



DECENT WORK

better world starts here.

International Labour Organization

# Social Protection Assessment Based National Dialogue

**Completing the social protection floor in Thailand** 

## The need for a social protection floor

Social protection is a Human Right. All people have the right to a decent standard of living, including the right to be protected from difficult, unanticipated circumstances (such as unemployment, sickness, disability, and old age), and the right to access essential social services such as health care and education.

The Social Protection Floors (SPF) Recommendation (No. 202) promotes nationally defined strategies to protect a minimum level of access to social services and transfers. Therefore, by properly implementing the SPF, countries can facilitate adherence to this human right, eradicate poverty and by investing in human capital, allow for inclusive economic growth. ASEAN Leaders have adhered to the SPF principles by adopting the ASEAN Declaration on Strengthening Social Protection on

9 October 2013, at the 23<sup>rd</sup> ASEAN Summit in Brunei Darussalam. In order to effectively install SPFs, a comprehensive understanding of existing social security schemes, and the identification of policy gaps and implementation issues are required. After mapping the current state of social security,

context-specific policies need to be further designed and implemented to close social protection floor gaps. The Assessment Based National Dialogue (ABND) is an instrument designed to reach these objectives, in systematic collaboration with tripartite partners including line ministries, workers' and

Launch of the ABND report. More info available at www.socialprotection.org/gimi/gess/ShowProject Page.do?pid=2097



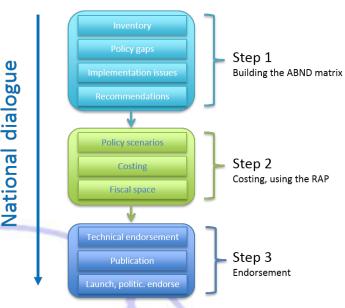
employers' organisations, civil society organisations, academia as well as UN agencies. In Thailand, the ABND was conducted from April 2011 to March 2013. It was launched at the government house in the presence of the Minister of Labour, the Minister of Social Development & Human Security, and the Minister attached to the Prime Minister's Office. Amongst the 300 attendees were the UN Resident Coordinator Mr Luc Stevens, the Director of the ILO Decent Work Team Mr Maurizio Bussi and staffs of the Thailand UN Country Team.

## The ABND methodology

The ABND is predicated on a robust methodology that follows a sequenced pattern:

### Step 1

Developing an assessment matrix, which lists and describes existing social security schemes. Through identifying policy gaps and implementation issues with regard to the four SPF guarantees (health care, provisions for children, the working age population and the elderly), policy recommendations to further design and implement social protection provisions are provided with a view to close the social protection floor gaps.



#### Step 2

The cost of the proposed social protection provisions are estimated and projected over a ten-year period using the ILO Rapid Assessment Protocol (RAP). This costing exercise can serve as a basis for discussions on available fiscal space, government budget reallocations, and the prioritisation of different social protection policy options.

### Step 3

The ensued recommendations are shared with government representatives, workers and society employers, and civil organizations with a view to validate the assumptions and recommendations, and to prepare for the next steps, which may include feasibility studies for the design of new schemes, expansion of existing schemes, and establishment of coordination mechanisms.

ASIAN 2006 DECENT WORK DECADE 2015 ILO Regional Office for Asia and the Pacific

### Outcomes of the ABND in Thailand

Desk research, bilateral consultations and workshops with stakeholders conducted between 2011 and 2012 brought about an assessment matrix (step 1), which provided insights into Thailand's policy gaps and implementation issues and led to recommendations for the country to complete the SPF.

In order to establish the SPF, the fiscal and financial feasibility to implement the necessary social protection provisions had to be assessed. Using the RAP, the costs involved with implementing the recommendations were expressed in percentage of GDP and government revenues (step 2).

With regard to the recommendations made for SPF for children, the affordability of six scenarios of a child support grant were assessed and projected over the years.

Recommendations made for people of working age, unable to earn sufficient income were translated in four policy options. The graph on the right depicts well the moderate costs involved with introducing maternity and sickness allowance for informal workers, a vocational training programme for workers in the informal sector, as well as the recommended additional 500 baht for people living with disabilities in the informal sector. To assist Thailand in establishing a well-functioning SPF, the costs of two respective pension schemes for the elderly were assessed, and compared with the status guo. If Thailand introduces the benefits recommended in the assessment report, the expenditure will increase by 0.5 to 1.2 per cent of GDP (depending on whether the low or high scenario for benefits is implemented). Subsequently, the budget deficit is estimated to become positive by 2015 to 2018.

These results of the costing exercise were shared and discussed with the Royal Thai Government (RTG), social partners, civil society organisations, academia and the UN SPF team, as part of the endorsement process (step 3). During consultations, measures to increase the fiscal space for social protection were identified, after which the ABND's following recommendations have been taken up.

### Impact of the ABND in Thailand

As a result of the ABND, the RTG has recognised the need and made official requests to agencies of the UN SPF team to (1) design and establish a sustainable **Long Term Care system** for the elderly in Thailand, (2) establish a universal **Child Support Grant** in collaboration with CSOs and workers' and employers' organisations and (3) further model and cost the **inclusion of migrant workers** in the universal health-care system.

## For further information please contact:

Valérie Schmitt, Social Security Specialist, ILO DWT Bangkok Jittima Srisuknam, National Programme Coordinator

Tel.: +66 22 88 1234 Email: Bangkok@ilo.org www.ilo.org/asia

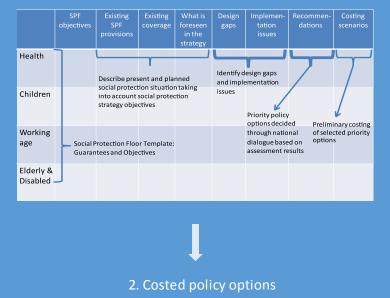


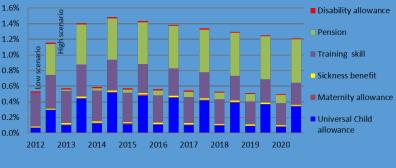
#### www.youtube.com/user/SPFinAsia

www.facebook.com/GESS.Fanpage

### Three outcomes of the ABND

#### 1. Policy options drawn from the assessment matrix





#### 3. Endorsement, Launch of the report, Policy coordination



The ABND in Thailand has contributed to the development and finetuning of the ABND methodology. It resulted in a tool of great operational capacity, which approach is <u>encouraged</u> by the Chair and Director-General of the UNDG/ILO. ABNDs are under way in many other countries in Asia-Pacific. To stay updated please visit the ABND instructive website http://secsoc.ilo.org/abnd/. The ABND guide is available at:

http://secsoc.ilo.org/abnd/doc/Guide\_LowRes.pdf For the ABND of Thailand, visit:

www.social-protection.org/gimi/gess/ShowProjectPage.do?pid=2097

ASIAN 2006 DECENT WORK 2015 ILO Regional Office for Asia and the Pacific