Extending social security to self-employed workers
Lessons from international experience

Closing social protection gaps for self-employed workers

In many countries, social security systems have traditionally focused on providing coverage for salaried employees, while self-employed workers have not been covered or have only been partially covered. As a result, various categories of self-employed workers (see box 1) in many countries face difficulties in accessing social security for various reasons. Gaps in social protection for self-employed workers create challenges not only for the realization of their human right to social security but also for social and economic development and for the achievement of the Sustainable Development Goals, in particular target 1.3 on social protection systems, including floors.

For example, in Latin America, social security coverage of own-account workers and contributing family members are significantly lower than those of salaried workers (see figure 1). Considering that self-employed workers, including own-account workers and contributing family workers, constitute the majority of the workforce in many developing countries and often operate in the informal economy, closing such coverage gaps is particularly important (ILO 2018c). Moreover, self-employment is growing in some developed countries and is expected to grow further in the context of ongoing transformations in the world of work related to technological change, climate change, demographic shifts and migration (ILO 2018c; 2019c; Global Commission on the Future of Work 2019).

The COVID-19 crisis has painfully highlighted already existing inequalities, threatening to further deepen them. Self-employed workers that were previously already vulnerable, such as contributing family and own-account workers, are particularly affected by the socio-economic impacts of the virus. For the majority of self-employed workers who operate in the informal economy, the lack of health protection and income security during sickness encourages them to work even when they are sick, thereby not only jeopardizing their health but also potentially undermining public health efforts to curb the virus (ILO 2020a; 2020b; 2020c). In the absence of unemployment protection benefits, reduced business activity or unemployment for these workers means the loss of their livelihoods, exacerbating the economic insecurity many of them already faced. To address these vulnerabilities, many governments have put in place emergency measures to provide social protection to previously uncovered groups of workers, including self-employed workers, through the extension of existing or new social protection schemes and programmes (ILO 2020d; 2020a). However, most of the crisis-related

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1 See box 1 for an overview of different categories of workers
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Measures were temporary and in many cases not sufficient to meet the urgent needs of workers in the informal economy (ILO 2020e; WIEGO 2020).

Moving forward, such temporary crisis-response measures should be transformed into sustainable mechanisms to ensure adequate social protection for workers in all forms of employment, including self-employed workers (ILO 2020e; 2020f).

Prior to the COVID-19 crisis, many countries had already taken steps to bring self-employed workers under labour and social security legislation and to address the specific challenges they face through a range of measures tailored to their situation. However, more needs to be done to ensure that self-employed workers are effectively protected (OECD and ILO 2019; RNSF 2017). The extension of social security to self-employed workers in order to ensure social protection for workers in all types of employment has been identified as one of the challenges to be urgently tackled by key actors, including the European Union (2017) and the G20 (2017).

It is clear that the extension of social protection coverage to self-employed workers, including own-account workers, is crucial and decisive to the attainment of sustainable development and social inclusion. Based on a more comprehensive publication (ILO 2021), this policy brief stresses specific challenges that hinder the extension of social security to self-employed workers and explores some policy options, based on international experience and guided by ILO social security standards.

Challenges in extending social security to self-employed workers

While the situation and characteristics of the self-employed can be very diverse (see box 1), many self-employed workers are very vulnerable. The exclusion of self-employed workers is related to various factors, including their exclusion from legal frameworks, financial and administrative challenges, and challenges related to information, awareness and trust.

Legal exclusion

In some countries, social security legislation focuses on salaried workers, thereby effectively excluding (fully or partially) some or all categories of self-employed workers from mandatory coverage, foreseeing lower levels of protection or relegating them to voluntary forms of coverage. Such legal exclusion contributes to social security gaps for self-employed workers. In other cases, self-employed workers may be de facto excluded because they fail to meet certain eligibility criteria, such as earning above a certain minimum level of income.

A particular challenge in that context is the correct classification of an employment relationship in situations in which an employment relationship is unclear or ambiguous, in order to avoid a misclassification of employment or “disguised self-employment” for dependent contractors (ILO 2016; Eichhorst, Braga, and Famira-Mühlberger 2013). Dependent contractors may depend on a single client, a single supplier of the material input, or an intermediary for access to clients; in such situations the client, supplier or intermediary exert a similar level of control over their working conditions as an employer; therefore the terms and conditions of employment of dependent contractors resemble paid employment. In such cases, it is important to clarify whether they work in an employment relationship in order to ensure the necessary protection of the worker.

Preventing the misclassification of employment is essential to ensure that employers do not unduly transfer economic risks to workers and avoid the responsibilities.

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3 Examples for these three categories could be (1) a graphic designer exclusively working for one company; (2) a homeworker subcontracted to perform assembly work and where the material for the production is provided by the trader; and (3) a ride-hailing driver working through a digital platform.
associated with formal employment contracts, including labour protection and social protection. It may also be that in some cases, workers may declare themselves as self-employed in order to avoid rigid tax and contribution obligations, without considering the adverse consequences of a lack of social protection. The clarification of the employment relationship is particularly relevant in the digital economy, in which self-employment is becoming more prevalent (Berg et al. 2018; Behrendt and Nguyen 2018; Behrendt, Nguyen, and Rani 2019).

**Administrative barriers**

Even if self-employed workers are covered by legislation, they may still face administrative barriers related to the declaration of their incomes, record-keeping, the payment of contributions and the receipt of benefits. Without an employer, they have to deal with all administrative procedures themselves. Their own administrative capacities are often limited: they may not be sufficiently informed about social protection schemes and registration procedures; the time spent on completing registration and payment procedures constitutes a direct opportunity cost (lost earnings) for them; and many of them face additional barriers, such as illiteracy, in meeting administrative requirements (ISSA 2012; RNSF 2017).

In addition, self-employed workers who move among different sectors of the economy and between wage employment and self-employment or who combine wage employment and self-employment may also face challenges with regard to the portability and transferability of their entitlements. High labour mobility may prevent them from receiving benefits even if they contributed in the past, because it places a significant burden on social security administrations to ensure that changes are correctly reflected in due time and do not lead to breaks in contribution history. Such risks are particularly high for those who work on a casual and intermittent basis.

**Costs and inadequate financing arrangements**

In many cases, self-employed workers face a “double-contribution challenge”: in the absence of an employer, the burden of paying the full contribution (employer and employee parts) falls on them. Unless adapted mechanisms are in place, self-employed workers with very low earnings cannot afford to pay the required social security contributions. This challenge is particularly important given that poverty risks are high among the self-employed: own-account workers and contributing family workers are especially at risk of operating at low levels of productivity and finding themselves in working poverty (ILO 2019c; OECD and ILO 2019). Those who are working on their own account not out of choice but out of necessity – in many cases because of the lack of decent employment opportunities – are especially vulnerable.

In addition, the earnings of self-employed workers are often volatile, which may be linked to seasonality (e.g. in the agricultural sector), a volatile client base or a lag between the time of completion of work and the time of receipt of payment. Therefore, they may not be able to contribute the same amount at the same time every month, as required by many social security administrations (ISSA 2012). Irregular earnings may also pose challenges to social security administrations that do not have effective systems for recording variable incomes and different contribution periods.

**Benefits not aligned with priority needs**

Even if they enjoy legal coverage, self-employed workers may not be willing to contribute to social security if the available benefits fail to meet their needs (ILO 2013; Bertranou 2007). Depending on the situation of workers, different types of benefits and services may be necessary to meet their needs, in particular their most immediate needs.

For example, a mismatch between the benefits provided and the priority needs of workers is one of the factors behind the low take-up of the voluntary scheme by self-employed workers in Viet Nam. While self-employed workers have to pay the full contribution rate (consisting of employer’s and worker’s share), they only have access to an inferior benefit package (consisting of an old-age, disability and survivor’s pension) compared to the employees covered under the general regime (Nguyen and Cunha 2019).

**Lack of enforcement and compliance**

The lack of effective enforcement of applicable labour and social security regulation may contribute to a low level of compliance. In some cases, compliance with the law imposes excessive costs and involves burdensome procedures that discourage the self-employed to access the systems. Additional factors that may discourage employers and workers from participating in social protection schemes include a lack of trust in public institutions as well as limited regulatory knowledge.

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4 See ILO Employment Relationship Recommendation, 2006 (No. 198).
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Box 1: Taking into account the diversity of situations of self-employed workers

Self-employment is traditionally understood as non-salaried employment that generates profit rather than a salary. However, this classification does not take into account that self-employed workers exert different degrees of authority and control over the organization of their work. The revised Classification of Status in Employment (ICSE-18), adopted by the 20th International Conference of Labour Statisticians in 2018, introduces a classification of jobs according to two dimensions:

- the type of authority refers to the nature of the control that the worker has over the organization of his or her work, the nature of authority that he or she exercises over the economic unit for which the work is performed, and the extent to which the worker is dependent on another person or economic unit for organization of the work and/or for access to the market;
- the type of economic risk refers to the extent to which the worker may be exposed to the loss of financial or other resources in pursuance of the activity and may experience unreliability of remuneration in cash or in kind or receive no remuneration.

Based on this classification, different categories of workers can be distinguished along those two dimensions as follows:

<table>
<thead>
<tr>
<th>ECONOMIC RISK</th>
<th>Workers in employment for pay</th>
<th>Workers in employment for profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUTHORITY</td>
<td>Employers in corporations</td>
<td>Employers in household market</td>
</tr>
<tr>
<td>Dependent</td>
<td>Owners of corporations without</td>
<td>(unincorporated) enterprises</td>
</tr>
<tr>
<td></td>
<td>employees</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Permanent employees</td>
<td>Own-account workers in household</td>
</tr>
<tr>
<td></td>
<td>Fixed-term employees</td>
<td>market (unincorporated)</td>
</tr>
<tr>
<td></td>
<td>Short-term and casual</td>
<td>enterprises without employees</td>
</tr>
<tr>
<td></td>
<td>employees</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Paid apprentices, trainees</td>
<td>Dependent contractors</td>
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<tr>
<td></td>
<td>and interns</td>
<td>Contributing family workers</td>
</tr>
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</table>

This brief is concerned in particular with the different types of workers in employment for profit, noting that particular challenges exist for the dependent workers in this category: dependent contractors and contributing family workers. In some contexts, independent workers in employment for pay may be in situations comparable with workers in employment for profit with regard to their social security coverage and will therefore be considered in this brief as well.

Source: Based on ICLS, 2018a, 2018b).

Strategies for extending social security

Many countries have taken steps to remove the barriers discussed above and extend both legal and effective coverage to self-employed workers in line with the guidance provided by ILO standards.5

Extending legal coverage

The extension of legal coverage can be achieved through different approaches and measures. Many countries have followed a strategy of extending the coverage of existing social security schemes to include the self-employed through adapted mechanisms. Others have established specific schemes for the self-employed. However, with regard to securing larger risk pools and facilitating labour mobility, it may be preferable to extend and adapt existing social insurance schemes to self-employed workers rather than establish specific schemes for this group of workers.

In any case, policy solutions should take into account the diverse circumstances, needs and contributory capacities of the self-employed. For example, the risks and needs of a business owner differ from that of a smallholder farmer or a contributing family worker.

In addition, it is important to ensure that national legal frameworks are in line with international social security standards, in particular the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102), the Social Protection Floors Recommendation, 2012 (No. 202) and the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204).

Inclusion of self-employed workers in existing social security schemes

Several countries, including Argentina, Brazil, Cabo Verde, Jordan, Kenya, Mexico, the Philippines and Uruguay, have included the self-employed in their general social protection schemes. Such an approach has the advantage that it allows workers to remain in the same scheme, regardless of their employment status, and provides adequate coverage in cases when workers change their employment status or combine (part-time) paid employment and self-employment. This is particularly relevant in the context of more diverse forms of employment, including newly emerging forms of employment (Global Commission on the Future of Work 2019; ILO 2018b; Behrendt and Nguyen 2018).

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5 Relevant ILO standards include the Social Protection Floors Recommendation, 2012 (No. 202) and the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204).
The inclusion of the self-employed often requires the re-definition of terms in the social security legislation, such as “contributor or insured person”. For example, the Government of Jordan reformed the Social Security Law in order to extend social security to all the workers in the country as well as to Jordanians abroad and change the definition of insured persons from “the worker” to “any person”, which made the law applicable to the self-employed (ISSA 2009). To include self-employed workers in the social security legislation, the Government of Brazil created a new legal category of self-employed micro-entrepreneur, the Microempreendedor Individual (MEI); and facilitated the extension process through the Plan Simples (see box 2).

**Box 2: Microempreendedor Individual in Brazil**

Brazil created the legal category of self-employed micro-entrepreneurs in 2008 through the Complementary Law No. 128, defining them as self-employed persons with a maximum gross annual income of R$ 81,000 (about US$ 20,800) who do not participate in another company as a partner or shareholder and have no more than one employee. The law simplified registration and contribution payments by combining tax and social security contributions in one payment. While the law is part of the Simples Nacional which addresses micro and small enterprises, it foresees lower contribution rates for micro-entrepreneurs than under the regular scheme. The MEI programme has contributed to increased coverage: the social insurance coverage rate among self-employed workers increased from 33 per cent in 2009 to 41.7 per cent in 2015.

Source: Based on ILO (2019c, 2019d).

Extending coverage to self-employed workers requires not only the extension of legal coverage but also practical measures to facilitate coverage that are adapted to their specific situation (see further details below).

Some countries start covering self-employed workers through voluntary coverage. For example, Namibia, Ghana and Viet Nam offer the option for self-employed workers to join the pension insurance scheme on a voluntary basis. However, it has been shown that voluntary coverage rarely leads to a significant extension of effective coverage. In Viet Nam, for example, the voluntary regime counts only 200,000 members, equivalent to 1.3 per cent of the total workforce (ILO et al 2017).

There are several reasons for the ineffectiveness of voluntary schemes. Voluntary schemes tend to suffer from adverse selection issues – that is, they attract mostly those with higher risks who expect to benefit most. For example, those with pre-existing health conditions are more likely to enrol in voluntary health insurance schemes as they benefit most from coverage in the short term. As the risk pool of voluntary schemes is usually small they are usually not able to provide effective protection in case of a shock to the system. In addition, the existence of a dual system combining mandatory and voluntary affiliation may create perverse incentives for enterprises to declare workers under arrangements that provide less protection for workers in order to make short-term gains by reducing labour costs (ILO 2021; OECD 2019).

Considering these limitations, many countries have moved from voluntary to mandatory coverage through adapted mechanisms that take into account contributory capacity and other characteristics of certain categories of self-employed workers. For example, Costa Rica and Cabo Verde reformed their laws to mandate the participation of self-employed workers in pension and/or health insurance schemes. To facilitate their coverage, contribution levels were reduced and benefits were adapted to better correspond to those of salaried workers. Those measures have been shown to be successful; in Cabo Verde, for example, coverage increased from 0 to 9 per cent within one year of implementation (Durán Valverde et al. 2013).

The extension process may be undertaken gradually. The Government of the Republic of Korea implemented a phased extension strategy for its mandatory health insurance scheme, extending it first to large enterprises and subsequently to small companies and the self-employed through three different social insurance schemes. Once the entire population was covered under the three schemes, they were merged into one (Kwon 2009).

**Establishment of specific social security schemes for self-employed workers**

Some countries have created specific schemes for self-employed workers. For example, Algeria and Belgium have a single scheme for all or most categories of the self-employed, while France, Germany and Spain have established separate schemes for different categories of the self-employed (Eurofound 2017; ISSA 2012; Spasova et al. 2017). Such specific schemes for self-employed workers may not offer the same range of benefits as schemes for employees. In many countries, sickness cash benefits and unemployment benefits are not available under those schemes or are accessible only on a voluntary basis (OECD 2015). For example, the Government of Colombia has provided the self-employed with mandatory coverage for old-age pensions and health insurance but voluntary coverage for employment injury coverage (ISSA 2012).
Extending Social Security to Self-employed and Domestic Workers provided for the opening of service centres in areas with a high presence of self-employed workers. Those centres are equipped with an integrated computer system to allow most administrative procedures to be performed on-site (Durán Valverde et al. 2013).

In Uruguay, the coverage of ride-hailing drivers using digital platforms (such as Uber) was facilitated through a phone application that allows for the direct deduction of social security contribution from the price of the ride through the monotax mechanism, thereby ensuring the drivers’ social security coverage and creating a more level playing field between the traditional and the digital economies (BPS Uruguay 2017; Behrendt, Nguyen, and Rani 2019).

Facilitating access through partnerships

Collective registration agreements may also be useful to facilitate the registration of self-employed workers. Usually, organizations of self-employed workers (such as trade unions, cooperatives or rural producers’ associations) can operate as an intermediary between workers and social security institutions. For example, own-account workers can enter into collective or group insurance agreements with a social insurance scheme provided that they belong to an organization that has the capacity to be an effective partner in such an agreement. Examples of such collective agreements may be found in Ecuador, Costa Rica and the Dominican Republic (see box 3). Agreements with other agencies or sector organizations can also facilitate access for workers, especially in remote areas. While such partnerships can facilitate simple processes such as awareness-raising and payment of contributions, more training is required if they take on more responsibilities. In Indonesia, partnerships between the public social insurance provider BPJS Health and community members have been shown to be effective in reaching the people living in remote areas (see box 4).

Facilitating contribution collection and financing mechanisms

Adapting the way in which contributions are determined and facilitating contribution payment mechanisms may help overcome the barriers faced by self-employed workers with low and volatile incomes (ISSA 2012). Such measures may facilitate coverage for workers for whom it is difficult to determine contributions and are especially relevant for own-account workers who face the double contribution challenge.

Removing administrative barriers

Bringing self-employed workers under legal coverage is important but is not sufficient to achieve effective coverage. A range of different measures is necessary to ensure the appropriate implementation and enforcement of legislation, taking into account the diversity of situations of self-employed workers. Such adapted measures may include facilitating registration and other administration procedures, for example to introduce digital technologies; adapt labour inspection mechanisms to the situation of self-employed workers; establish effective grievance mechanisms; and conduct information or sensitization campaigns.

Some countries have moved to address the administrative barriers that self-employed workers face with regard to completing registration, making contribution payments and accessing benefits. This may include simplifying registration procedures and removing geographical barriers by increasing the number of access points for workers, including through mobile and electronic access. In Cabo Verde, for example, the Operational Plan for
Box 3: Extending social protection to self-employed workers through collective registration agreements

The trade union-supported association AMUSSOL in the Dominican Republic was founded in 2005 to facilitate access to the social insurance scheme for self-employed workers and other vulnerable categories of workers. AMUSSOL has covered 60,000 workers to date. The fact that workers are ready to pay an additional 1 per cent fee for AMUSSOL operating expenses on top of their social security contribution shows how much they value social security coverage.

Source: Based on WSM (2016) and ILO country brief (forthcoming).

Another option for facilitating the determination and collection of contributions is the use of flat contributions or contribution categories based on the income or wealth of contributors or on proxy measures. Such an approach may facilitate administrative procedures for social security institutions, while eliminating the need for workers to prove their exact incomes. In Costa Rica, the self-employed are grouped into different contribution categories based on their income (Durán Valverde et al. 2013). In Tunisia, ten income brackets were established to assign the self-employed according to occupation and size of firm or land. In Cabo Verde, self-employed workers may select the contribution category according to which they wish to contribute for pensions and benefits will then be calculated on that basis.

To facilitate the payment of contributions, some countries have also adapted contribution schedules. For example, the Philippines introduced an innovative contribution collection mechanism for self-employed workers by allowing them to deposit small daily or weekly contributions (Damerau 2015; ISSA 2015) (see box 5).

Simplified contribution and tax payment mechanisms, such as the monotax mechanism in Argentina, Brazil and Uruguay (see box 6), may facilitate the payment of contributions by allowing microenterprises and own-account workers to pay a single flat payment instead of various tax and social security contributions. While participation in monotax mechanisms is usually voluntary, simpler administrative procedures – and in some cases lower contribution rates as well – make this mechanism attractive.

Box 4: Involving community members in Indonesia

The Kader JKN programme in Indonesia is based on the recruitment of community members who perform some functions on behalf of the public social insurance provider BPJS Ketenagakerjaan, namely outreach and communication, the enrolment of new members, and the collection of contributions and their transfer to the scheme, and handling of complaints. To qualify as a Kader JKN agent, the candidate must fulfil certain criteria – for example, they must have registered for online banking in order to facilitate online payment for members; must have a domicile near the target area; must have obtained a high school diploma; and must have work experience with a social organization.

The community approach has proven to be effective in reaching people living in remote areas, particularly in an island country like Indonesia. Within one year of implementation, the programme counted 2,000 agents who manage 2 million members and the contribution collection rate increased by 14 per cent. The community approach shows a utilization rate of 73 per cent, compared to 4 per cent for e-registration.

Source: Based on ISSA (2018); and Indonesian Government sources.

While the adaptation of contribution collection mechanisms may contribute to facilitating coverage, it may be necessary to ensure coverage for those with limited contributory capacities through adequate financing arrangements, such as subsidizing social insurance benefits or contributions or combining non-contributory and contributory financing mechanisms. In the Philippines, for example, health insurance contributions are subsidized by the Government for low-income earners and other vulnerable groups of workers. Those measures have contributed to a significant
expansion of PhilHealth's coverage (Philippines, 2017; Results for Development, 2015).

**Box 5: Innovative contribution collection for self-employed workers: the AlkanSSSya programme in the Philippines**

The AlkanSSSya Programme (SSS) in the Philippines introduced an innovative mechanism to facilitate contribution collection for self-employed workers with irregular earnings in 2011. Supported by associations of informal workers (informal sector groups), contribution collection boxes were introduced that allow workers to save small amounts in an individual slot when they have money available, allowing for daily or weekly deposits of small amounts. Those amounts are then counted and collected on a monthly basis, using computer-generated payment transaction reports. The contribution collection boxes are installed in or close to people's workplaces, such as at tricycle transport terminals. As of end of April 2015, more than 100,000 workers were covered.

Source: Based on Damerau (2015); ISSA (2015).

**Ensuring the portability of entitlements**

In view of high labour market mobility, social security administrations should develop appropriate mechanisms to ensure that workers do not lose their entitlements when they change their employment status. This is also relevant for workers who work part-time or on a casual basis as salaried employees and part-time as self-employed workers.

While the most far-reaching solution would be to revert to a unified scheme that covers all types of workers and sectors, countries with more fragmented systems may also enhance the coordination of existing schemes and use other mechanisms to adapt their social insurance schemes to self-employed workers, including by creating a uniform system of social security numbers to facilitate the identification of workers and the tracking of their insurance records (ILO 2021).

**Box 6: Simplifying contribution and tax payment mechanisms in Uruguay**

In Uruguay, own-account workers and small businesses below a certain threshold may choose between (a) using the simplified monotributo (monotax) mechanism of a single payment of taxes and contributions on revenue generated by their activities or (b) paying ordinary social security contributions and normal taxes.

Monotax contributions are collected by the Uruguayan Social Security Institute (BPS), which transfers the tax share to the fiscal authority and uses the contribution share to finance social security benefits for members affiliated through the scheme and their families.

Participating members have access to all social protection benefits except unemployment benefits. Affiliation to health insurance is voluntary in order to allow members some flexibility with regard to social security contributions. The introduction of the monotax mechanism has led to a significant expansion of coverage among the self-employed and microenterprises.

The monotax mechanism is also used for ensuring social security coverage for those working on digital platforms, such as drivers providing ride-hailing services for companies like Uber, Cabify or EasyGo, using a phone application that allows for the easy calculation and transfer of applicable contributions and taxes.

Source: Based on ILO (2014); Sotelo (2014); BPS Uruguay (2017).
Strengthening inspection mechanisms and incentives

To extend labour and social security inspections to the self-employed, it may be necessary to adapt certain aspects of the legal and operational framework to their specific characteristics (ILO 2018a). This may require adapting the legal framework governing inspection services, allocating more resources to inspection services, enhancing awareness-raising and information and ensuring that inspection mechanisms take the particular situation and needs of the self-employed into account. For example, Costa Rica's social insurance institution employs a group of specialized inspectors to oversee the registration of the self-employed. They work in several economic sectors and according to different schedules in order to enable both daytime and night-time supervision. In addition, more administrative staff and inspectors were hired to enhance the administrative capacity to follow up cases of evasion (Durán-Valverde et al., 2013).

Promoting information and raising awareness

Raising awareness may be important for sharing information and sensitizing self-employed workers about the importance of social protection, thus informing them about available schemes and benefits and relevant procedures and thereby contributing to increased compliance. It is important for information and awareness-raising campaigns to address the specific needs and characteristics of self-employed workers. In Cabo Verde, for example, a proactive approach has been pursued to implement a well-planned, intense campaign that specifically addresses self-employed workers in urban and rural areas (Durán Valverde et al., 2013).

Linkages to other policy areas

Strategies to extend social protection coverage to self-employed workers form part of a broader set of interventions aimed at formalization of employment. Social security policies should go hand in hand with policies such as policies to promote productive economic activity and formal employment, such as entrepreneurship policies and government credit provisions and tax policies that adapt taxes to workers' contributory capacity. In addition, measures to promote the organization of entrepreneurs may empower them to take collective action to claim their rights and improve their working conditions. The Self-Employed Women's Association (SEWA) in India has successfully organized women entrepreneurs, providing them with support services, such as child care and access to finance, and helping them to overcome barriers to formalization. For example, a SEWA cooperative registered 3,500 female self-employed workers in the construction sector to obtain social protection benefits (SEWA 2014a; 2014b).

The examples illustrated in this brief show that a combination of measures that take into account the diversity of the self-employed is required to address the many different challenges of extending social protection to self-employed workers in the informal economy and facilitating the transition to formality.

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This brief is part of a larger policy resource package on the extension of social security to workers in the informal economy, see informaleconomy.social-protection.org.

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