

AWCA Technical Seminar 2024

Employment Injury Benefits for Migrant Workers

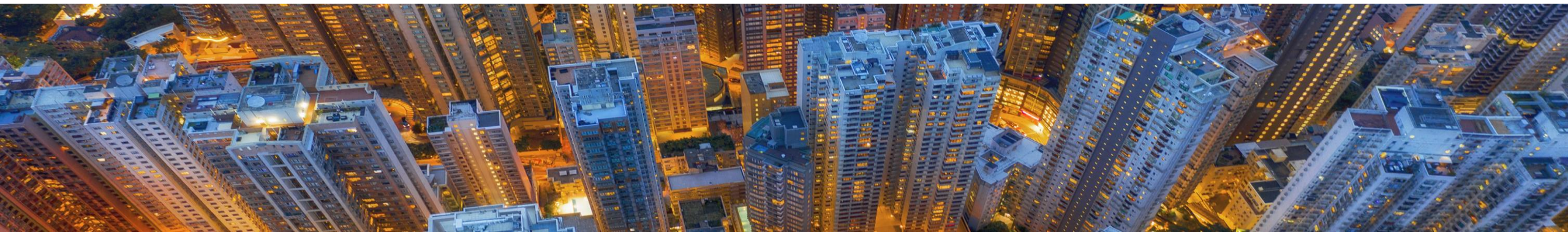
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Extending Social Security Protection to Migrant Workers through Social Security Agreements (SSAs): *The Philippine Experience*

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Outline

1

Introduction

2

Recent Policy Reforms

3

Challenges and Successes

4

Impacts on Migrant Workers

5

Lessons for Other Countries

6

Regional Collaboration

A stylized blue globe with a network of white lines connecting various points, primarily concentrated in the Asia-Pacific region. The globe is set against a background of light blue geometric shapes and a pattern of small white dots.

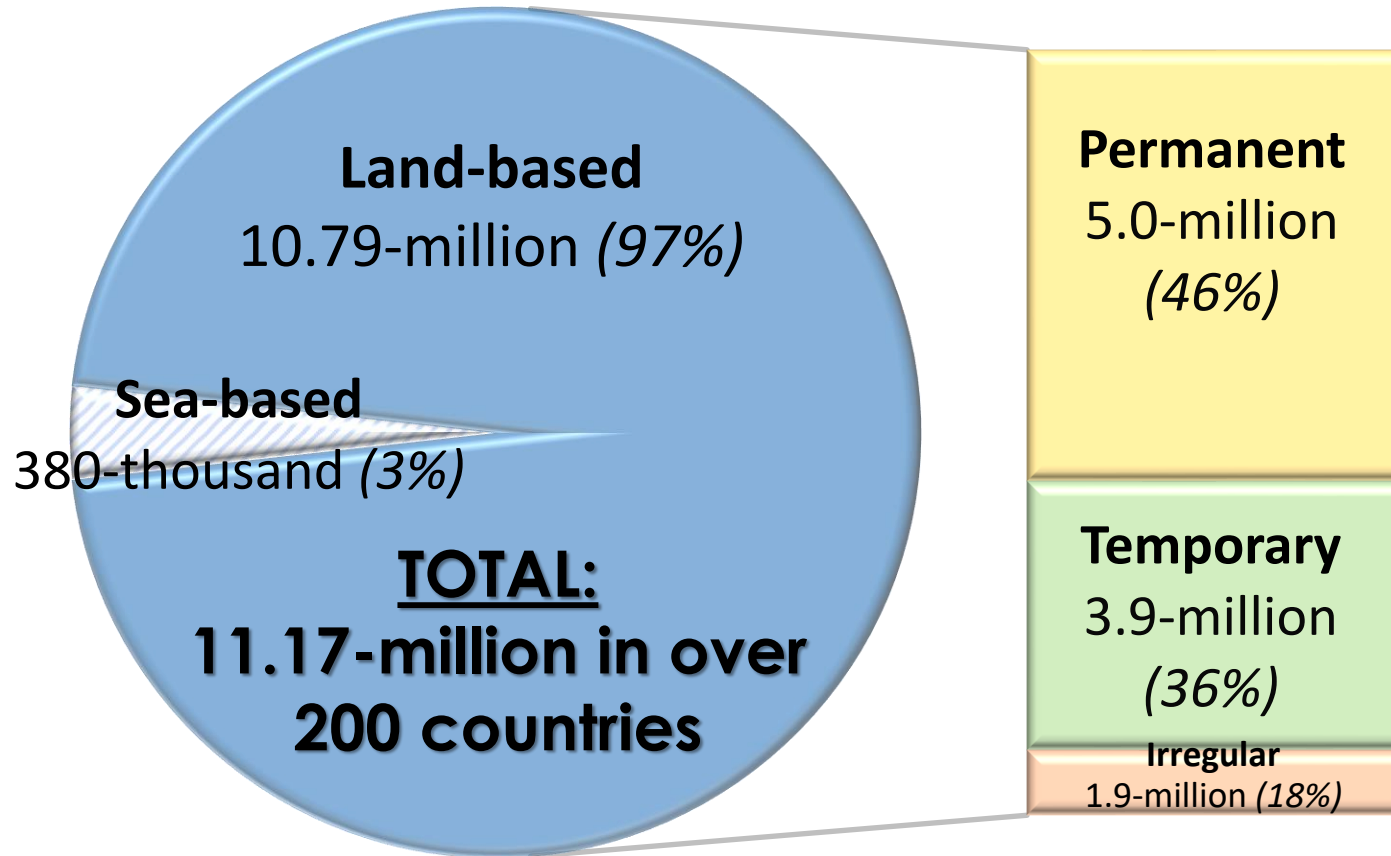
Part 1

Introduction

- Overview of PH Labor Migration
- Response to Issues on Migration: Two-Pronged Approach
- Status of PH Social Security Agreements
- Process of Negotiation

State of PH Labor Migration

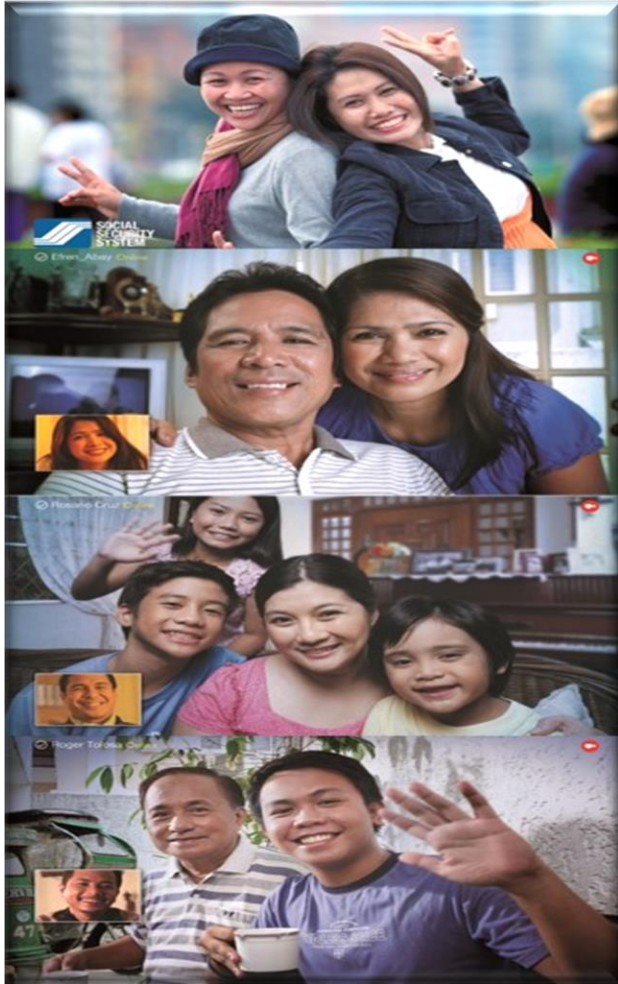
Stock Estimate of Migrant Filipinos



- ***PH as 9th top sending country with largest migrant population & 4th top recipient of remittances***

State of PH Labor Migration

Issues of Migrant on Social Security



Reality of large-scale migration

- ▶ **Temporary migrants: Exclusion from coverage under host countries' schemes**
 - Hence, no access to benefits, especially for long-term needs such as in retirement (pensions)
- ▶ **Permanent migrants: Difficulty to become eligible to full pension entitlement**
 - Long residency or service requirement (usually, 20-40 yrs)
 - Reduced amount or modified benefit, w/ strict conditions

Constitutional duty of the State to provide protection to labor, whether local or overseas

Response to Social Security Issues on Migration

Two-Pronged Approach

In collaboration with Dept. of Foreign Affairs (DFA) & Dept. of Migrant Workers (DMW)

1. FORGING BILATERAL SOCIAL SECURITY AGREEMENTS

Focus: Permanent type

Start: Early 1980s with adoption of standards under ILO Conventions ratified by PH

Purpose: **Portability arrangements**

[Bilateral Approach]

2. EXTENDING SSS COVERAGE TO OVERSEAS FILIPINOS

Focus: Temporary & irregular types

Start: 1988 for sea-based workers & 1995 for land-based; 1998 for SSS foreign representative offices

Purpose: **Access & eligibility to benefits**

[Unilateral Approach]



Response to Social Security Issues on Migration

1. Status of PH Social Security Agreements (SSAs)



1. Austria (1982)
2. UK & N. Ireland (1989)
3. Spain (1989)
4. France (1994)
5. Canada (1997)
6. Quebec (1998)
7. Netherlands (2001)
8. Switzerland (2004)
9. Belgium (2005)
10. Denmark (2015)
11. Portugal (2017)
12. Germany (2018)
13. Japan (2018)
14. Sweden (2019)
15. Luxembourg (2020)
16. South Korea (Apr 2024)

Bilateral Social Security Agreements

Process of Establishment

1. Conduct of exploratory meetings

Presents features of country scheme

Shares profile of covered persons

Discloses preferences on SSA provisions

May not yet commit to proceed

2. Conduct of formal negotiations

Prior: Prepares & submits draft SSA to other Party for review

Initial: Clarifies each SSA clause & decides on specific wordings

Succeeding/Ending: Finalizes SSA for interim concurrence

3. Signing & ratification of the Agreement

Schedules SSA signing through diplomatic channels

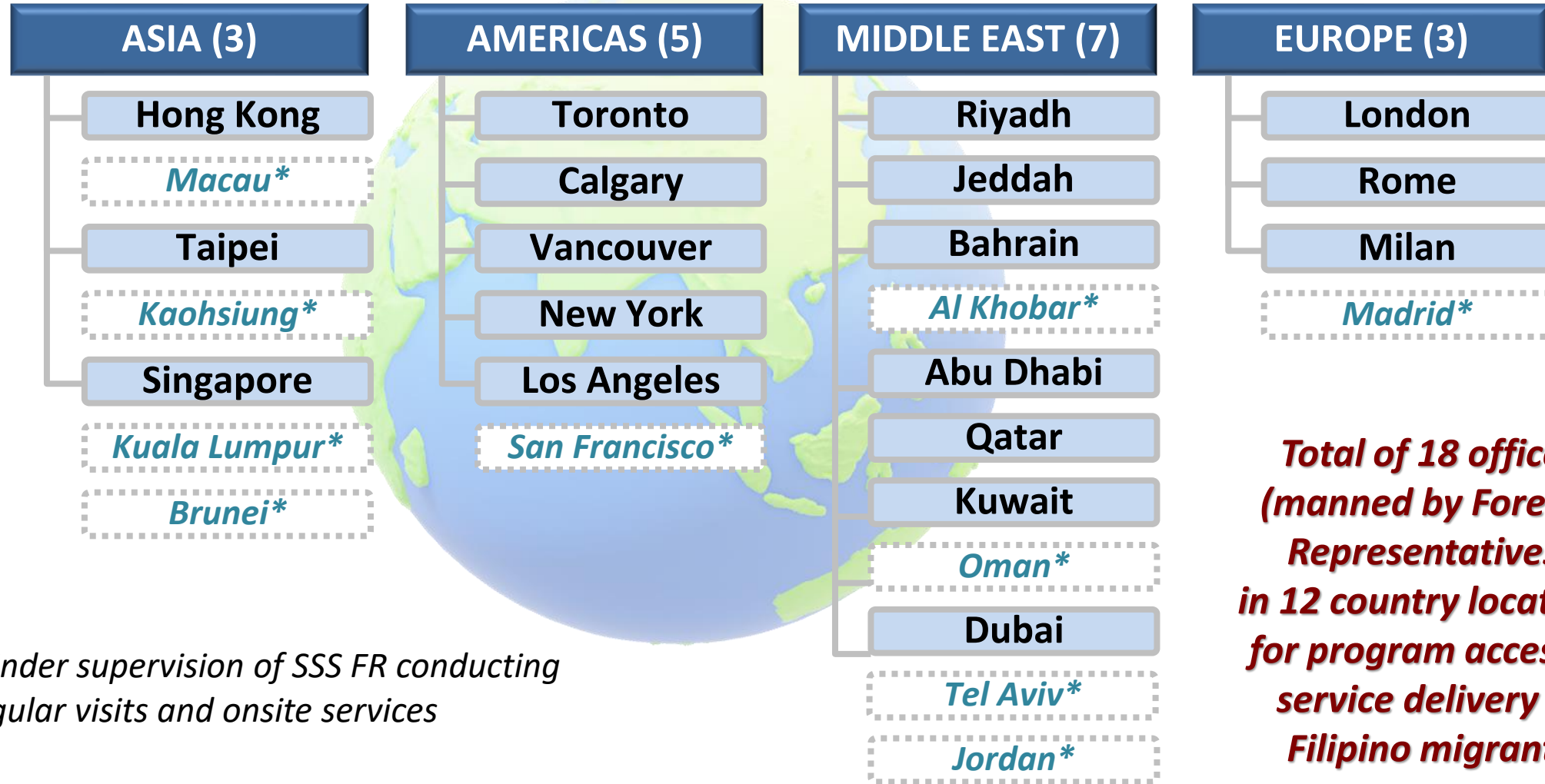
Complies with own country's SSA ratification requirements

Holds meetings of liaison offices on implementing guidelines

4. Entry into force & implementation (country notification)

Response to Social Security Issues on Migration

2. Extending SSS Coverage to Overseas Filipinos



**Under supervision of SSS FR conducting regular visits and onsite services*

***Total of 18 offices
(manned by Foreign
Representatives)
in 12 country locations
for program access &
service delivery to
Filipino migrants***

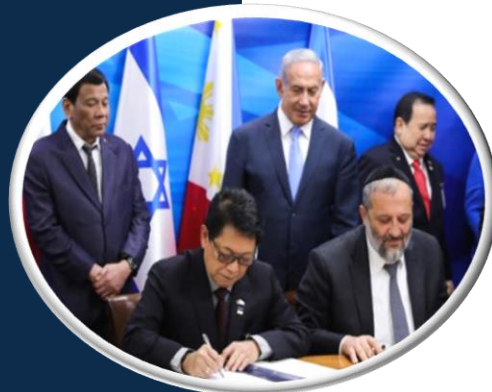
A stylized blue globe with a network of white lines connecting various points, primarily concentrated in the Southeast Asian region. The globe is set against a background of light blue and white geometric patterns.

Part 2

Recent Policy Reforms

- **RA 11199**
(Social Security Act of 2018)
- **RA 11641**
(Department of Migrant Workers Act)

**AS AN EXPRESSED
MANDATE OF
DFA, DOLE & SSS
UNDER RA 11199
(SOCIAL SECURITY ACT
OF 2018)**



***Bilateral social security
agreement (SSA)***

- Consistent w/ ILO Conventions
- Filipino migrant workers covered by host country's scheme, allowing for portability

***Bilateral labor
agreement (BLA)***

- Negotiating decent working conditions for Filipino migrant workers
- Incorporating SSS provisions in standard employment contract



- **Department of Migrant Workers created by virtue of RA 11641**
- **Executive department (i.e., Ministry) of the Philippine government tasked to protect the rights and promote the welfare of Overseas Filipino Workers (OFWs)**



Part 3

Challenges and Successes



Challenges Encountered in PH Bilateral SSAs

External factors

Incompatibility of PHL SSS program with social security scheme of host country: Social insurance vs. provident fund

Non-coverage of foreign nationals under social security laws of host country: Reciprocity & equality of treatment not satisfied

Country-specific requirements for SSA negotiation: e.g., current active membership in sending country at least 50% of labor force

Lengthy process of negotiation & securing consent
(usually due to ongoing/planned pension reforms in other country)



Challenges Encountered in PH Bilateral SSAs

Internal factor

Delays encountered in securing concurrence of PHL government for the entry into force of SSA

(many other top legislative agenda)



Part 4

Impacts on Migrant Workers



1. Bilateral Social Security Agreements

Benefits to Migrant Workers (as contained in the provisions)

1. Equality of treatment

Entitlement of a covered person to social security coverage under same conditions as nationals of receiving country

2. Export of benefits

Continuous receipt of benefits wherever a covered person decides to reside: sending country, receiving country or even in a third State

3. Totalization of insurance periods

Combining creditable periods (residency or contribution service) earned by a covered person in both countries to determine benefit eligibility & pro-rated computation

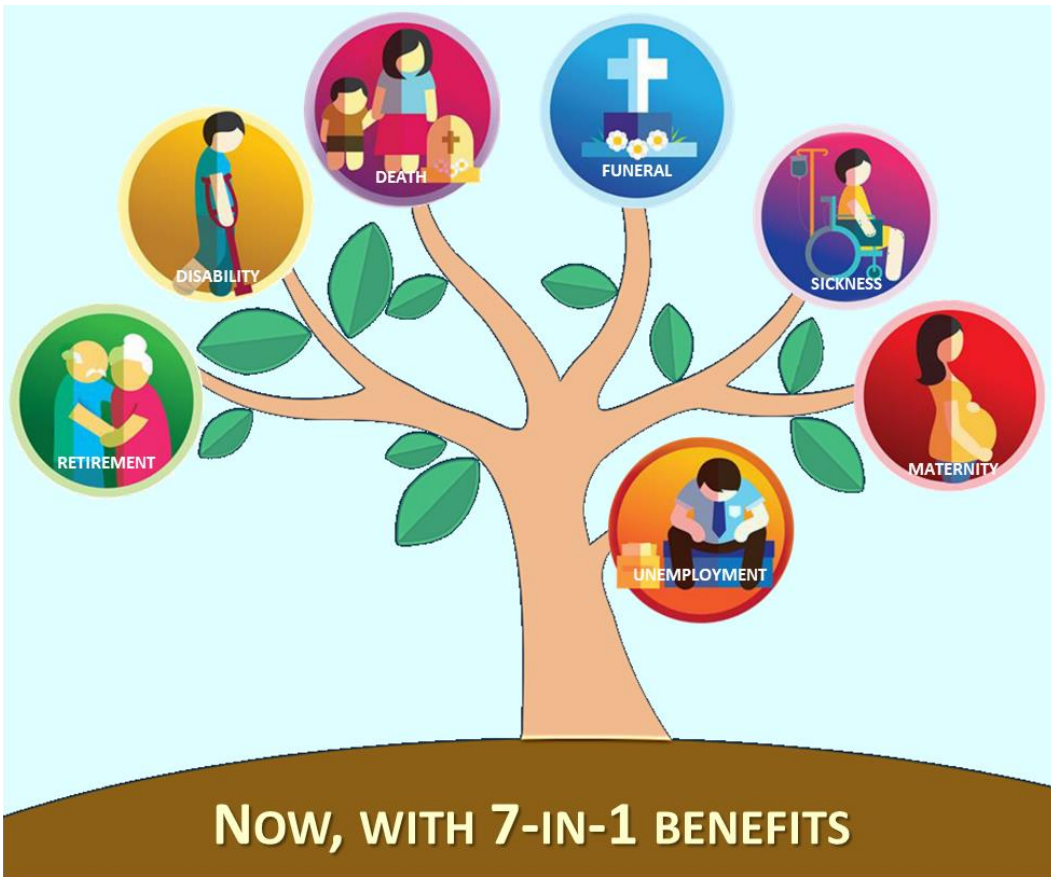
4. Mutual admin assistance

Coordination among country liaison offices countries to extend assistance to covered persons & implement SSA



2. Extending SSS Coverage to Overseas Filipinos

Regular SSS Program: Benefit Package



All benefit provisions under the new law applicable to OFWs, subject to qualifying conditions

- Monthly pensions for long-term
- Cash allowances for short-term
- Loan privileges for urgent cash needs

Same contribution covering all contingencies, under defined-benefit scheme same as local workers in PHL

Part 5

Lessons for Other Countries



PH Insights on SSAs

Main Challenge in establishing SSAs

Satisfying the following **reciprocity** conditions ~

1. Coverage of foreign nationals in host country
2. Compatibility of social security schemes (Social insurance vs. Provident Fund)
3. Mutual consent/willingness of both Contracting States (i.e., respective national interest are satisfied)

➤ *May need legislative reforms (if foreign nationals are not covered), strengthening of capacity-building efforts, in-depth sharing of best practices through country visits*



Part 6

Regional Collaboration



Opportunities for Regional Cooperation

- ❖ **Support of Asian States on instruments that promote the welfare of migrant workers** (e.g., ratification of ILO Social Security Convention Nos. 118 [Equality of Treatment] & 157 [Maintenance of Social Security Rights], Global Compact for Migration)
- ❖ **Continuous study of social security experts, taking into consideration various earlier studies/research on different social security schemes in Asia for possible development of “model provisions” that are tailor-fit to the needs of Asian States** (similar to other Regional Economic Groups ~ e.g., European Union)
- ❖ **Intensified coordination among Asian nations allowing establishment of linkages, sharing of information, discussion among competent social security institutions and commitment for a tangible and time-bound outcome for each country**





“The development of a comprehensive network of ASEAN social security agreements may take time ... However, unless the process is begun, it will never be completed, and most ASEAN migrant workers will remain without social security protection.

Without social security agreements, the greater integration of the ASEAN region, which offers so much hope for a better economic future for all member countries, will be severely impeded.”

Edward Tamagno

*Strengthening Social Protection for ASEAN Migrant Workers
through Social Security Agreements (2007)*

Thank you

