



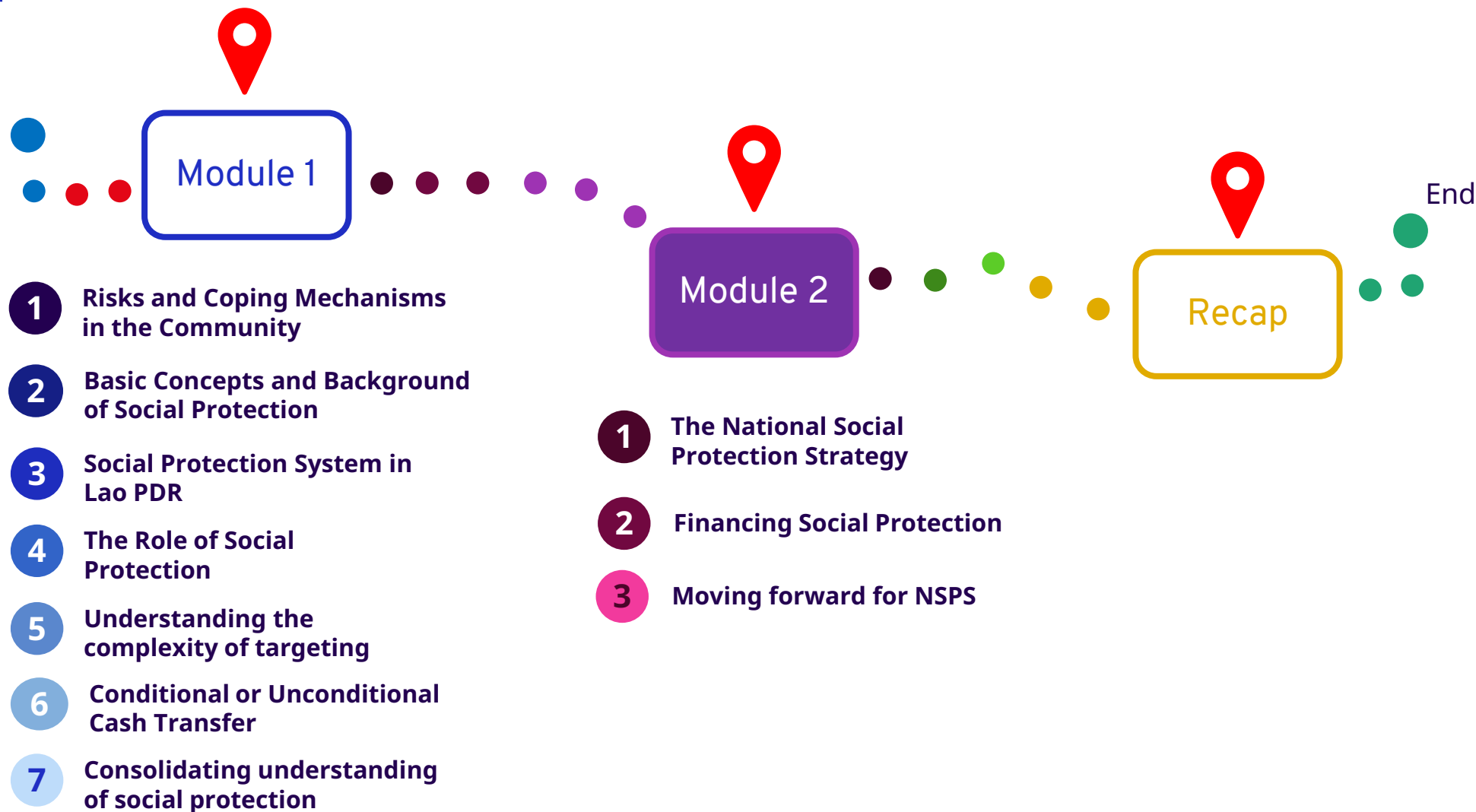
International
Labour
Organization

► Social Protection Training for Lao PDR





TRAINING ROADMAP



Social Protection Training for Lao PDR

Module 2

National Social Protection Strategy

► Activity 12: Mapping the NSPS to existing social protection in the province

	Procedure:	1. Ask participants to sit in 6 groups, different from the last session. 2. Ask them to spend 5 minutes going through the brochures by themselves. 3. Each group discusses for 30 minutes with the aim of mapping the NSPS activities to existing social protection in their province, including the Lao Social Security Organization (LSSO) and National Health Insurance (NHI) programmes. 4. Each group records their mapping on a flipchart sheet. 5. The activity is followed by a presentation on the NSPS.
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Session 1

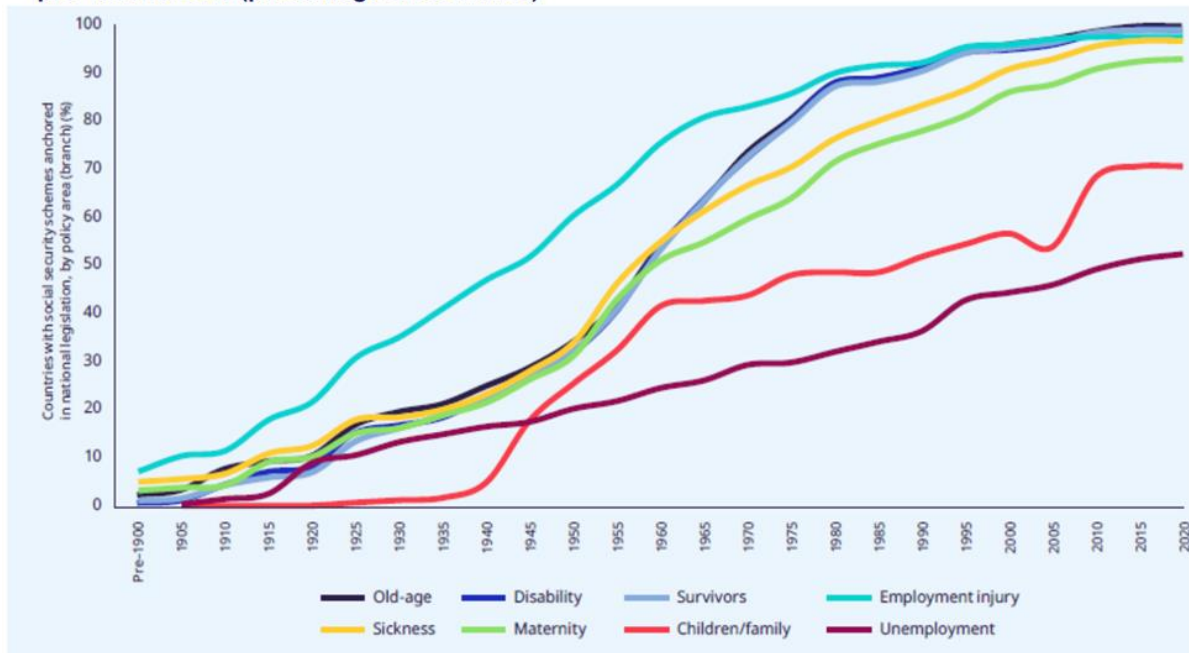
National Social Protection Strategy (NSPS)

Learn about the National Social Protection Strategy (NSPS) of the Lao People's Democratic Republic.

The Development of Social Protection History

The historical trend is unmistakably positive

Development of social protection programmes anchored in national legislation by policy area, pre-1900 to 2020 (percentage of countries)

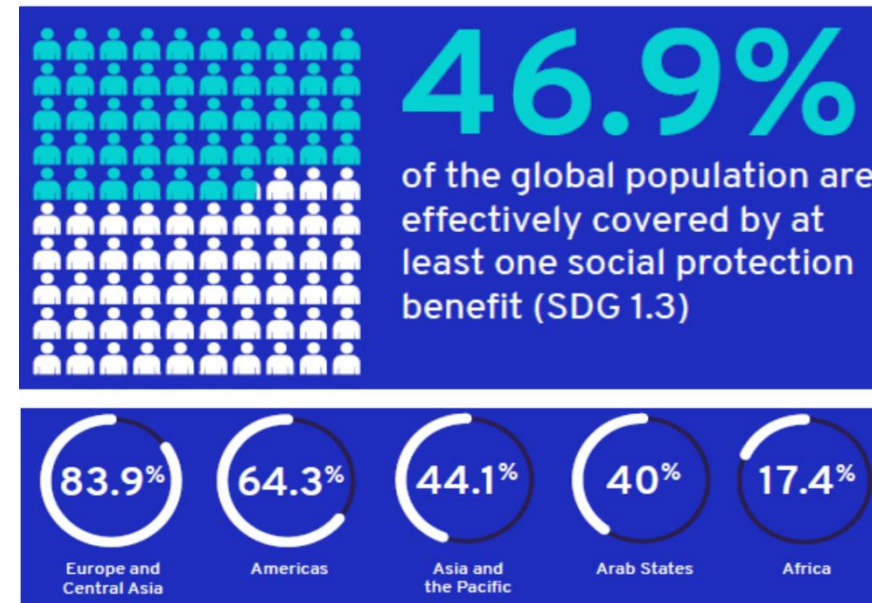


- ❑ In the past 120 years Social Protection has been developed dramatically;
- ❑ In many countries the Social Protection system and activities are addressed in the constitution.
- ❑ However, the effective coverage is lower than that stated in the law regarding peoples rights and benefits.

Social Protection Overview



Overview of effective coverage across the lifecycle (SDG 1.3)



Advancing social justice, promoting decent work

The Constitution

- ❑ The Constitution of the Lao People's Democratic Republic acknowledges the commitment to develop compulsory primary education and a high-quality education system for all, particularly those in remote areas, ethnic groups, women, Vulnerable groups, children and people with disability **(art. 22)**;
- ❑ Human resource development, the State addresses the need to develop skilled labour and promote vocational skills and occupation, while not forgetting to promise to protect the rights and benefits of workers **(art. 27)**;
- ❑ The State commits to implement policies on social security **(art. 28)** and consecrates in its second and fourth chapters support to several social protection-related rights;
- ❑ Lao citizens have the right to receive education” **(art. 38)** and “to work and engage in occupations which are not contrary to the laws. Working people have the right to rest, to receive medical treatment in times of illness, [and] to receive assistance in the event of incapacity or disability, in old age, and in other cases as provided by the laws” **(art. 39)**

Related laws and regulations

- ❑ The Law on Healthcare (2005) and the National Health Insurance Strategy (2017–2020) state that all citizens have the same right to receive healthcare services regardless of their gender, age, ethnicity, race, religion or socioeconomic status; they strengthen the legal status of the National Health Insurance; and they develop the National Health Insurance Fund.
- ❑ The Law on Education, the Law on Vocational Education, and the Education and the Sports Sector Development Plan (2016–2020) define the goal to achieve compulsory primary education and expand it up to secondary education, and envision that by 2030 “all Lao people have equal and equitable access to quality education”. The Prime Ministerial Decree on School Meals aims to reduce malnutrition and increase school enrolment and completion rates
- ❑ The Social Security Law provides the basis for the compulsory contributory social security system through the creation of the National Social Security Fund (NSSF) by merging the State Social Authority System with the private sector system and offering voluntary participation in social security to the informally employed and self employed.

Related laws and regulations

- ❑ The Labour Law includes benefits for formal economy workers, including: temporary wage continuation in case of sickness, maternity, employment injury, and occupational diseases; severance pay for which employers are liable; and a range of short- and long-term cash benefits as well as medical benefits as part of the compulsory contributory social security system under the NSSF.
- ❑ The Law on Persons with Disabilities stipulates benefits for people with disabilities who are poor and dictates the creation of a welfare fund for people with disabilities.
- ❑ The Prime Ministerial Decree on Social Welfare defines social welfare as short-term in-kind assistance, as well as long-term regular cash benefits. Beneficiary categories are set to include: orphans, people with disabilities, older adults, victims of trafficking and victims of disasters
- ❑ The Prime Ministerial Decree on the National Health Insurance addresses the harmonization of the existing healthcare system into a single system and the aim to expand long-term healthcare services for all; it is supplemented by the Prime Ministerial Decree on Free Maternity for All and Free Health Services for Children Under 5.

Social protection in Lao PDR

Health insurance

- expanded health insurance services to civil servants, formal economy workers and their family members, the poor, informal economy workers

Social security

- Sickness benefits; childbirth grant; employment injury and occupational disease benefits; nonwork-related disability benefits; pensions; death grants; benefits for insured family members; and unemployment benefits.
- The beneficiaries of these developments include formal economy workers; Civil servants; police, military and their dependents; self-employed workers; voluntary and informal economy workers

Social welfare

- Education (Free educational support for children, scholarship, school meals and stipends) and provision of technical and vocational education and training (TVET) scholarships
- Provision of assistance to children with special protection, persons with disabilities and the elderly, including victims of UXO
- Improved livelihoods and essential services of Poverty Reduction Funds

Challenges

- ☐ Insufficient government budget to support health insurance.
- ☐ There is insufficient staff, facilities and medical equipment.
- ☐ Lack of staff capacity.
- ☐ Insufficient cash benefits and nutrition.
- ☐ There is a gap in staff and facility allocation between urban and rural area.
- ☐ People are not aware of the criteria for National Health Insurance (NHI) membership and services, rights and obligations.
- ☐ Low compliance among employers.

Challenges

- ☐ The financial sustainability of the NHI is a concern
- ☐ Expanding coverage to workers in the informal economy remains a challenge
- ☐ Vulnerable groups with no systematic social welfare support.
- ☐ Mainly depend on ODA
- ☐ The management, planning, implementation, monitoring and evaluation of health insurance are not effective due to lack of capacity;

National Social Protection Strategy

Vision:

By 2030, Lao people have access to basic social protection services, consisting of health insurance, social security and social welfare, in an equitable, adequate, effective and sustainable way.

Principles:

The NSPS is guided by the principles of equity, adequacy, effectiveness, universality, progressivity and sustainability; under the condition of universality, all Lao people will have access to social protection services in the same conditions regardless of age, sex, geographic location, socioeconomic group or any other consideration.

Overall goals:

By 2025, the social protection system will be developed gradually and aim to provide higher protection to those more in need. Social protection services will have a reasonable standard of quality everywhere in a manner that will permit them to fulfill their mission successfully.

Goal 1: Health insurance

Objective 1.1: Strengthen health insurance schemes to be more systematic and effective in ensuring that everyone has access to health services.

- Activity 1: Develop and implement a legal framework for universal health coverage.
- Activity 2: Develop systems and build capacities of the National Health Insurance authority
- Activity 3: Develop and comply with minimum standards for healthcare facilities
- Activity 4: Increase access to healthcare services in rural areas
- Activity 5: Ensure sufficient and timely government budget allocation to health.

Goal 2: Social security

Objective 2.1: All the workers and self-employed workers in the formal sector are covered by social security.

- Activity 1: Expansion of social security coverage for all target workers
- Activity 2: Enforce regular inspections at enterprises registered with the Ministry of Commerce and Industry
- Activity 3: Promote enrolment in social security.
- Activity 4: Ensure robust actuarial design and sufficient fund reserves.
- Activity 5: Improve collection of social security contributions

Objective 2.2: Social security covers an increasing number of workers in the informal sector.

- Activity 6: Adapt the current scheme design to the characteristics of workers in non-standard forms of employment

Goal 3: Social welfare

Objective 3.1: Social welfare has expanded its coverage and services to meet the needs of target groups

- Activity 1: Provide services and benefits to pregnant women and to children
- Activity 2: Provide services and benefits to persons with disabilities and UXO-survivors
- Activity 3: Provide services and benefits to older adults.;
- Activity 4: Provide services and benefits to victims of natural and man-made disasters.
- Activity 5: Expand the National School Meal Programme to all state kindergarten, pre-primary, primary and secondary schools in the villages of poor districts throughout the country.
- Activity 6: Increase allowance to students at the lower secondary level, prioritizing students from poor families and vulnerable groups.
- Activity 7: Allocate national budget to education on time and expand coverage
- Activity 8: Provide allowances for vocational training, skills development and technical training to the poor and working-age people in vulnerable situations to enable them to access decent employment opportunities.
- Activity 9: Develop production organizations and public services and facilitate access to decent work

Implementation Mechanism

- ❑ The National Social Protection Committee (NSPC) was established. The NSPC is a government-initiated mechanism without a permanent standing committee. It consists of representatives from different sectors: Labour and Social Welfare, Health, Education, Agriculture, Industry and Commerce, Planning and Investment, Finance, Trade Union, Chamber of Commerce and other relevant sectors. The NSPC Secretariat is located at the Ministry of Labour and Social Welfare. There will be local level committees chaired by the Vice Governor, with the Department of Labour and Social Welfare as Vice-Chair, and constituted of members from relevant local departments.
- ❑ The coordination of the implementation of NSPS Strategic Objective 1 (health insurance) will fall under the responsibility of the Ministry of Health. The National Social Security Fund will be responsible for Strategic Objective 2 (social security), and the responsibility of coordinating the implementation of Strategic Objective 3 (social welfare) falls to the Ministry of Labour and Social Welfare, Ministry of Education and Sports, and Ministry of Agriculture and Forestry.
- ❑ A management and information system (MIS) will be established to facilitate the work of the NSPC and its Secretariat in planning, coordinating and supervising the implementation of the NSPS. The MIS will be hosted by the Ministry of Labour and Social Welfare and centralize all the information produced during the development of the NSPS and other information relevant to social protection in Lao PDR.

► Resource mobilization and financial sustainability

- ❑ The resources needed to implement health insurance activities will come from the contributions of insured individuals and the Government's matching fund, as stated in the National Health Insurance Law.
- ❑ The budget to implement social security activities will come from contributions from workers, employers and the Government's matching fund, as stated in National Social Security Law
- ❑ Social Welfare Funding Mechanism will be developed with the goal of facilitating a more effective utilization of the resources available, including domestic resources but also resources available from ODA, loan from development partners and international organizations.

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