

# **ILO-China-ASEAN South-South cooperation** for the Promotion of Social Protection Floors:

A compilation of articles from the Global South



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6 - 8 September 2016, Beijing, China

Edited by Anita Amorim

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### **Preface by Anita Amorim and Luisa Guimarães**

The sharing of expertise among constituents has strong roots in the International Labour Organization (ILO) history, particularly in and across regions, and there is a growing demand for intensifying the South–South and triangular cooperation (SSTC) dimension of the ILO technical cooperation. From an ILO perspective, SSTC is a horizontal and solidarity-driven means to promote the Decent Work Agenda, including social protection, in the context of the 2016-17 Programme and Budget (P&B) that foresees South-South networks and cross-learning, including interregional cooperation and partnerships as key elements to implement its development cooperation strategy. SSTC is also referenced as a strategic tool in the ILO Development Cooperation Strategy 2015-17, building on the key principles of sharing good practices including policy experiences, and creating partnerships, including with the private sector. ILO has established a dedicated work unit named Emerging and Special Partnership Unit in the Partnerships and field support Department (PARDEV-ESPU) to promote SSTC. The ILO's BRICS outreach programme Unit has the mandate to facilitate institutional capacity building activities in support of ILO constituents and other ILO stakeholders. One example for a flagship initiative implemented by the ILO is the global SSTC Academy which took place in Turin from 11-15 July 2016.

Aiming to contribute to strengthen the capacity of ILO constituents from the Global South to build and reform their social protection policies and strategies in line with ILO Recommendation No. 202, Convention No. 102 and other ILO social security standards, the ILO and the Ministry of Human Resources and Social Security of China have jointly organized a High Level Seminar to achieve the Universal Social Protection through South-South and Triangular cooperation, held in Beijing from 6-8 September 2016. During the Seminar, a particular attention was given to share international experience with a view to fostering cooperation between countries from the Global South and increase engagement in SSTC modalities through peer-to-peer approaches in sub-regional/cross-regional cooperation projects in order to promote the Sustainable Development Goals (SDGs). As result, several articles which are included in this publication have been prepared by representatives of the various participating countries from the South.

#### Introduction

South-South and triangular cooperation (SSTC) is explicitly highlighted by the Chinese Ministry of Human Resource and Social Security (MOHRSS) and the ILO, in their Memorandum of Agreement "for promoting Technical Cooperation with a focus on South-South Cooperation" (2012). MOHRSS has built rich experience in the facilitation of knowledge sharing mechanisms benefiting partners from the South, including the Asian Employment Forum in 2007, the Workshop on the implementation of the Global Jobs Pact in the Asian Region in 2010, and a series of China-ASEAN High Level Seminars. MOHRSS also facilitated South-South collaboration initiatives like the Asia-Pacific Economic Cooperation skills development project and in 2011 launched a regional Skills Development Promotion Centre. Along the way, MOHRSS has developed a solid platform for exchange and cooperation sharing practices and experiences in employment promotion.

According to Article 22 and Article 25 of the Universal Declaration of Human Rights (1948), everyone has a right to social security and a right to decent standard of living, including access to essential social services (such as health and education) and protection from difficult circumstances that may be beyond their control (such as unemployment, sickness, disability, and old age). In this respect, China has rapidly expanded social security coverage in the last decade and committed to realizing universal basic social security coverage by 2020. The process is aimed at expanding coverage to rural and marginalized communities in order to reduce inequality between social groups, to progressively increase benefit levels. New health insurance schemes were established in 2003 and 2007 for the rural population and the previously uninsured urban population. Together with other existing health insurance schemes, more than 95 per cent of the population or 1.3 billion people were covered by the end of 2014. At the same time, the significant extension of social protection coverage has been also made in other countries, such as the universal coverage of health protection in Thailand, the development of social protection strategy through social dialogue in Cambodia and Philippines, and the extension of unemployment protection in Vietnam.

As a whole, there are rich and abundant accumulated national knowledge and experience in building SPFs for all, which are very much relevant and precious for other countries with similar socioeconomic development conditions. Exchange of these experiences among China and the Association of Southeast Asian Nations (ASEAN) countries can help, encourage and inspire them to further their SPFs agenda and as a consequence, contribute to the reduction of the global deficit in SPFs. Within the wider United Nations' system and among leading partners, the ILO's expertise and authority in the area of social protection have been consistently recognized. The ILO has also furthered the development of policy tools and methodologies to support SPF implementation, and contributed in the past to the development of social protection schemes in 136 countries.

The Global Flagship Programme on Building Social Protection Floors feeds into the seven Centenary Initiatives launched by the ILO Director General in 2015 and they cross-cut the ten policy outcomes of the ILO 2016-17 strategy framework. One of these Centenary Initiatives is the Future of Work (FoW) Initiative. In a nutshell, the objective of the Future of Work Initiative is for the ILO to take a thought leadership in the global debate on the transformation of the world of work.

Universal access to social protection is a relevant aspect of any of these four 'centenary conversations' but particularly important for the fourth centenary conversation on the governance of work, that focuses on the need for (future) social security system reform in countries with fast-aging societies. China is a prominent example for a country affected by demographic change and the emerging local debate on social security reform can provide very important learning lessons for other countries in the Global South already affected or to be affected in the coming years with the phenomenon of a fast-aging society.

#### Bin Gosman, M.A & Binti Muhammad, R: Malaysia and Our Commitments to South-South & Triangular Cooperation

Malaysia remains committed to South-South cooperation and has become an increasingly active international partner for development and has been sharing its knowledge and experience with fellow developing countries through the Malaysian Technical Cooperation Programme (MTCP) in areas where we had the comparative advantage. MTCP has become a platform for Malaysia to share its experience in developing countries with other developing country partners.

Since 1980, the government of Malaysia had spent over US\$200 million for the MTCP, a big amount in comparison to Malaysia's modest economy and since its inception; over 30,686 participants from 143 developing countries have been trained in various fields such as diplomacy, technical assistance and management industry and public administration.

The Centre for Instructor and Advanced Skill Training (CIAST) was commissioned in 1983 with the financial assistance from the Japanese Government, under the ASEAN Human Resources Development Project, and was regulated by the technical experts and management of Japan through the JICA until 1991. CIAST is the forefront institute in the Ministry of Human Resources and has been conducting and offering courses for foreign participants starting with the ASEAN Regional Training (ART).

The support of the United Nations system, in particular the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the United Nations Development Programme (UNDP) to Malaysia's efforts in promoting South-South and triangular cooperation are highly commendable.

The encouraging trends of economic activities and overall development taking place under the framework of South-South cooperation was a mark of solidarity among the related nations and is proven going beyond rhetoric and mutual respect. Malaysia believes that more needs to be done and always welcomes the increasing importance of Triangular Cooperation that had greatly facilitated South-South initiatives through the provision of funding, training, management of technology and systems as well as other forms of support.

#### **Energizing Disability Management through Socio Economic Empowerment**

Social security is a concept of protection established by the general public to protect members of the society from unforeseen events that may lead to a lack or a loss of income.

The Social Security Organization (SOCSO) administers and implements two types of schemes known as the Employment Injury Insurance Scheme and the Invalidity Pension Scheme. The Employment Injury Insurance Scheme provides protection to employees from occupational hazards, including occupational diseases and accidents at work, as well as work-related injuries. As for the Invalidity Pension Scheme, it provides 24-hour coverage to employees against invalidity or death from any cause. In addition SOCSO also provides physical and vocational rehabilitation benefits to claimants and promotes occupational safety and health awareness.

The return-to-work of occupationally injured and diseased workers, and the management of their disabilities, is an area clearly in need of reforms in the developing world. In most of these countries, in contrast with the position in the developed world, such a broad-based system has not yet been put in place. The lack of an appropriate return-to-work (RTW) framework and system often results in injured or ill employees losing their employment and becoming dependent on disability pensions or incapacity payments. It is therefore imperative to establish a RTW system that enables a disabled worker to secure, retain and advance in suitable employment, and thereby to further their integration or reintegration not only into the labour market but also into society.

Disability Management in SOCSO is a relationship between Return to Work (RTW) and rehabilitation which underlines evidence demonstrating a positive association between health, workplace inclusion, and social security framework, RTW benefits for employees, employers and SOCSO.

Since 2007, over 8,592 workers who suffered from workplace accidents and invalidity have returned to their employment through the SOCSO RTW Programme. However, there are many reasons behind this statistic; which include, but are not limited to, the impact of globalization, the aging population, and the evolving labour markets, the changing of family structures, and the technological innovation

and advances (which often impacts on the way work is being produced, the creation of jobs and the removal of certain job-scopes).

The PERKESO Rehabilitation Centre<sup>1</sup> has been built to help prepare injured workers or with diseases to be placed back into the job market. The centre provides a comprehensive physical and vocational rehabilitation services, along with disability management, to help improve the well-being of PERKESO-insured workers with employment injuries and diseases and, ultimately, to enable them to return to work. The centre officially started its operations on October 1, 2014.

Medical rehabilitation services at the PERKESO Rehabilitation Centre focuses on multiple fronts, including physiotherapy, occupational therapy, optometry, audiology, work hardening and vocational rehabilitation. Each patient benefits from treatments that cover the entire end-to-end spectrum of service from doctors and other rehabilitation professionals. All services are supervised and enhanced by high quality medical rehabilitation equipment in the areas of Robotic Therapy and Industrial Rehab Training.

The main focus of PERKESO Rehabilitation Centre is to provide the best rehabilitation treatments for SOCSO/PERKESO's insured persons and workers from all over Malaysia, while at the same time, accomplishing the mission of returning them to work and improving their overall well-being. SOCSO is making the effort in organizing the RTW Conference, held every two years, as a platform in addressing issues of disability, return to work and societal integration in Malaysia. It is a platform dedicated to in-depth discussion of problems, trends and best practices in disability management. SOCSO was awarded the International Social Security Association Good Practice Award (Certificate of Merit), in 2012 for Asia and Pacific for the Return to Work Program and Commuting Accident and Prevention Plan.

This year SOCSO is making a step forward in organizing The International Disability Management Forum (IFDM) 2016 which will mark history in Asia as it is the first time that Kuala Lumpur, Malaysia - Crown Jewel of Asia, will play host to this great biennial event. IFDM, which is the only global conference dedicated to in-depth discussion of problems, trends, and best practices in Disability Management, and is a catalyst in addressing issues of disability on the world stage.

<sup>1</sup> rehab.perkeso.gov.my

IFDM provides the only forum with delegates, from across the globe, representing health, safety, and workers' compensation communities. A diverse group of employers, workers, risk managers, unions, practitioners, jurisdictional and local government agencies, insurance industry, policy makers and the public, will travel to these meetings to participate in presentations, discussions, and workshops.

The IFDM 2016 will feature papers on policies, good practices, case studies, universal designs (architectural solutions) and technology as well as a unique forum on the religious perspective of disability which will enhance the management of disability management and embark on the social protection floor plan.

#### Cetrángolo, O; Gaps in social protection in Argentina: Current situation and future perspectives based on shared experiences<sup>2</sup>

Argentina is characterized by having a long and wide history in terms of social protection policies, which have placed the country among those with the highest level of human development in Latin America. Social security began to develop early on, being one of the first countries in the Americas that have introduced social insurance for different groups of workers in the early twentieth century and this experience served as an example for other countries in this region. This article intends to review the trajectory developed by social protection in Argentina up to the current situation, placing special emphasis on the experience shared with other Latin American countries that constitutes South-South cooperation in this area. In the definition of social policy priorities, Argentina was not isolated from changes in visions of social protection, or from the views that were generated at the international level, especially in Latin America, in order to move forward in reforms that ensure universal coverage of the different risks.

As in the rest of the countries of this region, social protection in Argentina had, from the outset, a strong contributory rationale (benefits financed through contributions from employees and employers), despite the insufficient level of economic development and labour market development. By the mid-1970s the social protection coverage was incomplete, both in the horizontal and vertical dimensions. For example, unemployment insurance, which is traditional in the countries with less informal employment, was only introduced in 1991, and coverage against labour risks was regulated only in 1996. In addition, from a horizontal perspective monetary benefits for families with children and adolescents, following the example of countries in the region linked to the initiatives of «conditional cash transfers», began their process of universalization only in 2009. In spite of having different public insurance health programmes that provide explicit coverage to sectors excluded from registered formal work, protection in this area continues to be highly fragmented for different social groups.

<sup>2</sup> Bertranou, F., O. Cetrángolo, L. Casanova, A. Beccaria y J. Folgar, Desempeño y financiamiento de la Protección Social en Argentina, Oficina de OIT para Argentina, 2015. http://www.ilo.org/buenosaires/publicaciones/WCMS\_427607/lang--es/index.htm

In Argentina, as in many countries of the region, the return to democracy coincided with a very complex economic situation. The debt crisis in the early 1980s implied strong restrictions on the fiscal situation and exerted significant pressure on the level of public spending.

Later reforms were undertaken which, by privatizing part of the welfare provision and decentralizing some areas, led to a retraction of the social role of the State. During the 1990s, following the recommendations of the so-called «Washington Consensus», and taking into account the experience of other countries in the region (Chile in particular), the reforms had sought to replace the collective protection of social risks with the logic of individualization of social security, thus replacing the criteria of solidarity (intra and intergenerational) by a logic by which greater risk was transferred to the individual sphere. During those years South-South cooperation was used to share experiences and disseminate this particular mode of development. In this context, other aspects of social protection were more valued during the reforms of that decade, such as fiscal system simplification and efficiency, at the detriment of coverage and solidarity. The reform of the pension and health systems, the decentralization of the education system and the retraction of state responsibility to facilitate citizens' access to social protection are some examples of what has happened. It should be noted that multilateral lending agencies, especially the World Bank, the International Monetary Fund (IMF) and, with special emphasis on the region, the Inter-American Development Bank (IDB) played a very important role in disseminating South-South experiences, in combination with the interests of countries that have a significant influence through the decision-making mechanisms of these agencies.

At the beginning of the 21st century, the system of social protection for the elderly population was incomplete, inequitable and with such problems of sustainability, that were affecting the solvency of the public sector as a whole. The health insurance system, in addition to presenting low and decreasing coverage over time, was very expensive and exhibited decreasing degrees of redistribution. The need for more needy household assistance programs was part of reforms that did not finish maturing and, in the face of this scenario; it was only after the crisis of 2001-2002 that a first national initiative of significant scope would emerge with a plan for heads of households (male or female) that were unemployed. During those years a substantial shift in the prevailing views on the scope of social protection schemes became apparent, with important reforms being developed to achieve universal coverage and the effective fulfilment of economic, social and cultural rights. In

this sense, the UN system through its agencies (especially Economic Commission for Latin America and the Caribbean (ECLAC), ILO, UNDP, UNDP and the limited Nations Children's Fund UNICEF) played a central role. The European Union through its EUROsociAL I and II programmes, also helped to disseminate experiences through South-South and triangular cooperation. In line with the reforms and new policies that were implemented during the first years of the present century, and thanks to a situation that allowed generating a new fiscal space, spending on social protection registered a growing trend between 2005 and 2013. Spending on social protection went from 8.5% of GDP in 2005 to 15.5% in 2013. Taking into account the significant increase in GDP during this period, the trend evidently involves increases in absolute values much more important that involve a change of unprecedented scale in the availability of resources for these benefits.

The analysis of the financing of social protection in Argentina must incorporate considerations about the federal organization of the country. Argentina is a federal state, in which there are three levels of government with autonomy: the national government (federal/central), provincial governments and the Autonomous City of Buenos Aires and municipal governments. Within this political division of the State, each level of government has different responsibilities in the provision of public goods and services, as well as different powers regarding the imposition of tax burdens. Both the nation and the provinces, and even in some cases the municipalities (such as in the case of the provision of health services and the management of some monetary transfers to families) have responsibilities in the design, execution and financing of the policies associated with the four guarantees of social protection, as defined by the ILO.

The type of federalism that developed in Argentina, coupled with the great disparity observed in productive development throughout the territory, drew attention to the difficulties involved in the decentralization of social spending and its impact on distributive equity. This means that the levels of guaranteed social protection floors can be very different according to which locality of the Argentine territory citizens live. Although this is an institutional feature that is very much studied in the Argentine case, its teachings should be considered with greater care by other countries that during the last decades have faced new processes of decentralization of social spending. While there has been some exchange of South-South experiences in this sense, basically promoted by ECLAC and IDB, there is a great space for greater and more fruitful exchange. On the other hand, an experience that has started to be evaluated by other developing countries and has been an example of

South-South cooperation refers to the "SUMAR" Programme<sup>3</sup>. This is a case of «matching grant» where the central government transfers additional funds to provincial health systems against the effective fulfilment of certain coverage goals of the population without health insurance. Thanks to the participation of the World Bank in the design and dissemination of the program, South-South cooperation has reached regions that go beyond Latin America.

An innovation of other Latin American countries adopted by Argentina, albeit somewhat belatedly, refers to transfers with conditionality to low-income families with children or adolescents. Following the introduction of these programs in several countries in the region, the implementation of the Universal Child Allowance for Social Protection (AUH) in Argentina took advantage of these experiences and other antecedents of similar programs that, in view of the emergency, had already been developed by the national government and some subnational administrations previously. The region has shown an intense exchange of experiences in this regard, being relevant the action of the IDB and the World Bank in the transmission of these initiatives. Two areas of social protection where Argentina has failed to incorporate the experience of other developing countries are linked to the need to improve equity in the health system and sustainability and equity in the pension system. In the first case, there are important initiatives in Latin America to eliminate or reduce fragmentation in coverage and financing, the country continues to take note of these experiences, consolidating a highly inequitable and segmented system. The modality that Argentina had found to extend social security coverage was through emergencies and transitional measures, without taking into account the experience of reforms that introduced universal basic benefits for those who did not obtain a taxable history required by the norms.

To summarize the situation of social protection in Argentina, it can be said that there is an absence of tradition in the field of preventive public policies, as solutions adaptable to the different circumstances. On the contrary, most of the changes observed in social protection have been reactive policies to immediate problems or emergencies. Rather, they were palliative policies and not preventive actions, which make it impossible to define priorities and a sequence of reforms to be implemented in the medium term. Regrettably, the incidence of informality is still very high and significant deficits persist in some guarantees, which are still far from reaching full universalization. In this last sense, the significant fragmentation

 $<sup>3 \</sup>quad http://www.casarosada.gob.ar/informacion/archivo/26140-el-programa-sumar-amplia-la-cobertura-desalud-publica$ 

of rights observed in the health system is highlighted. In spite of the high level of resources allocated to this area, through a combination of taxes and payroll taxes, there are high levels of inefficiency and inequality, which forces large sectors of the population to cope with direct payment of benefits. With respect to the fiscal space allocated to social protection programs, it is evident that the reforms that are necessary require greater resources. In spite of the increase in the tax pressure that Argentina achieved in the last decades, resources continue to be insufficient and its distributive impact is not always adequate. This deficiency contributes the tax structure that prevails in the country and also the type of specific financing of each benefit scheme, which is not a minor issue, since it can constitute an obstacle to the improvements in the equity of social protection. However, given that the low tax burden is one of the most characteristic features of Latin America, the country's experience in this area can be very useful when shared with other countries in the region. Perhaps it is this area (administration and tax policy) where Argentina can play a relevant role as a donor of experiences to other countries in the South.

As a final reflection, it should be emphasized that South-South cooperation (in relation to reforms in social protection in Argentina) has been based on the exchange of experiences promoted by various international organizations.

#### Da Costa, Helder: Fragile to Fragile (F2F) Cooperation – Moving towards Resilience

The g7+4 held its inaugural meeting in Dili, Timor-Leste, in April 2010, where member countries expressed a shared desire to facilitate development guided by the expertise of countries that have learned difficult lessons through shared experiences of conflicts or disasters working to transition to the next stage of their development. Member countries recognized a gap in the Millennium Development Goals (MDG) and service delivery, and the group's vision was then set out in the Dili Declaration (April 2010).

Member countries have continued to expand their commitment to this vision through critical participation with development partners and advocacy for a paradigm shift towards assistance and development led by developing countries themselves. The g7+ has conducted ministerial meetings in South Sudan (2011), Port-au-Prince, Haiti (2012) and Lome, Togo (2014). Its Charter was created in 2014 in Togo, and outlined key priorities for moving forward. These priorities include facilitation and implementation of the New Deal and its principles at the country level, proper reflection of g7+ contexts and priorities in global development and cooperation discourse, greater focus on peer learning through research and cooperation among member countries (F2F model), the strengthening of the g7+ as a platform for promoting the interests of conflict-affected countries and the continued integration of peacebuilding and state building goals in post-2015 development architecture.

The New Deal implementation was endorsed by 45 countries and various international organizations in November 2011, during the 4th High Level Forum on Aid Effectiveness in Busan, South Korea. The New Deal seeks to be more context-sensitive and country-led rather than led by traditional approaches to development, and aims to ensure mutual accountability between governments, civil society, donors and other international actors. In line with the principles of the New Deal, the g7+ has also worked to shape development policies and advocate for reforms to the ways development partners engage in countries affected by conflict and fragility. During the 67th United Nations General Assembly, more than 300 participants, including heads of states and governments, ministers, ambassadors, Civil

<sup>4</sup> www.g7plus.org

Society Organizations (CSOs), academic organizations, and UN agencies, came together to set the stage for further advocacy in peacebuilding and state building as a goal in the post 2015 development agenda. This work has been informed and guided by a better understanding from the g7+ countries of their own conditions and necessary steps for a successful transition, facilitated by peer sharing and lesson-learning from their successes and failures.

Under the spirit of **volunteerism, solidarity and cooperation**, the g7+ has also enhanced its capacity and formalized its negotiation initiatives through the signing of formal Memorandums of Understanding with UN agencies, think tanks, and academia. These initiatives are in direct support of the recognition by g7+ member countries that policy must be influenced by evidence-based research.

Based on the work plan agreed at the Ministerial Meeting in Kabul in March 2016, the g7+ engages with multilateral organizations and stakeholders including the World Bank Group, the IMF, the Asian Development Bank, the African Development Bank, G20, International Labour Organization, the African Union, ASEAN and the Pacific Islands Forum Secretariat. By engaging with such critical actors, the g7+ has built momentum for reform to the way in which the international community responds to conflict-affected states.

Timor-Leste has piloted Fragile-to-Fragile cooperation (as a subset of South-South Cooperation) within the g7+. This momentum is built on the past experiences of member countries, including assistance of Timor-Leste to Guinea-Bissau for its electoral registration process. In November 2013, at the invitation of the Government of Guinea-Bissau, a team of technical experts from Timor-Leste established the Timor-Leste Cooperation Agency in Guinea-Bissau to provide technical assistance and human resources in support of Guinea-Bissau's efforts to hold peaceful, democratic elections. This cooperative team took a lead role in facilitating effective and legitimate voter registration throughout the country. In 2014, elections were carried out successfully, and the international community praised Guinea-Bissau for its commitment to the peaceful and orderly process. Also in 2014, a delegation of officials from Timor-Leste and the G7+ Secretariat visited Guinea-Bissau to participate in the launch of the country's first Fragility Assessment and share lessons from Timor-Leste's Fragility Assessment experience.

The g7+ delegation also conducted visits to the Central African Republic to support its peace transition, and donated \$1 million USD from the Government

of Timor-Leste to support general elections. At the invitation from the Central African Republic Government, a g7+ mission is envisaged to take place in the beginning of September 2016 to support the newly elected Government in its effort of Disarmament, Demobilisation and Reintegration programme.

The Government of Timor-Leste also donated \$2 million USD to Guinea, Liberia and Sierra Leone to support their responses to the devastating Ebola epidemic. Peer-to-peer learning has been encouraged in the areas of natural resource management and justice in fragile states. The g7+ launched its Natural Resources Management report at a meeting in Brussels in March 2015, setting out its firm stance on resolving the recurrent contradictions between the potential and the "curse" of natural abundant resources. In June 2014, the g7+ Justice Ministers have met for the first time on the side-lines of the Global IDPS Meeting in Freetown, Sierra Leone, supporting efforts to ensure peer-to-peer learning across a range of sectors. Advocacy efforts by the g7+ resulted in the inclusion of the SDG 16, calling for peaceful societies, support for effective institutions, and access to justice for all. This represents a crucial milestone in consolidating a platform enabling fragile states to build their resilience.

The experience of Timor-Leste and its peers in Fragile-to-Fragile cooperation is evidence of the potential of F2F to promote best practices and improved outcomes. In favouring international engagement over isolation, F2F offers a new approach to formal cooperation between fragile and conflict-affected states.

Overall, the F2F concept gained adhesion from the international community as well as from the ILO officials worldwide.

# Dewi, A: Implemental Aspect of Social Security In Indonesia

#### 1. Employment and social security

Social security is an instrument of social protection designed for the citizens to fulfil their life basic needs. This program has become a priority policy for the Indonesian government and has been implemented since the last decade.

The economic crisis experienced by Indonesia, during the end of 1990's, crystalized both the idea of the importance and the commitment to a national social security implementation. One of the main development pillars of Indonesia in the aspect of social welfare is the availability/accessibility of a social protection system that is proficient for the entirety of its people. The commitment of the Indonesian government in the aspect of social security is the development of the National Social Security System (NSSS), stated in the mandate of Act. No. 40 of 2004 on NSSS, as a legal base of social security program reforms in the frame of benefit improvement and extension of membership coverage. The mentioned Act emphasizes the political will of the state to provide universal social security in which eligibility is not based on the capability of those who are able to pay a contribution, or classified as formal workers from the formal economy sector, but should also be based on the incapability of the people grouped as non-wage receiver/unpaid workers who are involved in the informal economy sector. Under the NSSS, the people should have access to appropriate and sufficient protection in case of any accidents resulting in loss or decrease of their income due to sickness, occupational accident, old age, or pension/retirement as well as cause of death. In the frame of realizing and achieving the objective of the NSSS, the general operation and implementation is carried out by the National Social Security Council (NSSC) as the institution responsible for social security programs.

The achievement of the NSSS and extension coverage is based on the Act. No. 24 of 2011. The Executing Agency of Social Security (EASS), as a consolidated legal public agency, comprises 4 state owned companies: PT. Askes, PT. Jamsostek, PT. Taspen and PT. Asabri that have been transformed into two agencies who provide services concerning employment and health, namely the EASS of Employment and the EASS of Health. The mentioned transformation brings various consequences, including substantial change on various institutional aspects that should be met in

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order to secure implementation of the social security program in conformity with time schedule and existing provisions as well.

The implementation of social security programs in Indonesia creates a fresh air and atmosphere for the whole nation, in which, under this program, every citizen is eligible to social security services for both employment and health. In this respect, the EASS does not merely provide services for those who are capable to pay a contribution (such as formal workers) but also for those who are classified as informal workers, unemployed and even poor.

The social security program in Indonesia is implemented on a participative basis by the EASS aiming to fulfil the universal social security coverage to participants from both the formal and informal sectors.

The social security employment program in Indonesia is a social insurance scheme for workers and their family members based on a fully funded system, in this respect, contribution is paid by both parties: job providers (employers) and workers. However, in practice, the government is responsible for the payment of the contribution in the implementation of the social insurance system or at least responsible for any loss cause of deficit. On the other hand, in case of any profit gained by the executing agency, the government has the right for dividend since the EASS is a state owned company.

The terminology used, particularly in respect of the participation phase is a formal one rather than an informal one. Up to the year of 2019, Indonesian workers should obtain the entire participation of the formal sector. In the meantime, the informal sector workers are also eligible to be participants of this social security employment program. In this respect, the effectiveness and efficiency of the regional strategy is very important to achieve the designed target of participant coverage. On the other hand, the business sector base strategy should also be implemented as well.

The establishment of the Act on the EASS is a great leap onto the implementation of a national social security system for the entirety of the Indonesian people. The EASS of Employment was established on January 1st 2014 and started operating on July 1st 2015. The covering of the Employment Social Security comprises of an Occupational Accident Security Scheme (OASS); an Old Age Security Scheme (OASS), a Pension Security Scheme (PSS) and a Death Security Scheme (DSS). In respect with the implementation of the Employment Social Security program, all

workers will be covered as participants under the EASS of Employment emphasising on the participation of formal sector workers as the objective target by 2019.

In the context of the program, the discussion had started from a Medical Health Care Security Scheme (MHSS), to an Occupational Accident Security Scheme (OASS), up to the discussion concerning the Old Age Security Scheme (OASS), Pension Security Scheme (PSS), and Death Security Scheme (DSS).

#### 1. Medical Health Care Security Scheme (MHSS)

Medical Health Security Program provides protection for each worker against any risk of health disturbance or disease that may affect their capability to working productively. The benefit of the MHSS is to promote medical health services, including medical health care, hospital medical health care, giving birth care, and immunization/vaccination services.

#### 2. Occupational Accident Security Scheme (OASS)

This program provides protection for workers against occupational accidents and diseases. The benefit of the OASS is for medical health services, including medical rehabilitation due to occupational accidents. Other than medical health services, workers also receive compensation for their incapability to work during the period of the medical health care and recovery. The expenditure related to the program of the OASS is paid by job providers under the contribution given to the executing agency.

The contribution of the OASS program is paid by both parties: the workers' contribution (wage receivers) is determined by percentage, and by job providers, whereas for those classified as unpaid workers (non-wage receiver); the contribution paid is in nominal currency by the workers concerned.

#### 3. Old Age Security Scheme (OASS)

This Program provides protection, in cash, for workers that are entering retirement period (function as capital), paid all at once to the workers concerned or to their family members or heirs. The contribution for this program is jointly paid by the job providers and the workers concerned to the executing agency. The Program designed for the informal sector's workers is implemented as the one for the formal

sector workers, but on a voluntarily basis, in fixed nominal contribution and is paid by the workers concerned vis-a-vis their salary scale.

#### 4. Pension Security Scheme (PSS)

PSS provides a continuous/unremitting security on workers' income at the time of entering pension age. The benefit of this Program is made through periodical payment of pension to the workers concerned or to their family members at the time the workers have entered pension age. Contribution of this program to the executing agency is jointly paid by the job providers and the workers concerned, through wage percentage or nominal currency, paid by both parties: job providers and workers

#### 5. Death Security Scheme (DSS)

DSS provides protection to workers against death caused by an occupational accident or diseases. This program provides compensation all at once to the workers' family members or to their heirs and comprises of death compensation and of a funeral payment. The periodical payment of the compensation to the executing agency is paid by the job providers.

In respect with the participant criteria, the main categories are formal and informal workers based on the concept of workers status of the Central Bureau of Statistics that refers to the Labour Force Concept of ILO. This is an important concern in relation to the contribution budget shouldered by: workers, job providers or by the government. Whereas, a group of formal workers/employees are those engaged in formal sectors and classified as receivers of wage/paid workers. The informal workers' group is comprised of: workers who run their own business, assisted by non-permanent workers/who are not wage receivers, freelancers in agricultural sector, freelancers in non-agricultural sector and family workers/unpaid workers.

Regarding the aspect of participation coverage, aimed to universalise the coverage for EASS of Employment and the EASS of Health members, the terminology of being capable to pay a contribution becomes an important issue in the transformation of EASS. In this respect, the update and the management of the participants' data as well as the strengthening of the marketing and the collaboration function in the frame of improvement of participants' loyalty should be placed as priority

action. On the other hand, the collaboration with strategic partners is a necessary action to obtain new participants and to implement a Single Identity Number as well

Low coverage of participation is, among others, caused by the following conditions:

- 1. The presence of a large number of people working in the informal economy sector with low income to meet their contribution for a social security scheme
- 2. For those classified as middle up income workers, the awareness on the importance of insurance and of social security remains very low, in this regard, they rely on their savings or obtain a credit to pay expenses concerning medical health and old age period. This low awareness can be identified because of permissive acceptance of employers to register their workers in the existing social security program.
- 3. From the macro point of view, the social security program is not a fully yet priority program of the government to improve the social welfare of the nation. Hence the fact that the social security program not becoming a national movement of education for people to take participation in a social security scheme.

Therefore, the extension of participation coverage shall consider the capability of contribution payment based on the industrial sector, the regional classification as well as the definition of wage receivers (paid workers) and non-wage receivers (unpaid workers), in both in the formal and informal sectors of economy.

The implementation of the social security employment is a challenge that needs a series of strategic measures of the government and other concerned parties. An effective collaboration with the entire stakeholders is strongly needed to obtain a collective commitment on the strategic guidelines and operational actions of the new system. It becomes even more important in regards to the impact of the social security employment' implementation upon the state social structure, the national economic tenacity/endurance, the labour market and the national budget as well.

From an institutional aspect, the cultural reform organization shall be taken in account with the changing nature of the organization type, from profit oriented to non-profit oriented organizations. Furthermore, to obtain entire participants coverage for all workers by 2019, the EASS of Employment shall prepare to develop

and improve its operational technical capacity of the related and concerned human resources in terms of both quality and quantity.

From a social aspect, there are 3 important points:

- 1. Public support
- 2. Completeness and availability of uniformed information that is easy to access
- 3. Entire coverage of workers' participation

A prerequisite for effective implementation of the social security program in Indonesia:

- 1. National commitment to the implementation of the program;
- 2. National Social Security Council (NSSC) shall follow continuous coordination and synchronization with the related institutions/organizations to obtain entire coverage of participants/workers;
- 3. EASS shall take pro-active, innovative and collaborative action in the implementation of the program;
- 4. Strengthening human resources based on competency, standard, certification, and licence to obtain excellent operation and service;
- 5. EASS of Employment and the government shall provide appropriate and sufficient stimulant in the frame of compliance improvement and also implement strict sanction as part of the law enforcement to the parties hampering implementation of the program, particularly in obtaining an entire coverage of participants.

The social security program shall be implemented based on a universal nature, under a single legal umbrella, of principles, of equity and social insurance. The basic benefit and contribution shall be calculated by percentage of salary for wage receivers/paid workers (formal workers) and nominal value for those classified as non-wage receivers workers (informal workers). The EASS is a non-profit oriented legal entity directly responsible to the president.

From the aspect of asset management and investment, contribution and investment gain are part of the social security program budget, separated from the financial capital of the EASS of Employment. The capital of the EASS of Employment is managed by the state owned custodian bank. The investment policy shall be based

on principles of liquidity, solvability, carefulness, budget safety, and maximal benefit spending of profit gain for participants' interest. The investment policy will differ and vary from one program to another in conformity with the obligation characteristics and budget strategy of each program.

To ensure the good implementation of the social security employment program, the monitoring and the evaluation shall be taken based on the commitment of the stakeholders concerned, as regulated under the existing Acts concerning the National Social Security System and the EASS. The overall internal monitoring and evaluation are to be carried out by the Supervising Council based on Key Performance Indicator (KPI) of the Organization. As for the external monitoring and evaluation, they are to be carried out by the National Social Security Council (NSSC), the Financial Service Authority (FSA) and the Financial Inspection Body (FIB). The administrative and technical supervision are under the responsibility of the Ministry of Manpower.

The Law Enforcement, as part of the legal implementation mechanism of the social security program, is aimed to complying job providers in including their workers as members of this program consistently. Any violation of rules will be sanctioned in the forms of fine, licence revocation, and even prison punishment.

The successful implementation of the social security program is closely related with the criteria of equality, justice, self-reliance budget allocation, sustainability, efficient management and public education as well as benefits for all. The contribution for the social security program (NSSS) shall be able to meet the expenditures for beneficial allowance and for administrative duties as well. The criteria of the sustainable program emphasizes on the fact that the design of the program shall be under the principles of equality between the objective of social policy and the capability of workers, between employers and the government to pay contribution. The program should be sustainable by fiscal year for both short and long term even in case of demographic accident and economic shocks. Efficient management is the key factor to prevent insincerity and corruption in the implementation of the program, in addition, the program should be transparent and accountable by implementing a check and balance system.

Sufficient social awareness of the program on NSSS shall be effectively carried out by the government to provide a good understanding of the right of the parties concerned, as an early appropriate public education. To offer effective services

to participants, the capability of the administrative staff, the integrated services between the EASS of Employment and the EASS of Health, the process of business activities and the IT system shall all be well prepared. This improvement program should be well documented as a guideline for all stakeholders concerned.

Ideal approach in designing the social security program shall be based on the following understanding:

- 1. Consideration of the social policy perspective that puts a high benefit and capability to pay the contribution of workers, employers and the government and the capability to pay expenditures of the program as priorities.
- Analysis and evaluation on benefit and contribution of social security programmes shall be carried out periodically by the considering national economic condition, as well as the availability of the obligation of actuaries.

#### 2. South-South and triangular cooperation & social security

In 2014 under the leadership of President Joko Widodo (Jokowi), and his program called 'Nawacita', South-South Triangular Cooperation (SSTC) has been considered as a complementary instrument in facing development challenges. Indonesia is implementing free and active overseas policy and taking part in global peacefulness in which SSTC functions as impeller strength of the Indonesian policy under the Mid Term Development Plan (MTDP) of 2015-2019 that strengthens support of Indonesia in the international development cooperation architecture.

Indonesia is convinced that the SSTC is a strong manifestation and contributor to global development under an effective partnership principle with other countries to make their development implementation more transparent and accountable, in regards to their own needs as stipulated under the Nairobi, Ministerial Declaration (December 2009) namely:

- Respect to national sovereignty and ownership;
- Equal partnership;
- No tendency oriented condition;
- No intervention on domestic matters;
- Mutual benefit:

- Mutual responsibility and transparency;
- Development effectiveness;
- Coordination of gain and result in conformity with initiative;
- Multi stakeholder approach.

Based on the principles of the SSTC, change has been transitioning from a "blue print" standard approach to a more flexible approach as a paradigm that is a "horizontal partnership" based on equality, trust, mutual benefit, and long term relationship. This paradigm becomes an alternative manner of development, knowledge sharing (SSTC's most dynamic dimension) and, the third pillar of development cooperation, financial and technical assistance. It is important to note that the change in global development is becoming more inclusive and effective.

Considering the importance of SSTC, uniform measures shall be taken to obtain the objective of development, the improvement and realization of standards and the fundamental principles and rights at work, thus creating an increase in employment opportunities, an increase in sufficient income, an extension of coverage, an effectiveness of social protection, and a strengthening in tripartite dialogue. The mentioned measures shall be focusing on the critical challenge under the broader scale of cooperation involving an academic community and policy makers in managing development gains, including capacity building for South-South partner countries in the frame of sharing of best knowledge and experience/practice to overcome institutional and operational hindrance involving the government, social partners, private community, and international organizations.

In principle, each individual is qualified to an access to social security and a sufficient life standard, as well as an access to essential social services. A firm social protection contributes to reducing or even eliminating poverty, excommunication, inequality, as well as improving political stability and social cohesion. This potential instrument is able to prevent and to recover from economic crisis, natural disasters, and conflicts. Social protection contributes to economic growth by supporting the state income and expenditure through capacity building of human resources and improvement of productivity directed to inclusive and social justice, transformative of national development.

Three major aspects of international cooperation for Indonesia: capacity building, strengthening investment and international cooperation. In the frame of capacity

building, Indonesia has been implementing knowledge transfer among developing countries and improving capacity at once to manage the program. In addition, Indonesia has also been strengthening and inviting investments within the framework of development, in the mentioned program by improving Public-Private Partnership (PPP) and involvement of the private sector. This strategic policy also creates a domino effect to international cooperation which then becomes a strategic contribution to the global fora.

Three SSTC main programs of development and related projects in Indonesia are good and clean governance, economic issues in which Indonesia provides comparative expertise on various fields that hopefully will be of benefit for other countries, and also the supply of financial assistance for training programs. Development partners in this regard, contribute in different forms such as financial contribution or sharing of knowledge and skills under the framework of capacity building.

#### 3. Sustainable development goals (SDGs) & social security

Since the promulgation of the Sustainable Development Goals (SDGs) in 2015, Indonesia has established certain core aspects reflecting the advantage values called as "pioneer programme" and also conducted evaluations to measure long term economic and social impacts in the frame of designing better programs for not only Indonesia but also for other beneficiary countries. Indonesia is also strengthening institutional capacity in order to obtain better SSTC programs and to provide better contribution to global development.

In respect with the Sustainable Development, which comprises of 17 objectives, social protection is one of the mentioned objectives' targets (103). SDG 1 (elimination of poverty), SDG 3 to secure healthy life, SDG 5 to obtain gender equality, SDG 8 to promote decent work, and SDG 10 to reduce inequality, are also linked to social protection.

The biggest contribution of SSTC is not merely related to quantity and efficiency of knowledge transfer and technology, but also related to efforts in overcoming the general challenge in which SSTC is a potential instrument for optimizing positive impact and contribution to development cooperation.

One of SDGs, focusing on strengthening implementation and revitalization of the global partnership for sustainable development, in which SSTC is an important

instrument of capacity building relevant to mobilizing and sharing of knowledge, skills and technology, functions as a supporting factor to obtain the SDGs, particularly for developing countries.

#### **Hlaing, S.S:**

South-South Cooperation and Labour Migration: The Employment Permit System (EPS) which implemented between the Republic of the Union of Myanmar and the Republic of the South Korea

#### 1. Sustainable Development Goals

The Sustainable Development Goals (SDGs), **transforming our world: the 2030 Agenda for Sustainable Development** are an intergovernmental set of aspirational Goals with 169 targets. The Goals are contained in paragraph 54 United Nations Resolution A/RES/70/1 of 25 September 2015.<sup>5</sup> The Resolution is a broader intergovernmental agreement that, while acting as the Post 2015 Development Agenda (successor to the Millennium Development Goals), builds on the Principles agreed upon under Resolution A/RES/66/288, popularly known as The Future We Want.<sup>6</sup>

The Official Agenda for Sustainable Development adopted on 25 September 2015 has 92 paragraphs, with the main paragraph (51) outlining the 17 Sustainable Development Goals and its associated 169 targets. Achieving these goals will require an integrated approach to supporting progress across the multiple goals and many different partners, the Myanmar's Government which will lead in defining the targets Myanmar will work toward achieving.

#### 2. South-South and Triangular Cooperation

**South-South and triangular cooperation** is a partnership among equals which involves a learning process or exchange of expertise derived from effective initiatives for development that have been implemented in southern countries. South-South and triangular cooperation initiatives can be held in the form of study tours, knowledge-sharing platforms, etc., with the purpose of exchanging resources and technology or facilitating the transfer of knowledge and experience to develop skills and capabilities. It can be held between two or more countries from the South

<sup>5</sup> http://www.un.org/ga/search/view\_doc.asp?symbol=A/RES/70/1&Lang=E

 $<sup>6 \</sup>quad http://www.un.org/ga/search/view\_doc.asp?symbol=A/RES/66/288\&Lang=E, adopted on 27 July 2012 during the Rio <math display="inline">\pm 20$  Summit.

<sup>7</sup> There is no official definition, but the term "global South" usually refers developing countries and emerging economies.

and all stakeholders can benefit from the learning process. It can be implemented at regional, sub regional and inter-regional levels.

"South-South Cooperation is a process whereby two or more developing countries pursue their individual and/or shared national capacity development objectives through exchanges of knowledge, skills, resources and technical know-how, and through regional and interregional collective actions, including partnerships involving governments, regional organizations, civil society, academia and the private sector, for their individual and/ or mutual benefit within and across regions." 8

#### 3. The Role of South-South and Triangular Cooperation (SSTC)

This frame of cooperation has to acknowledge that developing countries are at different starting points while at the same time acknowledge that these countries can learn from the experiences of advanced economies. SSTC, as defined by the International Labour Organization is a collaboration between two or more developing countries that is guided by the principles of solidarity and non-conditionality, aimed at implementing inclusive and distributive development models that are driven by demand" (ILO, 2016). In this case, northern countries participate "as a third partner financially supporting the cooperation between two or more developing countries, whether by providing technical resources or by leveraging other additional financial or logistical resources" (ILO, 2014).

## 4. Goal-8 – Decent Work and Economic Growth – Promote inclusive and sustainable economic growth, employment and decent work for all

**Goal No. 8** of SDG aims to promote inclusive and sustainable economic growth, employment and decent work for all citizens. Under the SDG 8, Target 8.1, 8.3, 8.5, 8.6 and 8.8 would make governments to be sustainable economic development. The project (Employment Permit System foe dispatching workers) is expected to contribute to the following key targets:

<sup>8</sup> http://www.org/en/development/desa/oesc/qcpr.shtml

<sup>9</sup> Sustainable Development Goals from Wikipedia

- **8.1** sustain per capita economic growth in accordance with national circumstances and in particular at least 7% per annum GDP growth in the least-developed countries,
- **8.3** promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage formalization and growth of micro-, small- and medium-sized enterprises including through access to financial services,
- **8.5** by 2030 achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value,
- **8.6** by 2020 substantially reduce the proportion of youth not in employment, education or training and
- **8.8** protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment.

## 5. Employment Permit System (EPS) implemented between the Republic of the Union of Myanmar and the Republic of Korea

The **Employment Permit System** primarily addresses the SDG 8: Promote inclusive and sustainable economic growth, employment and decent work for all. The initiative from the Government of Republic of Korea in collaboration with the participating countries has been one of the most successful labour migration programme involving as many as 15 countries in Asia. This is not a technical cooperation project but a government initiative that incorporates many good practices. Multiple countries are participating (China, Thailand, Indonesia, Vietnam, Philippines, Mongolia, Cambodia, Pakistan, Bangladesh, Nepal, Myanmar, Uzbekistan, Sri Lanka, Timor-Leste, Kyrgyzstan). This project is Government to Government Agreement (no development partner is involved). The Government ministries of Myanmar and the Government of the Republic of South Korea and private companies (in the host country) are implementing agencies.

The joint undertaking aims at promoting decent work for migrant workers through good governance practices, protection and empowerment of migrant workers, providing equal opportunity for both men and women workers. In addition, it contributes to other SDGs such as SDG 1 (End poverty in all its forms everywhere), SDG

5 (Achieve gender equality and empower all women and girls); SDG 10 (Reduce inequality within and among countries) and SDG 17 (Strengthen the means of implementation and revitalize the global partnership for sustainable development).

#### 5.1. Objectives of the Employment Permit System

This system provides a systemic transfer of good practices and knowledge in terms of transparency in the selection of competent foreign workers, prevention of malpractices, recognition of skills, ensuring social protection through various insurance schemes, protection of human rights of foreign workers, non-discrimination to the foreign workers, administrative support and social counselling and conciliation services in case of conflict at the work place.<sup>10</sup>

The Memorandum of Understanding (MoU) between the Government of Republic of Korea and the Government of the Republic of the Union of Myanmar defines and governs the whole procedures right from the selection, deployment and retirement of a migrant worker. The MoU is flexible to suit the country specific context of the situation of labour market and labour administration in the countries of origin.

To ensure non-discrimination to all migrant workers, the government of Korea ensures the application of relevant laws and policies such as Labour Standard Act, Minimum Wage Act, Industrial Safety and Health Act and National Labour Relation Act regardless of the nationality of the workers.

#### 5.2. Engagement of Stakeholders and Partners

The initiative between Korea and Myanmar targets young men and women, aged 18 to 40, from developing countries – who have passed Korean language proficiency test conducted by the Human Resources Department of the Korean Government and locally managed by a competent authority of Myanmar. In most cases, the Department of Labour of the sending countries implements the whole process of managing language proficiency test in their respective countries.

The key partners are the labour department in Myanmar and private companies in Korea who eventually provide jobs for the migrant workers. And there are whole range of service providers, both in the sending country and receiving country like

<sup>10</sup> www.eps.go.kr

language schools, counselling agents, paralegal services, human rights agencies and so on, which are directly involved.

#### 5.3. Implementation of the collaboration project between Korea and Myanmar

The Department of Labour under Ministry of Labour, Immigration and Population, the Republic of the Union of Myanmar and Ministry of Employment and Labour, Republic of Korea, signed the labour dispatching MoU on 29-10-2010 to extend two years (until 29-12-2012). Similarly, the extension of MoU has been signed every 2 years until 2016 for ongoing project.<sup>11</sup>

According to this MoU, for dispatching the labours to production, agriculture, livestock and construction sectors in the Republic of Korea, the Department of Labour has organized Government Oversea Agency in August 2010 and undertaken the process of dispatching labour, by cooperation with HRD Korea, Republic of Korea. According to the MoU signed between the Labour Ministers for Government of the Union of Myanmar and Republic of Korea, the Department of Labour is the only one government agency which has charged dispatching general workers to Republic of Korea by Employment Permit System-EPS. The processes of dispatching Myanmar workers have been carried out and coordinated with Human Resource Development Services of Korea under Ministry of Employment and Labour, the Republic of Korea.

As the agriculture sector is not covered by Labour Law of Republic of Korea, when we compare with other countries, Myanmar workers have enjoyed less benefit, suffering from weather, long working hour, lack of overtime pay, deduction of living allowance, lack of one holiday per week, therefore, they go away from their work fields, we would like to negotiate to entitle necessary benefits for the workers.

<sup>11</sup> Annual Report by Department of Labour, Ministry of Labour, Immigration and Population Myanmar

Table-1. The numbers of dispatched Myanmar workers to Korea by EPS<sup>12</sup>

Subject	Number of dispatched workers at the end of May, 2016	Number of dispatched workers at the end of June, 2016	Number of dispatched workers from Jan, 2011 to May, 2016	Number of dispatched workers from Jan, 2011 to June, 2016
First time	-	-	1,566	1,566
Second time	-	-	3,436	3,436
Third time	-	-	2,910	2,910
Fourth time	-	-	1,815	1,815
Fifth time	1	-	4,790	4,790
Sixth time	89	175	1,245	1,420
Seventh time	477	553	2,963	3,516
Eighth time	95	73	1,303	1,376
Ninth time	160	84	467	551
Re-entry	53	54	301	355
CBT	14	11	446	457
Total	889	950	21,242	22,192

### 5.4. Effectiveness of Methodological Approach of project

Since the project is implemented through a government to government bilateral agreement, it has earned people's trust and confidence. Because of the government ownership in both Myanmar and Korea, people feel safe and secured that they will not be subjected to exploitation and abuses.

The process is transparent and clear and the EPS website, with a language option for each sending country, provides step by step information, right from taking language test to entering into Korea, for potential migrant workers at the sending countries. Following are the standard process under the EPS:

1. Government institutions in Myanmar are tasked with selecting competent job seekers based on job sector quotas and objective qualification standards (e.g., Korean language testing, work experience). The South Korean government approves the roster of job seekers sent by Myanmar.

<sup>12</sup> Monthly Report by Department of Labour, Ministry of Labour, Immigration and Population Myanmar

- 2. Korean employers apply for employment permits at job centres, demonstrating their efforts to fill available positions with Korean workers first. Job centres recommend qualified Myanmar workers from the job seekers roster. Employment permits are issued when employers choose employees from among those recommended.
- 3. Employers and employees sign a standard labour contract clarifying wages, working conditions, working hours, and holidays.
- 4. Employers apply for a Certificate of Confirmation of Visa Issuance (CCVI), issued by the South Korean government.
- 5. Employers send CCVIs to Myanmar. Selected Myanmar workers proceed to the South Korean Embassy to apply for a work visa (E-9).
- 6. After entering South Korea, Myanmar workers must complete an employment training module (minimum 20 hours).

# 5.5. Innovation of SSTC practice

Thousands of young men and women from Myanmar are getting decent jobs in Korea under the EPS programme. Remittances of workers flow to origin country. It has definitely contributed to the achievement of SDG 8: Promote inclusive and sustainable economic growth, employment and decent work for all. There are certain elements under the EPS programme which are innovative and interesting for other countries. For example, the EPS programme ensures basic human rights of the migrant workers, all the support services and counselling are free of cost, ensures equal treatment between migrant workers and local (Korean workers) in the application of relevant laws.

### 5.6. Sustainability

People or the potential migrant workers always look for guaranteed return of their investment, safety and security at the work place and happy return home. As long as these elements are there, the good practice will continue in itself, provided that the Republic of the Union of Myanmar and the Republic of Korea are committed to the programme.

# 5.7. Adaptability

The adaptability of this programme is governed by the willingness and commitment of the governments of the Myanmar and Korea There is no problem of demand and supply of the labourers. It is possible that many developing countries in Asia may replicate this system because both the workers and employers have been directly benefiting out of it. As the migrant workers are directly employed by the private sector enterprises there is no financial obligation to the governments. This scheme does not require any technical and financial support from donors or development partners.

### 5.8. Conclusion

Good governance in labour migration has been a transnational challenge and is difficult to tackle singlehandedly. The current and future projects could promote decent work for migrant workers through good governance practices, protection and empowerment of migrant workers, providing equal opportunity for both men and women workers through South-South Cooperation.

### Resources

The Republic of Korea's Employment Permit System (EPS):

Background and Rapid Assessment, ILO, 2015.

Website: www.eps.go.kr

Website: http://eps.hrdkorea.or.kr

# Levaggi, V: ILO-China-ASEAN High Level Seminar to achieve the SDGs on Universal Social Protection through South-South and Triangular Cooperation

# The Decent Work Agenda within the context of the SDGs

For more than 15 years, the ILO's Decent Work Agenda has insisted on the transformative capacity of decent work as a precondition for sustainable development and inclusive growth. This Agenda streamlines the Organization's mission by articulating it among four objectives:

- The promotion of rights at work, namely the "historical mandate" of the ILO, based on its unique norm-setting role and it supervisory mechanisms;
- The creation of decent employment, namely the "political mandate" that comes from the people;
- The enhancement of social protection for all, the "ethical mandate" of the ILO, which we will discuss today, that addresses the vulnerabilities and contingencies that take people out of work, either due to unemployment, loss of livelihood, sickness or old age;
- And social dialogue, the "organizational mandate", as a means to ensure participation, peaceful conflict resolution, and the possibility to collectively bargain.

With the adoption of the 2030 Agenda last year, decent work has been globally recognized as both a means to achieve the Sustainable Development Goals, and as an end in itself. Not only is Decent Work firmly grounded in SDG 8, with a clear reference to the ILO's Global Jobs Pact; it also spans across all 17 goals, with no less than 43 directly relevant targets. These include target 1.3, which calls for the creation of national Social Protection Systems and Social Protection Floors.

### The added value of SSTC

The SDGs are a global commitment: all countries, independently from their level of development, are required to implement them. And as recognized in the Addis Ababa Action Agenda on Financing for Development, their attainment cannot rely exclusively on traditional bilateral aid flows. It has to be complemented by forms of peer-to-peer cooperation voluntarily pursued by developing countries themselves. We call this "South-South cooperation". Sometimes these schemes can be facilitated by a Northern country, in which case we talk about "Triangular cooperation".

In the last decade, South-South and Triangular Cooperation has become a consolidated practice, with an increasing number of development projects being coordinated by cooperation agencies of developing countries.

Far from replacing traditional North-South development programmes, South-South cooperation complements them by introducing a different approach, based on the principles of equality, mutual benefit, national ownership, non-conditionality and non-interference

SSTC breaks with the outdated "bipolar" view of international development, recognizing that also developing countries have valuable expertise to offer and share with each other. In doing so, South-South cooperation allows developing countries to self-define and pursue their common national development objectives through exchange of practices, knowledge, resources and technical skills. Although this type of exchanges may be overlooked by traditional ODA metrics based on the measurement of financial flows, it makes it possible to achieve far-reaching impacts with relatively small financial resources.

SSTC models also remind us that the concept of "South" is much more diverse than we use to think. It encompasses an enormous variety, ranging from fragile states to Upper-Middle Income Countries.

In a rapidly changing panorama of international development, we cannot ignore the emerging role of new institutional actors. We can already anticipate a new landscape for development financing based on South-South cooperation through the support of emerging economies. In particular the so-called the "BRICS" (Brazil, Russia, India, China and South Africa) and regional development banks are scaling up their engagement through South-South projects. China, for instance,

has greatly increased the aid it provides to African countries over the past years, while at the same time expanding its collaboration with ASEAN countries and multilateral organizations, including the ILO.

### II O's role

But what is the role of multilateral organizations in this? The literature on the topic uses the term "orchestrators". By this we mean that they can use their convening power and their resources to effectively solve common "collective action problems", for instance by:

- Providing a neutral platform and enhance confidence among partners.
- Offsetting transaction costs, risks and providing administrative support.
- Offering technical expertise and partnerships networks to multiply effects, scale up and transfer successful experiences to other contexts.

The ILO has a clear advantage, thanks to its knowledge-based, normative and tripartite nature, as well as it long-standing tradition of partnership with the developing world.

In 2012 the Governing Body of the ILO approved a new strategy on South-South cooperation, which stresses the importance of engaging an increasing number of stakeholders (such as governments, social partners, UN bodies and non-state actors) in pursuing the Decent Work agenda via South-South cooperation.

South-South and Triangular cooperation, in fact, may not be resource-intensive, but is for sure relations-intensive. Strong partnerships based on mutual trust are required to make this model work.

A first step towards successful partnership building is open dialogue. The ILO supports the creation and strengthening of platforms for dialogue and experts' networks as part of its South-South and triangular cooperation strategy.

As many of you know, the ILO and its International Training Centre in Turin organized last July the 1st South-South and Triangular Cooperation (SSTC) Academy, which was attended by over 170 representatives and specialists from cooperation agencies, governments, UN agencies, workers' and employers' organizations and local government from 55 different countries. This event here in Beijing is not the

only follow up to the Academy in Turin: other forums are currently being planned in Brazil, Turkey and Indonesia, while we are working on establishing new forms of cooperation with the g7+, in addition to the Memorandum of Understanding signed in 2014.

At the same time, the ILO hosts and animates a lively online community of South-South experts and practitioners via its dedicated portal and social media channels; it coordinates and disseminates research on south-south cooperation; organizes triangular cooperation projects with its development partners.

### SSTC and Social Protection

Few elements of the Decent Work Agenda – and of the Sustainable Development Agenda – lend themselves to South-South cooperation better than Social Protection. Many developing countries, in fact, realize that expanding the coverage of social protection schemes can have a powerful impact on sustainable development, by enhancing productivity, eradicating poverty, fostering social peace and reducing inequalities. However, they often do not know how to do it in practice. South-South and Triangular cooperation offer the possibility to draw from the experience of other developing countries that went through similar challenges, sharing with their peers possible solutions and lending the necessary technical expertise to support them in their efforts.

As acknowledged by the ILO's Recommendation N. 202 of 2012, there is no single perfect model for social protection. It is for each country to develop the best means of guaranteeing the protection required, according to its own needs and standards. This is precisely the context where South-South cooperation, thanks to its focus on national ownership and local capacity building, can deliver at its best.

### Successful examples include:

The Algerian funded, South-South cooperation project for African countries
in the area of social dialogue and social protection (2016-17), to consolidate
the progress achieved in Algeria in terms of social dialogue and social
protection and to share its experience with other African countries through
South-South cooperation.

- ILO-UNDP project "Implementation of Gender sensitive SPF" (2012-2015) through a collaboration between the UNDP and the ILO, in order to support five countries (Benin, Burkina Faso, Cambodia, Lao, Togo) to implement social protection floors, drawing from the experience of other countries from the South such as China, India, Pakistan and Thailand.
- Thanks to a South-South cooperation programme in the area of social security in Timor-Leste (2010-13), implemented by the ILO with the technical and financial support of Brazil, the Timorese government was able to establish after less than 2 years since the beginning of the project the first public social security system in the country.

### Leaving no one behind

«Leaving no one behind» is perhaps the most important principle at the heart of the new 2030 development agenda, a sentence which, in a way, summarizes all 17 Sustainable Development Goals.

If the new development agenda is to remain faithful to this commitment, then we need to make sure that the most vulnerable members of our society are not left alone: that elderly people receive an adequate pension, that the sick ones can access quality healthcare, that the people unable to work receive a sufficient compensation, that mothers are provided with the means to care about their children.

As the Director-General reminded us, about 73% of the world population does not have access to this fundamental right. South-South and Triangular cooperation offer a powerful, efficient and fair method of cooperation that, if combined with traditional development cooperation, has the capacity to engender true and resilient change, so that by 2030 we would be finally be able to say that we haven't left anyone behind.

# Nam, T:

# The South-South and Triangular Cooperation for Sustainable Development on Social Insurance System in Viet Nam

Viet Nam is in the process of adopting a Social Protection Strategy 2011-2020 (SPS), covering labour market policy, social insurance, social assistance, social services and poverty reduction policy. The Strategy is timely: As Viet Nam transitions to Middle-Income Country (MIC) status, it is appropriate to build systematic social protection policies to deal with the challenges associated with fast economic growth, industrialization, greater integration in the world economy, urbanization, population aging and other economic and societal shifts. In particular, the recent economic crisis has raised questions on the effectiveness of Viet Nam's social safety net to provide protection from the effect of crises and shocks which temporarily/transiently push households under the poverty line.

Viet Nam's economic and social transition implies that economic shocks will become more frequent and varied in form over the coming decade. It will be important to further build and strengthen systems in social insurance, social services and income support currently not available. Looking forward, Viet Nam will face tremendous challenges from transformation driven rapid growth and social and demographic changes. The UN population projection indicates that life expectancy is even higher in Viet Nam than in China, the pace of population ageing in Viet Nam will grow faster and the proportion of aged population will catch up with China and Thailand.

In the last 10 years, Viet Nam has achieved remarkable successes in economic development with average annual economic growth of nearly 8%. Poverty rate declined sharply from 58% in 1993 to 11.5% in 2010. People's life expectancy reached 73.1 years as compared to 65 years in late 1980s. However, Viet Nam is also facing some social disadvantages, such as slow labour restructuring, low employment quality, difficult living conditions of a part of population, increasing trend in inequality between urban and rural areas, rapid but unsustainable poverty reduction. On the other hand, the perception of the role and position of social protection system in the society's development model is not consistent. The system coverage and benefit level are low and accessibility is still limited to some target groups. The resources for social protection are highly dependent on State budget.

In addition, the role of traditional and informal social protection system tends to get weaker.

There is an increasingly strong demand for the development of a universal and comprehensive social protection system to support the entire people to effectively cope with the risks and to ensure welfare for workers, their families and communities. The Government of Viet Nam has embarked on the development of a Social Security Strategy which sets out the vision for the social security system in Viet Nam and the strategies to achieve such a vision. According to the strategy, social insurance is emphasized as one of the most important pillars.

Despite important progress, the social insurance system in Viet Nam still faced many constraints.

- There still a share of the labour force not participating in compulsory social
  insurance, especially the participation rate of workers in private sector is still
  low. There are many reasons for this. Private enterprises tend to evade social
  insurance contributions. Sanctions and penalty on evasion cases are not sufficiently strict. Awareness of workers on the importance of social insurance
  is low.
- The salary/wage base for monthly social insurance premiums is lower than workers' practical income; the benefit level is too high as compared to the contribution level (at most equal to 75% of the contribution level). However, because the wage base is low, the benefit level is also low.
- The social security fund may face risks in the medium term unless some adjustments are made.
  - Viet Nam's pension system faces significant financial pressures which will increase rapidly as ageing accelerates and the current generation of workers retires. While Viet Nam undertook sensible reforms of its Social Insurance Law in late 2014, the measures do not go far enough or fast enough to bring the system into financial balance. Actuarial projections prior to the amendments showed the pension fund starting cash flow deficits from the early 2020s and exhausting all accumulations by the mid-2030s and then requiring rising subsidies from the budget.
  - Official retirement ages of 55 for women and 60 for men are low for a country with Viet Nam's demographics.

• The implementation of social insurance schemes is inadequate, leading to limitations in realization of regulations in Social Insurance Law.

As such, there is a strong need to further reinforce and develop the social insurance system in Viet Nam. A sound approach towards social assistance and its interaction with the social insurance should also be set up to support the development of the social insurance system in Viet Nam.

Viet Nam is in urgent need of deeper reform of its pension system, to avoid unsustainable financial pressures and to create fiscal space for expanding coverage of the system in future. The need for another round of reforms is pressing, and would be needed ideally from 2018 or so to have impact in time to prevent major financing issues for the pension fund. The key measures to be considered, and which have been implemented in many countries reforming their pension systems in recent years, include:

- The coverage of the social system in Viet Nam needs to be expanded.
  - *The expansion in the contribution base* outlined in the Gov. Roadmap should be followed closely and investments made to support Viet Nam Social Security (VSS) in ensuring compliance with the expanded contribution base as per the VSS Modernization Plan.
- Compliance of regulations and laws on social insurance will be enhanced;
- Sustainability of the Social Insurance Fund.
  - Viet Nam clearly needs to increase its official retirement ages and gradually converge those for men and women, but how and when?
  - The accrual rate should be further adjusted, initially to no more than 2 percent annual for both men and women, and calculated on a simple linear basis (i.e., 2 percent each year of contributions). Over time, a further reduction in annual accrual rate should be considered which would give a replacement rate of 40-50 percent based on average contribution history.
  - The reduction in pension for each year of early retirement prior to the official retirement age should be increased from 2 percent reduction per year to 4-5 percent reduction.
  - Actuarial modelling of current pension system finances should be carried out at least every 2-3 years.
- Development of a multi pillar social insurance system.

• Capacity in policy formulation and implementation.

Viet Nam hopes to receive support from other countries/ international organizations through the South-South Triangular Cooperation to promote the sustainable development of the social insurance system in particular and the social security system in Viet Nam.

# Nashandi, B.N: Social Protection Systems in Namibia

### 1. Introduction

The Republic of Namibia is a country in southern Africa whose western border is the Atlantic Ocean. It shares land borders with Zambia, Angola, Botswana and South Africa. The country gained its independence from South Africa on 21 March 1990, following the Namibian War of Independence. Its capital and largest city is Windhoek, and it is a member state of the United Nations (UN), the Southern African Development Community (SADC), the African Union (AU), and the Commonwealth.

Namibia has a population of 2.1 million people and a stable multi-party parliamentary democracy. The large, arid Namib Desert has resulted in Namibia being overall one of the least densely populated countries in the world.

Namibia's economy is tied closely to South Africa's due to their shared history. The country's Gross Domestic Product (GDP) stood at US\$13.65 billion 2015 (Namibia Statistic Agency, 2015). This represents about 0.02 percent of the world economy. The main contributing sectors to the economy consist of agriculture, tourism and the mining industry (including mining for gem diamonds, uranium, gold, silver, and base metals).

# 2. Social Protection System

Namibia is one of the few Sub- Saharan African countries with a comprehensive social protection system. It consists of government-funded, mandatory social insurance, private and occupational benefits. The state social protection include amongst others, State Grants, Child Welfare Grants and War Veteran Grants. While other include, Social Security Commission, Government Institute Pension Fund and EC.

The social protection expenditure stood at N\$5,4 billion (equivalent to US\$439,02 million), representing about 7.4% of GDP in 2011/12 (excluding public health expenditure) (International Labour Organisation, 2014). One third of the total expenditure is managed by the state through social assistance and social insurance,

while the two third is managed by occupational and private scheme, through pension/retirement schemes and medical schemes. Expenditure on social welfare has however dramatically increased over the recent years due to the increase in the state grant in 2015/16 financial year.

### 3. Programmes

The social protection system is managed through on different programmes both by the state and private institutions

### 3.1 State Grant

The State grant is offered in terms of the National pension Act, Act No 10 of 1992. This grant consist of two parts namely, the old age grant and the disability grant. The old age grant is given to persons who attained the age of sixty and above, while the disability grant is given to the people living with disability as per the Act's definition of disability. It consists of cash transfers as well as funeral benefits for the members

### 3.2 Child welfare grants

Child welfare grants are paid in terms of Child's Act 33 of 1960 and is being targeted primarily towards orphans, and vulnerable children.

### 3.3 War Veteran Grant

While the War Veteran Grant of the state is being paid in terms of Veterans Act 2 of 2008 and is paid to war veterans and their dependent beneficiaries as per the definition of Veteran in the Veteran Act. It includes, cash transfer to the member as well as other benefits such as individual project funding, study assistance as well as funeral benefits

### 3.4 Social insurance

Social insurance consists of both private and occupational insurances. It includes the retirement benefits offered by different institution such as Government Institute pension Fund (GIPF), Social Security Commission(SSC), Motor Vehicle

Assistance (MVA) Fund, just to mention but a few. The social insurance makes provision for maternity, sickness, death, permanent disability, workplace injuries, illness, and motor vehicle accident benefits.

### 3.5 Other forms of Social Protection

Despite the above mentioned social protection programmes, there are also other programmes that run in parallel with those mentioned above, and they cater to other areas of vulnerabilities and also cover for those that are not beneficiaries in any of above mentioned social protection schemes. This includes the school feeding programmes, student financial assistance, food distribution programmes such as drought relief and food bank.

### 4. Social Protection system and its challenges

Although the social protection system has helped in improving the lives of many, the system is paced with many challenges. For example, some of the beneficiaries to the state grants also benefit from other grant or benefits such as veteran grants and other pension funds.

In most cases, 'cash transfer' spending are left to the discretion of the beneficiaries and is in some cases, spent on other unintended and less needed items. In addition, there are also cases where beneficiaries to the grant do not benefit from such grant, mostly in cases of disability and child grants. This calls for a need to improve and strengthen monitoring system and assessment of the impact. The administration of some of the social protection programmes is also a challenge. This calls for a need to have an integrated social protection system.

### 5. Conclusion

Social protection plays an important role in the society especially due to its ability to reduce poverty and other social ills. This calls for a need to expand and improve social protection coverage.

The government continue to expand and improve its expenditure in the area of social protection. The role that the private sector plays can also not be overlooked. There is therefore a need to effectively and efficiently improve social protection system if the county is to realise its national objective of eradiating poverty in all

its form. Social protection is a social responsibility and therefore all players need to come on board in the fight against socioeconomic challenges.

The country therefore need also to learn from other countries in the world especially cases where social protection has been implemented successfully. The South-South and Triangular Cooperation (SSTC) could perhaps bee one of the platforms that the country can use in order to learn lessons from other and also assistance that advanced economies may offer to less developed countries. The country may learn innovative techniques, on how to perfect and strengthen its social protection system and also use available technology to advance it.

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# Nu, T.T:

# Social Protection in Myanmar as the implementation measures of South-South and Triangular Cooperation on Social Protection

Social Protection in Myanmar as the implementation measures of South-South and Triangular Cooperation on Social Protection Author

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Date; 4th August 2016 Social Protection in Myanmar as the implementation measures of South-South and Triangular Cooperation on Social Protection.

The following four guarantees are the essential needs for the implementation of Social Protection in every nation;

- (i) All residents get access to essential health care;
- (ii) All children enjoy income security through transfers in cash or kind access to nutrition, education and care);
- (iii) All those in active age groups who cannot earn sufficient income enjoy a basic income security ( particularly in case of sickness, unemployment, maternity, disability);
- (iv) All residents in old age and with disabilities have income security through pensions or transfers in kind Introduction As the implementation of South-South and Triangular Cooperation in Myanmar, the representatives from concerned Ministries have attended the workshops, seminars and conferences which were held in world nations especially ASEAN countries.

It is curial to build social protection systems based on existing social protection measures and development frameworks in Myanmar. Social Protection requires secure commitments of government and institutional mechanism to coordinate actions across ministries, donors, UN agencies, NGOs and other stakeholders. That's why, Social Protection call to Action was held on 25-26 June, 2012 to share ideas and discuss options for social protection in Myanmar.

The outcomes of this conference provided supports in drawing curriculums and experiences of other countries, the conference had explored options for institutional coordination on social protection, strategies and processes for developing a Social Protection System in Myanmar and ways to link social protection with poverty reduction and rural development strategies.

# **Development of Myanmar's Social Protection**

The Strategy was developed by a wide range of Government sector ministries and agencies, and drew on the support of non-Governmental organizations and international development partners. The Strategy's consultations and technical work were conducted under the oversight of a national Social Protection Working Committee that was formed at the direction of the Office of the President of Myanmar.

The Government of Myanmar is pleased to present its first National Social Protection Strategy, which represents a significant step forward in the development of people-centred policies. A Social Protection Assessment Based National Dialogue (ABND) exercise was conducted in Myanmar under the leadership of ILO and supported the development of the Strategic Plan. The following products were discussed in the national dialogues;

- (a) A social protection assessment matrix including the inventory of existing government-led social Protection programmes, policy gaps and implementation issues, and priority recommendations; Policy options and estimated costs by using the sample of Rapid Assessment Protocol of ILO, and proportions of budget allotment for social protection programmes;
- (b) Three packages of social protection benefits to build a social protection floor in Myanmar and the related budget allotment.

Development of Myanmar's Social Protection A detailed plan of activities to prepare the Strategy was developed and agreed in January 2014. The plan covered both technical inputs and national level consultations, and the preparation process included:

• Social protection training: The DSW and UNICEF hosted a social protection training session in April 2014 for the NTSG that covered social protection objectives, concepts and approaches, and that highlighted regional and global experiences with different types of social protection interventions, with training support provided by ILO, UNICEF, WFP and World Bank.

- South-South Learning Forum on Social Protection: Members of the DSW and of the Ministry of Livestock, Fisheries and Rural Development attended a March 2014 global conference in Brazil on Designing and Implementing Social Protection and Labour Systems, organized by the World Bank, to inform their work on Strategy preparation.
- Policy workshop: In September 2014, a policy workshop was held by the NTSG with UNICEF support to reconfirm the national objectives and vision for social protection, and to refine and elaborate on the policy options, the scenario costs and fiscal implications, and the final Strategy outline.

Technical Support Group The National Technical Support Group tasked with developing the Strategy under the oversight of the National Social Protection Working Committee included representatives from:

- Department of Social Welfare, MSWRR (Co-chair)
- UNICEF (Co-chair)
- Ministry of Education
- · Ministry of Health
- · Social Security Board
- Ministry of Finance
- Department of Rural Development
- Myanmar Women's Affairs Federation
- Myanmar Maternal and Child Welfare Association
- Children & Women's Development Association
- Myanmar Red Cross Society
- Myanmar Development Research Institute
- International Labour Organisation
- · World Bank
- World Food Programme
- World Health Organisation
- United Nations Development Programme
- Help Age International

# Long Term Plan of Social Protection in Myanmar

The international community continues to support Myanmar's efforts to bring about long term social and economic benefits for the country through the development of a comprehensive social protection system which is in line with the country context. Social and economic development will be further strengthened by the formulation and implementation of social protection strategies into current polit-

ical and economic reforms. There are currently some limited contributory cash benefit programs, non-contributory cash benefits, and social services available in Myanmar. These are provided by the public sector as well as non-governmental and civil society organizations. Many are targeted to particular categories of the population and to specific geographic areas.

# Health care in Myamar

Myanmar finances health care through the Government budget, as well as through the Social Security Medical Scheme (for formal sector employees). The Ministry of Health is currently administering a number of programmes to enhance access to health care. These include a benefit package for pregnant women and children (to age 5) that provides free medicines from the essential drug list through public health facilities. Each hospital in Myanmar has a trust fund to provide for care to the poor, as well as overall maintenance. Public expenditures on health have been substantially increased to reduce physical barriers to access while improving quality. The Government of the Union of Myanmar has played a leadership role in providing relief and recovery assistance to disaster-affected populations under the leadership of the National Disaster Preparedness Central Committee ("NDPCC").

#### Access to basic social services

The social protection sector is not directly responsible for the provision of certain essential services, such as primary education or health care **Education access**: Myanmar has made education reform a key priority, as articulated in its 30 Year Education Development Plan. A major focus of that Plan is to invest in more primary and secondary schools to reduce physical barriers to access. **Social welfare services and child protection:** Currently, social welfare services are extremely limited, fragmented and cover only a few needs and geographic areas. Social welfare services are not directly serving the population and few statutory social workers are providing services. Fund allocations for social welfare are minimal.

# Social protection expenditures

At present, Myanmar's spends less than 0.5 percent of GDP on social protection programmes and services, with almost all of that dedicated to the civil service pension scheme. This is lower than other countries in the region and also lower than global averages on social protection expenditure. It is not possible to estimate

the expenditures by donors, non-governmental organizations and civil society actors on social protection. The contributions of these actors are important and also to learn lessons from this external support while increasingly developing internal capacity to manage, oversee and resource social protection in Myanmar. The Social Security System in Myanmar Social Security Board which is under the Ministry of Labour, Immigration and Population has been implementing the process of Social Protection Floors by means of practicing the Social Insurance Systems.

The social security system covers some government workers and formal sector employee. Some programmes in Myanmar related directly or indirectly to social protection are offered by sectorial ministries. However, at the macro – social level, 98 percent of the population has no access to predictable social protection. Rural people can be accepted a few social assistance schemes offered by the ministries and programmes from civil society organizations. Scaling up social protection needs to be explored, both in terms of increasing the coverage and benefits of the existing social security system and in terms of systematizing the existing system as well as introducing new forms of social assistance. The Ministry of Labour, Immigration and Population have been implementing the Social Security Law, 2012 on 1st April, 2014. Informal workers can be insured in this new law, it will be important to have baselines on the socio – economics. Informal workers, they can be insured as voluntarily in the new law with stipulations. By contribution made of Employer, employee and the government to Social Security Insurance Systems, the insured persons have the right to get the related benefits at the time of contingencies.

There are six types of Insurance Systems of under Social Security Law, 2012. These are as follows:

- (a) Health and Social Care Insurance System:
  - medical treatment and cash benefit for sickness:
  - medical treatment and cash benefit for maternity and confinement;
  - medical treatment for the insured after retirement;
  - funeral benefit for decease due to any cause;

- (b) Family Assistance Insurance System:
  - scholastic stipend benefit for the children of the insured who earns less than the stipulated amount of income;
  - health care and aid benefit in time of natural disaster;
  - suitable benefit for dependent family;
- (c) Invalidity Benefit, Superannuation Benefit and Survivors' Benefit Insurance System:
  - · invalidity benefit;
  - superannuation benefit;
  - survivors' benefit arising out of decease not owing to work;
- (d) Unemployment Benefit Insurance System:
  - health care to persons who are entitled to unemployment benefit;
  - cash benefit for unemployment;
- (e) Other Social Security System:

The right to live, hire, purchase, own or use the Social Security Housings established under housing plans to the insured in accord with the stipulations;

- (f) Employment Injury Benefit Insurance System and Registration The Social Security Board shall manage, in accord with the stipulation, the employment injury benefit insurance system in order to avoid from giving the employment injury benefit by the employer in lump sum and to enable the worker to enjoy the following benefits:
  - medical treatment;
  - temporary disability benefit;
  - permanent disability benefit;
  - survivors' benefit for decease owing to occupation. If all six Insurance systems will be implemented, it is necessary to increase the amount of contribution. Therefore, for the time being, only three insurance systems have been implemented. The benefits, providing the Social Security Scheme in Myanmar are very important for all residents can get the social protection floor. Its objective is relief to give health care and cash benefits to insured workers and their dependants I times of social contingencies such as sickness, maternity, employment injury and death etc. In addition,

the new law contains the right to be continued medical treatment, family assistance benefit, invalidity benefit, superannuation benefit, survivors' benefit, unemployment benefit, the right to residency and ownership of housing after retirement. Conclusion The new social security law also opens its membership to the informal sector as well as for unemployed women, elderly and students, as the wide variety of community members can contribute in the system voluntarily. By supporting the successful implementation of the social security system, the portion of government budget to be used for the social assistance programs will be reduced. As we all have known, Social Security Board plays a vital role in one of the social protection processes and it provides the insured persons and their family members to enjoy more security in social life and health care. So, I would like to urge all of the world nations should explore the Social Security Scheme for the Social Protection by bearing the following slogan in our heart - "Everyone must secure in their Social Life in the Society", as a member of Social Security, everyone to be able to stand with dignity, reduce the poverty, protect the unfairness and entitle to regular income"

# Sakunphanit, T & Pannarunothai, S: Thailand's South-South and Triangular Cooperation for Universal Social Protection

### Brief History and Current Situation of Social Protection in Thailand

The development of social protection in Thailand has gradually improved since the first Socioeconomic Plan in 1961. Civil servants and their dependents are the first group, which have enjoyed comprehensive social protection, then follow by workers in the formal private sector in 1990. Many attempts have been made to expand the coverage to self-employed people and their family especially vulnerable and poor ones using means-tested programmes, which has a lot of problems from inclusion error and exclusion error. However, Thailand has recently made a significant movement on social protection after implementation of the Universal Coverage Scheme (UCS), which provides universal health care coverage to the remaining majority who are not covered by existing public health protection schemes. The Non Contributory Allowance for Older People, which recently changed from means-test approach to universal coverage approach to provide income security to the elderly over 60, has also contribute income security for elder who do not receive any other public pension. Free education is another social protection scheme, which is implemented nationwide. The rest social protection measures for children and working age group including programme to improve labour productivity are fragmented. In conclusion, Self-employ and family are lack of social protection compare to Thai people in formal sector (Schmitt, et al., 2013).

# Thailand's South-South and Triangular Cooperation

Thailand has gradually changed from recipient country to the new role as a new partner and donor for international development cooperation (Mawdsley, 2012), which located outside the Development Assistance Committee (DAC). Thailand has been partnership with a number of traditional donors under a trilateral arrangement since 1994. Thailand International Cooperation Agency (TICA) was established in 2004 as an agency in administrating international development cooperation worldwide. In 2005 another agency, Neighbouring Countries Economic Development Cooperation Agency (NEDA), was established for administers economic cooperation only in the neighbouring countries. Technical cooperation is also funded directly from Ministries. There are various forms of cooperation,

such as the development projects, volunteer and expert programmes, fellowships, scholarship and training programmes, which are both bilateral projects and Triangular cooperation.

# Thai's South-South and Triangular Cooperation Initiatives for Universal Social Protection

Regarding social protection, Thailand plays active role in South-South collaboration with ASEAN countries and countries in other regions. For instance, Thailand joins the Asian Social Security Association (ASSA) and shares best practices on health insurance and income securities among member institutes through annual meeting, newsletters including study visits. Thai Experts also attended many regional conferences, which were held by international agencies, to share experiences on design and implementation of the Universal Health Coverage.

Thai experts also provided consultancy services on specific topics on social health protection, which were financed by development partners, such as designing of social health insurance for NSSF Cambodia, assessment of voluntary health insurance for informal sector in Lao PDR, DRG development in Vietnam and Indonesia.

Short course training in specific topics on social protection have been arranged. Some short courses were financed by TICA under South-South cooperation framework. However, some short courses have been arranged using triangular cooperation. For instance, Rockefeller foundation, National Health Security Office (NHSO) and other Thai agencies have technical cooperation to establish short course training on Capacity Building Program on Universal Health Coverage (UHC). This initiative aims to support middle income countries and low income countries to establish mechanisms on successful policy formulation, building up sustainable capacity and implementation on Universal Health Coverage (NHSO, 2016). Program activities include Policy level workshops, Technical level workshops, Tailor made activities based on request, which include well prepared managed workshops, field visits, internship, apprenticeship, as well as possible technical assistance services. ILO Training Workshop for Social Protection Floor on behalf of the United Nations/Royal Thai Government (UN/RTG) joint team on social protection and the ILO Regional Office for Asia and the Pacific were arranged in 2012 for countries in Asia-Pacific region. Japan International Cooperation Agency (JICA) and the Royal Government of Thailand have jointly established a regional centre to promote empowerment of persons with disabilities and a barrier free

society in developing countries in Asia-Pacific in 2002. The Centre has provided many short courses on rehabilitation, disability training and other related issues for countries in Asia-Pacific region.

The ILO and Thai experts developed an international master course in Health Finance for South-East Asia, Master degree on health security financing and management, under the EU/Thailand Health Care Reform Project (ILO, 2009). This project was financed by the European Union (EU). The curriculum designed to provide comprehensive competencies and skills, which is enough for working as a middle manager in a social health protection agency. It includes provider management, purchaser management, benefit package design, health care financing, modelling for health care financial and health policy. Lecturers come from Thai experts, who have first-hand experiences on design and implement social health protection and the ILO experts. Specific block can be separate as short course for special request. This master degree has been implemented by the Naresuan University since 2013. Most of students were selected by social health insurance agency and got scholarship from donors or the university. Graduated students came back to their countries, and play active role in their agencies. Currently, this curriculum has been revised to provide option for on-line training curriculum.

### The way foreword

Being a partner for development under framework of South-South and Triangular Cooperation to share and learn from developed countries and development agencies and international agencies together with other developing countries in the region and beyond, Thailand can learn and share development challenges, needs, progress made, lessons learned and best practices for expansion social protection including improvement of equity, service quality of the Universal Health Coverage, Education and Elderly income security. The benefits are not only for Thailand, but also for development partners, and for recipient countries.

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# Sophannarith, H: Describe the successful experience, good practice to extent to Universal Social Protection in Cambodia

The Cambodia Social Security had three different Ministries involved:

- Ministry of Health responsible for Community Based Health Insurance (CBHI) and Health Equity Fund (HEF), NGO's responded and supported by donors and partners;
- Ministry of Social Affair coverage two schemes such as National Social Security Fund for Civil Servant (NSSF-C) and National Fund for Veteran (NFV), currently these schemes covered pension scheme and others scheme like working injury insurance and healthcare schemes not yet established;
- Ministry of Labour and Vocational Training coverage for public private sector under supervision by the National Social Security Fund (NSSF), the NSSF also have three schemes such as working injury insurance, healthcare and pension schemes. Currently the NSSF has launched working injury insurance for private employees who are having staff with 8 workers or more.

The Background of NSSF is the Institution of Public Administration, which shall be established with the mission of serving public services in social section, called "National Social Security Fund (NSSF)". The NSSF is technically under the Ministry of Labour and Vocational Training and financially under the Ministry of Economy and Finance. The NSSF is a public, legal and financially autonomous entity. NSSF shall be subject to the provisions of this sub-degree and act in accordance with the provisions of the law on social security fund applicable for those covered under the provisions of the Labor Law.

### The NSSF shall perform as the following:

- 1. Manage the social security fund in accordance with the Law on the NSSF applicable for those covered under the provisions of the Labor Law.
- 2. Ensure that the same benefit shall be provided to all members of the NSSF in a bid to alleviate their difficulties with old age, disability, death, working risk, or any other incidences such as maternal illness.
- 3. Collect contribution from its members and employers.

- 4. Facilitate and make available health care and social services beneficial to its members
- 5. Cooperate with relevant agencies to:
  - Raise awareness on how to prevent working accident and professional health problems from happening;
  - Take any technical action on working security and hygiene.
- 6. Cooperate with relevant agencies to study and monitor the working risk.
- 7. Organize and manage Social Security Fund Investment.

The Social Security Schemes for Persons Defined by the Provisions of the Labour Law have been implemented in accordance with the Law on the Social Security Schemes for Persons Defined by the Provisions of the Labour Law and the Sub-Decree on the Establishment of the National Social Security Fund in compliance with Rectangular Strategy, National Development Strategy, Social Protection Strategy for the Poor and Vulnerable, Financial Development Strategy, Development Strategy of Employment and Vocational Training and Social Protection Strategy for Persons Defined by the Provisions of the Labour Law.

In accordance with the laws and strategic plans, the National Social Security Fund has implemented its Phase I on Employment Injury Insurance, resulted in accomplishing fruitfully and supported from both national and international levels. Moreover, according to the progressing situation of the national economy and the regional integration, the National Social Security Fund has also been preparing to expand, strengthen and develop capacity additionally to provide services of the social security administration for effectiveness, transparency, accountability and punctuality and contribute to implement the international regulations successfully as well as to improve the social security services similar to the countries in the region for 2015 ASEAN integration, as stated in the Pillar 3, ASEAN Socio-Cultural Community.

Over 8 years (2008-2016) of the successful implementation of Phase I on Employment Injury Insurance, it is a key catalyst in accelerating NSSF to get potential experiences for establishing new schemes in the purpose of relieving hardship of the social members as well as to contribute to the poverty reduction for people and to promote social stability. As the successful result, NSSF also found a number of problems both strengths and weaknesses, which were the important experiences for making better the implementation of Phase I and the basic step to implement the Phase II on Health Care, and the Phase III on Pension Scheme so that workers receive the medical treatment and care as well as the pension scheme like the civil servants.

The employers or the owners of the enterprises/establishments in the scope of the implementation of the law on the Social Security Schemes for Persons Defined by the Provisions of the Labour Law shall be compulsory to register the enterprises/ establishments and pay the contribution of the Employment Injury Insurance to NSSF. In the first phase of NSSF, the registration of enterprises /establishments was applied only to the enterprises/establishments with 8 workers or more. Contribution rate of the Employment Injury Insurance is a uniform rate equal to 0.8% of the average wage in the classification of the monthly wages of the workers. Currently, NSSF have established work injury insurance (work accident) since the end of 2008 until present and have worker registration more than 8,324 workers enterprises and workers 1,200,000 registered into this schemes.

Inspection and legal affairs have duty to ensure the implementation of the Law on the Social Security Scheme for Persons Defined by the Provisions of the Labour Law and other regulations in force. This section focuses on some work including law dissemination to the owners of enterprises/establishments concerning practice of the Employment Injury Insurance policy for registration and contribution payment in NSSF, investigation of work injury, inspection of dependent situations of the victim, strengthening of the law enforcement through inspections, constraints, penalties, and filing a complaint to the court in case of the enterprises refuse to comply with the law.

By demanding benefits from the victims, NSSF officially issued benefit awards of the work injuries to the workers suffering from the work injuries accounted for 9,303 victims equal to 17,362 documents comprising hospitalization and care, loss of temporary earning capacity, loss of permanent earning capacity, survivors, funeral allowance and caretaker benefits amounted 3,731 million riel and issued

the benefit awards on medical treatment to 52 recognized health facilities with 8,668 workers were cured amounted 2,463 million riel; moreover, 30 non-recognized health facilities with 5,089 workers were cured and amounted 749 million Riel. In addition, NSSF issued benefit awards on rehabilitation services to 8 victims amounted 35 million riel. Therefore, the total benefit awards of work injuries and medical treatments to the recognized and non-recognized health facilities and rehabilitation services in 2016 amounted 6,978 million Riel.

While having implemented the Employment Injury Insurance Scheme, NSSF has signed the agreement with 93 (ninety-three) health facilities with over 100,000 (one hundred thousand) workers suffer from work injury and have entitlement to the emergency and treatment from the health facilities. By supporting and collaborating well from the relevant partners, NSSF has practiced successfully the social security schemes on Occupational Risk both technics and finance, especially for the trust of workers to the services of health facility. Moreover, it is a pride of NSSF that received the outstanding certificate on Occupational Risk for ASEAN Social Security Association (ASSA) in the 32th summit of ASEAN Social Security Association hosted by Singapore in 2015.

Success and based on the current economic situation, the Royal Government under the outstanding leadership of *Samdech Akkak Moha Sena Padey Techo Hun Sen, Prime Minister of the Kingdom of Cambodia* issued Sub-Decree No. 01 SD.E, dated 06 January 2016, concerning the Establishment of Social Security Schemes on Health Care for Persons Defined by the Provisions of the Labour Law; it highlights that NSSF initiate to launch its Phase II in compliance with the Rectangular Strategy Phase III of the Royal Government and the action plans of the Ministry of Labour and Vocational Training with the aim of promoting the health of workers and their family as well as providing the prevention of common diseases in order to contribute to the poverty eradication.

Next for healthcare scheme we have plan launch in September 2016, in the first step we cover in Phnom Penh, Kandal and Kampong Speou, and we have registered 172 workers enterprises, 206,626 workers in Phnom Penh and then we will continues to register at Kandal and Kampong Speou as our plan at the end of this year we have workers register for health insurance schemes around 400,000 workers enterprises.

In line with the implementation of social security schemes on health care for

workers, we also do not forget a new duty that the Royal Government assigned the preparation and launch of social security schemes on health care for the civil servants with a view to enabling our civil servants to access the same health care services as the workers; Furthermore, I strongly hope that in 2017 the National Social Security Fund can launch the same health care scheme for civil servant and will extent to coverage for pension scheme for private sector and then will extent to cover for informal sector (poor and vulnerable) in 2020 (policy framework in 2016-2020).

### Tuan, L.Q:

### Social Protection Floor: the Case of Vietnam

The social protection system of Vietnam is designed to ensure the social protection rights for people. This is clearly stipulated at Article 34 of Constitution 2013 "Citizen has rights to be ensured by social protection". In 2012, Vietnam also issued Resolution 15-NQ/TW on some main issues of social policies for the period of 2012-2020. One among objectives of this Resolution is to achieve the universal social protection by year 2020. To meet this goal, Vietnam has developed the social protection floor and applied the life cycle approach to develop the social protection for Vietnamese people.

### 1. Basic income security for children

To ensure basic income security for children, Vietnam has implemented various monthly cash transfer programs for vulnerable children, including: children without breadwinner, children with severe disabilities, poor children with HIV<sup>13</sup>. Pupils in boarding schools, ethnic minority pupils and other poor pupils in disadvantage geographical areas have been received monthly cash allowance for 9 months a year<sup>14</sup>. Ethnic minority students in mountainous areas, orphan-students without breadwinner and poor students with good results of study have also been received monthly cash allowance<sup>15</sup>. Moreover, the monthly survivor benefits are provided to insured people's children by the social insurance fund in case they are dead.

# 2. Basic income security for workers in the working age

Beside the monthly cash transfer program for persons with severe disabilities in active age<sup>16</sup>, Vietnam has implemented various active labour market programs and social insurance programs to support workers in active age creating income and mitigating any income shocks that may happen in their live.

<sup>13</sup> Decree 67/2007/ND-CP, Decree 13/2010/ND-CP, Decree 136/2013/ND-CP of the Government of Vietnam

<sup>14</sup> Decision 12/2013/QD-TTg, Decision 85/2010/QD-TTg, Decision 60/2011/QD-TTg and Decision 36/2013/QD-TTg of the Prime Minister of the Vietnamese Government; Decree 116/2016/ND-CP of the Government of Vietnam (This Decree will replace for the previous Decisions from 1 September 2016)

<sup>15</sup> Decision 1121/1997/QĐ-TTg, Decision 194/2001/QĐ-TTg of the Prime Minister of the Vietnamese Government

<sup>16</sup> Decree 67/2007/ND-CP, Decree 13/2010/ND-CP, Decree 136/2013/ND-CP of the Government of Vietnam

### 2.1. Active labour market programs

To improve the skills for rural labourers, Vietnam has implemented the vocational training program for rural labourers<sup>17</sup>. This program has been initiated since 2009 with a focus on rural labourers in the working age of poor and near poor households; rural labourers that their agricultural land has been changed for other purposes; rural labourers with disabilities; and ethnic minorities. Trainees do not need to pay any training fees and they are provided meals, training materials and others during the training course. In 2015, around 550 thousand rural labourers were trained by this program.

Moreover, Vietnam has implemented the agriculture extension program<sup>18</sup>. This program has been initiated since 2010 with various training courses to improve knowledge and skills for farmers in agriculture production. Farmers have been fully supported when attending these courses, including training materials, food, travel, accommodation during the course.

Vietnam has also launched the support program for workers working oversea under contract<sup>19</sup>. This program has focused on workers of ethnic minority households, poor households, near poor households and households that their agricultural land has been changed for other purposes. Beneficiaries of this program do not need to pay fees for vocational training, foreign language learning and other knowledge on the one hand; and they are provided meals and others during the training course as well as costs relating the procedures of passport, visa, and health certificate before going to work abroad. In recent years, Vietnam sent around 100 thousand workers working abroad a year.

These active labour market programs have played an important role in improving skills and creating employment to reduce poverty in Vietnam. The poverty household rate decreased from 58% in 1990s to less than 10 percent in 2016.

# 2.2. Unemployment insurance and social insurance

Unemployment insurance (UI) has been implemented since 2009 with the target group of workers with labour contracts of at least 12 months and work for firms

<sup>17</sup> Decision 1956/QĐ-TTg of the Prime Minister of the Vietnamese Government

<sup>18</sup> Decree 02/2010/NĐ-CP of the Government of Vietnam

<sup>19</sup> Decision 71/2009/QĐ-TTg of the Prime Minister of the Vietnamese Government

with the size of at least 10 workers. Since 2015, its target group has been extended to workers with labour contracts of at least 3 months regardless of the size of the firms where the workers work for. UI consists of three regimes, including: UI allowance; job counselling support; vocational training support. In 2015, there were 10.2 million workers participated in this program and 515 thousand people received monthly unemployment allowance.

The Law of Social Insurance (SI) has been implemented since 2006 (this Law was revised in 2014) with two programs of mandatory SI and voluntary SI. The mandatory SI consists of 5 schemes including: sickness, maternity, work injury and occupational disease, old age pension and survivorship. The mandatory SI applies to workers with labour contract of at least 3 months and civil-servants. The voluntary SI had been implemented since 2008 with 2 schemes of old age pension and survivorship. The voluntary SI applies to the rest of the workforce (farmers, self-employed, etc.). In 2015, more than 12 million people participated in social insurance system, accounted for around 23% labour force.

### 3. Basic income security for older persons

In Vietnam, all older persons aged 80+ without pension from the social insurance fund and all poor older persons without breadwinner have rights to receive social pension (monthly cash transfer) from the state budget<sup>20</sup>. In 2015, around 1.5 million older persons received this kind of social pension. Moreover, there were 2.2 million people received monthly pension from the social insurance fund.

# 4. Basic social services for vulnerable people

#### 4.1. Access to education

To support education for children, the Government has introduced the program of tuition fees deduction, exemption and other contribution exemptions in cases pupils/students are the poor children, children without breadwinner, and pupils/students in boarding schools<sup>21</sup>. Moreover, all pupils in primary educational level are fully exempted tuition fees. In 2015, around 97.9% children at 5 years old and 86.6% children under 4 years old attended kindergarten; net primary school enrol-

<sup>20</sup> Decree 67/2007/ND-CP, Decree 13/2010/ND-CP, Decree 136/2013/ND-CP of the Government of Vietnam

<sup>21</sup> Decree 49/2010/NĐ-CP, Decree 74/2013/NĐ-CP, Decree 86/2015/NĐ-CP

ment rate was 98.7% and net lower secondary school enrolment rate was 90.9%; 60% children with disabilities attended schools.

### 4.2. Access to essential health care

To achieve the target of universal health insurance, Vietnam has provided free health care cards for children under 6 years old, children without breadwinner, the poor, the ethnic minorities in remote areas, the elderly above 80 years old who have no pension from social insurance fund, people with severe disabilities, the poor escaped the national poverty line within 5 years<sup>22</sup>; partially supported health insurance prices for the near poor, middle income farmers, pupils/students. Simultaneously, the health insurance package for households has also been introduced with a deducted price. Moreover, all pensioners are provided health insurance cards by the social insurance fund. As a result, the health insurance presently covers 79% total population. The essential health care services are also improved. Up to 2015, around 98.4% communes have health care stations; 96% villages have health staff.

### 4.3. Housing and clean-water

The program of housing support for poor households in rural areas has been implemented since 2008<sup>23</sup>. Then, this program has been supplemented by another program<sup>24</sup> to expand the coverage to poor households in other areas of Vietnam. The level of support has been also increased<sup>25</sup>. Simultaneously, the social housing programs for workers in industrial parks, for low income workers in urban areas, and for students have been also implemented. In 2015, the housing program for workers in industrial parks provided around 28,559 flats for workers and presently other 69,300 flats have also been building; the housing program for low income workers in urban areas provided 25,850 flats for low income workers in urban areas and other 61,290 flats have been building; the housing program for students provided housing for around 200 thousand students.

Regarding the clean-water program, Vietnam has launched the national program of clean water and environment hygiene for rural areas since 1998. Then, another

<sup>22</sup> Law of Health Insurance 2009 and Law of Health Insurance 2014 (revised Law of health Insurance 2009)

<sup>23</sup> Decision 167/2008/QD-TTg of the Prime Minister of the Government of Vietnam

<sup>24</sup> Decision 67/2010/QD-TTg of the Prime Minister of the Government of Vietnam

<sup>25</sup> Decision 33/2015/QD-TTg of the Prime Minister of the Government of Vietnam

clean-water program for poor households, ethnic minority households in remote areas has been also implemented since 2013<sup>26</sup>. In 2015, 86% rural population accessed to clean water, in 2014 this rate was 84,5%.

### 4.4. Electricity

The electricity price subsidy program for poor households has been implemented since early 2011<sup>27</sup>. Since June 2014, this program has extended to households that received monthly cash transfer program using electricity less than 50 kWh a month or did not access the national electricity network, and ethnic minority households in remote areas that did not access the national electricity network<sup>28</sup>.

### 5. Social care

Parallel with the monthly cash transfer program for vulnerable people at communities, Vietnam has also established social protection centres to feed-up vulnerable people. Presently, more than 41.4 thousand people are living in 408 social protection centres, of which, persons with disabilities and mental illness account for 56.5%.

## 6. Emergency Relief

Not only providing the monthly cash transfer for vulnerable people, does Vietnam have also implemented the emergency relief to persons/households in case they have fallen into risks of natural disasters or other unforeseen risks<sup>29</sup>. In 2015, Vietnam provided more than 31 thousand tons of rice to serve 2.1 million people overcoming the situation of hunger.

### 7. Lesson learned

Basically, the social protection floor of Vietnam has covered a large part of Vietnamese population. The vulnerable people have received income support as well as accessed basic social services. It can be said that the social protection floor has played an important role in improving the social cohesion in Vietnam.

<sup>26</sup> Decision 755/2013/QD-TTg of the Prime Minister of the Government of Vietnam

<sup>27</sup> Decision 268/QD-TTg of the Prime Minister of the Government of Vietnam

<sup>28</sup> Decision 28/2014/QD-TTg of the Prime Minister of the Government of Vietnam

<sup>29</sup> Decree 67/2007/ND-CP, Decree 13/2010/ND-CP, Decree 13/2013/ND-CP of the Government of Vietnam

However, the current social protection floor of Vietnam still needs to be improved both of depth and breadth coverage.

- In term of depth coverage:

  The current basic level of monthly cash allowance is quite low. It is only equalled with 38.6% rural poverty line and 30% urban poverty line.
- In term of breath coverage:
   Vietnam has no program of monthly cash transfer for infant (at least for the first 365 days or 1000 days).

In term of basic income security for older persons, the present monthly cash transfer program supports older persons aged 80+ and poor older persons aged 60-79 without breadwinner. It means that a large number of other older persons aged 60-79 received nothing from this program (in Vietnam, presently the retirement age is 55 for females and 60 for males).

Up to now, the number of persons contributes to the social insurance system accounted for around 23% labour force in active age. It means that a large number of the older persons will have no pension from the social insurance fund. This will put a heavy burden on the State budget in the future, especially in the context the population structure is on the transition phase from the period of bonus population to ageing population.

# Phonvisay, B:

Short Article on Lao PDR Project on supporting the establishment of the National Health Insurance scheme and the extension of coverage

### Elements of SSTC Good Practice

Various social health protection schemes have been explored and initiated aiming to increase access to and affordability to health care services with comprehensive package for all Lao people including compulsory social health insurance schemes for civil servants (SASS) and enterprise employees (SSO), voluntary health insurance for informal sector (CBHI), health equity funds (HEFs) providing free access to care for the poor, and free Maternal and Child Health Care (Free MNCH) schemes. Despite the development of social health protection, the prerequisite of the Lao national health financing strategy is the extension of coverage of existing social health protection schemes especially for the poor and informal sector with the government subsidies 100% and 50% respectively as per Prime Minister's Decree on National Health Insurance which approved in October 2012. One of the key elements of National health insurance Decree is the creation of National Health Insurance Authority paving the way for the gradual and functional integration of different social health protection schemes. Despite the progress of social health protection improvement, the scheme is still facing the problem with the extension of coverage and the institutional capacity. In order to deal with this concern, the joint ILO/WHO project has been established aiming to support the establishment of National Health Insurance Bureau and the extension of coverage especially for the non-poor informal sector.

# **Objectives**

- A Policy and Regulatory framework is developed and a costing of Social Health Protection Benefits is undertaken;
- The staircase approach, including the «harmonization» of benefits, capacity strengthening, operations and IT systems across existing schemes, support to new enrolments and the establishment of a fund to increase access to social health protection will have been demonstrated as feasible in the project site.

# Peer-to-Peer Engagement of Stakeholders and Partners

This joint ILO/WHO project is established under direction of Ministry of Labour and Social Welfare and the Ministry of Public Health and other involved stakeholders. This is triangular cooperation between concerned development partners aiming to provide technical and financial support to the NHI scheme including short term and long term capacity building. The project also hired the local and international experts to work with National Health insurance team to review and provide recommendation to improve the system. Through this cooperation, the beneficiaries also have opportunities to learn and share experience with other partners in country and abroad, the International symposium on UHC, for instance.

# **Effectiveness of Methodological Approach**

The outcome for this horizontal cooperation is attained to a certain extent due to the involvement in project implementation of the national stakeholders and national ownership. The project appears to play the main role in coordinating the stakeholders and other key actors involved in this area.

# Innovation of SSTC practice

A more regional approach would represent a better use of limited resources and expertise. The level of capacity building which was carried out with the national stakeholders is the main emerging practice in this project. This included the series of technical workshops and the provision of scholarships on the human resources side and work such as IT development on the institutional side. The targets of these events were the national stakeholders including the MoLSW, MoH and NSSF and their management and staff, including the tripartite social partners.

# Sustainability

The key element for the sustainability is the commitment and the ownership from the government. In addition this joint Project builds upon the existing institution as program based approach with the technical support and capacity strengthening to the government partners especially for National Health Insurance bodies and related institution. This will gradually reduce the need for project implementation unit.

# Replicability/Adaptibility

This capacity building has the potential to have a long term impact through the development of national capacity of health insurance as well as social protection in general which could be replicated in different contexts. A rigorous assessment process should be carried out in order to refine (where necessary) the project design including risk mitigation. Policy review of health insurance in Lao PDR in the light of the evaluation of this and other pilots to draw broader policy lessons including looking at how we can draw on the experience of other countries in the region.

### Resources

Through this project, a number of tools and guidelines were developed including operational guidelines, training manuals and the promotion tools have been developed under this project. In order to strengthen the monitoring and evaluation system, the membership data based and the data based for provider utilization have been developed through the Web based system.

# Souvannamethy, V: The short article on South-South and triangular co-operation related to social protection in Laos

Between 1996 and 1997, ILO had started implementing a Social Security project, supported under the technical assistance of UNDP which had prepared the readiness for the social security improvement in Laos. When this project was finished between 1999 and 2000, ILO had then started another social security development in Laos The implementation of the 'project phase I' created and established a Social Security Fund in the year 2001 which has been the first Social Security Scheme for private companies. In early May 2002, ILO had implemented the second phase of the Social Security Project in Laos (Lao/01/M01/LUX phase II: 2002-2007) which was supported by the Grand Duchy of Luxemburg.

The Luxemburg Development on Health in Vientiane Province (Phase III) project: Health Financing support to the Provincial Health Authorities (Laos/015 project) is the third phase of a venture financed by the Luxemburg Government and implemented by 'Lux-Development' and the Ministry of Health. It supports health care planning, financing and technical organization needs at the level of the Vientiane province. These needs are being addresses via specific objective to strengthen the health system of the province to meet the overall needs and requirements of the population towards better health. The three results of the project focus on, first, establishing health management on all levels of Vientiane Province, second, the implementation and operations of an effective health service delivery system at all levels, and the third, is the implementation and monitoring of a cost effective health service system. This province also belongs to the contracted hospitals with National Social Security Fund at all hospital levels.

In the year 2012-2015, Laos has received the supporting from the ILO project on the extension Social Health Insurance in many provinces of Laos these activities are implemented by the National Health Insurance Fund (NHIF) is under the Ministry of Health. During this project there a lot of activities, for social security activities are implemented by the Ministry of Labour and Social Welfare, the activities are such as hospital costing study in order to pay for contracted hospitals, drafting and revising the Social Security Law, extension on IT system to the provinces, to do the dissemination and public relation to insured members at the central and provincial level on the Social security Law, strengthening and capacity building to the central

and provincial social security staff, actuarial calculation for long term benefits for Social security fund which calculated by the expert of ILO in Bangkok. The Social Security Law has been approved by the National Assembly by July 2013; this Law applies to employers, employees and their dependents, self-employed persons and voluntary insured persons across the nation. In the end of the year 2014, there was merged SSO and SASS in one organization and the name of new organization is National Social Security Fund (NSSF). In the Near future plan is needed to merger NHIF, NSSF and Social Security Department (SSD) in one organization on order to get stronger Social Security Organization and to reach the goal of social protection for all.

The challenges of social protection in Laos are the informal sector and migrant workers that we are facing problems such as the goal of the coverage strategy of social security in Laos up to the year 2020 must be covered 80 % of the total population but until now the coverage was just only 38, 7% of the total population according to the census survey in 2005 (6,500,000 population). Therefore, we need more support on the technical and financial assistance from the partners and international organizations to support, especially how to cover migrant workers but unfortunately now the projects are supported Social Security in Laos there were finished.

The South-South and triangular co-operation related to social protection in the past are very use full and received many achievements in Laos.

# **Conclusion**

In conclusion, we can say that the ILO's role, but especially SSTC's role, in terms of contributor for global development, under effective partnerships with other countries, as stated in the 2009 Nairobi document (endorsed by the General Assembly in 2010) is critical to help countries from the South with their own development, using methods that are transparent and yet accountable, according to their own particular needs and in respect with the country's sovereignty. In the context of the Social Protection Floor Initiative, and the National Floors of Social Protection, 2012 (No. 202) at the 101st session of the International Labour Conference (ILC), there has been many progress in terms of implementation of Social Security schemes and social protection in ASEAN countries. Social protection powerfully contributes to reducing poverty, exclusion, and inequality while enhancing political stability and social cohesion. It can also be a powerful tool to prevent and recover from the economic crisis, natural disasters, and conflicts. Social protection is needed for economic reasons as well. Social protection contributes to economic growth by supporting household income and thus domestic consumption. Furthermore, social protection enhances human capital and productivity, making it a critical policy for transformative national development. Social protection is therefore essential for inclusive development and social justice.

To address the financial economic crisis of 2008-09 and accelerate recovery, the UN Chief Executives Board (CEB) launched a series of nine Joint Crisis Initiatives including the Social Protection Floor Initiative (SPF-I), which enshrined for the first time into UN policy the notion of essential income guarantees. These efforts were supported by the adoption of the ILO Recommendation concerning National Floors of Social Protection, 2012 (No. 202) at the 101st session of the International Labour Conference (ILC).

The renewed interest in broad-ranging and rights-based protections went on to enter discussions concerning the Post-2015 Development Agenda. The 2030 Agenda on Sustainable Development is composed of 17 Sustainable Development Goals (SDGs). Social protection, including floors, are among and contribute to five of these goals, namely SDG 1 on ending poverty, SDG 3 on ensuring healthy lives,

SDG 5 on achieving gender equality, SDG 8 on promoting decent work, and SDG 10 on reducing inequality. Social protection powerfully contributes to reducing poverty, exclusion, and inequality while enhancing political stability and social cohesion. It can also be a powerful tool to prevent and recover from the economic crisis, natural disasters, and conflicts. Social protection is needed for economic reasons as well. Social protection contributes to economic growth by supporting household income and thus domestic consumption. Furthermore, social protection enhances human capital and productivity, making it a critical policy for transformative national development. Social protection is therefore essential for inclusive development and social justice.

Today nearly 73 per cent of the world's population lack access to adequate social protection coverage. More than 90 per cent of the population living in low-income countries remains without any right to health coverage. Fifty per cent of the world's children live in poverty and are deprived of their most basic rights. A majority of the world's economically active population do not benefit from any protection in cases of unemployment (88 per cent of the unemployed have no unemployment benefits), work-related injury (61 per cent are not covered in case of work-related accidents and diseases), or maternity (72 per cent of working women have no access to maternity cash benefits). Nearly half (48 per cent) of all people over pensionable age do not receive a pension, and for those who do, pension levels are often inadequate.

As a result, the majority of the world's older women and men have de facto no right to retire and have to continue working as long as they can – often poorly paid and in precarious conditions. This massive social protection gap is not acceptable from a human rights perspective. It is also a missed opportunity from an economic and social development point of view. The lack of access to social protection constitutes a major obstacle to economic and social development. In fact, the widespread lack of social protection coverage is associated with high and persistent levels of poverty and economic insecurity in some parts of the world: high and growing levels of inequality, insufficient investments in human capital and human capabilities, and weak automatic stabilizers of aggregated demand in the event of economic shocks. To reduce such a deficit, the ILO has launched a global campaign and a Global Flagship Programme with a view to assisting countries to provide better access to social protection to 130 million people in the next five years and 500 million by the end of 2030, in which knowledge exchange among the countries in the Global South plays an important role.

SSTC is referenced in the Twelfth Five Year plan of the Chinese Government, with an emphasis on solidarity and cooperation with developing countries, the promotion of multilateral cooperation and the promotion of South-South Triangular Cooperation to optimize the foreign aid structure, and to increase the technical and economic assistance in projects related to the improvement of people's livelihoods. SSTC is also considered a strategic mean to foster economic relationships and promote integration within broader development frameworks, like the Belt and Road Initiative launched by the Chinese Government in 2013 and the allocation of USD 2 Billion to SSTC announced by President Xi in September 2016.

This work reflects the ASEAN contribution to the debate on SSTC and social protection. The Chinese and the ILO's financial support made this peer-to-peer exchange possible.

This compilation of articles, prepared by experts from the Global South (mainly ASEAN countries), aims to contribute to increase engagement visà-vis the promotion of Social Protection through South-South and triangular cooperation (SSTC) modalities through peer-to-peer approaches.

In line with ILO Recommendation No. 202 on Social Protection Floors, Convention No. 102 on Social Security, the ILO and the Ministry of Human Resources and Social Security of China have jointly organized a High Level Seminar to promote Universal Social Protection through South-South and Triangular cooperation (Beijing, 6-8 September 2016). SSTC is a horizontal and solidarity-driven tool to promote the Decent Work Agenda, including social protection, which foresees network building and cross-learning, including interregional cooperation.

