Global Business Network for Social Protection Floors

Beijing, 6 Septembre 2016
The Global Business Network (GBN) for Social Protection Floors

The GBN was launched on 28 October 2015 by:

– Guy Ryder, Director General of the ILO
– Linda Kromjong, Secretary general of IOE
– Jean-Paul Agon, CEO of L’Oreal
– Representatives of 12 multinational enterprises, including Geely
Why should the private sector and enterprises be engaged?

• Research and evident show that:
   Social protection enhances companies’ competitiveness: social protection guaranteed to individuals leads to lower absenteeism, greater productivity of workers, and reduced turnover.
   Social protection is a driver of growth and development: social protection and, specifically, social protection floors (SPFs) powerfully contribute to reducing poverty, exclusion, vulnerability, and inequality. Social protection also boosts aggregate demand for goods and services by increasing incomes, which can create new business opportunities for private sector enterprises.
   Social protection is a sound investment: investments in SPFs are demonstrated to generate high returns to the economy such as in the case of Brazil, where each dollar spent on social assistance generates US$1.33 in the wider economy.
   Social protection is also a driver of social and political stability, which are important factors that impact the success of private enterprises and economic development at large.
Social protection and its place in the 2030 Development Agenda

• It is an economic necessity

Social Protection Floors investments

More decent jobs / paying taxes

Higher household consumption and domestic demand

Employability / productivity

Income security / schooling / training / health
Objective

To promote and strengthen the role of private sector enterprises in the UN 2030 Agenda, notably social protection related SDGs such as:

Through the ILO’s Global Flagship Programme on Social Protection Floors
Social protection and its place in the 2030 Development Agenda

- However social protection is not yet a reality
  
  73% of the world population is not adequately covered

- In Pakistan
  - The State is responsible for social security and the provision of basic necessities of life for all citizens under Article 38 of the Constitution
  - Pakistan spends only 1.3 per cent of its GDP on public social protection expenditures
  - The country’s social protection system is composed of numerous programs
  - Social protection coverage remains limited; it was estimated at 3.33 per cent of the population in 2008
A new standard on Social Protection Floors to guide ILO member States

ILO Recommendation on Social Protection Floors, 2012 (No. 202) was adopted by all ILO member States in June 2012

Guidance to establish SPFs as part of comprehensive social protection systems

• Activities decided by the GBN members

– Peer-to-peer support to develop MNEs’ corporate social protection programmes (Example of the Share and Care program)

– Build evidence on the role of social protection for business performance («Business case»)

– Support private sectors’ engagement in the development of national social protection floors
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• Example of MNEs’ corporate social protection programmes:
  – L’Oréal Share and Care program

https://www.youtube.com/watch?v=ctJ3x0xearE
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• **Global members**
  - Multinational enterprises: Crédit agricole, Danone, El Corte Inglès, ENI, Geely, İDKids, L’Oreal, Nestlé, PMI, Randstad, Sanofi, Swiss Life (.../...)
  - IOE
  - Facilitator: ILO

• **Country level**
  - Employers federation
  - Chambers of commerce (e.g. in Pakistan: PBC, OICCI, FPCCI)
  - MNEs and their subsidiaries
  - National enterprises
  - Facilitator: ILO, embassies, members?
Social protection and its place in the 2030 Development Agenda

- **Social protection including social protection floors is a priority of the 2030 Agenda**

**Target 1.3** - Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable

**Target 3.8** - Achieve universal health coverage ...

**Target 5.4** - Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies ...

**Target 8.5** - By 2030, achieve full and productive employment and decent work for all women and men ...

**Target 10.4** - Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality
Coffee shops:

- **Build the case** (linkages between social protection & enterprise performance)
- **Raise awareness** among enterprises
- **Contribute to** the development of SPFs for workers outside the enterprise
- **Improve compliance**
- **Improve the design and governance of SS schemes to increase the «value for money»**

**World café: taking action & role of the GBN in Pakistan**