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Building the future we want
Fifteen years ago the gradual global extension of social protection began, illustrating the way that sustainable development is being established, including in the poorest countries. Although a matter of human rights, social protection for all remains far from the reality.

This article is based on a discussion between Valerie Schmitt and Daniel Kamelgarn. It highlights the growing awareness of the importance of social protection for sustainable development, together with concrete examples showing that this human right can be converted into reality.

Social protection: a human right and a social and economic necessity

Social protection allows for a life in dignity. However, it is still a privilege for far too few. Only 27% of the world population enjoys adequate social protection.

The need for such protection is not new: in 1944, the Declaration of Philadelphia affirmed that access to adequate levels of social protection was a basic right for all individuals; and in 1948 the right to social security and to a standard of living adequate for health and well-being were enshrined in the Universal Declaration of Human Rights (Articles 22 and 25).

The ILO has mobilized to enable its members to extend social protection to all groups of society. In June 2001 at the eighty ninth session of the International Labour Conference in the Palais des Nations in Geneva, delegations from 175 states comprising representatives of governments, employers and workers called for the International Labour Organization (ILO) to launch a Global Campaign on Social Security and Coverage for All. The campaign was officially launched in 2003 (ILO, 2011).

Beyond these principles, social protection is also gradually gaining recognition as a social and economic necessity; it contributes to the development of countries by ensuring that people receive income security and access to healthcare and other social services, and facilitates their access to training or employment opportunities. Social protection is a powerful tool in the fight against poverty and inequality and helps develop domestic demand for goods and services that enable an inclusive and sustainable growth (ILO, 2014 and AFD, 2014). In situations such as the 2008 financial crisis, social protection mechanisms served as stabilizers of the economy and society.¹

The ‘social protection floor’ as a strategy for implementing the right to social security

From 2009, calls for the establishment of ‘social protection floors’ began to intensify² and their importance was confirmed at the G20 summits, particularly in Cannes in 2011. In 2012, this movement led to the unanimous adoption by International Labour Conference members

¹ In April 2009, the UN Secretary General stated that the establishment of social protection floors was one of the nine anti-crisis measures.
² See in particular the report of the group chaired by Michelle Bachelet, OIT 2011.
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of Recommendation No. 202 for the establishment and maintenance of social protection floors, which are nationally-defined sets of basic social security guarantees, such as access to essential healthcare for all, basic income security for children, persons in active age who are unable to earn sufficient income (especially in cases of sickness, unemployment, maternity and disability), and for older persons.

The effective implementation of social protection

Although ILO recommendations are not intended for ratification by Member States and are not therefore systematically translated into national legislation, this particular recommendation has provided a powerful lever to promote social protection floors and support their implementation. Pioneering countries such as South Africa, Argentina, Brazil, China, Colombia, India, Mongolia and Thailand were valuable examples that helped to convince even the most recalcitrant governments that social protection floors were not only desirable but also possible.

The wide range of examples shows that there are no ready-made solutions and that each country must find its own model that is most suited to its context. For example, both Thailand and Colombia have successfully expanded health coverage by heavily subsidizing the benefit packages of people engaged in the informal economy. However, this was achieved by very different methods: in Thailand, a social security agency was created from scratch to extend health coverage to those previously excluded; while Colombia put existing public and private agencies (insurance and mutual funds) into competition with each other, and facilitated the organization of the sector through progressively demanding regulations.

In addition, a number of emblematic examples have made a big impression: Argentina, South Africa and Mongolia have all established social protection systems for children; and Brazil, China and Cape Verde have accomplished the same for senior citizens. While India has implemented the most well known example of an unemployment protection programme: the New Rural Employment Guarantee Scheme, which provides rural households with an annual guarantee of one hundred work days per family. This is achieved through enrolment in public works such as road construction and maintenance, or the establishment of health centres.

Key factors for successful social protection schemes

Ensuring the sustainability of social protection schemes requires a legal framework, adequate funding and good governance, while it is also necessary that all stakeholders are convinced of the benefits of the system. In the case of contributory schemes that are financed through contributions of employees and companies, the stakeholders are the government and the representatives of workers and employers. Employees often need to be convinced of the benefits of the implementation of a new social protection system. For example, when the Malaysian government proposed the establishment of an unemployment insurance scheme, employee representatives were resistant due to a strong attachment to the existing compensation arrangements of substantial redundancy payments. Even though in practice these sums are rarely paid, since employers that make redundancies often do so due to insolvency.

In developing countries, where about 80% of the working age population is employed in the informal economy, it is difficult for social insurance mechanisms to identify, register and obtain contributions from self-employed workers or those employed by unregistered companies. Moreover, in some of these countries taxation is in its infancy, which complicates the implementation and sustainability of tax-funded schemes. Fiscal space must therefore be increased through a reallocation of government spending in favour of social protection and by the introduction of new taxes. In a number of middle-income countries (for example, Uruguay, Argentina and Brazil), significant progress has been made to increase the coverage of social insurance schemes to include more workers from the informal economy. These successes, however, have only been possible due to large subsidies and the administrative simplification of registration procedures and payment contribution systems for these workers (such as the ‘Monotax’ mechanism in Uruguay or the ‘SIMPLES’ taxation scheme in Brazil).
Difficulties in the implementation of social protection

The main difficulties relating to the implementation of social protection schemes arise when low-capacity administrations are involved. Establishing a new universal system of protection in countries such as Thailand, where the entire population is recorded and identified, would only take two to three years. Whereas a country such as Cambodia, where several generations of national identity cards coexist, the introduction of social protection requires the initial identification and recording of the entire target population. In Cambodia, the establishment of a municipality-managed ‘single-window system’ for social protection would enable population data to be recorded, people to be informed about their rights, the improvement of access to various schemes managed by different ministries, and would support appeal procedures. Similar single-window systems already exist in Mongolia, India and many Latin American countries.

In sub-Saharan Africa, private mutual health systems have developed to address the lack of social protection schemes for workers in the informal economy. These systems are the main insurance providers in this territory for this target population, and could become one of the entry points for a state-guaranteed social protection floor.

Identifying actors of change

Through discussions between tripartite constituents (employers, employees and governments), the social dimension of sustainable development has progressed over the last fifteen years in developing countries with the implementation of social protection systems. This process takes time: for example, in the Philippines the social dialogue around the introduction of an unemployment insurance scheme began ten years ago and has still not reached a conclusion. Sometimes it takes a crisis or a specific event to accelerate discussions.

When a state sets up a scheme for informal economy workers and their families, the workers organizations are often not directly representative of the scheme’s beneficiaries, since these workers are mostly non-unionized. Civil society pressure groups can then play a decisive role, such as in HomeNet in Thailand, WIEGO in South Africa and the NGO Help Age International in different regions of the world.

Some multinationals already offer social protection coverage for their employees around the world. Their commitment to social protection ensures the continuity of the company’s business and is a vector of a positive brand image. Some multinationals extend this commitment to the workers alongside the value creation chain by supporting the financial initial investments that are necessary for the establishment of such floors.

Change at the country level comes thanks to politicians, social partners (employers and workers representatives) and civil society actors with a vision for the development of their countries and of the world in which we live. UN agencies and development partners influence and support these changes at the global, regional and country levels through a variety of measures stemming from the set-up and promotion of development goals and relevant standards to achieve universal social protection, capacity building and technical support, south-south exchanges, as well as proper planning and coordination of interventions. Creating and expanding social protection floors will enable us to achieve the future that we want by leaving no one behind.

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FIGURE 1. Are we moving towards a universal social security?

Social protection has continued to grow globally since the Second World War both geographically and in the number of sectors covered.
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