

Mobilizing the private sector to extend social protection



Building Social Protection Floors with the private sector

About 73 cent of the world's population is not adequately covered by social protection. Social protection floors (SPFs) guarantee basic social protection to everyone and make the right to social protection a reality for all.



Composed of enterprises and corporate foundations across the world, the Network has the shared goal of fulfilling the human right to social protection.

The Global Business Network for Social Protection Floors intends to mobilize the private sector for the establishment of SPFs in countries. The Global Business Network was launched on 28 October 2015 by the ILO Director General, Mr. Guy Ryder, and the Secretary General of the International Organisation of Employers (IOE), Ms Linda Kromjong.



Why is the building of SPFs important for enterprises?

The absence of public social protection systems results in increased costs.

The absence of public social protection systems results in private enterprises having to pay for private occupational pension plans or private group benefit plans. Those plans are more expensive, less sustainable and less redistributive than well-designed and collectively financed public social protection systems.

Public social protection systems support enterprise competitiveness.

Public social protection systems result in lower absenteeism, greater worker productivity and reduced turnover.

Public social protection systems help build a good business environment.

Public social protection creates a good business environment. It is a driver of social and political stability, which are important factors that impact firms' success and economic development at large. It also boosts aggregate demand for goods and services by increasing incomes, which can create new business opportunities.



Objectives of the Global Business Network

Enable enterprises to share their experiences on social protection.

Many enterprises are already facilitating social protection for their employees. The Network will enable them to share their experiences and learn from one another. Enterprises will also work towards improving coverage through public social protection systems, particularly in countries where social protection systems exist and are functional.

Enable enterprises to promote and support the development of public social protection systems.

The Network will enable enterprises and their affiliates to promote and support the development of public social protection systems through advocacy and other activities.

Participating enterprises have agreed to work on two mutually reinforcing fronts:

1 Exchanging information on current business practices, policies and programmes on social protection.

Participating enterprises propose to jointly document, with the ILO's support and guidance, a guide to help enterprises design and implement social protection for their employees.

2 Supporting the development of national social protection programmes more generally in a number of countries.

Participating enterprises propose to develop a guide for the private sector to support the establishment of national SPFs. They are interested in developing materials to promote public systems, including by making a strong case for sound public systems and also in exploring ways to engage in a few countries in collaboration with national employer organizations and companies in national dialogues on social protection.