



# INTRODUCTION TO SOCIAL PROTECTION

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# Social security as a human right



- Universal Declaration of Human Rights, 1948
- International Covenant on Economic, Social and Cultural Rights, 1966
- Social Protection Floors Recommendation, 2012 (No. 202)
- Social Security (Minimum Standards) Convention, 1952 (No. 102)

# ILO Convention No. 102: Nine branches of social security



**Maternity**



**Sickness**



**Unemployment**



**Work injury**



**Medical care**

**Families with  
children**



**Invalidity**



**Death of the  
breadwinner**



**Old age**



**Life-  
cycle**

# Protection provided by society



To compensate for the loss of income and cover health care expenditures

To facilitate access to social services and fulfill basic needs

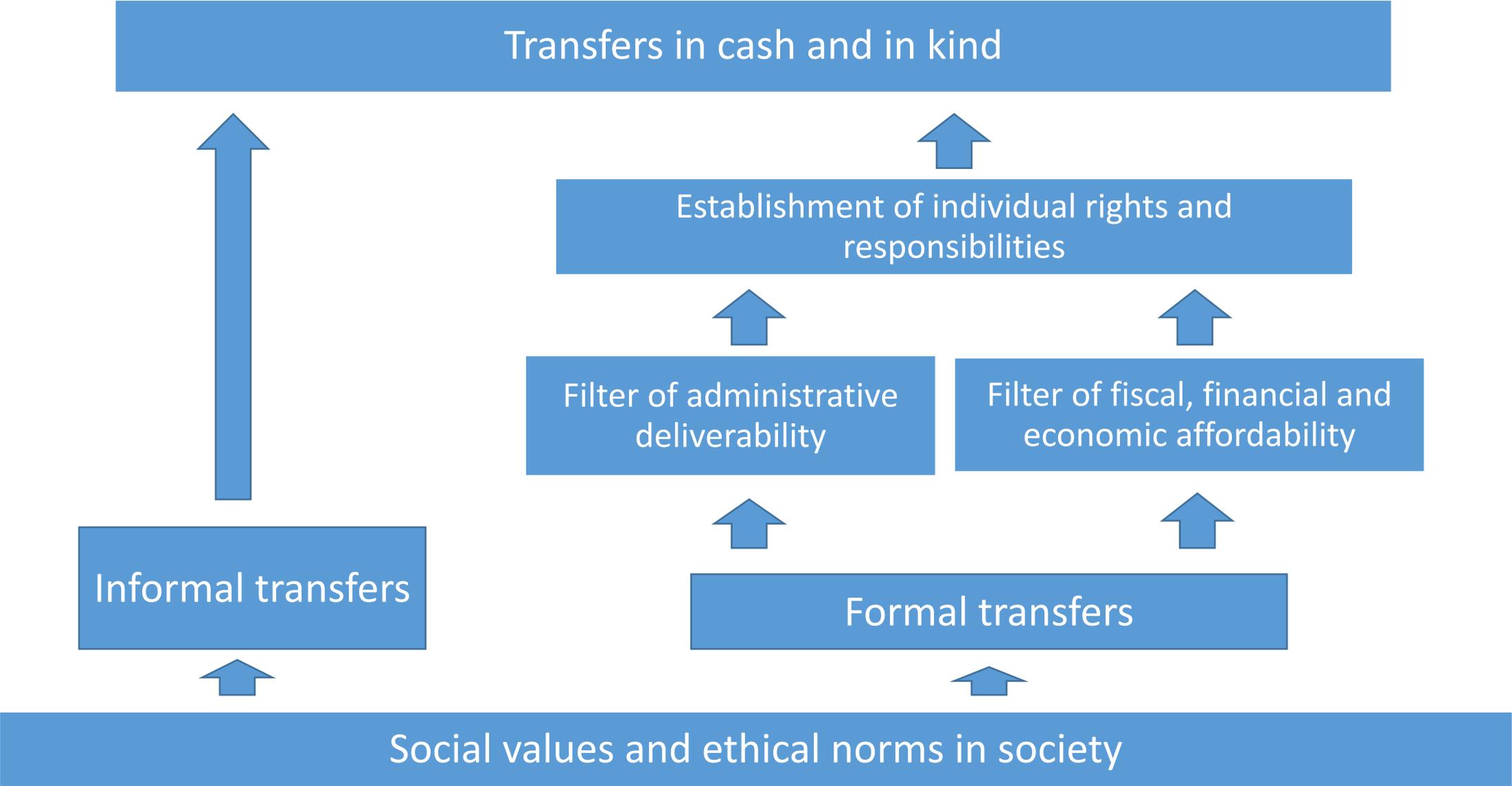
Financial support

Access to services

Social transfers

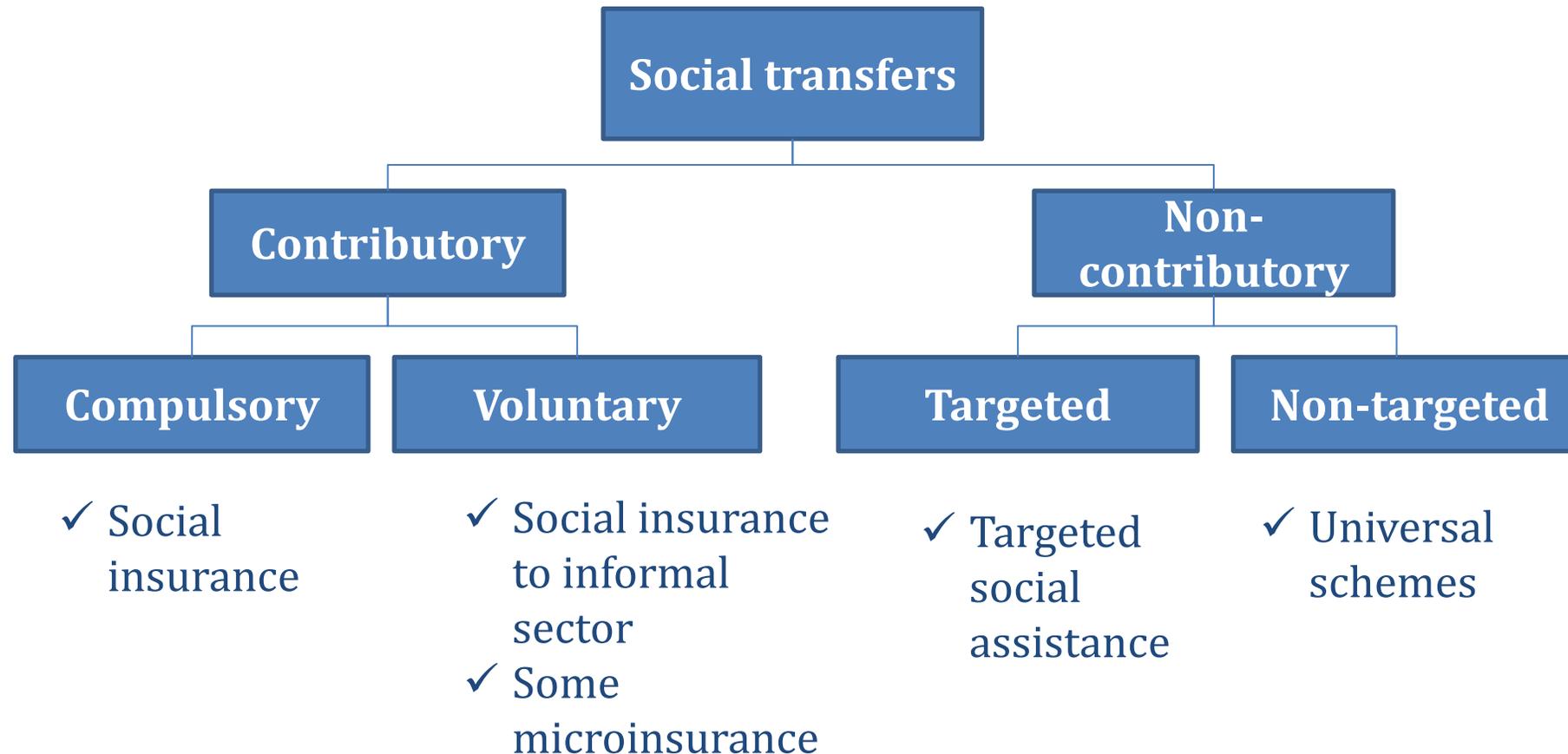


# Social protection translates ethical norms into transfers

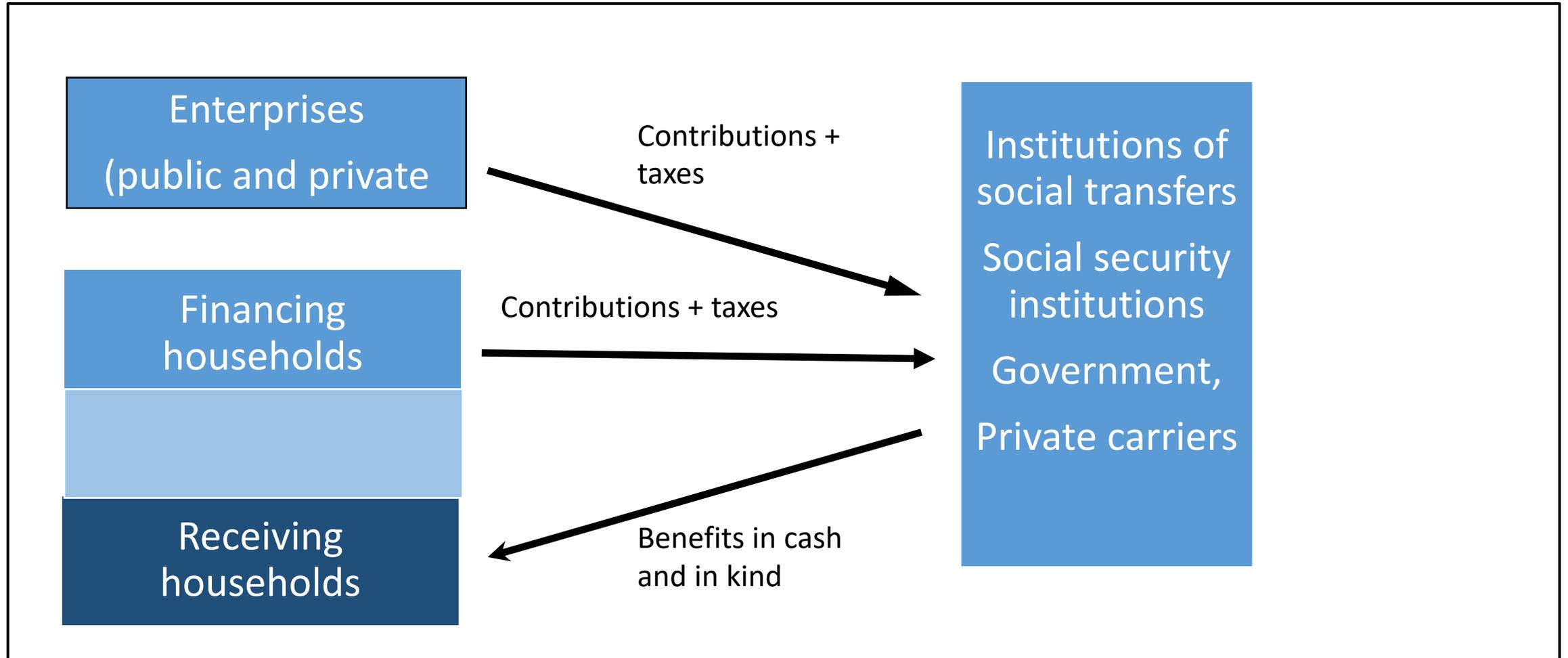


# Types of social transfers

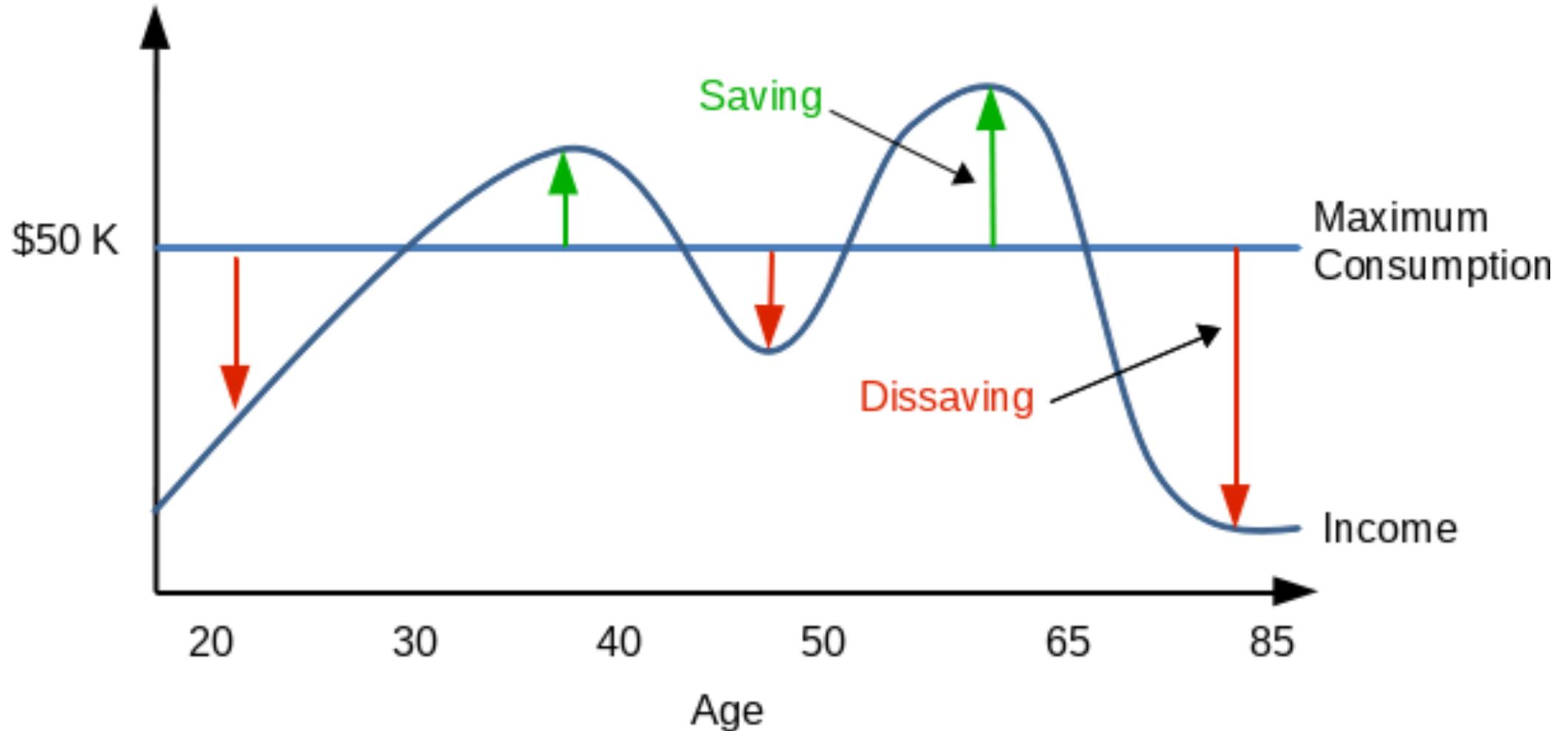
**All social security benefits represent social transfers, either in cash or in kind, from one group in a society to another.**



# Basic flow of funds in a national social protection system



# Income smoothing





# Redistribution

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Within the same generation

Between generations

# Poverty relief

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## Transfers

For those who do not have the capacity to earn enough resources

# Macroeconomic perspective

- **Increases consumption,**  
promotes **domestic demand**

**When it entails  
redistribution the  
effect is even  
stronger**



# Macroeconomic perspective



- Works as an **automatic stabilizer**
  - When the **economy is slowing down** has a **counter cyclical** effect in the economy



# Macroeconomic perspective



- Can play a role in **reducing vulnerability to external shocks (external markets)**
- Can create conditions for **economic transformation**
  - **Unemployment benefits when linked with Active Labour Policy measures and training opportunities** can play a role in the adaptation of economy /labour force to new challenges

# SP is an investment Human Capital development



- International data shows
  - **Higher use of health services - Better health status** (physical and psychological) and **less absenteeism**
  - **Higher nutritional status**
  - **Higher school attendance**
  - **Higher educational results**
- All this lead to **HIGHER PRODUCTIVITY – key for competitiveness**

# Economic Impact (I)



- **Allows people and businesses to take more risks**
  - Key to increase profits and returns
  - Related with economic transformation

# Economic Impact (II)



- **Motivational impacts**
  - **Workers feeling safer**
  - **More protected feel more motivated,**
  - **Enhancing workers productivity and business profits**



# Salient features of the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102)

# International Labour Standards



## Conventions

- International Treaties
- Open to ratification
- Ratification involves dual obligation:  
commitment to apply and willingness to  
accept ILO supervision

## Recommendations

- Technical guidelines (not international  
treaties, not binding)
- Not subject to ratification
- May supplement provisions contained in a  
Convention

# Universality and flexibility



- Standards are adopted by a two-thirds majority vote of the ILO's constituents and are therefore an expression of universally acknowledged principles.
- Standards reflect the fact that countries have diverse cultural and historical backgrounds, legal systems, and levels of economic development.

# Up-to-date Social Security Standards



- Social Security (Minimum Standards) Convention, 1952 (No. 102)
- Employment Injury Benefits Convention, 1964 (No. 121)
- Invalidity, Old-Age and Survivor's Benefits Convention, 1967 (No. 128)
- Medical Care and Sickness Benefits Convention, 1969 (No. 130)
- Employment Promotion and Protection against Unemployment Convention, 1988 (No. 168)
- Maternity Protection Convention, 2000 (No. 183)

# Main features of the Social Security (Minimum Standards) Convention, 1952 (No.102)



- Only international Convention that defines the nine classical branches of social security:
  - Medical care
  - Sickness benefit
  - Unemployment benefit
  - Old-age benefit
  - Employment injury benefit
  - Family benefit
  - Maternity benefit
  - Invalidity benefit
  - Survivors' benefit
- Sets out minimum objectives with regard to:
  - Population protected
  - Level of benefits
  - Conditions for and periods of entitlement

# Principles anchored in Convention No. 102



- The general responsibility of the State for the due provision of the benefits and the proper administration of the institutions and services concerned in securing the provision of the benefit (Article 71, paragraph 3);
- The collective financing of social security schemes (Article 71, paragraphs 1 and 2);
- The adjustment of pensions in payment (Article 65, paragraph 10 and Article 66, paragraph 8);
- The right of appeal in case of refusal of the benefit or complaint as to its quality or quantity (Article 70).

# Flexibility clauses



- Minimum of three out of the nine branches (Article 2)
- Personal coverage
- Type of schemes:
  - Universal schemes
  - Social insurance schemes
  - Social assistance schemes.

# The role of Convention No. 102



- Provides a unique set of minimum standards for national social security systems that are internationally accepted.
- Sets out principles that guide the design, financing, governance and monitoring of national social security systems.
- Serves as a benchmark and reference in the gradual development of comprehensive social security coverage at the national level.

# The Need for a Complementary Instrument



- The Conclusions concerning the recurrent discussion on social protection (social security) at the International Labour Conference in June 2011 called for further work on a possible international standard in the form of a Recommendation on national Social Protection Floors to be discussed in 2012



# **Salient features of the ILO Recommendation, 2012 (No. 202) on National Floors of Social Protection**

# Structure the Social Protection Floors Recommendation, 2012 (No. 202)

## Preamble

### I. Objectives, scope and principles

### II. National social protection floors

- basic social security guarantees

### III. National strategies for the extension of social security

- prioritize implementation of national SPFs
- seek to provide higher levels of protection to as many people as possible and as soon as possible

### IV. Monitoring

# Preamble



- Right to social security is a human right and an economic and social necessity
  - Prevents/reduces poverty and social exclusion
  - Promotes gender equality and equal opportunity
  - Investment in people and automatic stabilizer
  
- Recalling/considering various international instruments
  - Declaration of Philadelphia, 1944
  - Universal Declaration of Human Rights, 1948
  - ILO social security standards
  - International Covenant on Economic, Social and Cultural Rights, 1966
  - Declaration on Social Justice for a Fair Globalization, 2008
  - Resolution and conclusions concerning the recurrent discussion on social protection (social security), 2011

# I. Objectives, scope and principles (1): Objective



- Providing guidance to Members to
  - Put in place, complete and maintain, as applicable, **social protection floors** as a fundamental element of their national social security systems (para. 1(a))
  - Implement 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, guided by ILO social security standards (para. 1(b))
- Social protection floors
  - Social protection floors are **nationally defined sets of basic social security guarantees** which secure protection aimed at preventing or alleviating poverty, vulnerability and social exclusion.  
Such guarantees may be achieved through contributory or non-contributory schemes, whether means-tested or not. (para. 2)

# I. Objectives, scope and principles (2): Principles



- a. universality of protection, based on social solidarity;
- b. entitlement to benefits prescribed by law;
- c. non-discrimination, gender equality and responsiveness to special needs;
- d. adequacy and predictability of benefits;
- e. a fair balance between the interests of those who finance social security schemes and the interests of those who benefit from them;
- f. coherence with social, economic and employment policies;
- g. progressive realization;
- h. diversity of methods and approaches, including of financing mechanisms and delivery systems;
- i. transparent and sound financial management and administration;
- j. financial, fiscal and economic sustainability;
- k. involvement of representative organizations of employers and workers as well as consultation with representatives of other organizations and persons concerned; and
- l. overall and primary responsibility of the State.

## II. National social protection floors (1)

Members should put in place and complete as rapidly as possible, and maintain, their **social protection floors comprising basic social security guarantees**.

The guarantees should ensure at a minimum that, over the life cycle, all in need have access to essential health care and to basic income security which together secure effective access to goods and services defined as necessary at the national level. (para. 4)

## II. National social protection floors (2) At least four nationally-defined guarantees



The social protection floors should comprise at least the following **basic social security guarantees**:



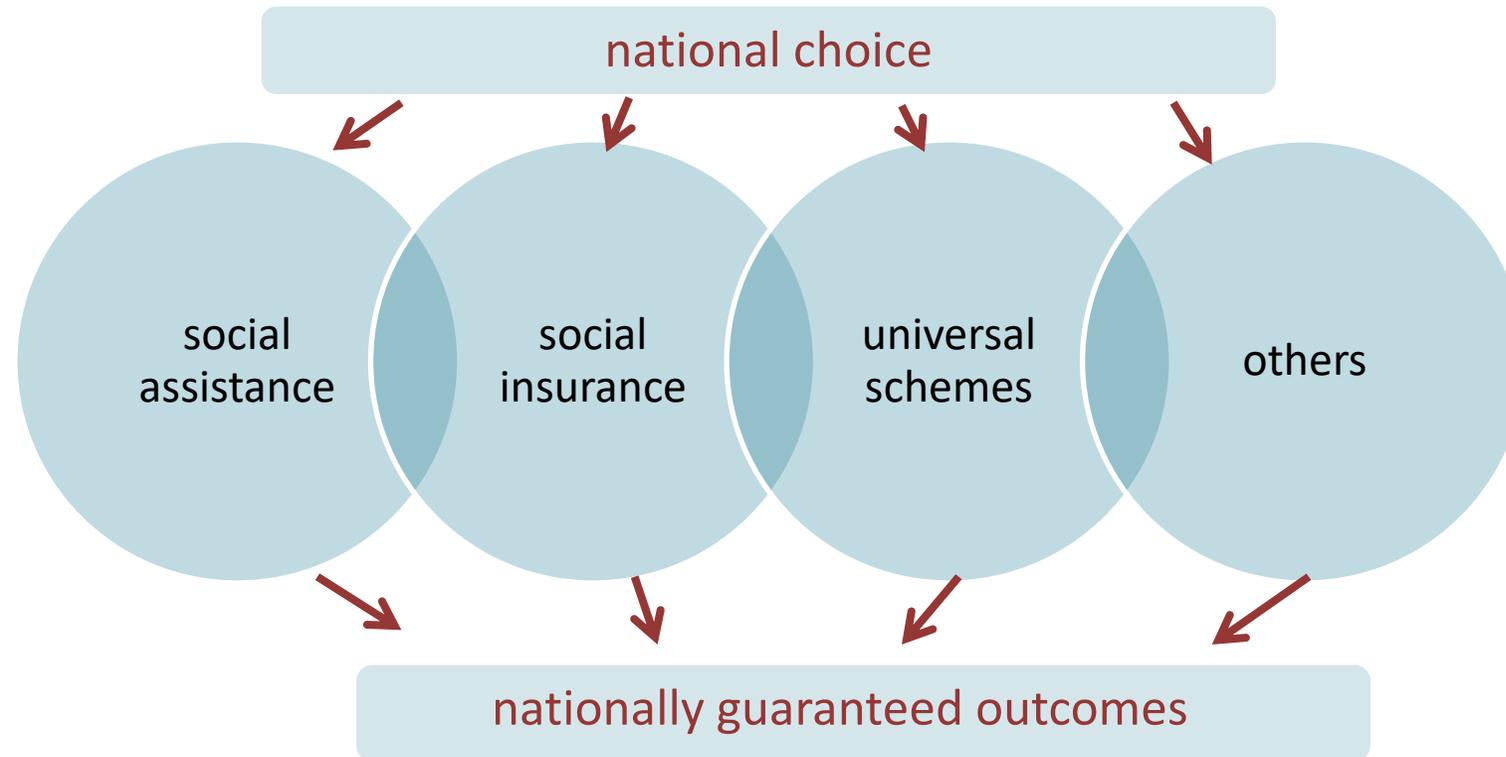
Guarantees should be provided to at least all residents and children, as defined in national laws and regulations, subject to Members' existing international obligations. (para. 6)

## II. National social protection floors (3): Definition of basic social security guarantees

- Financial protection ensuring access to essential health care (para. 7(a))
- National definition of minimum levels of income may correspond to existing poverty lines, income thresholds for social assistance or other thresholds (para. 7(b))
- Regular review of the levels of basic social security guarantees through a transparent procedure that is established by national laws and regulations (para. 7(c))
- Involvement of representative organizations of employers and workers and, as appropriate, representatives of other organizations and persons concerned (para. 7(d))
- Basic social security guarantees should be established by law (para. 8)

## II. National social protection floors (4): Pluralism of approaches

Most effective  
and efficient  
combination of  
benefits and  
schemes in  
national  
context  
(para. 9(a))



Benefits may include child and family benefits, sickness and health-care benefits, maternity benefits, disability benefits, old-age benefits, survivors' benefits, unemployment benefits and employment guarantees, and employment injury benefits as well as any other social benefits in cash or in kind. (para. 9(b))

## II. National social protection floors (5): Policy coherence



- Design and implementation of national social protection floors should include:
  - Combination of preventive and promotional measures, benefits and social services
  - Promotion of productive economic activity and formal employment
  - Coordination with other policies that enhance skills and employability, reduce precariousness of employment, and promote decent work, entrepreneurship and sustainable enterprises. (para. 10)

## II. National social protection floors (6): Financing

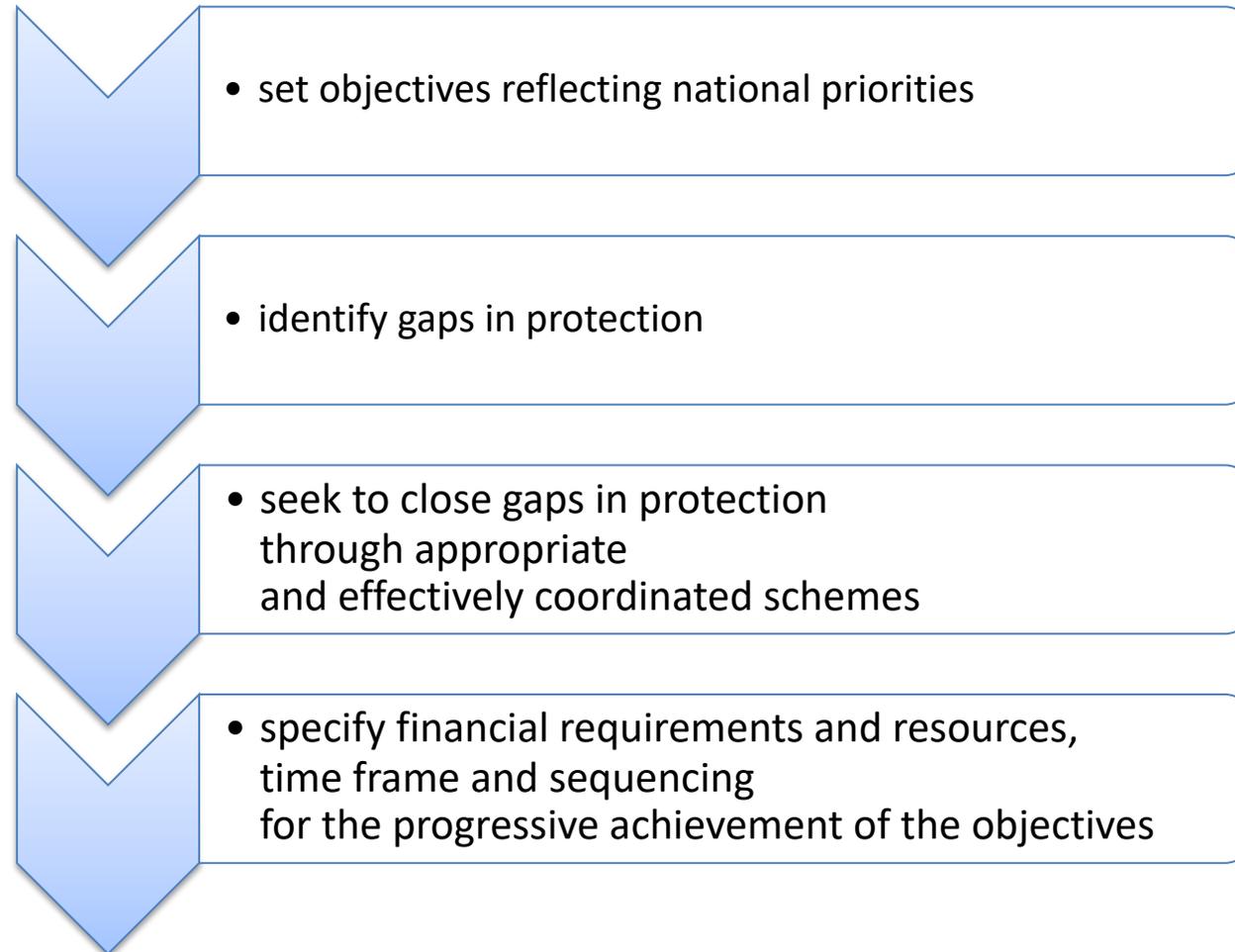


- Mobilization of resources through different methods, taking into account the contributory capacities of different population groups (para. 11)
  - Such methods may include, individually or in combination, better enforcement of tax and contribution obligations, reprioritizing expenditure, or broadening the revenue base.
  - Ensuring financial, fiscal and economic sustainability
- Financing through national resources; transitional international assistance may be sought if national capacities are insufficient (para. 12)

### III. National social security strategies (1)

- Members should formulate and implement national social security extension strategies, based on national consultations and effective social dialogue. (para. 13(1))
- National strategies should:
  - prioritize the implementation of national social protection floors; and
  - seek to provide higher levels of protection to as many people as possible and as soon as possible. (para. 13(2))
- For this purpose, Members should progressively build and maintain comprehensive and adequate social security systems coherent with national policy objectives. (para. 13(3))

# III. National social security strategies (2): Formulation and implementation



support disadvantaged groups and people with special needs

support growth of formal employment

consistent with and conducive to the implementation of national social and economic development plans

# III. National social security strategies (3): Normative orientations

Members should...

aim to achieve the

- range of benefits
- levels of benefits

specified in these instruments in building national social security systems

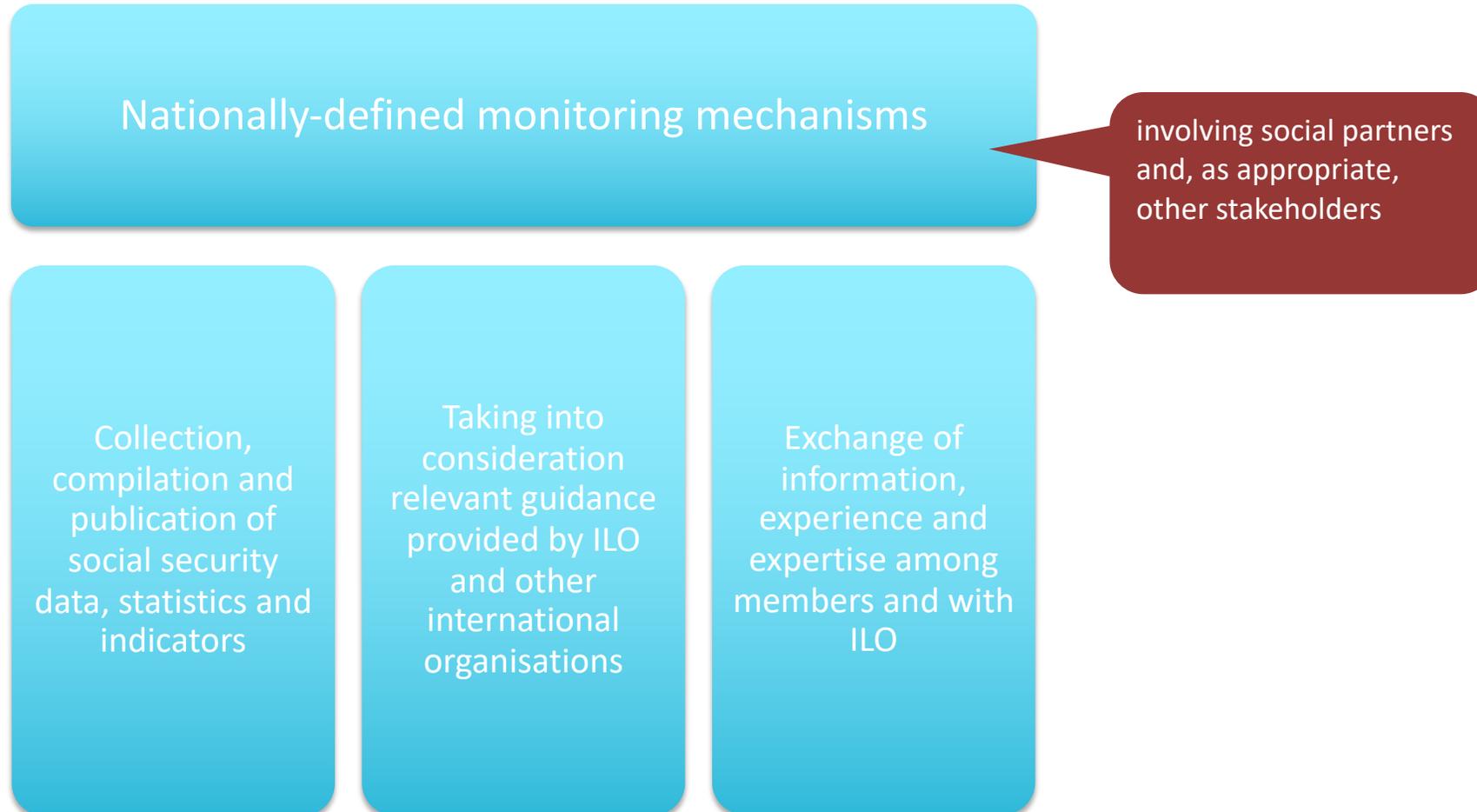
consider, as early as national circumstances allow,

- ratification
- giving effect to these instruments

other ILO social security  
Conventions and Recommendations  
setting out more advanced standards

Social Security (Minimum Standards)  
Convention, 1952 (No.102)

# IV. Monitoring



# Significance of the Social Protection Floor

## Recommendation at the national and global level



### National level

Contributes to...

- reducing poverty and promoting social cohesion and investments in people
- giving effect to the human right to social security by establishing legal entitlements
- facilitating access to essential goods and services
- promoting productive economic activity and reduction of informality and precariousness
- providing framework for national social protection policies in close coordination with economic, employment and other social policies
- strengthening national dialogue, institutional frameworks and state-building

### Global level

Contributes to...

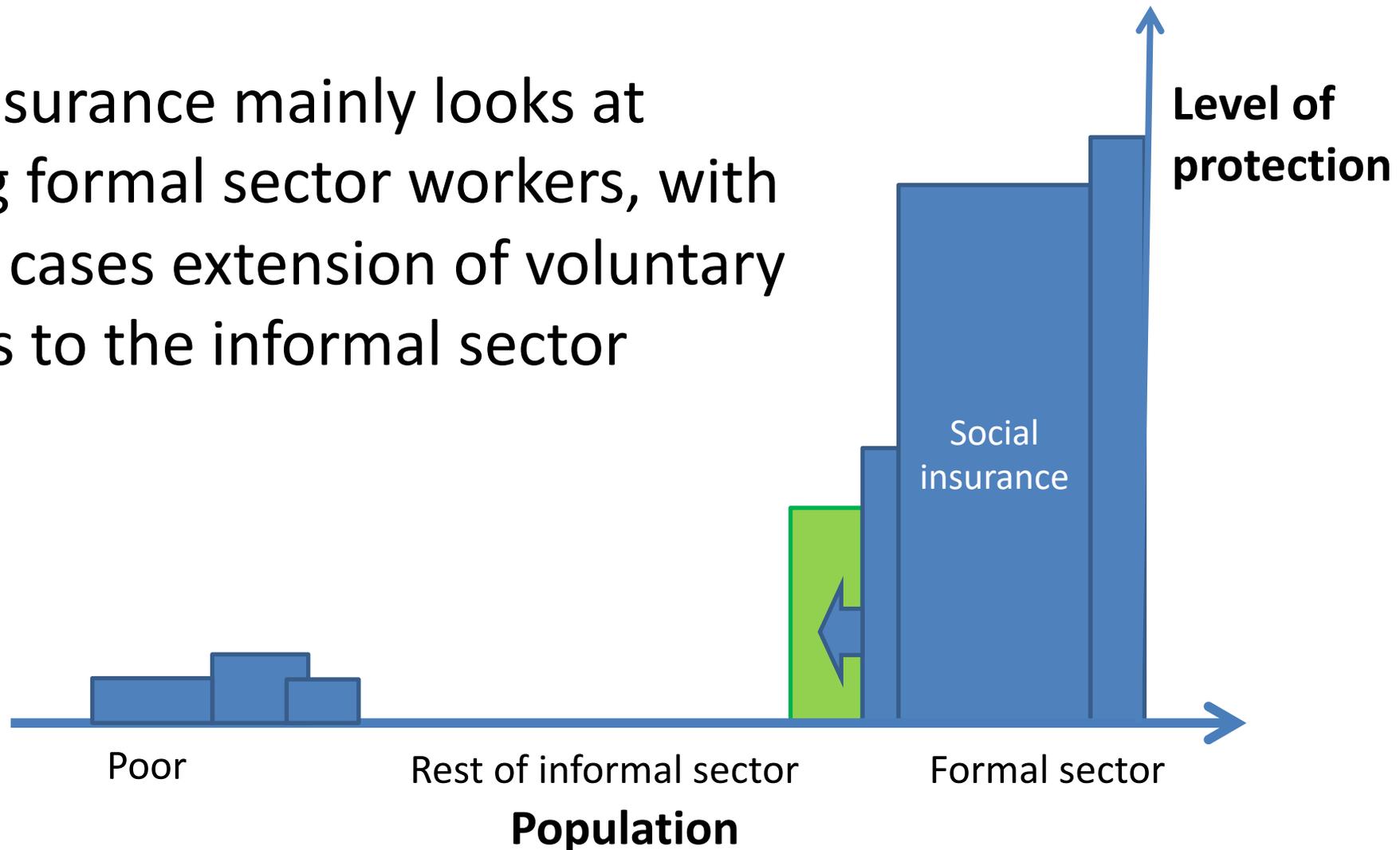
- accelerating progress towards achieving the SDGs
- promoting rights-based development policies
- building sustainable institutional structures in poor countries
- fostering policy coherence and coordination, and deepening multilateral collaboration



SOCIAL JUSTICE  
DECENT WORK

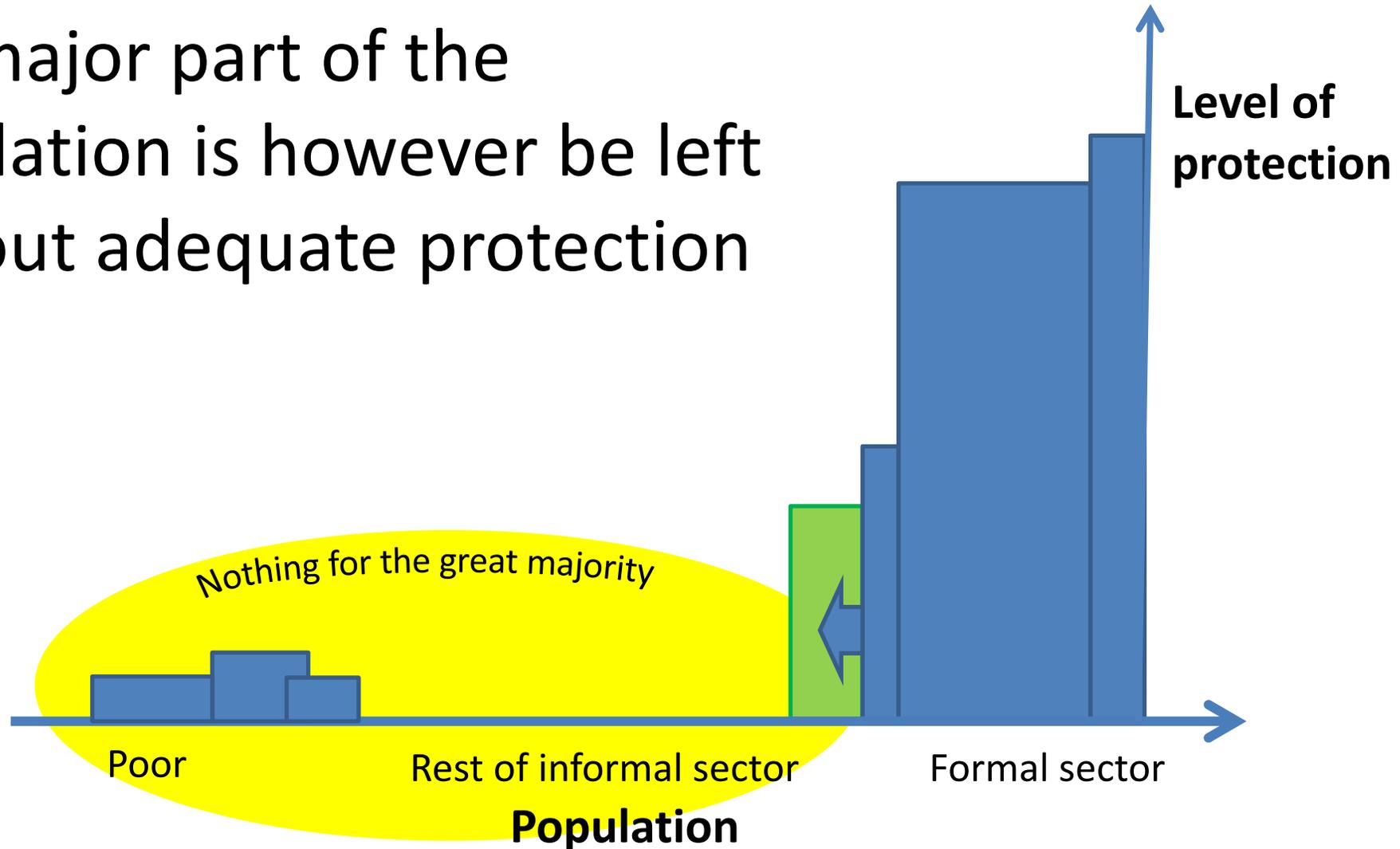
# Towards the right to social security

- Social insurance mainly looks at covering formal sector workers, with in some cases extension of voluntary schemes to the informal sector



# Towards the right to social security

- The major part of the population is however be left without adequate protection



# Social protection Floors is...



... at least a **minimum guarantee**;  
and then **progressive extension**  
to higher levels of social security

