Social protection floors – concept, situation, ILO’s support, relevance for MNEs

GLOBAL BUSINESS NETWORK FOR SOCIAL PROTECTION FLOORS
LAUNCH EVENT
WEDNESDAY 28 OCTOBER 2015, ILO R2 ROOM 7
V. SCHMITT
What is social security/protection?

Social security/social protection is the set of measures provided by society to protect its members from:

- **Poverty** and social exclusion
- The financial consequences of “life cycle risks” (ill health, sickness, disability, maternity, employment injury, unemployment, old age, or death of a family member)
- **Insufficient family support** particularly for children and adult dependants
What is social security/protection?

- It is a **human right**
- It is an **economic necessity**

**Universal Declaration of Human Rights, 1948, Articles 22 and 25**

**ILO’s standards** (Conventions and Recommendations) support the design and implementation of social protection schemes
- Convention No. 102, 1952

**Virtuous cycle of development**
- Income security / schooling / training / health
- Higher household consumption and domestic demand
- More decent jobs / paying taxes
- Employability / productivity
- Social Protection Floors investments

**Floors investments**
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- Social Protection

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- Employability / productivity
- Social Protection
More and more countries have adopted social security laws

% of countries with social security schemes anchored in national legislation, by policy area (branch)

- Old age
- Disability
- Survivors
- Employment-related injury
- Sickness and health
- Maternity
- Family and children
- Unemployment

Before 1900

After 2005
The protection provided by these laws has progressively increased.

https://www.youtube.com/watch?feature=player_embedded&v=Amn_eQoynsQ

1900

2012
However these laws only protect a minority of the world’s population

73% of the world population is not adequately covered.

Globally, 39% of the population is lacking coverage in health.

50% of the world’s children live in poverty.

Only 12% of unemployed workers worldwide actually receive unemployment benefits.

Nearly 50% of all people over pensionable age do not receive a pension.

http://www.social-protection.org/gimi/gess/ShwTheme.action?th.themeld=3985
A new concept: the social protection floor

- The floor is the minimum level guaranteed at the national level; it is not an additional scheme.
A new concept: the social protection floor

All residents have access to essential health care, including maternity care.

All children enjoy basic income security, providing access to nutrition, education, care, and any other necessary goods and services.

All persons in active age who cannot earn sufficient income, enjoy basic income security, particularly in cases of sickness, unemployment, maternity, disability.

All older persons have basic income security.
A new concept: the social protection floor

2009
UN SPF Initiative

2012
ILO’s Recommendation on Social Protection Floors, 2012 (No. 202)

2015
Sustainable Development Goals. 5 Targets on social protection including floors.

1. NO POVERTY
2. GOOD HEALTH AND WELL-BEING
3. GENDER EQUALITY
4. DECENT WORK AND ECONOMIC GROWTH
5. REDUCED INEQUALITIES
Examples of SPF implementation

Argentina: maternity

Cabo verde: pensions

China: pensions, health

Mongolia: children

India: PEPs

Namibia: pensions

South Africa: PEPs, children

Thailand: health, pensions

El Salvador: pensions

Bolivia: pensions

Country briefs available!
ILO’s Global Programme on Building Social Protection Floors for All

1. Vision

2. Strategy (2016-20)

http://iloglobalprogramme.social-protection.org
ILO’s Global Programme on Building Social Protection Floors for All

• Shift: from piecemeal interventions to scale and impact

• 2 mutually reinforcing aspects:
  – Support the implementation of tailor-made and functional SPF in 21 countries
  – Support the global campaign on social protection floors
Building SPFs in countries

21 countries

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<th>Step 2 – Designing and reforming schemes</th>
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These countries meet 5 success factors:
1. Vision
2. Political will
3. Potential
4. ILO & UN commitment
5. Partnerships

In these countries the programme can achieve institutional changes and impact on people within 5 years.

Country fiches
A global campaign on SPFs feeds and is enriched by country operations

Addressing vulnerabilities

- Persons with disabilities
- Maternity & paternity
- Health

unemployment, victims of workplace accidents, climate change & disasters, migrants, refugees, domestic workers, self-employed, children, etc.

Delivering as One UN

- ABNDs
- Legal drafting
- Delivery (SWS)

Building the case for social protection

- Databases (SSI)
- Impact & business case

- Country cases & videos
- Hands-on guides
- Implementation in countries
- Training
- Strategic partnerships
Expected results

- Institutional changes in all countries
  - 100 per cent of countries will have adopted a national social protection strategy or policy.
  - 70 per cent of countries will have designed or reformed their social protection schemes.
  - 30 per cent of countries will have improved the operations of their social protection systems.

- Improve social protection status for people
  - 30 million previously excluded people are now covered.
  - 50 million previously partially covered people enjoy higher levels of protection.
  - 130 million people have better access to social protection.
Opportunities for the global business network for SPFs

• Developing SP guarantees for your workers

• Supporting the development of SPFs for broader communities

• Participating in the campaign:
  – Building the business case for social protection
  – Engaging your employees and a wide public on SPFs