



## Information Note

### **Asia-Pacific Regional High-level Meeting on Socially-Inclusive Strategies to Extend Social Security Coverage**

**New Delhi, India, 19-20 May 2008**

#### **Introduction**

At the Fourteenth Asian Regional Meeting held in Busan, Korea, in August/September 2006, the tripartite delegates launched an Asian Decent Work Decade up to 2015 and committed themselves to the achievement of specific decent work outcomes during this period in accordance with their respective national circumstances and priorities, and to cooperate on specific initiatives at the regional level where joint action and sharing of knowledge and expertise will contribute to the realization of decent work.

The conclusions of the Meeting identified a set of priorities for realizing decent work in countries of the region. One of the priorities is “extending the effectiveness and coverage of social protection for all, including workers in the informal economy.” In support of national efforts, the member states requested that the office should assist their governments and social partners to consolidate and integrate action in a number of fields, including “establishing benchmarks and good practices on the extension of social protection to all working women and men and their families.”

In this context, the ILO plans to hold a meeting to review and assess the range of relevant options which member states may wish to employ for the extension of social security coverage to, in particular, the informal economy, in terms of both policy and practical feasibility. This initiative also presents the opportunity to demonstrate further progress in relation to the Global Campaign for the Extension of Coverage, launched in 2003<sup>1</sup>.

The Government of India (GoI) has generously indicated its willingness to host such a meeting in late 2007, which will accordingly be organized on a fully collaborative basis between the GoI and the ILO.

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<sup>1</sup> The Global Campaign for the Extension of Social Security Coverage responds to a request from the International Labour Conference of 2001, following its General Discussion on the basis of Report VI submitted to that Conference, “Social Security: Issues, Challenges and Prospects”, that (item 17 of the minuted Conclusions to the discussion) “a major campaign should be launched in order to promote the extension of coverage of social security”. Since 2003, a component of almost all of the activities of the ILO’s Social Security Department has been directed to the raising the awareness of the Organization’s tripartite constituents as to the importance of this issue. In a number of countries (rather few to date, but including, in the Asia-Pacific and Western Asian Regions, Nepal and Jordan, respectively), the constituents have felt ready to signal their commitment by means of a formal, national launch of the Campaign.

## 1. Issues to be addressed

Three countries in the region (Australia, Japan, New Zealand) have fully developed systems of social security. While significant progress has been achieved over recent years, on a fairly wide front in the Republic of Korea, and in more specific areas in many other countries, the objective of effective coverage of the majority of their workforces in most countries remains a rather distant goal. There are few countries in the region in which more than 10 per cent of workers and their families have access to effective social protection, whether through national schemes of social insurance or social assistance, or local and community-based schemes. The reasons are many and varied, including financial constraints, limited statutory mandates, institutional inertia and the massive size of the informal economy, accounting for about 60 per cent of the total employment in developing Asia. The persistence of the informal economy has led to an environment which was simply not envisaged in the 1950s, 60s and 70s when many of the formal, national institutions of social security were created. The resulting vacuum has encouraged the development of a wide range of valuable “grassroots” initiatives, focused around the type of social protection schemes described generally as “micro insurance”.

However, the present-day environment of globalization, trade liberalization, widening income disparities within and between countries (reflected strongly in the increasing mobility of labour forces) and also the “information society”, poses new challenges for both national- and community- based schemes of social security. It is of particular importance to promote the understanding that national systems of social security represent investments in national productivity, indispensable to social and economic development processes, and in a broader sense to the achievement of social justice. Within that framework, the central policy challenge is to design pluralistic, social security systems that combine a range of protective mechanisms in an effective way to provide adequate levels of protection to all groups in a society on the basis of universal access to at least some minimum level of protection for all.

These issues and needs were discussed in depth at the ILC 2001, the outcome of which was a mandate to the Office to mount a Global Campaign (GC) for the Extension of Coverage. The background documents, resolutions of the ILC 2001 itself, the materials subsequently developed for the Global Campaign, and the demand of the Asia Regional Meeting of 2006 for progress in the Decent Work Agenda, provide essential references.

## 2. Objectives, scope and targeted outcome

The **broad objective** of the meeting, in addressing this challenge, is to identify a set of policy approaches within which participating countries can pursue effective and progressive extension of social security coverage, in particular to the workers in the informal economy, taking advantage of, and integrating, initiatives on behalf of both the formal, national institutions of social security and those arising from the NGO/grassroots sector, and also of the ILO’s capacity to promote dialogue between the social partners to this end.

The **specific objectives** of the meeting are, accordingly:

- To share knowledge and experiences regarding strategies and mechanisms for the extension of social security;
- To identify good practices and encourage initiatives and responses to emerging challenges; and
- To foster a consensual approach or approaches to issues of extension of coverage.

The **targeted outcome** relates to the role of social security and its extension, notably to the informal economy/unorganised sector, in realizing the objectives of the Asian Decent Work Decade. With an extensive exchange of national experiences among the participating countries, opportunities for new initiatives will be identified, along with, where relevant, the renewal of previous commitments. In addition, it is hoped that the forum provided by the meeting will serve as an opportunity for the participating countries to approach a deepening commitment to regional cooperation, including networking for the sharing of knowledge, experiences and expertise. For its part, it is envisaged that the ILO will assist the meeting in promoting a well-articulated understanding, on the part of the participating countries, of the significance and technicalities of extending social security coverage and finding optimal means towards sustaining that effort.

Finally, it is envisaged that practical means should be identified through which the ongoing commitment of participating countries to these specific objectives may be adequately facilitated. One such example may be the improvement of the available data to facilitate the measurement of progress towards full social security coverage. Participating ILO member countries may wish to consider the possible advantages of linking such an initiative to the cycle of Asian Regional Meetings.

### **3. Organization and Participation**

It is planned that the meeting will take place over a period of 2 full days. Participation of countries will be by invitation, and it is planned to reflect as fully as possible the very wide spectrum of past traditions and future needs as regards social security in the Asian nations. A proposed list of countries from which participants will be invited is attached, together with a draft programme design.

Participating states will be asked to nominate high-level government delegates (ministers if possible) not only of their Ministries of Labour but also, in order to capture the widest possible dimensions of social protection, from their Ministries of Finance/Planning or of Health. Invitations to workers' and employers' organisations will be extended following normal ILO procedures.

Invitations on an observer basis will also be extended to the international agencies most closely concerned, including some or all of WHO, ADB, the World Bank, IMF, UNDP, EC, ASEAN, SAARC, ISSA etc together with bilateral (donor) agencies and representatives of local institutions active in this field; advantage may be taken of relevant academic research.

Participating countries will contribute their relevant experience. Given the limitations of time, country papers or equivalent PowerPoint presentations will be circulated as reference materials, rather than presentations in plenary session. More importantly, it is envisaged that countries will contribute to focused thematic discussions. To maximise the advantage of time available, it is proposed to focus on two, major themes only. The theme of social income security represents something of an “umbrella”, but in relation to which attention should be paid to certain significant sub-themes, including not only old-age pensions but also working to older ages and relevant needs for health care. Thus the framework will be set for the jointly-selected theme of social health care provision and it’s financing. However, it will be of particular importance that the meeting address the challenges for extending social security to informal economy workers, and it is envisaged that this may take the form of an additional high-level panel session. This forum may broach a range of significant, contextual topics, including those of finance and governance of social security, and of social security needs in relation to labour migration. The specific needs and access to social security of women (arising from, for example, but not limited to, differential mortality, morbidity, maternity, family/care responsibilities and career/work patterns), as compared with men, are necessarily integral to the discussion of social security issues, and will be addressed throughout.

The ILO will arrange for the preparation of papers on the principal thematic subjects. The papers will highlight international and regional experience and approaches, together with gender aspects.

