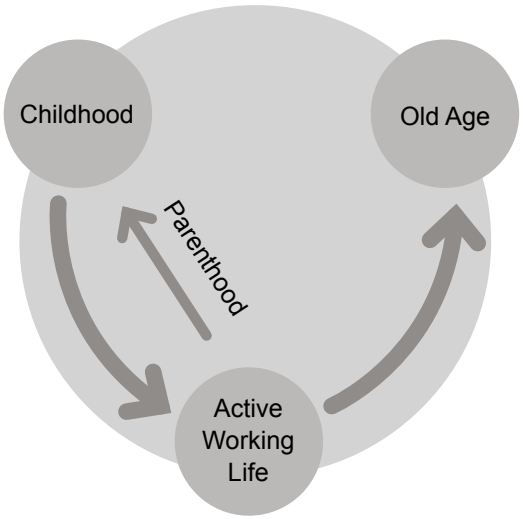
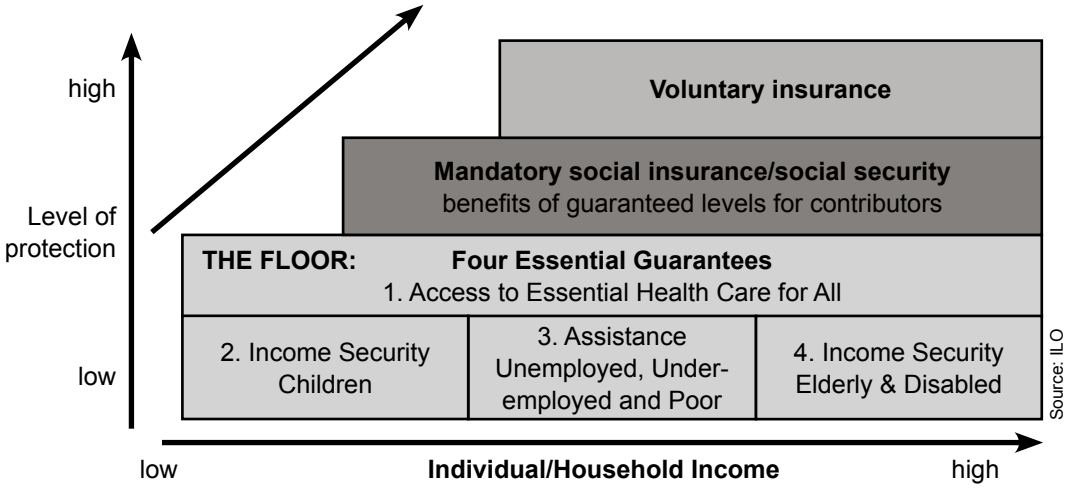


Figure 4: Social Protection Staircase



4.4 Deliberations

Tuesday 15th May
Panel Four

4.4.Governance and Capacity to Implement SPF Policies and Programs

From Left: Mr Bitso Paul Bitso (Lesotho); Ms Raphaahle Ramokgopa (SASSA SA); Mr Albert E. Biwa (MLSW, Namibia)

On the second day of the conference, the fourth panel consisting of Mr Bitso Paul Bitso, Social Security Fund Administrator, Lesotho, Ms Raphaahle Ramokgopa, Executive Manager of the South African Social Security Agency, SASSA, and Mr Albert E. Biwa, Deputy Director at the Ministry of Labour and Social Welfare, Nambia, discussed two pertinent issues:

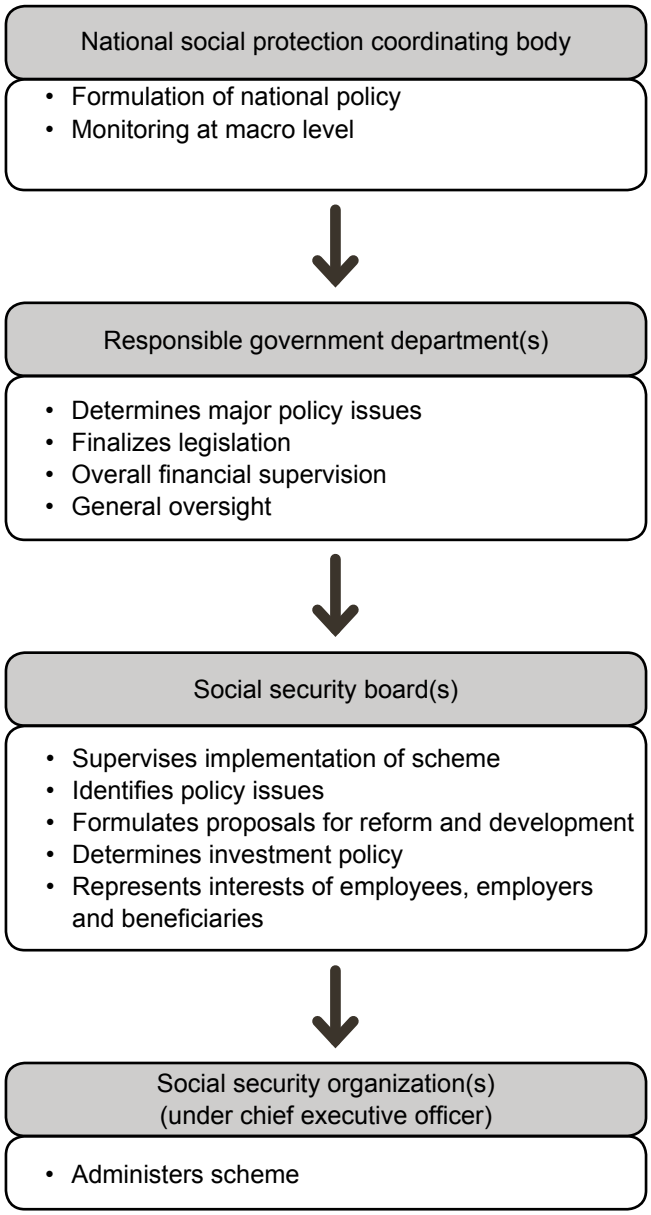
- What type of administration is needed and which governance systems?
- How to harness new tools and techniques for the implementation of social protection schemes?

The speakers shared their experiences from a pilot cash transfer in Lesotho and desired national rollout, the administration of old age pensions in South Africa and the Basic Income Grant and other programmes in Namibia. These are the issues that emerged:

National Social security systems should be automated and interface with other systems such as databases of ministries of home affairs. Attempts should be made by SADC countries towards implementing contemporary and sophisticated systems that ease delivery mechanisms of social security programmes, particularly social assistance programmes. This could include efforts to establish interactive national registries, General Positioning System (GPS) and biometric technologies. Manual systems are commonly open to irregularities, fraud and inefficiencies and have unbearably long turnaround times. As a result of automation, social security delivery institutions such as the South African Social Security Agency (SASSA) have successfully managed to reduce turnaround times across the country from 30 days to an average of 9 days. Ms Ramokgopa submitted that work that they used to do in days can now be achieved in less than an hour. She said, to further improve their technology they are introducing a new a payment system which has both biometric and voice recognition features. This is done to give beneficiaries options where they would have a choice of either of the two. Moreover, the development is meant to enhance service delivery while still maintaining optimal checks and balances. Thus it was learnt that social security systems require continuous improvement which keep them in line with technological advancement that improve service for the members. Meanwhile, Lesotho is also building up a national social protection registry where the use of technology such as the GPS is being used to feed data into the registry. They have started with the child grant programme in selected areas and hope to unroll it to other programmes at a later stage.

According to the ILO International Training Centre, a contributory social security structure should ideally look something like this:

Figure 5: The Ideal Contributory Structure of Social Security



Source: ILO compilation

As regards access to social protection services in both institutional and physical ways, missing infrastructure such as access roads may impede many potential members of social security programmes to enrol especially if such programmes are based on voluntary enrolment. The high entry level requirements to the programmes as well as opening times could often be a challenge for many people disempowered by poverty to attain.

It became apparent from the presentations at the conference that social security institutional arrangements vary vastly from country to country. In some countries governments are responsible for delivering social security benefits to the beneficiaries while in other countries like South Africa governments have established autonomous institutions to deliver benefits. The question is what is the best institutional arrangement for delivery of social security benefits? The best simple answer is really that whichever works for the country given its circumstances.

The challenges with regard to the building up of social protection schemes and programmes from scratch were said to include:

- Political will and commitment
- A champion to lead the process passionately
- Learning from the best with successful and similar schemes
- Policy formulation and legislation
- Capacity building and popularisation campaigns
- Autonomy of scheme without government interference
- Finding an institutional home and ensuring all operational requirements are in place

4.5 Measuring and Creating Fiscal Space

From Left: John Kruger (Oxford Policy Management SA); Marianne Ulriksen (UJ, SA); Nuno Cunha (ILO Mozambique)

On the fifth panel Dr John Kruger of Oxford Policy Management, Dr Marianne Ulriksen of the Centre for Social Development Africa at the University of Johannesburg and Mr Nuno Cunha of the ILO office Maputo discussed the two steps required in securing the financing of social protection:

- specifying financial requirements and resources and social budget modelling
- identifying fiscal space and raising national domestic resources over multi-year programming budget cycles.

After the speakers reported on the intricacies and challenges in measuring and creating fiscal space, including the need to get the numbers right, the significance in reassuring policy makers and the public on the projected costs of social protection programmes, the discussion highlighted particular aspects as shown below:

Social protection expenditure requirements compete for fiscal space with other important national priorities. As a result, tools that can help substantiate the need to prioritise social protection are needed. To this end, SADC member states present at the conference and other stakeholders identified social budgeting techniques that can be used in this regard. Thus apart from being used as a costing tool, social budgeting is useful for predicting future revenue and expenditure trends as well as analysing trends for economic growth. This information is important for decision making purposes as decision makers can only make informed decisions upon availability of evidence.

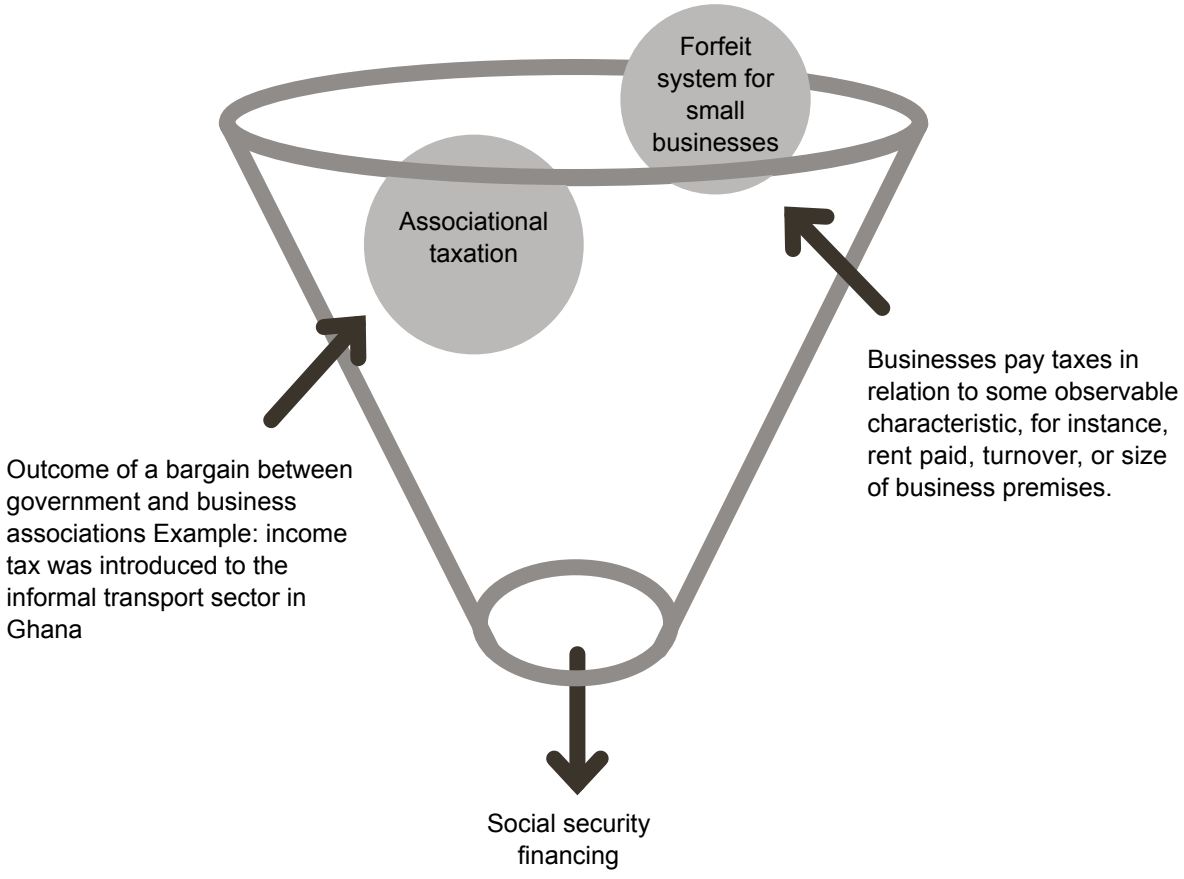
Social protection floor benefits are generally financed from revenue collected from individuals and businesses by way of taxation. Consequently, the majority of those present in this conference agreed that national taxation systems should be structured in such a way that it is progressive in nature, so that the rich pay more and this can then be distributed to the poor by way of social transfers. Also middle classes should in some way be associated with and benefit from the introduction of new social protection schemes because they will more strongly support them over time, whilst demanding good services.

It was agreed that wealthier taxpayers significantly contribute in creating the fiscal space. As such it was argued that they should benefit from the social transfers. Thus, it was agreed that in so far as it is practical, efforts should be made to provide social protection benefits to all on universal basis. It was observed that universal grants do not only promote solidarity between social protection financiers and recipients but also eliminates incidents of stigma and exclusion.

Fiscal space can be created through innovative ways that maximises tax collection. The meeting observed that innovative ways could include, building strong tax collection institutions (example of SARS in South Africa) and higher sin tax to discourage consumption of harmful

substances such as tobacco and alcohol. Some countries take bold and yet resourceful decisions to create fiscal space. For example the meeting heard that Costa Rica dissolved its army and used the funds that used to be spent on the army to increase social spending. New taxes on natural commodities and resources are also a promising way forward. Consideration could also be given to harness VAT especially on luxury goods. Fiscal space can easily be created through innovative means if there is political will that is coupled with ability to implement. Creating fiscal space is being chiefly seen as a political task and not so much a technical task.

Figure 6: Taxation of the Informal Economy: Need to Think Out of the Box



4.6 Guidance Tools From SADC and Opportunities for Support

From Left: Prof George Mpedi (CICLASS), Mr Arnold Chitambo (SADC Secretariat); Mr Austin Muneku (SATUCC), Mr Heiner Naumann (FES Zambia), Ms Emmanuelle St. Pierre-Guibault (ILO Geneva)

The SADC representative, Mr Arnold Chitambo, officer for Labour and Social Security at the SADC Secretariat Gaborone, Mr Austin Muneku, the Executive Secretary of the Southern Africa Trade Union Coordination Council, SATUCC, the conference keynote speaker, Ms Emmanuelle St. Pierre-Guibault, legal expert at ILO Geneva, and Mr Heiner Naumann, Resident Director of Friedrich-Ebert-Stiftung Zambia closed the conference with the sixth panel to discuss the roadmap of Social Protection Floors in SADC instruments such as the SADC Code on Social Security and its new Monitoring Tool under development, and ILO instruments. Speakers thus represented the three organising institutions of the conference.

Mr Chitambo thanked the speakers and participants of the conference at what he described as a critical juncture in the road to social protection and SADC cooperation. He pointed to the importance of bringing employers and workers' organisations together in discussions. He outlined the SADC ELS structure as shown on the opposite page.

Mr Muneku welcomed the high level of commitment expressed throughout the conference and called upon the social partners to move forward with the social protection agenda.

The meeting was also informed about social protection instruments that have so far been adopted by SADC and the importance of using these instruments to inform policy formulation and decisions by member states. The Charter on Employment and Social Rights which was developed in 2003 gave birth to the Code on Social Security adopted in 2007 which details provisions in terms of how member states should be guided to develop, implement and monitor the issues of social protection. A monitoring and evaluation tool was subsequently developed and was now being tested in some SADC countries, namely Angola, Mozambique, Zambia and Zimbabwe. The tool will assist in terms of how member states are implementing the code on social security.

Mr Naumann declared the commitment of FES to the promotion and support of the SPFI in general and the SADC countries in particular advised on four activities that FES would be willing to support:

- The provision and dissemination of broad information (including the creation of a website to pool available but scattered information).
- The support of lobbying and awareness campaigns (brochures, leaflets, workshops).
- The promotion of exchange between policy makers, employers and trade unions.
- The support of a SADC network of social security experts.

Figure 7: SADC Employment and Labour Sector (ELS) Organisational Structure

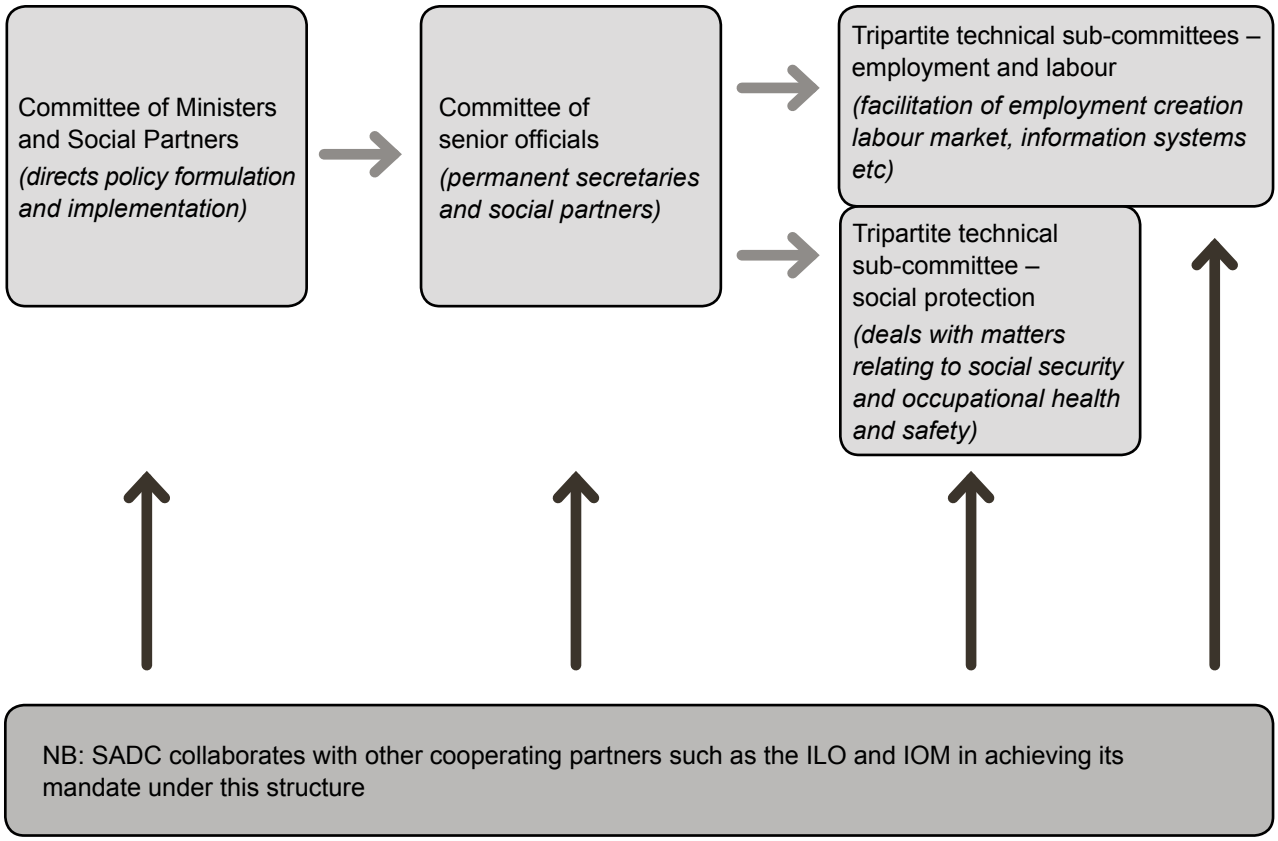


Table Of Contents

SASPEN was founded at the conference presented in this publication, on May 15, 2012 in Johannesburg, South Africa.

Social Protection in Southern Africa

Join the Experts

Be Part of the Network

SASPEN
Southern African Social Protection Experts Network

The Southern African Social Protection Experts Network, SASPEN, is a not-for-profit loose alliance of stakeholders, scholars and consultants who engage with social protection in the SADC region. It promotes the fostering, expansion and improvement of social protection in SADC countries and engages in dissemination and sensitisation by providing platforms for exchange regarding social protection programmes, frameworks, research and consultancies and by creating network structures to link participants with each other and to relevant institutions. Activities of the network may include country workshops, international conferences, seminars, publications, joint research, dissemination of information.

The network aims to provide a basis for (i) sharing of experience and information based on research and in-depth knowledge of social protection issues, (ii) constructive debate, discourse, discussion and reflection among experts and with stakeholders and role-players, and (iii) rendering a range of services to support the promotion, development and implementation of social protection in SADC countries, with reference also to strengthening social protection floor initiatives – on a commissioned, requested or self-initiated basis.

The exchange and interaction within the network is guided by the principles of independence of individual participants, collaboration in network activities, professionalism and objectivity.

The network is not membership-based. There are two modes of possible involvement by individuals in the network: affiliation and registration. Both modes require participants to create a user account in the web-based network platform www.saspen.org/network. By so doing, participants become affiliates and are subscribed to the network's emailing list. Those who furthermore express willingness for active participation in network activities by filling out an expert profile qualify for the status of registered network participant. Registered participants make themselves visible to other registered network participants and in turn receive access to their profiles. They may thus also be visible to third party institutions in search of expertise or services. Institutions can be affiliated to the network and advertise their engagement and activities.

Participation in the network is free and carries no responsibilities or financial rewards or entitlements. No contractual arrangements involving network participants (or facilitated through platforms provided by the network) will include the network but will be subject to individual parties who may link and/or engage through the network.

Affiliate yourself to the network online: www.saspen.org/network

www.saspen.org ⬡ www.facebook.com/SASPEN.ORG ⬡ www.linkedin.com/company/saspen ⬡ Follow SASPEN on twitter @SASPENNEWS

On June 14, 2012, the 101st session of the **International Labour Conference** (ILC) in Geneva unanimously adopted the **Recommendation 202 "Recommendation concerning National Floors of Social Protection"**. A global consensus of this magnitude regarding social policy represented a unique expression of political good will and worldwide agreement that the minimal implementation of social protection and subsequent gradual expansion to the best of countries' individual possibilities are the order of the day. The recommendation was subsequently hailed as a landmark event and global breakthrough by the ILO and has since caused much enthusiasm among human rights activists, social protection experts, policy makers and labour partners alike. It was agreed to guarantee a **set of 4 basic benefits: healthcare for all, income security for children, income support for those unemployed, underemployed or poor and income security for senior citizens and persons with disabilities**. The recommendation follows a two-dimensional strategy - after a horizontal expansion to cover entire populations with the above minimum guarantees, a vertical expansion guided by the social security principles of ILO Convention 102 "Social Security (Minimum Standards)" of 1952 and other relevant frameworks is then to extend the level of benefits and build comprehensive social protection systems on the foundation of the floor.

The adoption of the Recommendation 202 was preceded by **years of preparation and consultation**. In 2009 the United Nations Chief Executives Board officially initiated the Social Protection Floor Initiative as one of nine initiatives responding to the global economic and financial crisis in a joint effort of nineteen UN bodies and global civil society and donor organisations. First, expert information was gathered and all 185 ILO member countries and their employer/worker organisations were provided with a law and practice report and questionnaire for comment. Despite the fast-track process, more than 100 government and more than 120 employer and worker organisations returned the questionnaire and in March 2012 the office draft of the recommendation was published and finalised at the ILC in June. In-between, the SADC states and labour partners met to consult and discuss the draft in Johannesburg in May.

In May 2012, to the day a month before the ILC 2012, **the social partners of the entire SADC met** at Birchwood Conference Centre in Johannesburg to deliberate the recommendation and discuss the possibilities of its implementation in the SADC states on national level. This brought together **representatives of all SADC governments, employer organisations and trade unions and more than 20 experts** from the entire region and all academic disciplines and social protection related working fields. For two days the conference discussed how to translate the unanimous political will into policies and programmes, how to create coherence between general development efforts and policies and the reform, creation, consolidation or expansion of social protection systems. From financing and fiscal space, political and economic impact over gender equity and extension to the informal economy, to central information systems, service delivery and administrative fragmentation, social protection issues, challenges and opportunities were discussed across the board.

This publication documents the proceedings of the conference co-hosted by ILO, SADC and FES. At the end of the conference, in an additional meeting, the Southern African Social Protection Experts Network (SASPEN), a regional network of social protection experts and stakeholders was founded. SASPEN was later officially launched in September 2013 (**www.saspen.org**) and continues the international exchange across disciplines, policy-fields and social partners which was so remarkably facilitated at the May 2012 conference in Johannesburg.

Published and Copyright by:
Friedrich-Ebert-Stiftung (FES)
Zambia Office, 5583 Great East Road
Kalundu, Lusaka, P.O. Box 30554
Phone: +260 211 295615/6, www.fes-zambia.org, info@fes-zambia.org

Author of the Report: Bitso Paul Bitso (Pretoria, South Africa)

Edited by Luis Frota (ILO Pretoria) and Daniel Kumitz (FES Zambia)
Layout by Eva Schmid
Printed by Associated Printers Ltd., PO Box 32104, Lusaka, Zambia
Friedrich Ebert Stiftung Zambia, P.O. Box 30554, Lusaka, Zambia

ISBN 978-9982-9973-0-0

FRIEDRICH EBERT STIFTUNG