SOCIAL PROTECTION FOR THOSE WORKING INFORMALLY: THE AU SPIREWORK

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Outline of Presentation

1. Defining the Informal Economy
2. Characteristics & Contributions of IE
3. Challenges
4. AU & Steps Towards Social Protection for IE & Rural Workers
5. The SPIREWORK Strategy
6. Follow-up Monitoring & Evaluation
Defining Informal Economy

- Informal Economy as including: enterprises, which are not usually registered, and have low level of organization, productivity and profitability, has limited access to markets, credit facilities, formal training and public services. They have very small or no fixed premises, and finally, are not recognized, supported or regulated by the public authorities and don’t comply with social protection regulations, employment legislations or health safety provisions. (AUC document AUC EXP 4(I))

Characteristics and Contributions of Informal Economy

- Job Creation
- Wealth Creation
- Household Income Generator, Social & Family Stability
- Dominated by Women & Youth
- Globalization & Informal Economy
Challenges

- Informal Economy and Rural Workers Participate and contribute to Growth, BUT What about benefiting from Growth???
- Social Protection deficit & Poor working Condition
- Lack of Recognition & Legal Protection
- Poor Information Base
- Skill Gap
- Finance
- Child Labor

AU & Steps Towards Social Protection for IE

- 1. 2004 Ouagadougou Declaration on Employment & Poverty Alleviation and its PoA Social Protection deficit & Poor working Condition (EXT/ASSEMBLY/AU/4 (III))
- 2. Programme on Upgrading of the Informal Economy by the AU Labour & Social Affairs Commission -2007 and the Executive Council
- 3 The Social Policy Framework (SPF) - 2008
- 4. The SPIREWORK - 2011
- Other AU Legal & Policy Instruments
SYNERGY WITH OTHER AU RELATED AU POLICIES

- African Charter on the Rights and Welfare of the Child
- The Maputo Protocol on the Rights of Women
- Continental Policy on Sexual & Reproductive Health & Rights and to the Maputo POA for its implementation, as well as CARMMA
- Abuja Call on Universal Access to HIV-AIDS, TB and Malaria Service by 2015

SYNERGY WITH INTERNATIONAL AGENDA

- UN Social Protection Floor Initiative and the ILO Social Protection Norms
  - (i) essential services: access to public services (water and sanitation, health, education and family focused social work support”; and
  - (ii) social transfers
- ILO Social Security standards:
  - Income Security Recommendation, 1944 (No. 67),
  - Medical Care Recommendation, 1944 (No. 69),
  - Social Security (Minimum Standards) Convention, 1952 (No. 102)
SYNERGY WITH INTERNATIONAL AGENDA

- Africa-EU Partnership on Migration, Mobility and Employment commits to social protection for the informal workers
  - Special emphasis is put on the creation of more, more productive and better jobs in Africa and the link to social protection as well as to the informal and social economy.
  - 2nd Africa-EU Action Plan (2011 – 2013) contains a number of concrete actions:
    - Decent Work Initiative will allow AUC and EC to jointly launch a project with the objective of extending social protection coverage in particular in the informal economy (to be discussed in Brussels in September 2013).
    - Regional and Sub-regional fora on employment, labour, social protection and labour migration also aims at improving productivity, working conditions and social protection coverage in the informal economy, including migrant workers.

SYNERGY WITH INTERNATIONAL AGENDA

- SPIREWORK and the MDGs
  - MDG1: Poverty Reduction
  - MDG3: Women Empowerment
  - MDG4: Under-5 Mortality
  - MDG 5: Reduction of Maternal Mortality
  - MDG 6: HIV-AIDS
  - MDG 8: Partnership/Youth Employment
SPF & SPIREWORK:
Three Main Strategic Directions

1. providing affordable health care including through community-based health insurance schemes and strengthening viability of existing schemes;
2. providing occupational safety and health coverage to vulnerable workers especially in agriculture and the informal economy;
3. encouraging and supporting the development of micro-insurance and innovative decentralized social security schemes to provide social protection through community or group support.

STRATEGY TOWARDS SPIREWORK
Three components:

(A) Core Guiding Principles;

(B) Minimal Social Protection Package and

(C) Enablers for achieving the Minimum Package.
Strategy: Core Guiding Principles

- Building blocks of the AU SPIREWORK are inspired by the AU Social Policy Framework based on freedom, equity, security and human dignity;

- Upgrading the IE is part of Human Development and of human security meaning freedom from fear, minimal income security, being in control of one’s development, and voice representation;

- The IE is considered as a catalytic vehicle which can serve as an accelerator of the attainment of most of the MDGs

- The dynamic diversity of the informal economy allows to develop a cluster approach in the implementation of the SPIREWORK

- Address and eliminate the particular vulnerability and insecurities of youth and women in the Informal Economy;

- traditional “Leap Frog” project approaches should be replaced by mainstreaming the needs and expectations of the IE in national policies with focus on education, Health and Security at the workplace, productivity and Health priority areas

Strategy: The Minimum Social Protection Package - Member States

- Define and implement a Minimum Substantive Protection Package for informal and rural workers and members of their families, through a comprehensive study

- Reassess their social protection policies and programmes for better targeting and aligning with SPIREWORK; and reallocate existing resources to those schemes of protection which are most effective in terms of poverty alleviation and the reduction of vulnerabilities and insecurity;

- Using the Value Chain Analysis method, determine 5 informal economy clusters for quick impact interventions and launch special social protection projects;
Strategy: The Minimum Social Protection Package - Member States

- Review their laws and regulations, policies, strategies and programmes as they relate to access of the informal and rural workers to social protection measures, and undertake reform measures for more inclusive social protection systems
- Undertake special initiatives on promoting the implementation of CARMMA, HIV-AIDS, TB and Malaria policies in the informal and rural workplaces
- Combat Child labour, forced labour, eradication and human trafficking
- SPIREWORK holds the role of integrator of opportunities for social inclusion of the informal and rural workers at national level through identification and coordination and harmonization of the various social protection schemes appropriate for these population groups

Strategy: Enablers for achieving a Minimum Social Protection Package

Concrete building blocks that enable achieving extension of the Social Protection coverage to informal and rural workers

1. **Organization** of informal and rural workers for their effective empowerment and participation in Policy Dialogue, Registration
2. **Advocacy and Recognition**
3. **Alignment of legal and regulatory frameworks**
4. **Statistics and Knowledge management and experience sharing**
Enablers: **Member States**

- Develop/improve statistics and the knowledge base on social protection on the informal economy and rural sector
- Policies to enhance women’s economic security, such as the revision of labour laws to eliminate gender discrimination and ensure equal protection, and the revision of laws and policies that restrict women's property
- Sound analytical work with respect to the main vulnerabilities and insecurities of the informal economy by sub cluster; and conduct a quantitative analyses of the cost, benefits and long term financial and fiscal sustainability of alternative and innovative social protection systems
- Sensitization of policy makers, municipal authorities and labour inspection services to change their traditional role towards a preventive and promotional approach; Strengthen institutional capacity in inclusive urban policy development;

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Enablers: **Member States**

- Encourage and support Public-Private Partnership
- Conduct a technical and financial assessment of the traditional apprenticeship as skills development provider
- Develop dialogue and cooperation schemes/programs between the micro enterprise and the insurance and banking sector
- Implement the Africa Productivity Agenda components for the Informal Economy
- Information, communication and Education Strategies; strong advocacy of poverty alleviation and the reduction of insecurity and vulnerability of the informal economy workers as a national policy priority
- Enhance the technical, infrastructural, and institutional capacities of Ministries responsible for social protection, including facilitation of collaboration between ministries of economy and finance, labour/employment, agriculture, trade, handicraft, and other key line ministries.
### Enablers: AUC

- Dissemination of the SPIREWORK to MS, RECs, international partners and other key stakeholders through advocacy and training initiatives targeting decision makers and planners, parliamentarians, social and economic institutions, social partners, local governments, etc.
- Develop tools for the implementation of the SPIREWORK, in collaboration with development partners and African institutions.
- Support African countries for formulation, implementation and follow-up, M&E of Pilot Projects on Social Protection for Rural and Informal workers, with special attention for post-conflict countries Sierra Leone and Liberia, (2 MS/REC); Pilot projects should encompass test of the new tools and mechanisms in selected countries committed to the effective implementation.
- Design and deliver effective impact assessments, monitoring and evaluation.
- Campaign for universal access to social protection for informal and rural workers and their families.

### Enablers: Regional Economic Communities

- Integrate SPIREWORK in the design and implementation mechanisms of their social protection policies and programmes;
- Facilitate professional organizations of informal and rural workers; and encourage sector and cross-sector networking and experience sharing.
- Encourage and support effective dialogue and networking of the micro finance institutions, cooperatives, social protection services providers, including the formal providers such as insurance companies.
- Harmonize or coordinate the social protection policies and legal/regulatory frameworks in view of facilitation regional integration through improved labour mobility.
**Enablers: UN Agencies and Development Partners**

- Provide **technical support and financial assistance** to AU Member States, AUC, RECs and other key stakeholders in their policy development, implementation, and monitoring and evaluation activities.
- **Review their development policies** and support programmes to make them more friendly to and supportive to promoting social protection for the informal economy and rural workers, and members of their families.
- **Work towards coordination of and synergies in planning, funding and monitoring and evaluation of their programmes.**

**Enablers: Civil Society Organizations**

- **Advocacy and capacity building activities** at national, local, regional and continental levels.
- **Private sector should support and contribute to promotion of appropriate social security schemes** for the informal and rural workers.
- **Employers’ organizations and Trade Unions should provide assistance to establishment and strengthening of informal economy and rural workers organizations at all levels.**
Follow-up, Monitoring and Evaluation

- The AUC should incorporate SPIREWORK follow-up and evaluation information in the follow-up mechanism of the Ouagadougou 2004 Declaration and Plan of Action on Employment Promotion and Poverty Alleviation, as well as of the Social Policy Framework and other relevant policies;

- MS, RECs and UN Agencies should include SPIREWORK in their regular follow-up reports on the implementation of the Ouagadougou 2004 Declaration and Plan of Action on Employment Promotion and Poverty Alleviation, as well as of the Social Policy Framework and other relevant policies;

ACTIONS

- December 2012, Maputo: Capacity Building and Planning Workshop for SADC and EAC Secretariat and Member States: Outline of SADC and EAC Roadmaps _ Outline of EAC and SADC Member States country Roadmaps

- Actions planned for 2013:
  a. October, Nairobi: Mainstreaming of SPIRREWORK into the AU CAADP, with collaboration of African Social Protection Platform
  b. Abuja, Oct/Nov: ECOWAS SPIREWORK Capacity Building and Planning

- Actions planned for 2014: A set of Actions are planned for 2014
TIME FOR ACTION

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THANK YOU