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Extending social security to own-account workers and unpaid family workers in the agriculture sector in Federal Iraq and the Kurdistan Region of Iraq

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1

Introduction

Introduction

This is a policy report on extending social security to own-account workers and unpaid family workers in the agriculture sector in Iraq[1] – comprising Federal Iraq and the Kurdistan Region of Iraq (KRI). It is one of three reports resulting from the project Extension of social security coverage to informal workers in Federal Iraq and the Kurdistan Region of Iraq, commissioned by the Iraq Country Office of the International Labour Organization (ILO).

The aims of the report are threefold. It seeks to:

- generate quantitative evidence on characteristics of own-account workers and unpaid family workers in the agriculture sector, as well as qualitative evidence on their social security needs and the barriers they face in registering with contributing to and accessing entitlements from the Social Security Scheme for private sector workers;
- identify practical options for the extension of coverage of social security to own-account workers and unpaid family workers in the agriculture sector in Iraq, related not only to potential legal or policy reforms, but also to adjustments to social security regulations, institutional arrangements, awareness and communication efforts, strengthening of enforcement capacity, establishment of synergies and partnerships with other government actors, assessment of costing and financing arrangements, and coherence with non-contributory schemes;
- provide high-level guidance on priorities for developing a national strategy on the extension of coverage of social security to own-account workers and unpaid family workers in the agriculture sector.

Two types and sources of evidence are key:

- A set of descriptive profiles of the characteristics of own-account workers and unpaid family workers in the agriculture sector. These are generated by the ILO from microdata in the Iraq Labour Force Survey (LFS) 2021 (CSO et al. 2022).

[1] In this report, the term 'Iraq' refers to both Federal Iraq and the Kurdistan Region of Iraq. 'Federal Iraq' specifically denotes the area excluding the Kurdistan Region, while the Kurdistan Region of Iraq (KRI) is recognized as an autonomous region in the northern part of the country.

- New qualitative data on the barriers faced by workers in the agriculture sector in registering with, contributing to and accessing entitlements from the Social Security Scheme. The challenges faced by the Departments of Social Security (DSS) in Federal Iraq and the KRI and other relevant ministries and agencies in extending coverage to these workers and employers will be assessed. This data is generated by key informant interviews (KIIs) and by focus group discussions (FGDs) with workers and employers.

There are high-level structural reasons for labour market rigidities in Iraq that determine formality and informality and thus the ‘registration’ of workers and employers in social security schemes. These conditions affect employment generally, and agricultural employment in particular.

In Iraq, access conditions to the current system of social security, i.e. based on formal employment, is almost entirely associated with employment in the public sector (Angel-Urdinola and Tanabe 2012; ILO 2021), which accounts for about 38 per cent of the workforce and includes large state-owned enterprises, alongside public administration (CSO et al. 2022). This legacy of public sector employment marks an important segmentation in Iraq’s labour market between public employment, where social security is universal, and private sector employment that is highly informal (Assaad 2014; Hertog 2022). Stunted by the public sector dominance and poor regulation and governance, the private sector represents 62 per cent of jobs and is dominated by small and medium-sized enterprises that are informal, with most workers lacking social security coverage. This means that in Iraq, two out of three workers have an informal job (CSO et al, 2022). Historically, social security schemes in Iraq were primarily designed to cover public sector workers and were extended over time to include private sector wage workers. However, the forms of work in the private sector that have expanded in Iraq, in common with other countries in the region, are either excluded from the social security legislation or are included on a voluntary basis (Nimeh et al. 2023). These forms of work include temporary and irregular wage workers, gig and platform workers, self-employed and own-account workers (whose enrolment is voluntary in most of the schemes), domestic workers and contributing family members. This is the case for the agriculture sector, most of which involves self-employment and contributing family work, according to recent data from the Labour Force Survey (LFS). Moreover, the agriculture sector has one of the highest proportions of low-paid workers, with 72 per cent classified as low-income workers (CSO et al. 2022). It is therefore expected that due to the prevalence of the working poor in this sector, some agricultural workers could be entitled to non-contributory social assistance or Social Safety Net (SSN) assistance.[2] However, registration in social security schemes led to the automatic exclusion of such workers from SSN, making it a significant disincentive for workers to register in the contributory system. Moreover, workers registered in social security schemes would also be liable to income taxes, which would further strain their financial resources and might deepen their level of poverty.

Other structural reasons for informality in the Iraqi labour market have included employers' reluctance to cover their workers (Kazem 2022). Separate funds operating for different schemes (public sector workers, higher education workers and military workers) represent another obstacle to expanding social security coverage, causing a lack of portability of contributions between schemes, thereby hindering labour market mobility and an efficient allocation of resources (Kazem 2022). At a time when there was growing speculation regarding the merger of civilian, military and private sector retirement funds, new funds were established, restricting the transfer of labour and the large differences in retirement benefits and entitlement mechanisms, and this has become a restriction (Kazem 2022). Another structural obstacle to social security coverage is lack of clarity on the nature of the practices on which the workers' retirement fund is based, and the actuarial link between pensions, the collection of contributions, the return on them, and investment returns. Further obstacles pertain to the weak capacity of law enforcement, where failures in the effective application of the labour law in the private sector makes all workers who are not covered by the law vulnerable to violations of their rights – especially women (ILO 2021). In addition, the legacy of conflict has eroded trust in state institutions, which are associated with poor-quality services and high levels of corruption. The 2022 Arab Barometer Report on Iraqis' attitudes found that "less than half of all citizens have trust in other public institutions. Two months after the parliamentary elections, just 19% of Iraqis report having trust in the parliament. Trust in the national government (26 per cent), the local government (33 per cent), and the legal system (40 per cent)." [3] All of these reasons combined have led to the proliferation of temporary and insecure work opportunities.

Following this introduction, section 2 presents a brief overview of the agriculture sector and the main reasons for informality in the labour market. The descriptive analysis of the characteristics of own-account workers and contributing family members in the agriculture sector, based on LFS 2021, are then presented in section 3. Section 4 discusses qualitative results based on the fieldwork, including key challenges to enrolment and perceptions among workers of the importance of social security. Section 5 concludes with potential solutions to the challenges of promoting enrolment in social security, which are based on the findings from the qualitative analysis.

[2] A future research question would be to calculate the percentage of workers who receive SSN by sector of employment using the recent Iraqi LFS data, and test whether this could be a disincentive for social security registration.

[3] Arab Barometer (2022) Arab Barometer – Wave VII Iraq Country Report, p.14, available at: https://arabbarometer.org.

2

Background: The agriculture sector

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The role of the agriculture sector, both in terms of providing raw materials needed by the manufacturing industries and of ensuring food security to the population, has been substantially weakened in Iraq, primarily due to decades of conflict and sanctions.

The destruction of infrastructure, deterioration in the quantity and quality of water resources, growing desertification as a result of shortages in rainfall, and the spread of salinity have all affected agricultural productivity. In addition, the market for local produce has been eroded by unfavourable exchange rates and the rise in local production costs (Kazem 2022; World Bank 2018). Agricultural policies (such as support to farmers for crops and equipment) and water policies (such as investing in quality water for irrigation) have been weak in responding to these challenges (UNESCO 2019). The agriculture sector's share of gross domestic product (GDP) declined from 8.32 per cent in 2003 (Kazem 2022) to 4.7 per cent in 2020 (ILO 2023a). It is worth noting that the decrease in agricultural activity in Iraq was not accompanied by a structural transformation of more productive sectors, nor by a rising average rate of labour productivity per capita, since investments have been primarily focused on the oil sector (Araji and Fakih 2019; UNESCO 2019; World Bank 2018). While agriculture contributed 4.7 per cent of GDP in 2020, it has absorbed 8 per cent of the labour force, according to LFS 2021, placing a greater burden on this increasingly weak sector.

Previous studies on Iraq's labour market point to the potential of the agriculture sector to contribute to job creation through direct and indirect jobs, as well as to food security for the Iraqi population (Kazem 2022; UNESCO 2019; World Bank 2018). However, the sector faces multiple challenges for which solutions must be found in order to achieve the expansion of social security coverage.

Every additional job created in agriculture is estimated to generate an additional 0.8 per cent of non-agricultural jobs, while a 1 per cent increase in the agriculture sector's GDP would result in an increase in total employment of 1.2 per cent, compared with 0.35 per cent for the industrial sector (Jongerden et al. 2019). However, low productivity is a serious challenge to sectoral growth (Jongerden et al. 2019). Several factors contribute to this situation, including weak investments in the agriculture sector, constrained access to finance reflected in limited agricultural loans provided by the Central Bank and the Agricultural Bank, poor-quality seeds available in local markets, expired fertilizers, and low rates of technology adoption, which prevent small-scale farmers from being more productive. Poverty and low levels of education exacerbate the inability of smallholder farmers to invest in learning new skills or adopting new technology, which may be expensive, and also risky. However, use of technology can help to generate higher yields and returns, potentially compensating for the low skills levels that affect productivity.

The agriculture sector has been largely informal due to a significant gap in legal coverage.

The majority of agricultural workers – mainly own-account workers (self-employed) and unpaid family workers – are excluded from the provisions of the labour law (Labour Law No. 37 of 2015) and draft labour law for the KRI (as of September 2021) (ILO 2021; Kazem 2022). This is because unpaid workers and self-employed workers do not fit into the definitions of worker and employer used by the labour law (see Box 1 for a definition of workers and employers under the labour law).

The Retirement and Social Security Law for Workers No. 18 of 2023 recently adopted by Federal Iraq (as opposed to the KRI) ended this legislation gap for agricultural workers. The most prominent aspects of the new law (No. 18 of 2023) include its expansion of optional social security coverage to reach additional categories of workers, including own-account and contributing family members (including those in the agriculture sector) (ESCWA 2024). The new law, which is only applicable to Federal Iraq, sets the contributions rate for informal workers at

▶ Box 1. The definition of workers and employers in the labour law

Workers are defined in both the labour laws and the draft labour law for the KRI as “every natural person, whether male or female, working under the guidance, supervision and control of an employer”, and the existence of this legal relationship is based on the factual existence of the relationship. ‘Work’ covers any effort by a worker in return for a wage, whether “permanent, casual, temporary or seasonal”, and ‘wage’ is defined to include “any amount or benefit due to a worker in return for any work performed”. As for the definition of ‘employer’ under the labour laws, this is considered as broad and covers “any natural person or legal entity who employs one or more workers in return for a wage of any kind” (ILO 2021).

5 per cent paid by the worker and 15 per cent paid by the Government. Further details and instructions related to implementation of this optional social security coverage will be determined by the Minister of Labour and Social Affairs, based on a proposal by the Board of Directors of the Fund.
As for the KRI, the current governing legislation is the Law on Pensions and Social

Security for Workers (No. 39 of 1971) and its amendments in the Law No. 4 of 2012, which recognizes the right of self-employed, informal and undocumented workers in the private sector to social security through their registration with a social security fund. The legislation applies to all workers, with the exception of four specific categories: public sector employees; international non-governmental organization workers and foreign delegations in the Kurdistan Region; employees of companies with their own social security systems; and security (Asayish) and the armed forces of the Kurdistan Region (Peshmerga). The 2012 amendment to the pension and social security law does not specify the procedure or contribution rates, leaving it to the Ministry of Labour and Social Affairs (MoLSA) and the Cabinet to provide detailed instructions and guidelines for implementation of this law. To date, the provisions of Law No. 4 of 2012 have not been implemented. There is currently a draft pension and social security law for private sector workers pending deliberations and adoption by the National Assembly of the KRI. Limited information is available regarding details of this draft law, but it is expected to have similar provisions as the newly adopted Retirement and Social Security Law for Workers No. 18 of 2023 in Federal Iraq. Workers' contributions are expected to fund the old-age pension branch, while governmental contributions would be distributed between old-age, work injury and healthcare branches. It is worth noting that since this draft law is being discussed, information in this report is subject to change.

The question is whether coverage among agricultural workers will increase following these legislative changes.[4]

Widespread working poverty among agricultural workers, where 72 per cent of this category are classified as low-income workers, coupled with high poverty rates (39 per cent) in rural areas (hosting 82 per cent of the agricultural workforce) pose serious hurdles for the expansion of coverage.

Firstly, the ability of individuals to afford participation in social security is questionable.

Even monthly contributions set at 5 per cent of their income could impose a significant financial strain on the working poor in the agriculture sector. Income volatility in agriculture further complicates the decision as to which income category a worker should choose to register under, as outlined in the Decree of the Minister of Labour and Social Affairs No. 1/2024 on Determining the Income Categories for Registration in the Optional Retirement Scheme, (Iraq Official Gazette, No. 4774, 2024). Agricultural workers are highly likely to register under the lowest income category, claiming that their income equals the minimum wage with their monthly contributions set at around 17,500 Iraqi dinars. While this may

[4] The limitations discussed are primarily applicable to Federal Iraq. However, they need to be taken into account when developing legislative and policy frameworks on the extension of social security coverage to workers in the agriculture sector in the KRI, to ensure inclusion and a rights-based approach to social protection.

be true for many, there are instances where incomes may be deliberately under-reported, leading to reduced pension premiums. This undercontribution could the proposed monthly contribution frequency impractical for agricultural workers. Limited income-generating opportunities during the off-season may them from making monthly contributions without compromising their income security. Failure to contribute within the defined period (by the end of the fiscal year) will necessitate covering the state contributions for the delayed payment period as well, creating a serious financial burden, or leading to a withdrawal from the scheme.

In addition, agricultural workers' registration in the social security system will terminate their participation in the SSN, a non-contributory social assistance programme.

According to current legislation, individuals can either benefit from social assistance (SSN) or be registered in the social security system. However, as per the Social Protection Law No. 11 of 2014, households with no income, or with income below the poverty line, are eligible for SSN, making it both an individual and household entitlement. The withdrawal of social assistance from low-income households, based solely on one or more family members being registered in social security, contradicts a rights-based approach to social protection. This approach is promoted by the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102) and the International Covenant on Economic, Social and Cultural Rights, 1966, both of which have been ratified by Iraq. Informal workers, including in the agriculture sector, are only eligible to enrol in the optional social security pillar, which exclusively provides old-age protection. In the short term, their participation in the social security system may appear as an immediate cost rather than an investment in the future, significantly impacting individual or household budgets. The immediate withdrawal of SSN is likely to further aggravate the income situation of individuals or households, serving as a deterrent to registering for social security. Combined with the volatility of earnings in the agriculture sector, this legal barrier traps agricultural workers in Iraq in a vicious cycle of intergenerational poverty and informality and prevents them from enjoying a legally guaranteed rights-based approach to social protection.

Furthermore, lack of access to social security benefits raises the issue of inadequate protection for hazardous work.

According to the ILO, agriculture is one of the most hazardous occupations worldwide. The intensive use of machinery and of pesticides and other agrochemicals, as well as exposure to zoonoses in the case of livestock workers, significantly increases the risk of injury, occupational diseases and fatal workplace accidents (ILO 2011). However, neither the new Law 18 of 2023 in Federal Iraq nor

Law No. 4 of 2012 in the KRI provides self-employed, own-account and informal workers with access to social security benefits such as contributory health insurance, sickness benefits, occupational injury benefits, or disability allowances. Indeed, old-age pensions remain the only accessible benefit for informal workers under current legislation. Lack of access to essential social security benefits that may be needed by own-account and contributing family workers in the agriculture sector in the short term may well make enrolment in social security less appealing. While the draft pension and social security law for private sector workers in the KRI does foresee workers' access to work injury and healthcare branches through governmental contributions, this is still subject to change.

This coverage gap has critical gender-based implications, as women are highly concentrated in unpaid work and self-employment sectors.

In general, Iraq has the second lowest female labour force participation in the world, which stood at 10.8 per cent in 2021.[5] Women are more concentrated in the public sector, where they make up 21 per cent of the workforce, compared with just 5 per cent of that of the private sector, according to the Iraq Labour Force Survey in 2021. The KRI has slightly higher levels female participation: 26 per cent in the public sector and 9 per cent in the private sector. Agriculture, along with the public sector, is the largest employer of women in Iraq, with women accounting for 37 per cent of the agricultural workforce, compared with 13 per cent of the labour force as a whole (UNESCO 2019). This is because women are relatively concentrated in contributing family work – a type of employment that represents a large share of agricultural work. As a result, policy solutions for extending coverage should take into consideration such gendered patterns of work and the concentration of women in contributing family work. Furthermore, agriculture in Iraq seems to be highly dependent on internally displaced persons and migrant labour, whose access to enrolment mechanisms in social security schemes is compromised. In the KRI, the majority of farm labour is provided by internally displaced Yezidi people, along with migrant workers from Bangladesh and Egypt (Jongerden et al. 2019). It is estimated that migrant workers in the KRI account for almost one third of the region's agricultural workforce (UNESCO 2019).

[5] International Labour Organization. "Labour Force Statistics database (LFS)" ILOSTAT. Accessed February 06, 2024. ilostat.ilo.org/data

3

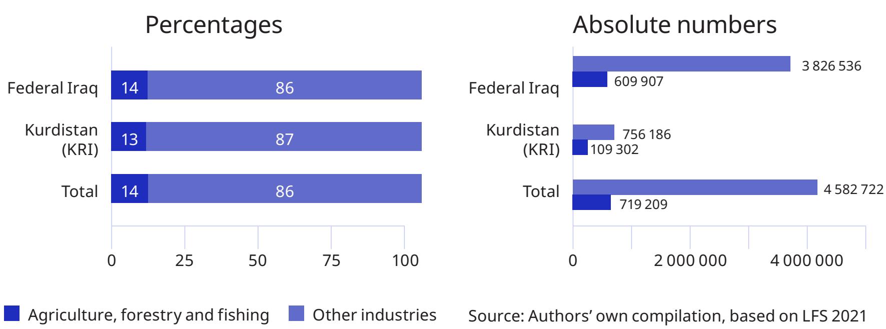
Quantitative findings: LFS profile for the agriculture sector

▶ Quantitative findings: LFS profile for the agriculture sector

3.1. Size of the agriculture sector overall

Agricultural workers represent around 8 per cent of total employment (overall in the public and the private sector across the whole of Iraq), which is almost entirely concentrated in the private sector (>99 per cent of jobs are in the sector). Focusing only on the private sector jobs, agriculture accounts for around 14 per cent of private sector employment in Federal Iraq (around 609,907 jobs) and around 13 per cent of private sector employment in the KRI (around 109,302 jobs).

▶ Figure 1. Share of agriculture sector (percentages and absolute numbers) in private sector employment in Iraq

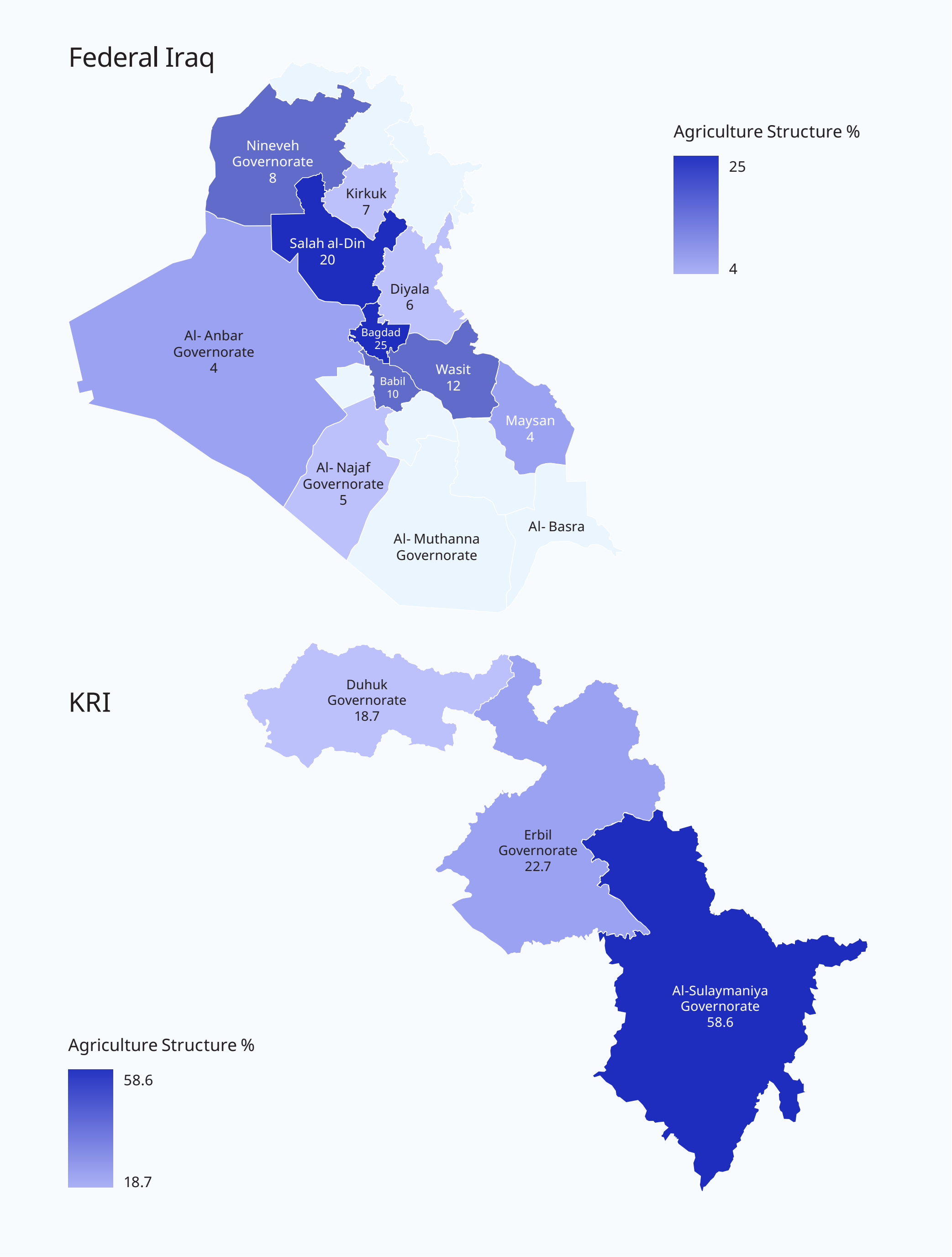


Source: Authors' own compilation, based on LFS 2021

The majority of agricultural workers (83 per cent, i.e. 602,079 workers out of 725,397) are in rural areas (CSO et al. 2022). Figure 2 shows that for Federal Iraq, the agriculture sector is concentrated in Baghdad, where 25 per cent of the agricultural workforce is located,[6] followed by Salah al-Din, which hosts 20 per cent of the agricultural workforce, then Wasit and Babil, which employ 12 per cent and 10 per cent of the overall agricultural workforce, respectively. As for the KRI, the agricultural workforce is concentrated in Al Sulaymaniyah (58.6 per cent), followed by Erbil (22.7 per cent) and Duhok (18.7 per cent).

[5] The capital, Baghdad, attracts 29 per cent of overall employment across all economic sectors (i.e. 2,044,922 working individuals), hence it is expected that Baghdad will be the governorate with the highest employment share for the different sectors.

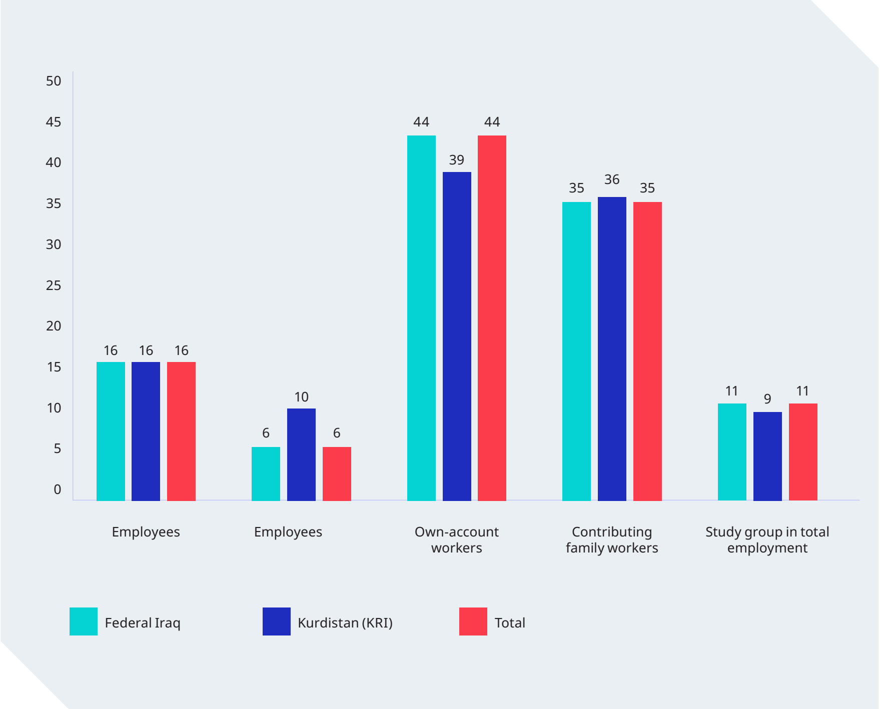
▶ Figure 2. Geographical distribution (%) of the overall agricultural workforce in Iraq



3.2. Size of the study group

The study group for this report own-account workers and contributing family members in the agriculture sector – represents the majority of the agricultural workforce. Its members account for 79 per cent of the industry in Federal Iraq (with 44 per cent as own-account workers and 36 per cent as contributing family workers) and 75 per cent in the KRI (with 39 per cent as own-account workers and 36 per cent as contributing family workers), as shown in figure 3. Considering the overall private sector workforce, agricultural own-account workers and contributing family workers represent around 11 per cent of total employment in the private sector in Federal Iraq and 9 per cent in the KRI.

▶ Figure 3. Distribution of employment status in the agriculture sector, private sector employment (percentage)

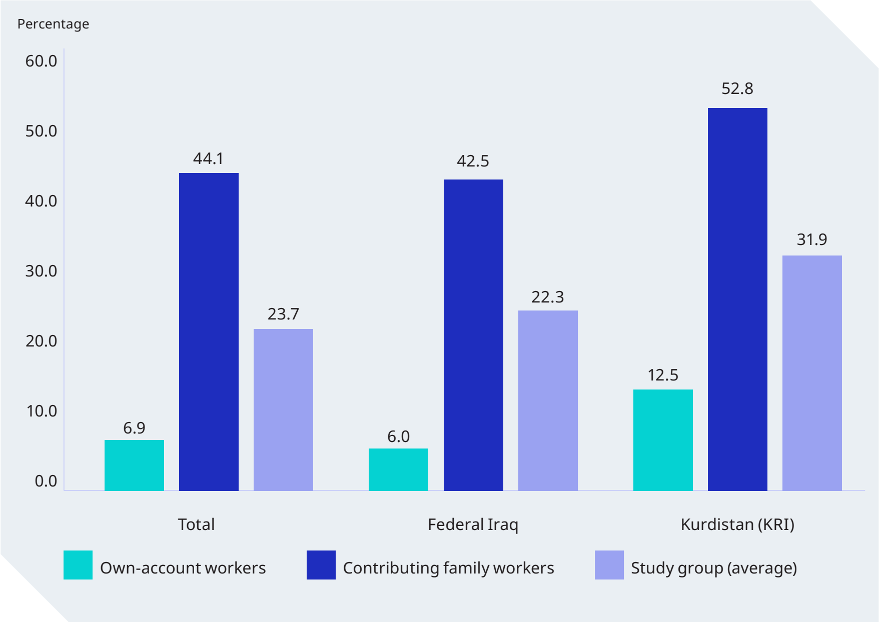


Source: Author's compilation based on LFS 2021.

3.3. Characteristics of the target group in the agriculture sector

In line with the evidence about the Iraqi labour market, women are concentrated in the agriculture sector. Women represent some 24 per cent of the study group (own-account workers and contributing family workers), with a higher concentration in the KRI (32 per cent of the target group) than in Federal Iraq (22 per cent). Women are more likely to work as contributing family workers, as demonstrated by the fact that their proportion reaches 44.1 per cent of contributing family workers overall – 42.5 per cent in Federal Iraq and 52.8 per cent in the KRI. The share of women among own-account workers is much smaller than among contributing family workers. Women represent only 7 per cent of own-account workers overall, with 6 per cent in Federal Iraq and 13 per cent in the KRI.

▶Figure 4. Proportion of women by employment status in the agriculture sector, private sector



Source: Author's compilation based on LFS 2021.

The most common occupation among own-account workers and contributing family members is 'Skilled agricultural, forestry and fishery workers'. This is the main occupation for 94 per cent of own-account workers and 90 per cent of contributing family workers, as shown in table 1.

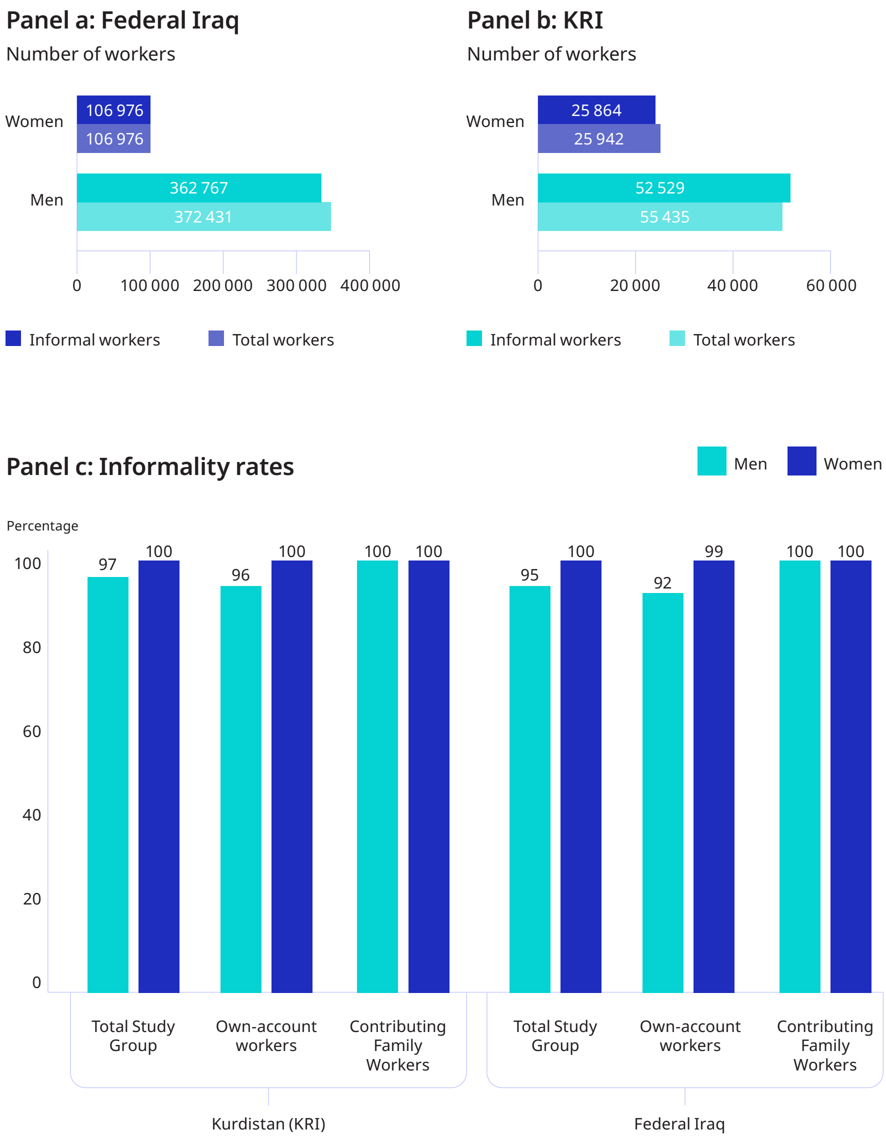
These occupational patterns reflect the main agricultural subindustries in Iraq. Most workers in the study group are concentrated in the 'Crop and animal production, hunting and related service activities' subindustry. This is the main economic activity for 97 per cent of own-account workers and 98 per cent of contributing family members in Federal Iraq (Annex II, table 2) , and for 96 per cent of own-account workers and 99 per cent of contributing family members in the KRI (Annex II, table 2) .

▶ Table 1. Distribution of occupation (1-digit level for all agricultural workers versus the study groups (own-account workers and contributing family members)

	Numbers			Structure %		
Occupation	Total	Own-account workers	Contributing family workers	Total	Own-account workers	Contributing family workers
Skilled agricultural, forestry and fishery workers	626 470	288 763	228 327	87	94	90
Services and sales workers	27 738	7 075	13 839	4	2	6
Elementary occupations	37 976	5 097	8 004	5	2	3
Other occupations	27 026	6 693	2 987	4	2	1
Total	**719 209**	**307 629**	**253 156**	**100**	**100**	**100**

Lack of social security coverage, which is one of the primary factors in defining an informal job according to the 21st International Conference of Labour Statisticians (ILO 2023b), is universal among own-account workers and contributing family members. Around 96 per cent (in Federal Iraq) and 99 per cent (in the KRI) of male own-account workers do not have social security coverage. All the contributing family members are also informal, as well as all the female workforce, whether own-account workers or contributing family workers.

▶Figure 5. Informal own-account workers and contributing workers (number and percentage) in the agriculture sector

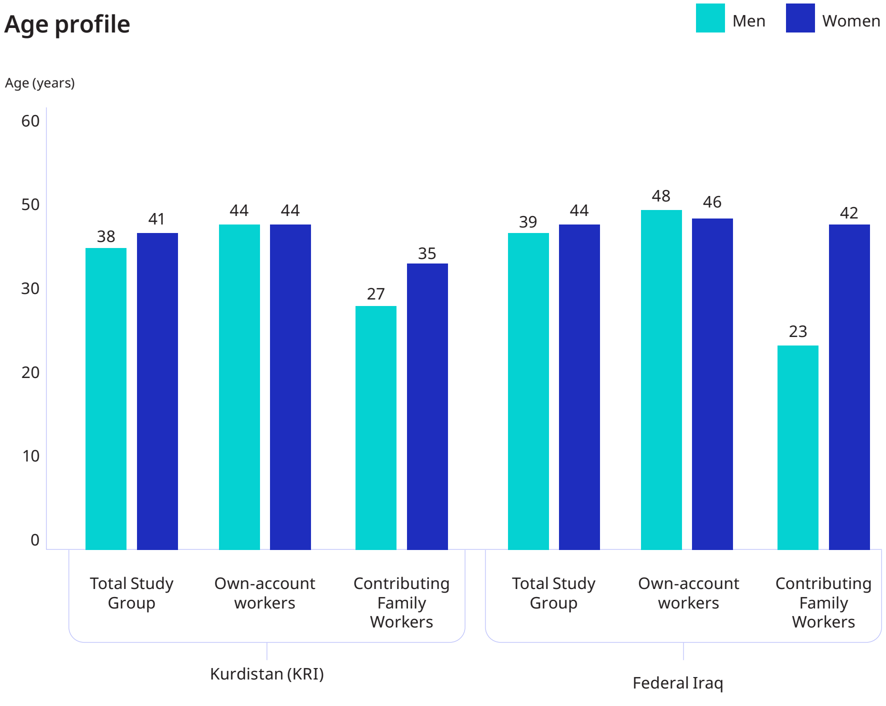


Source: Author's compilation based on LFS 2021.

There is some disparity in the age profile between own-account workers and contributing family members.

On average, own-account workers are older (44 years old for both men and women in Federal Iraq and 46-48 years old for both men and women in the KRI) than contributing family members (27 years old for men and 35 years old for women in Federal Iraq and 23 years old for men and 42 years old for women in the KRI). This gender and age difference should be taken into consideration when exploring the needs of social security coverage and policy options for each of the two groups: own-account workers and contributing family members.

▶Figure 6. Mean age of own-account workers and contributing family workers in the agriculture sector

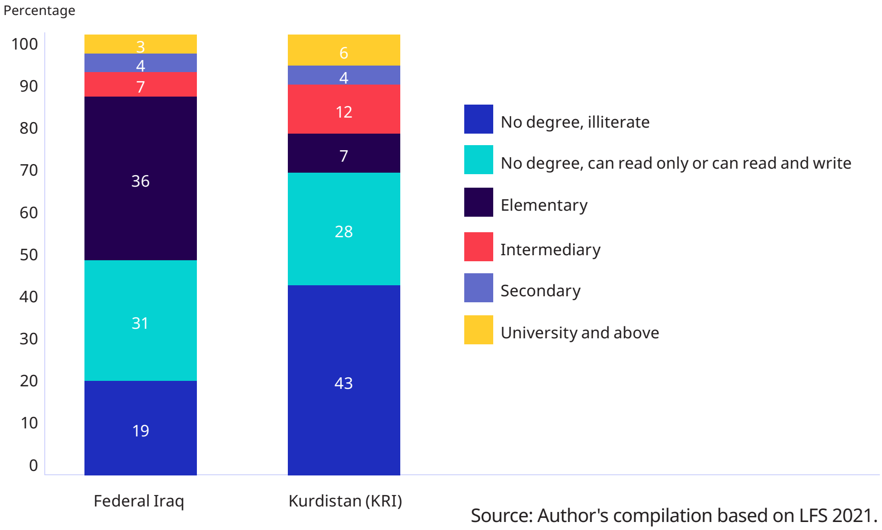


Source: Author's compilation based on LFS 2021.

There is a substantial disparity between Federal Iraq and the KRI in the educational profiles of own-account workers and contributing family members; however, the majority in both regions are uneducated, having primary education or below.

Whereas half of the study group of workers in Federal Iraq are illiterate, in the KRI some 71 per cent are illiterate. In Federal Iraq, around 36 per cent of the study group have primary education, with the share of workers with primary education or no education being around 85 per cent of the study group in Federal Iraq. The proportion having primary education is low in the KRI (7 per cent of the study group), with those who have primary education or below being around 78 per cent in the KRI study group.

▶ Figure 7. Education level of own-account workers and contributing family members (informal) in the agriculture sector



Source: Author's compilation based on LFS 2021.

There are differences in the average hours usually worked per week between own-account workers and contributing family members, and also between Federal Iraq and the KRI.

Table 2 shows that in Federal Iraq, on average the study group works 26 hours per week, a little more for own-account workers (30 hours of work per week) than for the contributing family members (22 hours of work per week). In the KRI, average hours of work for the study group are much higher than in Federal Iraq, with this group working 39 hours per week. Also, in contrast with Federal Iraq, own-account workers work longer hours (44 hours of work per week) than contributing family members (35 hours of work per week).

▶Table 2. Average working hours per week, by employment and formality status of employment

	Own-account workers			Contributing family workers			Total study group		
	Total	Persons with informal main job	Persons with formal main job	Total	Persons with informal main job	Persons with formal main job	Total	Persons with informal main job	Persons with formal main job
Federal Iraq	30	30	30	22	22	0	26	26	30
Kurdistan	45	44	60	35	35	0	40	39	60

In brief, the quantitative profiling of the study group (own-account workers and contributing family workers) based on LFS 2021 showed that they represent a slightly larger share of employment in Federal Iraq than in the KRI, and that they are slightly more educated and older in Federal Iraq than in the KRI. This can be attributed to differences in the labour market characteristics in the KRI, where the agriculture sector is more reliant on young migrants.

4

Qualitative findings

Qualitative findings

4.1. Notes on sampling and methodology

The qualitative analysis relied on focus groups discussions (FGDs) (three in Baghdad and Basrah in Federal Iraq; three in Erbil and Duhok in the KRI) and in-depth individual interviews (IDIs) with own-account family workers and contributing family members (nine in Baghdad and Basrah; six in Erbil and Duhok). Employers' perspectives were also covered through seven in-depth individual interviews in the agriculture sector (four in Baghdad and Basrah; three in Erbil and Duhok). The analysis was supplemented by 11 key informant interviews (KIIs) with representatives from the General Union of Agricultural Associations (Itti'hat Al-Aaam Lil-Jami'iyat al-Falahiya), the Labour Committee in Parliament, and senior staff from MoLSA in Federal Iraq, and in the KRI, by nine KIIs with relevant parliamentary committee members, implementers and government officials from the MoLSA, representatives of workers organizations and experts. The fieldwork was conducted between November 2023 and January 2024.

The data collected for this research was analysed using coding and thematic analysis techniques, in alignment with the study's objectives. However, the analysis encountered challenges due to the limited information provided by both workers and employers. Many questions were left unanswered due to the limited information about the new policy, making it difficult to discern patterns in the views of workers and employers and the approaches of key stakeholders shared during the interviews.

Moreover, the researchers obtained fewer analytical informed discussions with policymakers from Federal Iraq than from the KRI. It is important to note that responses from KIIs in the KRI on the importance of social security schemes appeared to be influenced by the political preference for an autonomous Kurdistan scheme. Therefore, the different nature of samples between both regions, which drove potentially different responses, should be taken into consideration when interpreting many of the results in this report. For instance, even though no clear differences were found between the situation of informal workers in the agriculture sector in Federal Iraq and that of the KRI, it was stressed by policymakers as well as by implementers in the KRI that the Kurdistan Regional Government (KRG) needs to design its own social security system. Another important limitation to the fieldwork was the low number of female participants, especially in Federal Iraq. This is largely due to the nature of agricultural work, which, despite being the second largest employer of women remains predominantly male-dominated. .

The following section examines the key barriers to enrolment in social security coverage from the viewpoint of workers in the agriculture sector, separately for Federal Iraq and the KRI. The report then discusses the different perceptions of the importance of social security schemes, before presenting recommendations based on these challenges and different perceptions.

4.2. Key challenges to enrolment in social security coverage

Interviews and focus group discussions showed that key barriers and challenges to enrolment in social security coverage, as perceived by workers, are similar in Federal Iraq and the KRI. These include limited knowledge about the scheme, concerns about the financial cost of registration and enrolment, issues of trust and fairness — and are potentially due to a legacy of legal exclusion from the previous scheme, and issues of trust and fairness.

Results show that there is limited knowledge about social security schemes for informal workers. Agricultural workers were not aware of any initiative by the government (neither in the KRI nor in Federal Iraq) to expand social security coverage for the informal sector.

In Federal Iraq, this could be attributed to insufficient targeted information and outreach regarding Social Security Law No. 18, as well as the limited time in which this law has been active. Limited knowledge of those schemes also underscores a legacy of exclusion from social security provisions, as previous social security laws did not cover these workers.

> I do not know what the insurance is, how payment is made, and the mechanism of receipt. For example, if I were in an accident, who would pay me and how?
>
> **FGD with farmers, Baghdad – Federal Iraq**

In both Federal Iraq and the KRI, there is a notable lack of awareness concerning the functioning of the scheme for self-employers and informal workers, contribution rates, and benefit entitlements. As emphasized by an own-account family worker:

Opinions were expressed by all workers who participated in this research that the new policy was designed without consultation with workers and employers in this sector. Such views were voiced in answer to the question: “Are you aware of the Government’s initiative to expand social security coverage in the informal sector?” Workers may have heard about social security in general, but were unaware of how they should and could contribute. This perception, whether or not it is based on true evidence, intensifies the challenges pertaining to how to convince agricultural workers and employers to be part of this initiative and to be ready to contribute.

> It is important to first understand the mechanisms of the system, including how contributions work, the belief in its effectiveness, the reasonable percentage for contributions, and the scope of benefits such as pensions, sick leaves, and disability benefits. These are still unclear
>
> **IDI with own-account family worker in agriculture, Erbil**

Awareness of trade unions is lacking, whether of the Federation of Agricultural Associations in Federal Iraq, or of the Farmers Union and the Agricultural Engineering Union in the KRI. The interviews in Federal Iraq revealed no membership of any representative trade union bodies. Likewise, in the KRI, workers in the agriculture sector who were interviewed for this research were not members of any agricultural association, and some were not even familiar with them.

Accessibility to registration services is a significant barrier, representing a hidden cost. In Federal Iraq, accessibility to registration services poses a significant challenge, with factors such as location, cost and time acting as deterrents. Workers have to leave their work for one or several days to go to government office to register. This translates into an opportunity cost, where workers (but also employers) expressed their concerns about the amount of time and money needed to do the paperwork. This accessibility barrier also results in costs for farmers, including transport. The 'registration and subscription' processes were also brought up as a primary concern among KRI workers, where they cited the procedural delay as an important challenge.

In addition to accessibility issues, a prevailing lack of trust in government mechanisms further discourages registration. In Federal Iraq, there is a perception that the social security initiative is more focused on collecting funds than on providing tangible benefits to workers and employers in the informal sector. [7] Other statements echoed this sentiment.

> If I say that I am ready to register, who will guarantee that the money I pay will be returned to me or that it will be delivered to the Social Security Fund in a transparent manner?
>
> **FGD with farmers, Baghdad**

> How we can be sure that if we pay the contribution now, we will get the benefits in the future, when we are entitled?
>
> **FGD, Baghdad**

> Where does this money go?
>
> **IDI with seasonal worker in agriculture sector, Al-Latifia, Baghdad**

[7] This perception emanated from employers' interviews.

This lack of trust was also echoed in interviews from the KRI, but was expanded to a lack of trust in financial institutions. In the aftermath of the financial crises following the war against the Islamic State of Iraq and Syria and budget cuts by the Federal Government, banks ran out of funds in the KRI. Workers still recall that banks faced problems in solvency and in providing cash for customers wanting to withdraw their money. Another critical concern in the KRI was the integrity of the pension fund, with suspicions frequently voiced about government withdrawals from the fund. Such perceptions (if based on true evidence) severely undermine public trust in the Government's stewardship of these resources.

In addition to trust issues in the KRI, there was scepticism among agricultural workers regarding the fairness of the KRG's social security system. A male agricultural family worker from Erbil expressed doubts, citing examples of undeserving (advantaged) individuals benefiting from the system: "I have doubt about KRG social security's fairness," (IDI with a male agriculture family worker, Erbil).

As discussed earlier in this paper, the cost of contributing is another key issue, given the seasonal nature of work and income in the agriculture sector. This concern was particularly evident in Federal Iraq, where workers highlighted financial constraints due to low and unstable incomes, further exacerbated by the seasonal nature of agricultural work, limiting their ability to contribute to social security. Evidence from the LFS shows that 72 per cent of workers in the agriculture sector in Iraq and across institutional sectors (public vs. private) and employment statuses are low paid. This means that workers' hourly earnings are less than two thirds of the median hourly earnings of the entire workforce. The agriculture sector has the highest proportion of low-paid workers, together with the wholesale and retail trade and arts, and entertainment and recreation sectors. The fluctuating and often low income of agricultural workers makes it difficult to ensure that they will be able to contribute 5 per cent of their income on a monthly basis. Even when registered under the category of workers with a monthly income equal to the minimum wage (category I Decree #1/2024), the fixed monthly contribution rate of 17,500 Iraqi dinars may become unaffordable in the low season, or in times when agricultural production is affected by natural or human-induced risks, or when investments in production and productivity are needed.

As previously discussed, registration of agricultural workers for social security would also imply the loss of their non-contributory social assistance (SSN), if they were entitled to it, and having to pay income taxes on their casual incomes. This would be in addition to cumbersome government procedures and complicated paperwork. In the KRI, for instance, informal sector workers need to prove their work history, demonstrating the number of years worked; providing this information represents a serious hurdle for many informal workers, since their work history is hard to prove in official terms. Given the seasonal nature of their work, in Federal Iraq workers found it challenging to commit to regular contributions and said it was unfeasible to register. In both Federal Iraq and the KRI, among those who showed the intention of registering, suggestions for contributions ranged from 2 to 5 per cent of their incomes. It should be noted that based on interviews in the KRI, the scheme requires a 7 per cent contribution to become eligible for pension benefits, with the Government contributing 10 per cent for 180 months. This is in accordance with the grey literature that mentions the proposed contribution rates of the new law (ILO 2021).

> The income of the agricultural sector is very low and we don't make profit to earn enough to be able to pay a portion from it for our social security subscription
>
> **FGD with farmers, Baghdad**

> Depending on the season, if the season ends, how will I be able to pay the social security subscription for the months in which there is no work and income?
>
> **FGD with farmers, Baghdad**

> Our work is seasonal and does not exceed 3 to 4 months throughout the year
>
> **FGD with farmers,**
>
> **Baghdad**

> The challenge is that our income is small, and this income is divided very precisely and does not bear any deduction
>
> **IDI with a farmer, Baghdad**

Similarly, for the KRI, interviewees stressed the significant cost of farming inputs and constrained earnings that act as deterrents for employers' registration. In the KRI, the viewpoints related to financial barriers reflected a preference for direct government assistance, such as subsidies for essential resources like fertilizers and fuel, over enrolment in social security schemes – a sentiment that was shared by an agricultural employer in Duhok.

> The Government does not provide sufficient support. Necessary items, such as gasoline, are sold to us at high prices, IQD 800 per litre. These costs should be more affordable. Additionally, employers incur substantial expenses for wheat seedlings, and ultimately, the Government neither purchases their products nor aids in marketing them
>
> **Employer in the agriculture sector, Duhok**

In addition to the seasonal nature and instability of agricultural work, the workforce itself is a key barrier, both in Federal Iraq and the KRI. Interviews with employers in the agriculture sector in Federal Iraq reveal that the workforce is mobile, comprising workers who specialize in various types of agricultural work (such as sowing, production, harvesting and marketing), who are often not from the local area, leading to instability and challenges in registration. This is also demonstrated by the following statement from an employer on his experience of registration in Basrah: "Especially when the work is unstable, it is difficult to enforce registration. For instance, security companies may pay their employees promptly, but in my agricultural project, we sometimes lose an entire season due to water salinity, epidemics, or other emergencies." In the KRI, interviews also pointed to the seasonal nature of agriculture complicating workers' ability to estimate their income contributions to social security schemes.

A perception exists of inadequate political commitment to reform. It is important to note that in the KRI, while the cost of enrolling might have been mentioned as a challenge, responses suggested that financial constraints are not considered as a key challenge to enrolment, but that there is a perceived absence of political commitment to address the obstacles that workers potentially meet in registering in the system.

4.3. Key implementation issues

In addition to challenges to enroling in social security that were perceived by workers, there were several uncertainties about implementation of the scheme.

These concerns were primarily raised during KIIs in the KRI, which were more analytical

Discussions with workers and employers from the KRI showed a lack of consensus regarding the administration and management of the social security scheme. Some respondents suggested that social security should come under an organization rather than the Government, reflecting a desire for a more trustworthy management system. These respondents stated that in the event of a lawsuit against the government social security scheme: “it’s challenging to win or be heard, given that priority is given to the Government” (own-account family worker, agriculture, Duhok). However, they believed that the Government would assume the role of contributing to, managing and overseeing the Social Security Fund. The majority of voices were for the shared responsibility of government and organizations.

Other workers supported management by government control (through MoLSA), as is currently the case, rather than through an organization or workers’ association, citing a desire for a formal and official structure, as expressed by participants in FGDs with women farmers in Duhok.

> I am ready to subscribe and join; however, this should be something formal and official. I prefer not to be run and administered by a company or organization. I would like this to be run by the Government.
>
> **FGDs with women farmers in Duhok**

Responses also reflected further operational and implementation issues, which could undermine the potential impact and acceptance of the reform by workers.

These implementation issues relate to the administrative capacity and monitoring of the social security system, including the following:

- Current staffing levels are inadequate to efficiently manage and execute the required tasks.
- Monitoring mechanisms, including control, follow-up and monitoring activities related to inspector work are not robust enough, contributing to inconsistencies in enforcement.
- A noticeable deficiency in the number of inspector committees hampers effective supervision and compliance enforcement across the sector.
- The absence of a comprehensive electronic government system to facilitate administration and transparency poses a significant barrier to optimizing operations and managing the increased demand on the system.
- The general unawareness about social security and its benefits among both employers and workers further complicates engagement and effective implementation.

4.4. Different perceptions on the importance of social security schemes

Although key barriers to participating in social security were relatively similar, perceptions about its importance diverge. This may be due to the different political and economic conditions of Federal Iraq and the KRI, but also to the different samples, which generated differentiated responses.

4.4.1. Federal Iraq

Interviews with farmers shed light on an important deficiency in the current system, where injuries incurred on the job do not receive government or health insurance support in Federal Iraq. Many farmers reported that they “got injured during the work, but never get any help from government agencies or health insurance” (FGD-1 and FGD-2 with farmers in Baghdad and Basrah). Workers in the agriculture sector are vulnerable to injuries due to the use of sharp tools and hazardous chemical materials, or as a result of climbing palm trees.

This situation underscores the precarious conditions faced by irregular, seasonal, family and daily wage workers in the agriculture sector, who must bear the costs of health and medical treatments out-of-pocket. The absence of social security contributes to feelings of insecurity and uncertainty, underscoring the importance of such coverage for the safety and future security of workers. Moreover, the high costs of farming equipment and fertilizers exacerbate the vulnerability of this group.

Despite this heightened need for social security protection and coverage, farmers and other workers in the agriculture sector have shown varying levels of interest in social security schemes, with their views fluctuating between engagement and disengagement. While some agricultural workers were willing to participate in the scheme, others showed little interest in engaging with or following news on social media.

> I prefer not to track news and updates beyond my field. My focus is mainly on information relevant to my work, such as seed varieties, fertilizer prices, etc.
>
> **Focus group discussion with farmers, Baghdad**

Despite being uninformed, some interviewed agricultural workers were willing to learn and participate in the social security system. Workers supported the expansion of social security to informal sectors due to its myriad benefits. It was highlighted that it is seen as crucial for providing financial security in retirement, reducing the risks of poverty and unemployment.

> Had I known about this earlier, I would have already signed up
>
> **IDI with farmers, Baghdad**

Despite acknowledging challenges such as administrative hurdles and initial costs, workers, employers and the Government stand to gain significantly in the long term. Testimonies point to financial difficulties and hardships arising from work-related injuries and the urgent need for coverage. This underscores the precariousness of the agricultural workforce's position (and that of other informal employment) and highlights the indispensable safety net that social security offers.

Other agricultural workers showed little interest in learning about the social security scheme. This could be explained by several factors, including financial barriers or lack of trust in government initiatives. Lack of trust is more pronounced in marginalized regions that have minimal government services. Another key factor that explains the disinterest is geographical isolation, which exacerbates issues of information access and distrust towards the Government in rural areas.

> In the countryside, we don't trust the Government
>
> **In-depth interview with farmer, Baghdad**

4.4.1. Kurdistan Region of Iraq

KIIs provided a comprehensive view of the efforts made to accommodate and encourage workers, especially those in the informal sector, to participate in the social security programme.

The amendments to Law No. 39 of 1971, incorporated into Law No. 4 of 2012, expanded the pension plan for the informal sector to include a wide range of previously excluded workers, from farmers to taxi drivers, and is referred to as 'optional pension'. Individuals in this sector should be below 45 years of age to qualify. Those who have not registered can still retire by paying the required contributions. Informal sector workers need to prove their work history, demonstrating the number of years worked.

Concerns and potential changes

The KIIs conducted for this report acknowledged that the current system in the KRI is not perfect, and they anticipated that the Government and Parliament will consider making changes. It was strongly suggested that pensions should not be decreased, as doing so might reduce the likelihood of people joining the programme. For instance, in the KRI a new bill has been proposed by MoLSA-KRI, which has been under consideration by the Council of Ministries in Erbil since 2021. The standard procedure requires approval from the Council of Ministries before the bill can be submitted to Parliament. However, due to the outdated status of Parliament, this bill has not yet been discussed. The draft law proposes practical considerations, including the availability of sufficient human resources, infrastructure and other prerequisites, and suggests a more realistic timeline of at least one year for full enactment. In anticipation of the social security law's enforcement, interviews reflected that plans are under way to augment the cadre of inspectors within the KRG. The KIIs revealed efforts towards equipping inspection departments with advanced tools and fostering interdepartmental cooperation across various ministries, as noted by a respondent from the Directorate of Labour in Erbil.

> The Government should support farmers with various types of fertilizers. This year, we purchased many different types, but they did not benefit the lands … The fertilizers were outdated, and this incurred significant losses.
> The Government should compensate me for this.
>
> **IDI with agriculture employer, Duhok**

Perceptions in the KRI were centred on business growth rather than on the precariousness of work. Agricultural workers and employers prioritized sector sustainability over social security, suggesting that government support, such as providing fertilizers, could incentivize worker registration in the social security system. The KRI has adopted reform measures aimed at enhancing the region’s agriculture sector. These have included efforts to tap into both domestic and international markets for the region's agricultural products, with an eye on diversifying and strengthening the local economy. Key products such as pomegranates, apples, grapes and honey entered international markets in

2023. The initiative to export Kurdistan's agricultural goods is part of the broader Kurdistan Agriculture Export Initiative, marking a strategic endeavour launched by the KRI to promote the region's agricultural exports (KRG, 2023).

Given this context, research participants had different views regarding the importance of the scheme, and whether the expanded social security coverage in the informal sector will support business growth and sustainability. Most of the research participants from the agriculture sector (workers and employers) said that more important for them than social security was support for the sustainability of their sector.

If access to productive forms of support from government, including various types of fertilizer, subsidies etc. is linked to social security registration, this could serve as a motivator for social security registration for several own-account family workers in the agriculture sector. Employers and KIIs stressed that such an approach can lead to increased productivity and foster self-reliance in the agriculture sector. This approach is seen as a means of boosting entrepreneurship, stabilizing the private sector economy, and creating a symbiotic relationship between the Government and the agriculture sector. Employers and KIIs further argued that successful stories of social security provision in this sector matter because when a worker sees another person registered and enjoying pension benefits, it motivates others to join. In simple terms, social security expansion aims to boost entrepreneurship, create more agricultural businesses and bring about economic stability. There is a belief that comprehensive social security schemes, offering good pension and health coverage, can improve work ethics, boost local employment and reduce dependency on government jobs.

However, some research participants believed that the expansion of social security to informal workers does not support business growth and productivity. The high cost of agricultural equipment and supplies, as well as limited revenues, make the agriculture sector less profitable and ultimately less attractive. In such business conditions, employers are less inclined to bear the extra costs of social security subscriptions.

There was an interesting gender pattern in the KRI interviews, where women farmers displayed a high level of enthusiasm for enrolling in social security programmes. They expressed their eagerness by stating: “This is essential, and we are prepared to register, but it has not been implemented here for us” during FGDs in Duhok. Specifically, women farmers emphasized the importance of formal and official implementation of such programmes by the Government.

5

Practical options for the extension of coverage

Practical options for the extension of coverage

Expanding social security coverage, particularly within the informal agriculture sector, requires a comprehensive strategy

This involves not just improving awareness and streamlining the registration process, but also tailoring policies to address the specific challenges faced by workers in participating in social security and with employers in this sector, as well as improving implementation mechanisms related to building trust in the system and showing financial transparency and accountability.

To make workers feel truly included, a comprehensive and government-wide approach for extending coverage for agricultural sector workers is crucial. This strategy should aim to 'enhance administrative capabilities', 'establish strict oversight protocols', and 'significantly raise awareness and comprehension of the social security system's benefits' (KIIs in Federal Iraq and the KRI). Responses from the KIIs reflect that public sector capacity building is a must for all stages of implementation, from enrolment to service provision. Transparency in social security benefits and management, backed by reliable payment systems, is essential for building trust. Accessibility enhancements and facilitation of the process for registering and claiming benefits – such as mobile registration teams and flexible payment options for seasonal workers – will further inclusivity. Enhancing awareness through field visits and providing training sessions directly for workers can demystify the concept of social security and emphasize its importance, facilitating a deeper understanding and greater uptake among workers. This direct outreach through field visits will reinforce the Government's commitment to worker inclusion and trust, and should be supported by a collaborative effort between the Government, trade unions and workers' representatives. Besides raising awareness among workers, the idea of involving workers' and employers' organization in these field visits would also pave the way towards promoting accountability.

Agriculture sector-specific recommendations

Potential solutions specific to the agriculture sector include, but are not limited to:

- Conducting field visits to rural areas and villages to directly engage with agricultural workers. This would provide them with information and assistance on how to register for social security. This grassroots approach can help to overcome trust issues, increase transparency and accountability, and address informational barriers.

- Simplifying registration processes by offering online or mobile registration options to reach a wider audience, particularly own-account workers and contributing family members in the agriculture sector, whose access to social security administration units is usually constrained. Given the low level of education among such workers, online and digital solutions for social security participation (e.g. registration and enrolment, monitoring registration history) should be intuitive and user-friendly, and accompanied by clear instructions. In parallel, human-to-human support should be provided at each step of social security participation to ensure comprehensive assistance and understanding.

- Introducing and adopting more flexible access to social security administrators to accommodate the agriculture sector's patterns of work. This could include offering extended or more flexible office hours for agricultural workers to access administrative services. Setting up mobile registration and customer service units visiting remote and rural areas may also be considered. These mobile units could be established at agricultural fairs and combined with agricultural extension and advisory services, providing a convenient one-stop solution for agricultural workers.

- Adjusting contribution modalities (rate, frequency, grace periods, etc.) to accommodate the variability and volatility of agricultural incomes could make it easier for agricultural workers to commit to enrolling in social security. Possible changes may include allowing trimestral payments (once every three months), enabling contributions during or after high seasons, when farmers are likely to have more secure incomes, or paying-as-you go towards the annual lump sum (e.g. agricultural workers may choose to pay more during the high season and not to pay at all during the low season, or in the event of agricultural shock). However, it is recommended to commission further work on designing policy options for enhancing the enrolment of informal agricultural workers in social security, designing contribution modalities and costing scenarios. It is also recommended that the proposed options are piloted to identify the best possible solution.

- Considering options to expand access of informal agricultural workers to social security benefits that ameliorate the hazardous nature of work, including health insurance, sickness benefit, occupational injury benefit and disability allowance. While an immediate rollout of access to all the above-mentioned benefits may not be feasible, either a progressive categorical extension, or an extension of specific benefits should be pursued.

- Identifying synergies and creating stronger linkages between accessing productive assets (such as seeds, fertilizers and livestock) and services (concessional loans, subsidies for productive assets and agricultural extension services) provided by the Government to different types of agricultural producer (e.g. large cooperatives, smallholders and family farmers) and their enrolment in social security could stimulate interest in social security participation. However, it must be ensured that the conditions of benefiting from enhanced assess to productive assets and services upon participation in social security are made clear and that they are equally accessible to different types of worker and employer in the agriculture sector.

- Providing a more tailored approach to extending social security to agricultural workers requires stronger coordination and collaboration between the DSS in the MoLSA (both in the Federal Iraq and the Kurdistan Region of Iraq) and sectoral stakeholders. This includes the Ministries of Agriculture, Industry, and Trade, as well as existing agricultural associations and cooperatives. This will entail building synergies and coherence between existing programmes for agricultural sectors implemented by sectoral ministries and other stakeholders, and social security enrolment.

- Enabling and supporting the organization of agricultural workers into trade unions, associations, cooperatives, field schools and self-help groups, with or without the need for formal registration. This would enhance their representation and build collective bargaining potential. Sector-specific unions and associations can serve as a bridge between the government and individual agricultural workers. On the one hand, they can inform the Government about the specific needs and limitations of agricultural workers. One the other hand, they can help to overcome distrust in the Government and raise workers’ awareness about new social security initiatives.

General recommendations

- Streamlining administrative processes related to social security (from registration and enrolment, through managing contributions and participation history, to accessing benefits and submitting complaints and grievances) for workers and empoyers. The introduction and the use of digital technology is likely to be necessary, given the anticipated increase in registrations due to the expansion of social security coverage. The use of specific technology (such as blockchain) may be recommended to ensure traceability of actions on the side of workers, employers and the DSS, for accountability and monitoring purposes.

- While automation and digitalization may enhance the efficiency of service delivery, human interaction remains paramount in supporting workers and employers in understanding their rights and obligations under social security. Establishing front offices, hotlines and/or legal aid services for workers and employers is likely to enhance their understanding of their obligations, rights and entitlements, and ease certain steps along different social security processes.

- Revising the criteria for exclusion from the SSN upon registration for social security is critical in order to guarantee the income security of certain categories of own-account, self-employed and informal workers, who tend be working poor. Clearly differentiating between individual and household social protection rights and entitlements and ensuring a sufficient period for workers to transition from social assistance to social security will enhance the appeal of registering for social security, prevent individuals and households from falling into poverty, and contribute to the realization of the right to social security, as guaranteed by the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102), and the International Covenant on Economic, Social and Cultural Rights, 1966. As a first step, it is important to understand the impact of a progressive transition from social assistance to social security on poverty, employment, employability and the resilience of workers and households to life-cycle risks. This includes estimating the costs and benefits associated with the overlapping period of participation and identifying available fiscal space.

- Conducting actuarial valuations to ensure the long-term sustainability of the pension system and to address the challenges identified, such as the projected deficit in the Social Security Fund and its financial sustainability, is essential. Clarity and transparency on key questions are crucial for the public's appreciation of social security, such as:

- How much will contributors pay?
- When and how much can they expect to receive?
- By what means and how much will this be financed through public funds?
- What are the risks?

- An important question regarding the impact of the new law concerns how including the large population of informal workers will affect the pooled risk coverage in existing funds, as these new members will change the overall actuarial position of the current social security scheme. Important policy debates on how the Government will compensate for the deficit (from which revenues, and at the expense of what) and how they will help to protect the position of low and intermittently waged contributors must be held in a transparent manner.

- Emphasizing that social security is a shared responsibility of the Government, employers and workers. As an integral part of decent work, social security contributes to the protection and promotion of workers' rights. Equally, social security helps to build an enabling environment for ensuring enterprise sustainability and employment-reach economic growth. Tripartite social dialogue should be better leveraged for the extension of social security to informal workers, and to informal workers in specific sectors. Trade unions and employers' organizations should be closely involved in discussing options for the extension of social security coverage to informal workers. Their involvement is crucial for improving access to new social security benefits, developing policy options and administrative solutions, understanding the costs and proposing financing solutions.

- Addressing mistrust in both policymakers (and the government in general) and in the administrators of social security schemes (DSS and Social Security Offices) is essential, as is addressing concerns regarding the stability of government policies. Transparency in decision-making, including fund management, and consistent communication can help to build trust over time.

- Leveraging networks of non-governmental and civil society organizations (NGOs and CSOs) involved in community development efforts at national and local levels is critical in order to raise awareness and facilitate outreach and education efforts on social security, particularly among informal workers. The networks that NGOs and CSOs have at community level and their credibility in communities can be helpful in accessing the hardest-to-reach workers and overcoming distrust in government initiatives.

6

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Appendix I

Table 1. Distribution of workers in the agriculture private sector by subindustry (2-digit level) for workers, by employment status and informality status of employment

			Total workers (numbers)		Informal workers (numbers)		Informality rate (%)		Column Distribution (%)	Average age in years, informal workers	
Region	Employment status	Subindustry 2-digit level	Men	Women	Men	Women	Men	Women	Men	Men	Women
Federal Iraq	Own-account workers	Crop and animal production, hunting and related service activities	241 235	15 923	231 571	15 923	96	100	97	44	44
		Fishing and aquaculture	8 251	0	8 251	0	100	0	3	34	0
	Contributing family workers	Crop and animal production, hunting and related service activities	120 727	91 053	120 727	91 053	100	100	98	27	35
		Fishing and aquaculture	2 218	0	2 218	0	100	0	2	27	0
Kurdistan	Own-account workers	Crop and animal production, hunting and related service activities	35 579	5 273	34 040	5 195	96	99	96	48	46
		Fishing and aquaculture	1 367	0	0	0	0	0	4	0	0
	Contributing family workers	Crop and animal production, hunting and related service activities	18 266	20 669	18 266	20 669	100	100	99	23	42
		Fishing and aquaculture	223	0	223	0	100	0	1	15	0

Appendix II

Table 2. Demographic information of the participants of in-depth interviews, key informal interviews and focus group discussions

Type	Place	Gender	Age	Education	Duration	Code/Area of Work
KII-1, FI	Baghdad	male	N/A	BA	65 mins	KII-1, Human Resource Department, MoLSA, Baghdad
KII-2, FI	Basrah	male	N/A	Diploma	53 mins	KII-2, local Agricultural Union, Basrah
KII-3, FI	Baghdad	female	N/A	BA	27 mins	KII-3, SSD, MoLSA, Baghdad
KII-4, FI	Baghdad	male	N/A	BA	38 mins	KII-4, Worker's Social Security and Pension, Baghdad
KII-5, FI	Basrah	male	N/A	PhD	No record	KII-5, consultant in the General Federation of Trade Unions
KII-6, FI	Baghdad	male	N/A	BA	36 mins	KII-6, Legal Advisor - MoLSA, Baghdad
KII-7, FI	Baghdad	male	N/A	BA	No record	KII-7, Parliament's Social Affairs Committee, Baghdad
KII-8, FI	Baghdad	male	N/A	BA	32 mins	KII-8, PSSD, MoLSA, Baghdad
KII-9, FI	Baghdad	male	N/A	BA	No record	KII-9, Iraqi Federation of Trade Unions, Baghdad
KII-10, FI	Baghdad	male	N/A	BA	29 mins	KII-10, Legal Consultant, PSSD, Baghdad
KII-11, FI	Baghdad	male	N/A	BA	32 mins	KII-11, Inspection Department, SSD, Baghdad
KII-1, KRI	Duhok	male	60 Y	BA	45 mins	KII-1, Trade Union Expert with 25 year experience, Duhok
KII-2, KRI	Erbil	female	52 Y	BA	28 mins	KII-3, KRI Parliament's Social Affairs Committee, Erbil
KII-3, KRI	Erbil	male	37 Y	BA	30 mins	KII-4, Legal Affairs, SSD - Erbil

KII-4, KRI	Erbil	male	53 Y	BA	25 mins	KII-6, MoLSA, Erbil
KII-5, KRI	Erbil	male	48 Y	MA	64 mins	KII-7, MoLSA, Erbil
KII-6, KRI	Erbil	male	51 Y	BA	48 mins	KII-8, Legal Advisor, MoLSA, Erbil
KII-7, KRI	Erbil	female	52 Y	PhD	28 mins	KII-9, Ministry of Planning, Erbil
KII-8, KRI	Erbil	male	50 Y	BA	31 mins	KII-12, Workers and Farmers Movement in Kurdistan, Erbil
KII-9, KRI	Duhok	male	54 Y	PhD	13 mins	KII-13, Expert, Duhok
IDI-1, FI	Al-latifia	male	22 Y	No-education	5 mins	IDI-1, Family worker, Agriculture, Baghdad
IDI-2, FI	Al-latifia	male	42 Y	No-education	8 mins	IDI-2, Family Worker, Agriculture, Baghdad
IDI-3, FI	Al-latifia	male	58 Y	No-education	14 mins	IDI-3, Family Worker, Agriculture, Baghdad
IDI-4, FI	Al-latifia	male	23 Y	Secondary	5 mins	IDI-4, Family Worker, Agriculture, Baghdad
IDI-5 FI	Al-latifia	male	38 Y	Secondary	11 mins	IDI-5, Family Worker, Agriculture, Baghdad
IDI-6, FI	Al-latifia	male	24 Y	Secondary	5 mins	IDI-6, Casual Worker, Agriculture, Baghdad
IDI-7, FI	Al-latifia	male	30 Y	Primary	11 mins	IDI-7, Casual Worker, Agriculture, Baghdad
IDI-8, FI	Al-latifia	male	31 Y	Primary	5 mins	IDI-8, Casual Worker, Agriculture, Baghdad
IDI-9, FI	Al-latifia	male	30 Y	Primary	4 mins	IDI-9, Casual Worker, Agriculture, Baghdad
IDI-10, FI	Baghdad	male	50 and above	Primary	6 mins	IDI-10, Agriculture Employer, Baghdad
IDI-11, FI	Basrah	male	50 and above	No-education	9 mins	IDI-11, Agriculture Employer, Basrah
IDI-12, FI	Basrah	male	50 and above	No-education	5 mins	IDI-12, Agriculture Employer, Basrah
IDI-13, FI	Baghdad	male	50 and above	Secondary	5 mins	IDI-13, Agriculture Employer, Baghdad

<table>
<tr><td>IDI-1, KRI</td><td>Erbil</td><td>male</td><td>35 Y</td><td>choli</td><td>40 mins</td><td>IDI-1, Family Worker, Agriculture, Erbil</td></tr>
<tr><td>IDI-2, KRI</td><td>Erbil</td><td>female</td><td>34 Y</td><td>Diploma</td><td>12 mins</td><td>IDI-2, Casual Worker, Agriculture, Erbil</td></tr>
<tr><td>IDI-3, KRI</td><td>Smaquli</td><td>male</td><td>N/A</td><td>Diploma</td><td>35 mins</td><td>IDI-3, Agriculture Employer, Erbil</td></tr>
<tr><td>IDI-4, KRI</td><td>Erbil</td><td>male</td><td>N/A</td><td>N/A</td><td>35 mins</td><td>IDI-4, Agriculture Employer, Erbil</td></tr>
<tr><td>IDI-5, KRI</td><td>Zakho-Duhok</td><td>female</td><td>38 Y</td><td>BA</td><td>15 mins</td><td>IDI-5, Family Worker, Agriculture, Duhok</td></tr>
<tr><td>IDI-6, KRI</td><td>Duhok</td><td>male</td><td>48 Y</td><td>Primary</td><td>32 mins</td><td>IDI-6, Agriculture Employer, Erbil</td></tr>
<tr><td>IDI-7, KRI</td><td>Duhok</td><td>male</td><td>37 Y</td><td>Secondary</td><td>15 mins</td><td>IDI-7, Casual Worker, Agriculture, Duhok</td></tr>
<tr><td>IDI-8, KRI</td><td>Duhok</td><td>male</td><td>50 Y</td><td>High School</td><td>15 mins</td><td>IDI-8, Family Worker, Agriculture, Duhok</td></tr>
<tr><td>IDI-9, KRI</td><td>Duhok</td><td>male</td><td>53 Y</td><td>BA</td><td>38 mins</td><td>IDI-9, Family Worker, Agriculture, Duhok</td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td rowspan="4">FGD-1, FI</td><td rowspan="4">Basrah</td><td rowspan="4">4 males</td><td>33 Y</td><td rowspan="4">N/A</td><td rowspan="4">8 mins</td><td rowspan="4">FGD-1, Casual Workers, Agriculture, Basrah</td></tr>
<tr><td>38 Y</td></tr>
<tr><td>38 Y</td></tr>
<tr><td>28 Y</td></tr>
<tr><td rowspan="7">FGD-2, FI</td><td rowspan="7">Baghdad</td><td rowspan="7">7 males</td><td>28 Y</td><td rowspan="7">N/A</td><td rowspan="7">21 mins</td><td rowspan="7">FGD-2, Casual Workers, Agriculture, Baghdad</td></tr>
<tr><td>N/A</td></tr>
<tr><td>38 Y</td></tr>
<tr><td>N/A</td></tr>
<tr><td>N/A</td></tr>
<tr><td>N/A</td></tr>
<tr><td>28 Y</td></tr>
<tr><td rowspan="2">FGD-3, FI</td><td rowspan="2">Baghdad</td><td>2 males</td><td>N/A</td><td rowspan="2">N/A</td><td rowspan="2">55 mins</td><td rowspan="2">FGD-3, Family and Casual Workers, Agriculture, Baghdad</td></tr>
<tr><td>3 females</td><td>N/A</td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>FGD-1, KRI</td><td>Smaquli-Erbil</td><td>3 females
1 male</td><td>N/A</td><td>N/A</td><td>20 mins</td><td></td></tr>
<tr><td rowspan="5">FGD-2, KRI</td><td rowspan="5">Shamamik-Erbil</td><td rowspan="5">5 males</td><td>35 Y</td><td>Primary</td><td rowspan="5">30 mins</td><td rowspan="5">FGD-2, Family Worker, Agriculture, Erbil</td></tr>
<tr><td>60 Y</td><td>Primary</td></tr>
<tr><td>23 Y</td><td>Bachelor</td></tr>
<tr><td>28 Y</td><td>Bachelor</td></tr>
<tr><td>33 Y</td><td>Diploma</td></tr>
</table>

FGD-3, KRI	Sharya-Duhok	female	46 Y	N/A	24 mins	FGD-3, Casual Workers, Agriculture, Duhok
		male	22 Y			
		female	33 Y			
		male	33 Y			
		male	20 Y			
		male	37 Y			
		male	47 Y			
		male	29 Y			
		female	26 Y			

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