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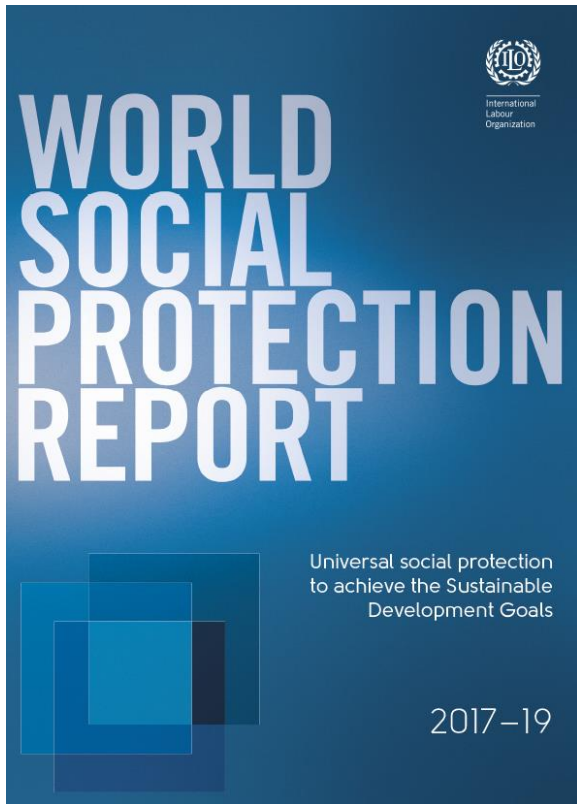


World Social Protection Report 2017–19

Universal social protection to achieve
the Sustainable Development Goals

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World Social Protection Report 2017–2019



- Global overview on trends in social protection systems, including floors, following a lifecycle approach
- Social protection includes child and family benefits, maternity protection, unemployment support, employment injury benefits, sickness benefits, health protection, disability benefits, survivors' benefits and old-age pensions, in cash or in kind
- Universal social protection is generally achieved by a combination of contributory schemes (social insurance) and non-contributory tax-financed benefits, including social assistance
- New estimates on effective social protection coverage to monitor SDG target 1.3

Social protection in the Sustainable Development Agenda (SDGs) to leave no one behind



SDG Target 1.3:

“Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable”

Fully aligned with the ILO Social Protection Floors Recommendation, 2012 (No. 202), endorsed by the UN

SDG Indicator 1.3.1:
Proportion of population covered by social protection systems and floors, by sex, distinguishing children, unemployed persons, older persons, persons with disabilities, pregnant women with newborns, work-injury victims and the poor and the vulnerable

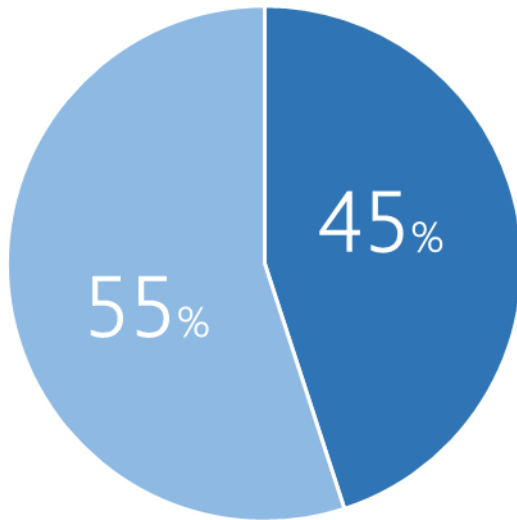
Data sources

The Report is based on data from the [World Social Protection Database](#), the most comprehensive source of data on social protection worldwide

- The [World Social Protection Database](#) comprises information from [214 countries and territories](#)
- Data come mainly from the [ILO Social Security Inquiry \(SSI\)](#), an administrative survey compiled by the ILO from countries since 1949, regularly updated
- Complemented with data from the International Social Security Association (ISSA)
- Other sources of data include official databases of the World Bank, OECD, Eurostat, IMF, ECLAC, ADB, and AfDB, among others



Social security is a universal human right, but...



Only **45%**
of the world population is covered
by at least one social protection
benefit (SDG indicator 1.3.1)

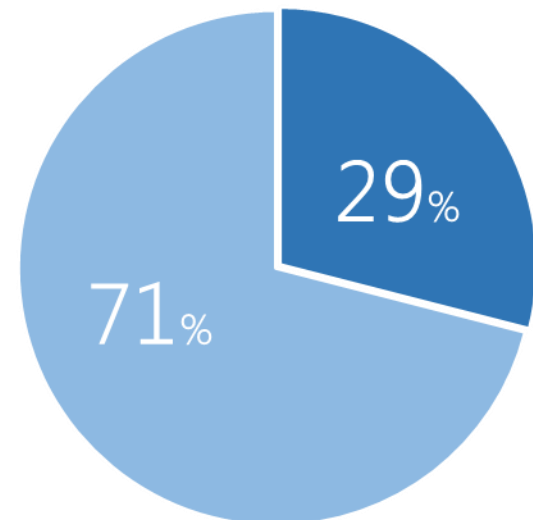


4 billion people
(55%) are still unprotected

If we consider all areas of social protection from child benefits to old-age pensions

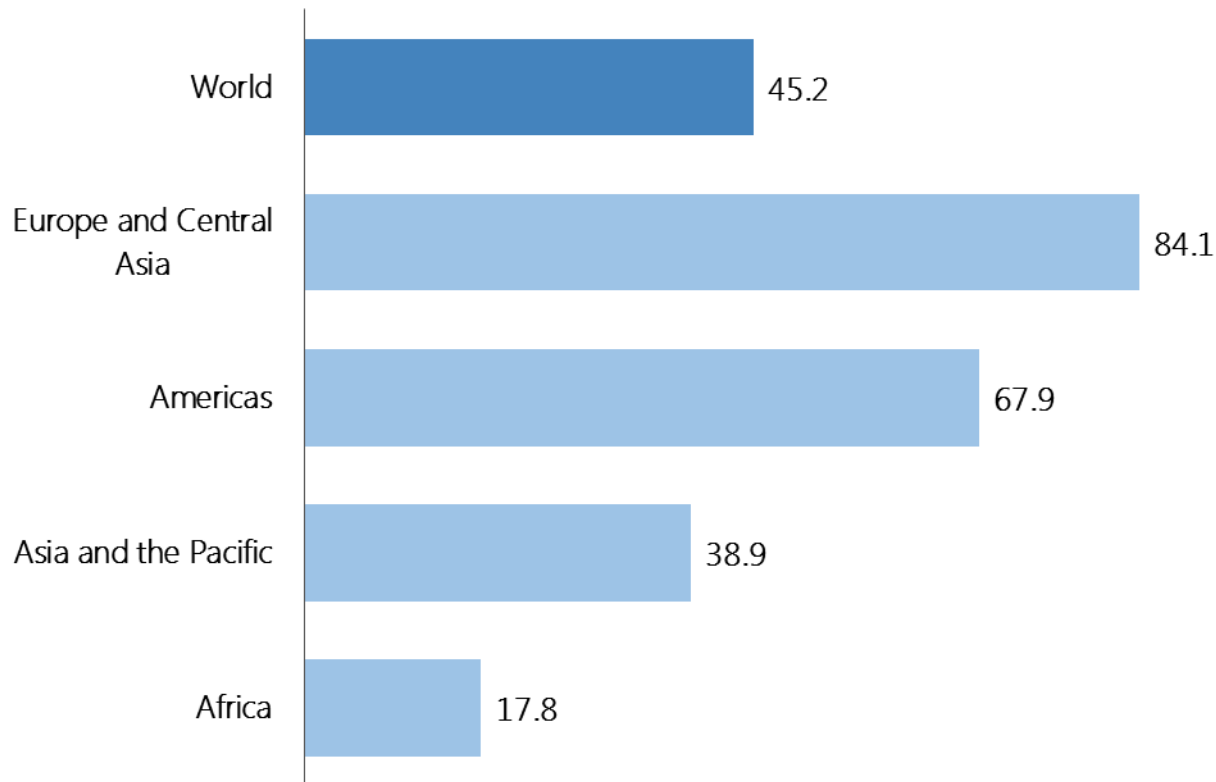
Only **29%**
of the global population has access
to **comprehensive** social protection

5.2 billion people
(71%) are not, or only partially, protected



Large coverage gaps, particularly in Africa, Arab States and Asia

SDG indicator 1.3.1: Effective social protection coverage,
population covered by at least one social protection benefit (%)



The SDGs call for **universal social protection**. More efforts are needed to extend coverage and ensure adequate benefits

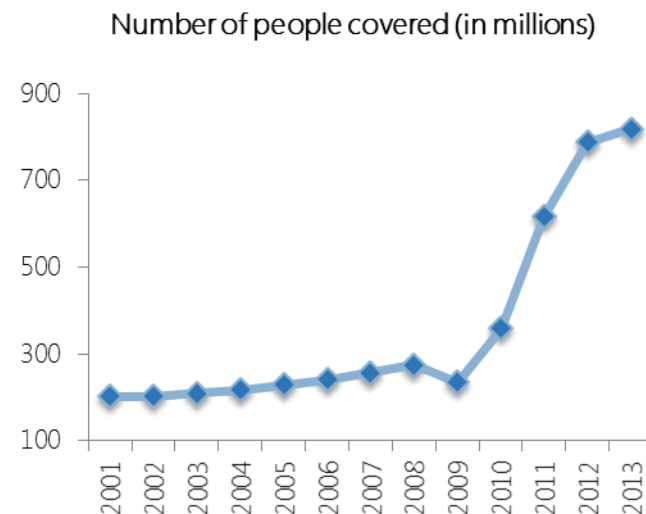
SDG indicator 1.3.1



But developing countries rapidly expanding social protection - many achieved universal coverage

- Argentina
- Azerbaijan
- Belarus
- Bolivia
- Botswana
- Brazil
- Cabo Verde
- Chile
- China
- Cook Islands
- Georgia
- Guyana
- Kazakhstan
- Kiribati
- Kosovo
- Kyrgyz Republic
- Lesotho
- Maldives
- Mauritius
- Mongolia
- Namibia
- South Africa
- Swaziland
- Tanzania (Zanzibar)
- Thailand
- Timor-Leste
- Trinidad and Tobago
- Ukraine
- Uruguay
- Uzbekistan

Example: China
Expansion of old-age
pension coverage
over 2001-2013



Source: www.universal.social-protection.org



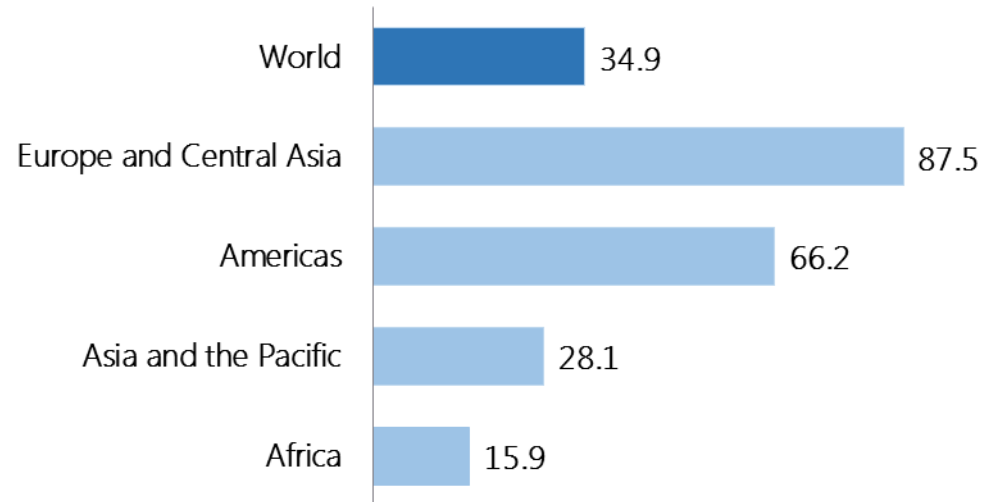
Social protection for
children and families

Almost two-thirds of children globally are not covered

Without social protection, children:

- May not be able to go to school or access health
- Less well nourished
- At risk of child labor
- Lower human capital, lower future productivity

SDG indicator 1.3.1 on effective coverage for children and families



children/households receiving child/family cash benefits (%)

Only **35%** of children worldwide enjoy effective access to social protection

1.3 billion children are still unprotected

SDG indicator 1.3.1



Overview of child/family benefit schemes

186 countries under study (100%)

Child/family benefit scheme (periodic cash benefits) anchored in national legislation
117 countries (63%)

No child/family benefit scheme anchored in national legislation
69 countries
(37%)

CONTRIBUTORY

Employment-related scheme* only

34 countries
(18%)

Employment-related scheme* and non-contributory means-tested scheme

14 countries
(8%)

NON-CONTRIBUTORY

Non-contributory means-tested scheme only

37 countries
(20%)

Non-contributory universal scheme only

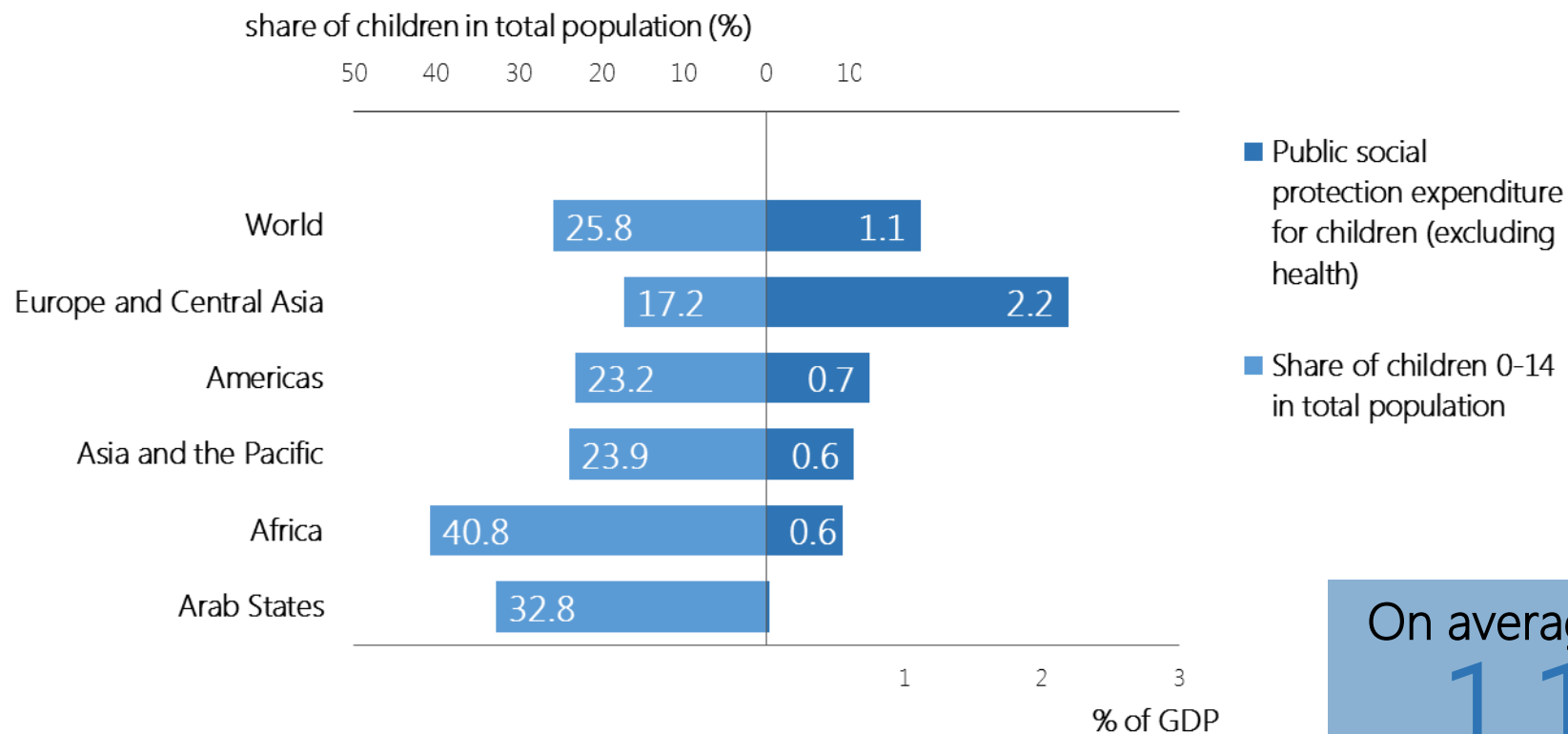
32 countries
(17%)

Some of these countries have social assistance programmes for children not anchored in national law (including pilot programmes), or general social assistance programmes (no specific child/family benefits)

Note: * Employment-related schemes include those financed through contributions from employers and workers, as well as those financed exclusively by employers. Certain employment-related schemes are also means- or affluence-tested. The share is expressed as a percentage of the total number of countries for which data are available.

Significant underinvestment in children

Public social protection expenditure (excluding health) on children and share of children 0–14 in total population



On average, only
1.1%
of GDP is allocated
to social protection
for children

Main trends in social protection for children

- Universal social protection for children achieved in some countries, such as Argentina, Chile and Mongolia; many other countries extending coverage
 - Other countries undergoing austerity or fiscal consolidation cut allowances, narrow-target to the poor and limit coverage, excluding children from their right to social protection
- ! Significant efforts are needed so that short-term fiscal adjustment does not undermine long-term progress



Social protection for
women and men of
working age

59% of mothers with newborns remain uncovered

41%

of mothers with newborns worldwide receive a maternity cash benefit

Universal maternity coverage was achieved in **Ukraine and Uruguay**

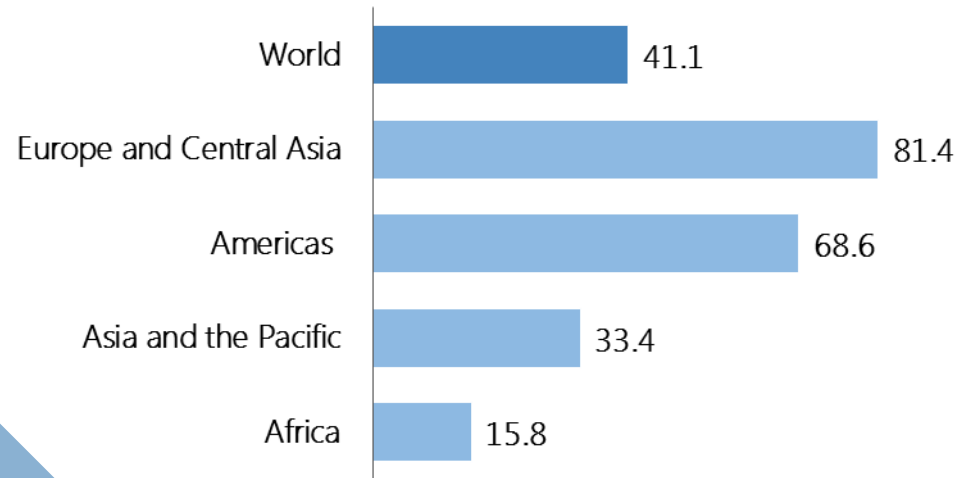
Significant progress was achieved in **Argentina, Mongolia and South Africa**

Large coverage and adequacy gaps remain in many parts of the world

Mothers without benefits tend to deliver at home and work the next day

Parental leave (including paternity leave) also critical for gender equality

SDG indicator 1.3.1 on effective coverage for mothers with newborns



women receiving cash maternity benefit in total number of women giving birth (%)

83 million

new mothers are still unprotected

SDG indicator 1.3.1

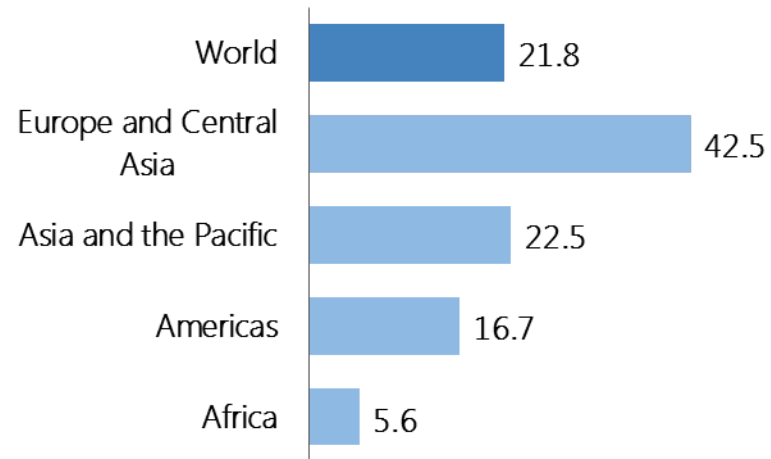


152 million unemployed workers are unprotected



Only one in five unemployed workers worldwide are covered by unemployment benefits

SDG indicator 1.3.1 on effective coverage for unemployed persons



unemployed receiving unemployment cash benefits (%)

Expansion of unemployment protection in various middle- and low-income countries, such as in Cabo Verde and Vietnam

Scaling down of protection in other countries, often as a result of austerity policies

Unemployment protection can support structural change of the economy

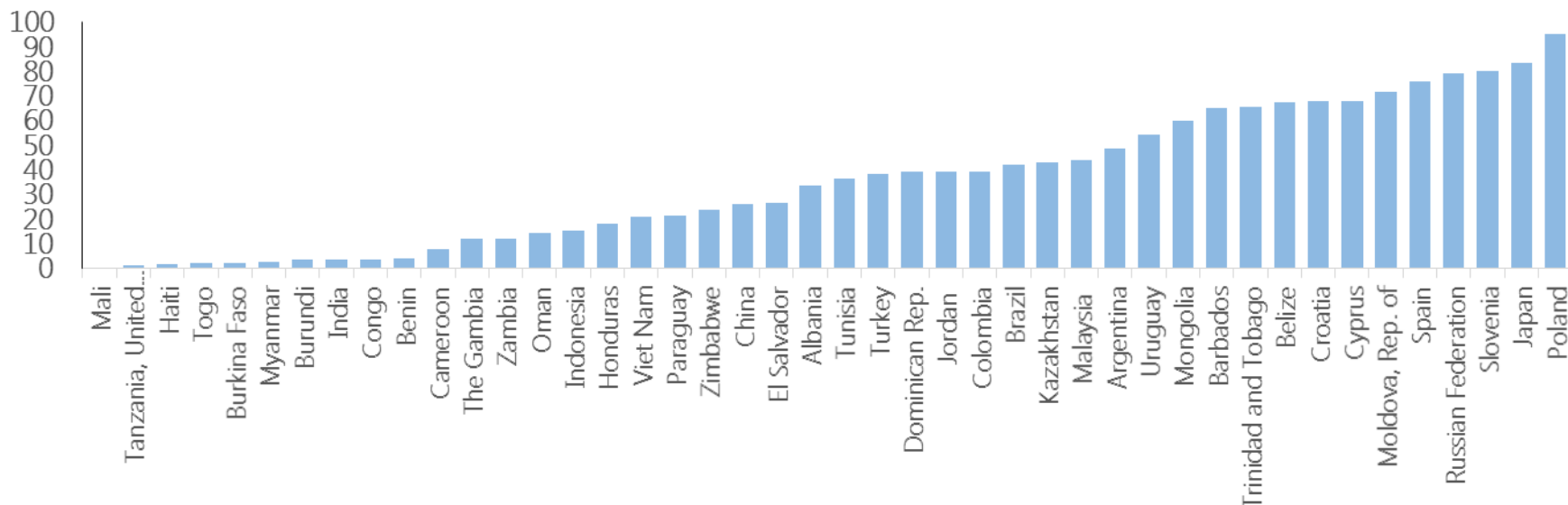
78% of unemployed workers worldwide are not covered

SDG indicator 1.3.1



Only a minority of the global labour force has effective access to employment injury protection

Effective coverage of workers under employment injury protection:
Active contributors to a scheme as % of the labour force, selected countries



In low- and middle income countries, a **large majority of workers** are not protected in case of employment injury

Industrial accidents such as the Rana Plaza tragedy underline the importance of employment injury protection

A number of countries move away from employer liability systems towards employment injury insurance systems



SDG indicator 1.3.1

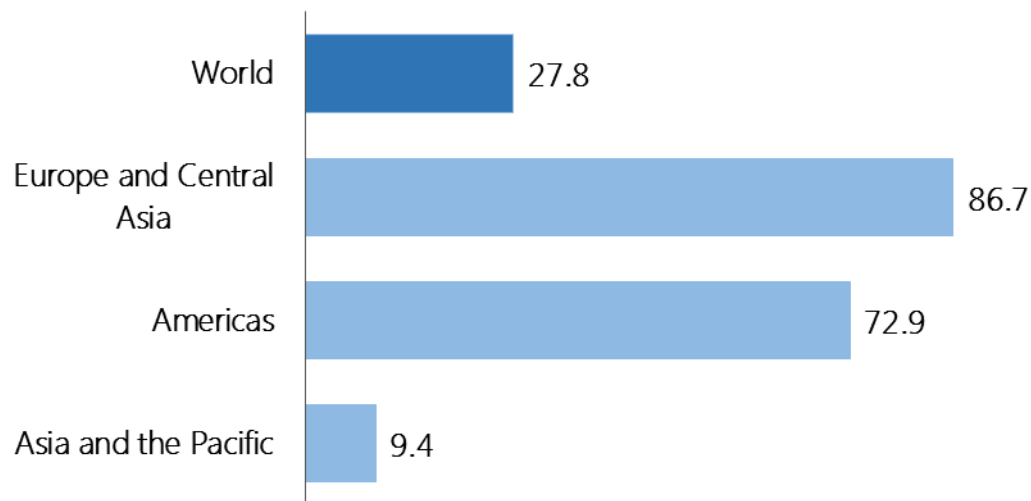


Social protection for
persons with
disabilities

72% of persons with disabilities worldwide are not protected

Social protection for persons with disabilities ensures their income security, promotes independent living and access to decent work

SDG indicator 1.3.1 on effective coverage for persons with severe disabilities



persons with severe disabilities receiving a disability cash benefit (%)

Only **28%** of persons with disabilities have effective access to disability benefits

SDG indicator 1.3.1



Overview of disability cash benefit schemes

Information available for 186 countries (100%)

Statutory disability schemes providing periodic cash benefits
170 countries | (91%)

No cash periodic disability benefit programme anchored in national legislation

CONTRIBUTORY

Social insurance only

92 countries (44%)

Social insurance and other contributory scheme

9 countries (5%)

Mandatory individual account

2 countries (1%)

Contributory scheme and non-contributory universal scheme

21 countries (11%)

Contributory scheme and non-contributory means-tested scheme

36 countries (19%)

Contributory scheme, non-contributory means-tested and non-contributory universal scheme

2 countries (1%)

16 countries (9%)

NON-CONTRIBUTORY

Means-tested scheme only

2 countries (1%)

Universal scheme only

5 countries (3%)

Universal and means-tested scheme

1 country (1%)

of which lump-sum benefits
13 countries

Main trends in social protection for persons with disabilities

- Universal social protection for persons with disabilities has been achieved in Brazil, Chile, Mongolia and Uruguay and significant progress in extending disability benefits in countries, such as Kyrgyzstan, Nepal and South Africa
- The majority of countries are extending disability protection, but other countries are cutting rights-based universal disability benefits as part of austerity or fiscal consolidation policies and narrow-target to the poor only

- Greater efforts to close the gaps for persons with disabilities are necessary to ensure income security and promote independent living



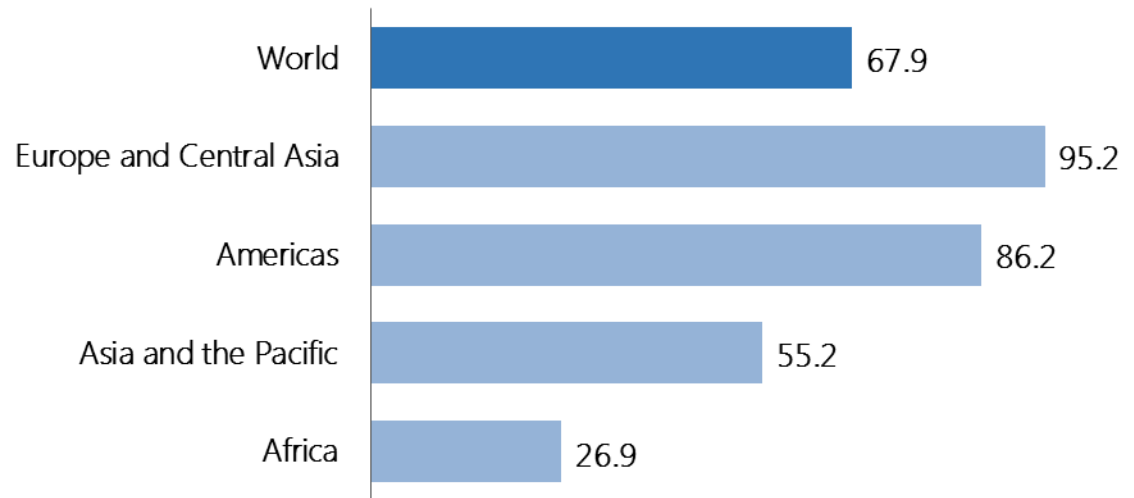
Social protection
for older persons

Significant expansion of old-age pensions

Old-age pensions are essential in ensuring income security for women and men as they grow older

Those uncovered tend to work until death

SDG indicator 1.3.1 on effective coverage for older persons



population above pensionable age receiving a pension (%)

68% of older persons receive a pension worldwide

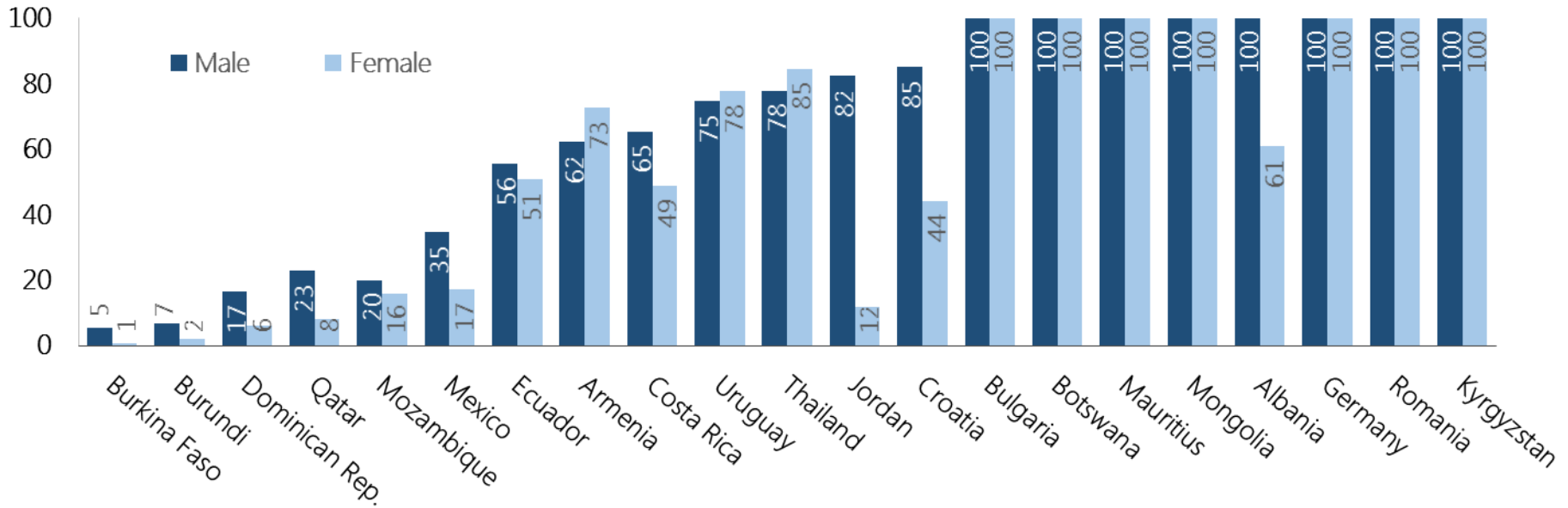
Only **20%** of older persons
in most low-income countries receive a pension

SDG indicator 1.3.1



Persistent gender gap in access to old-age pensions

SDG indicator 1.3.1 on effective coverage for older persons: Percentage of persons above statutory pensionable age receiving an old-age pension, by sex (selected countries)



The gap is largely associated with
gender inequalities in the
labour market

Non-contributory pensions can play a key role in filling gender gaps, yet benefit levels are often low.

SDG indicator 1.3.1



Overview of old-age pension schemes

Information available for 192 countries (100%)

Old-age pension schemes anchored in national legislation providing periodic cash benefits
186 countries | (97%)

No old-age pension scheme anchored in national legislation providing periodic cash benefits

6 countries
(3%)

(of which 4 countries with provident funds providing lump-sum benefits to employees and sometimes also self-employed)

CONTRIBUTORY

Contributory scheme only

72 countries
(39%)

Contributory scheme and non-contributory means-tested scheme

64 countries
(34%)

Contributory scheme and non-contributory pensions-tested scheme

23 countries
(12%)

Contributory scheme and non-contributory universal scheme

14 countries
(8%)

NON-CONTRIBUTORY

Non-contributory means-tested scheme only

2 countries
(1%)

Non-contributory pensions-tested scheme only

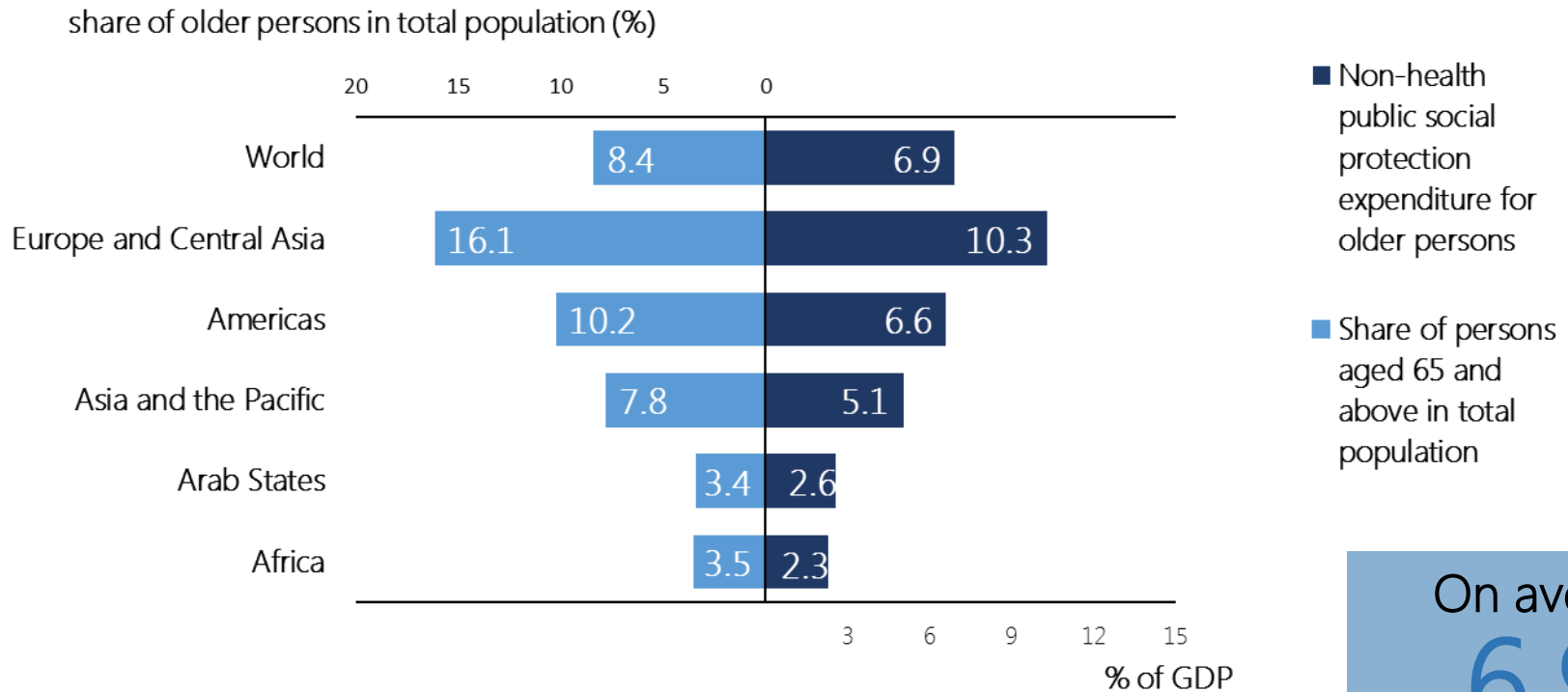
1 country
(1%)

Non-contributory universal scheme only

10 countries
(5%)

Public expenditure on old-age pensions and other benefits

Public social protection expenditure on pensions and other benefits, excluding health, for persons above statutory pensionable age (% of GDP), and share of older population 65 and above in total population (%)



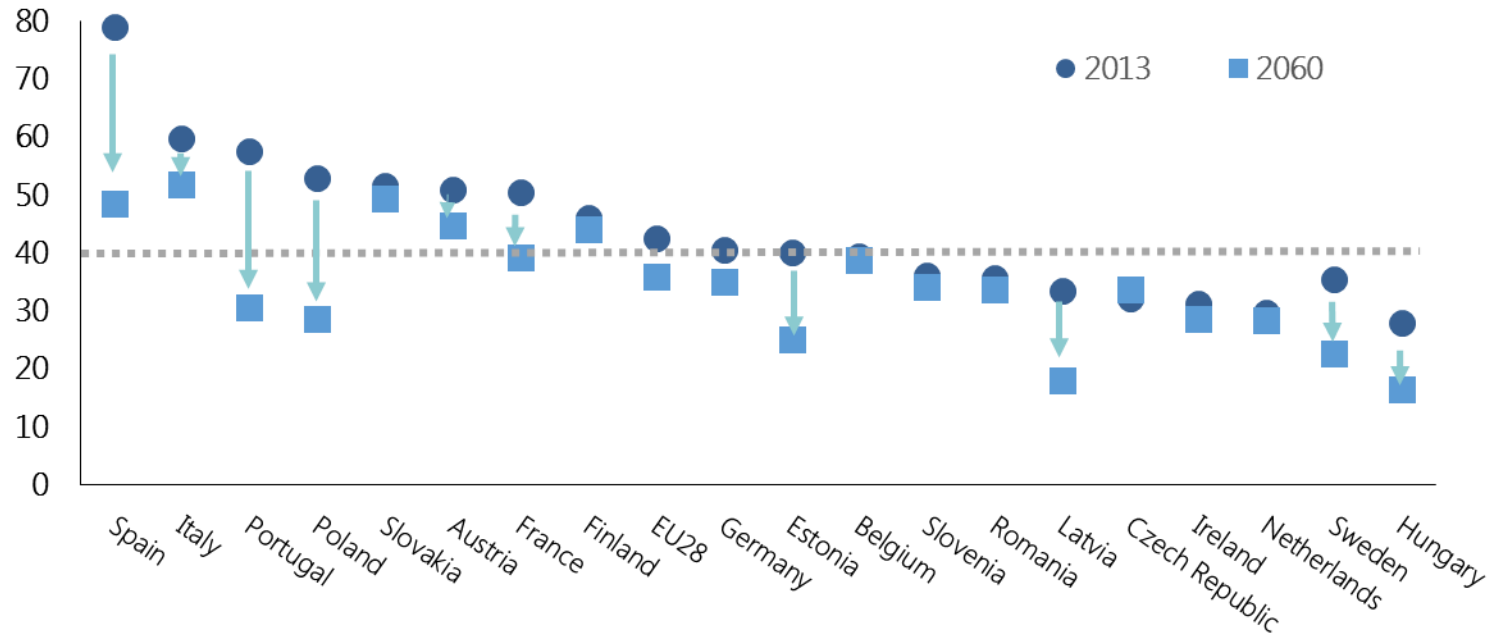
On average,
6.9%
of GDP is allocated
to social protection
for older persons

Main trends in social protection for older persons

- Universal pension coverage achieved in a significant number of countries, such as Argentina, Belarus, Bolivia, Botswana, Cabo Verde, China, Georgia, Kyrgyzstan, Lesotho, Maldives, Mauritius, Mongolia, Namibia, Seychelles, South Africa, Swaziland, Timor-Leste, Trinidad and Tobago, Ukraine, Uzbekistan and Zanzibar (United Republic of Tanzania)
- Expansion of non-contributory pensions in developing countries
- Noticeable trend of reversal from pension privatizations to public schemes, including in Argentina, Bolivia, Hungary, Kazakhstan and Poland
- Challenging balance between financial sustainability and adequacy
- Recent austerity or fiscal consolidation trends affect the adequacy of pension systems

Austerity or fiscal consolidation measures affect the adequacy of pension systems

Average replacement rates at retirement in public pension schemes in 2013 and projected for 2060, selected European countries (per cent)



Source: European Commission, 2015, Adequacy and sustainability of pensions

Pension levels in at least 19 EU countries are
estimated to decrease by 2060

Old-age poverty rising in most countries



Health
protection

Large gaps in health coverage and access to health care, especially in rural areas



56%

of the global rural population lacks health coverage

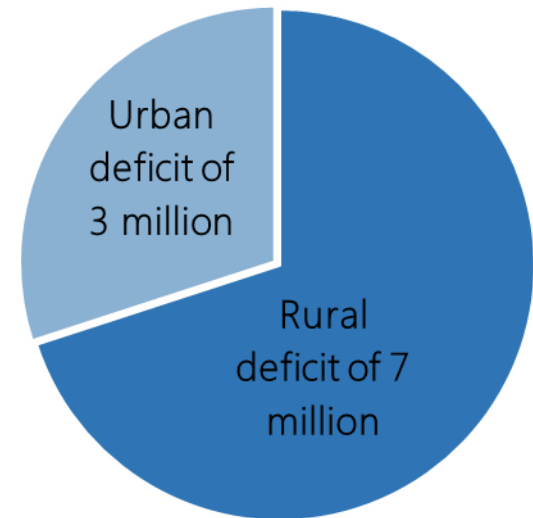
...as compared to

22%

of the urban population

Largest exclusions of rural populations are observed in **Africa and Asia**

Global shortfall of health workers (10.3 million)



In rural areas, per capita health spending is **only half** of that in urban areas



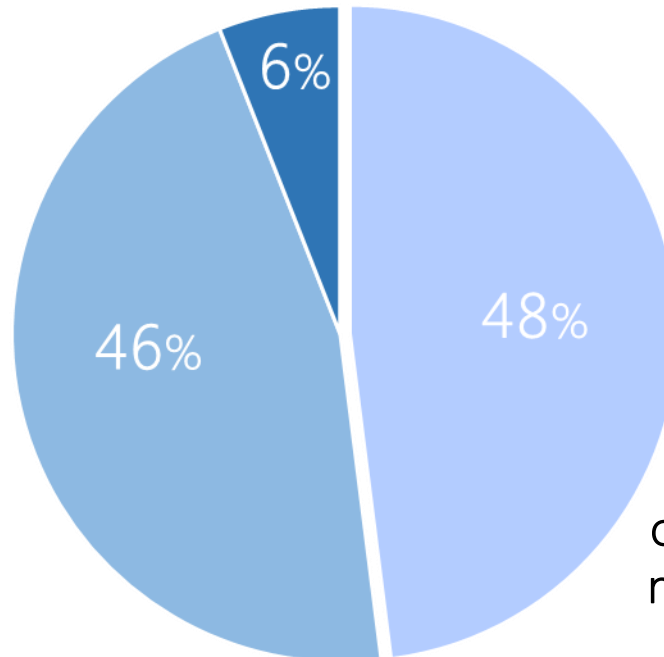
SDG 3.8

Gaps in legal coverage to long-term care (LTC)

46%

of the global population are largely excluded due to narrow-means testing

Only **6%** of the global population are covered by LTC protection



48%

of the global population are not covered due to a lack of legal coverage for LTC

Global shortage of long-term care workers for older persons

Region	Shortage of LTC workers (million)
Africa	1.5
Americas	1.6
Asia and the Pacific	8.2
Europe	2.3
Total	13.6

13.6 million

long-term care workers are needed globally to deliver care services for older persons

More than half

of the world's older persons have no access to LTC due to an insufficient number of skilled LTC workers needed to deliver services

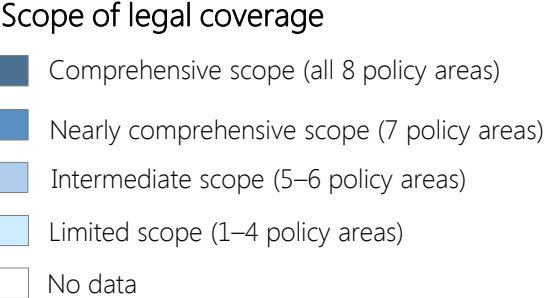
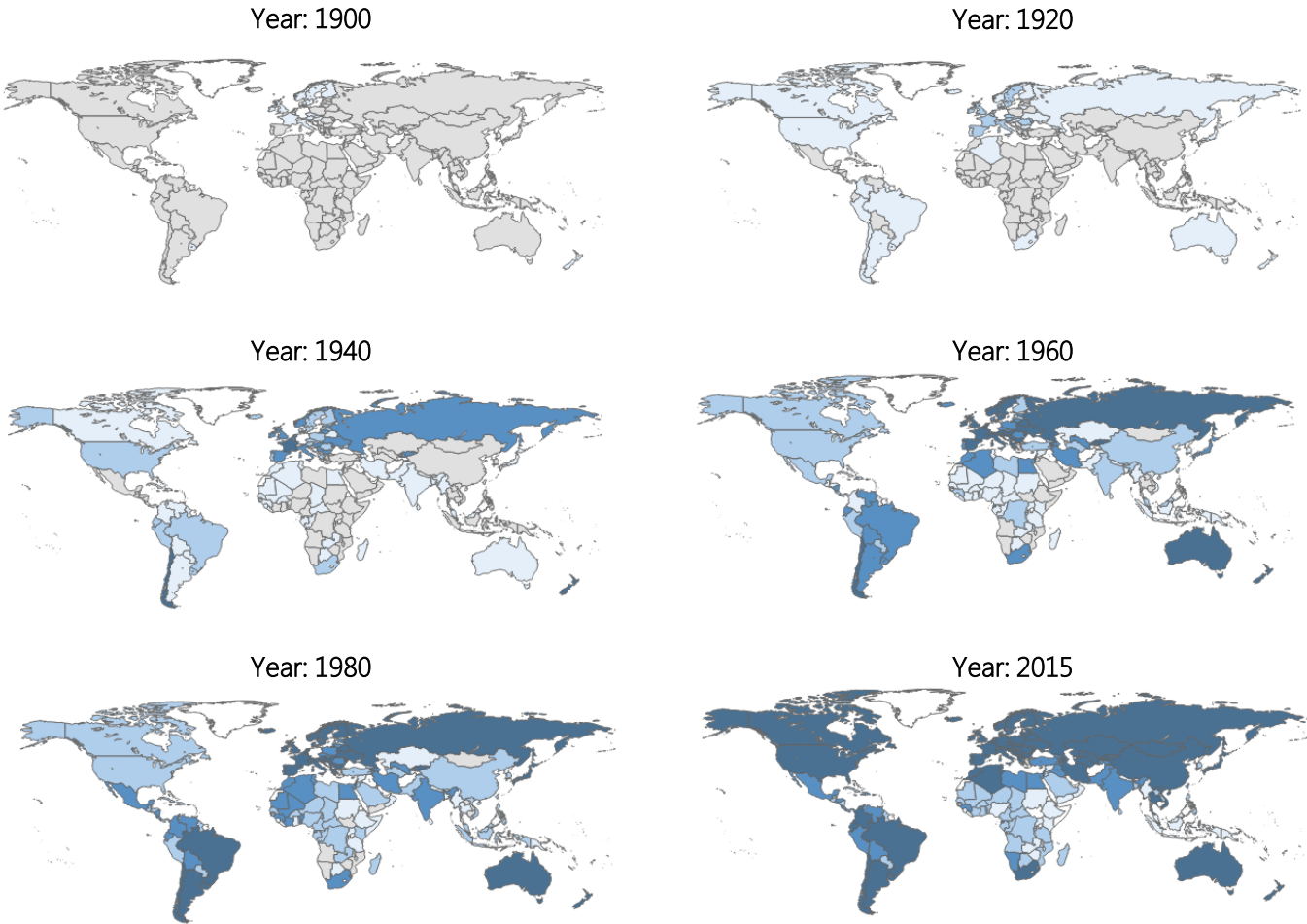
Main trends in health protection

- Universal health coverage – China, Colombia, Rwanda and Thailand. Many other countries advance quickly towards universal health coverage
 - Austerity or fiscal consolidation policies throughout the world, including in high-income countries, have a negative impact on the people
- ! More efforts are needed to extend access to health and long-term care, and to provide universal health coverage
- coverage



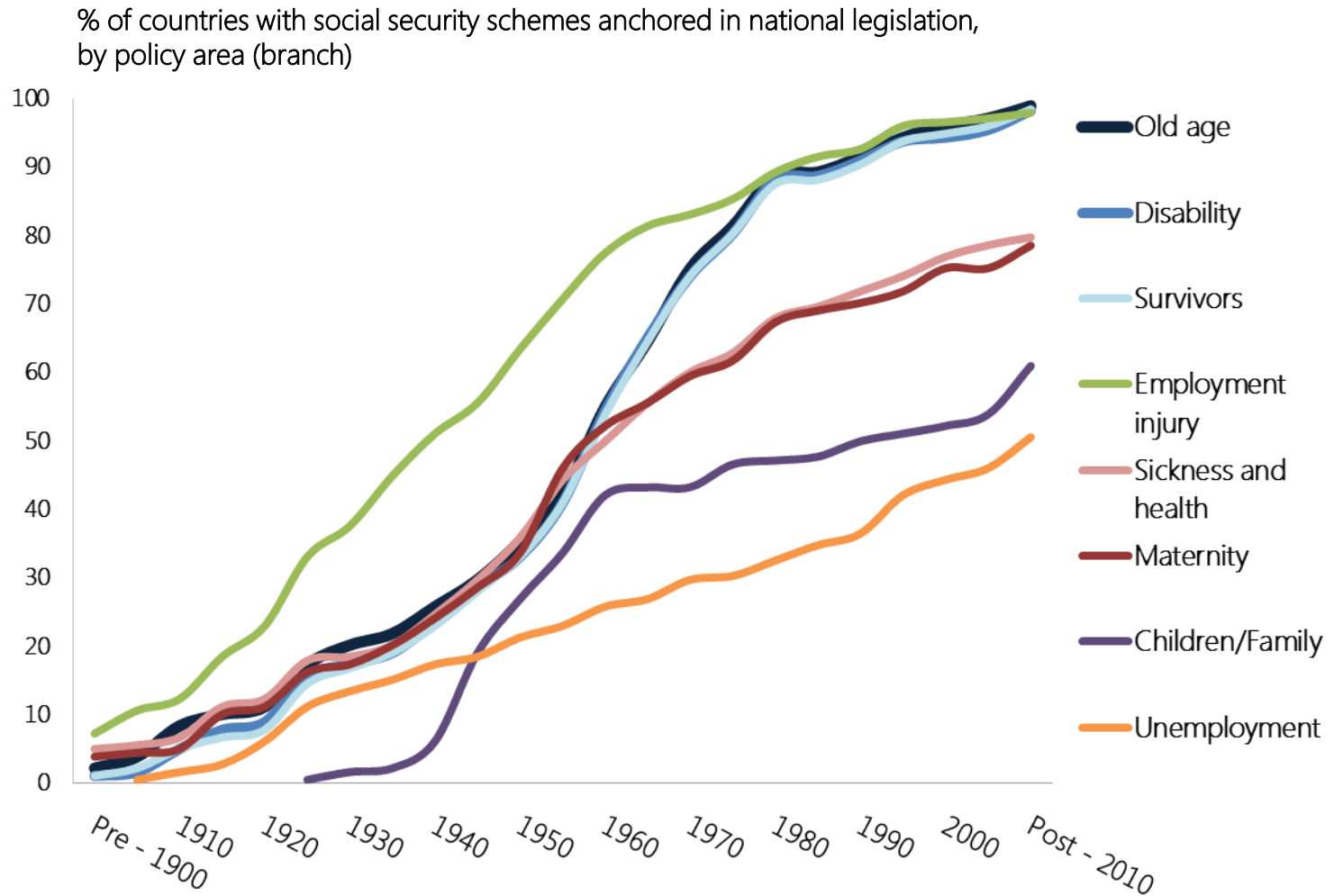
Building social
protection systems
and floors

Social protection systems: a story of success over 100 years

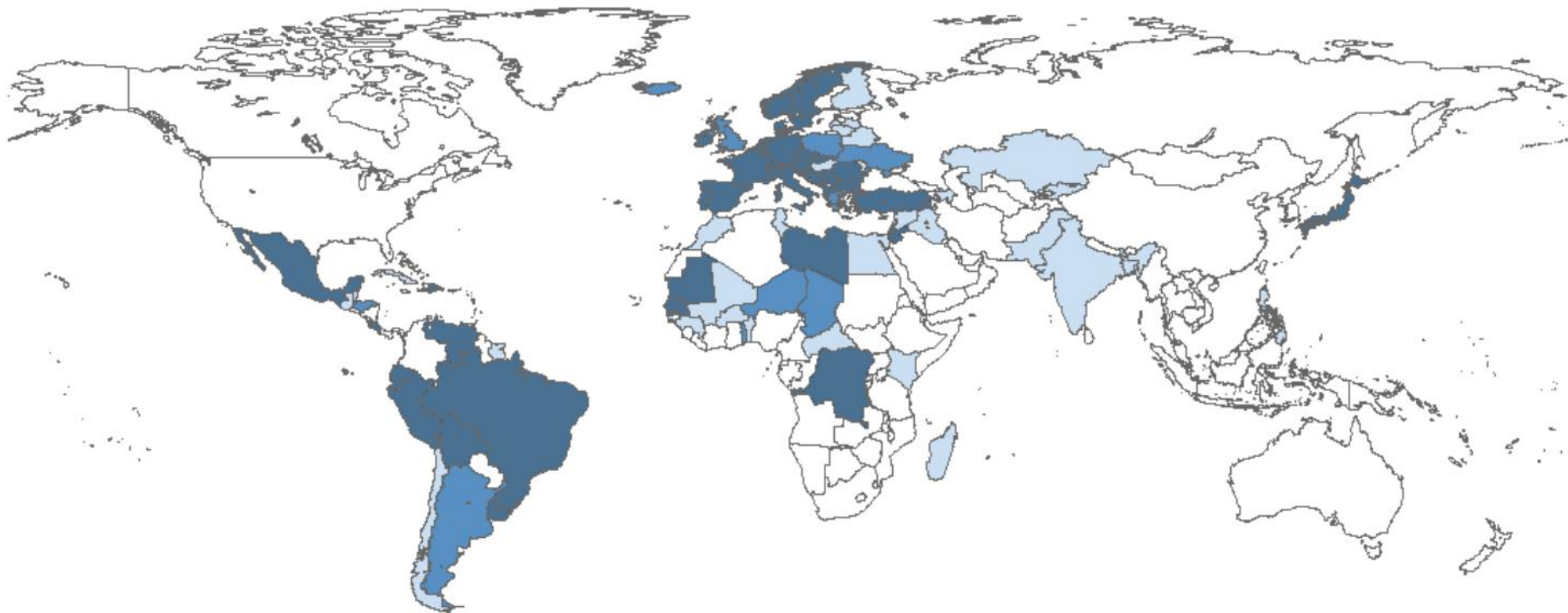


Source: [ILO, World Social Protection Report 2017-19](#)





Progress by social security area



Ratification of up-to-date ILO Social Security Conventions

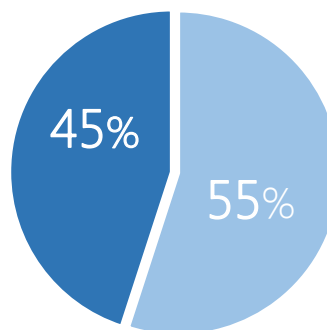


Ratification of up-to-date ILO Social Security Conventions

-  C.102 and at least one other up-to-date Social Security Convention (44 countries)
-  C.102 only (11 countries)
-  At least one other up-to-date Social Security Convention other than C.102 (33 countries)
-  No up-to-date Social Security Convention

The challenge for the future: closing persistent coverage gaps... and ensuring adequate benefits

Only **45%**
of the world population is covered by
at least one social protection benefit
(SDG indicator 1.3.1).



55% (4 billion)
are still unprotected

More efforts are needed:

Strengthen national social protection systems,
including floors

Extend coverage to those in the informal
economy and facilitate their transition to the
formal economy

Ensure benefit adequacy

ILO's two-dimensional
social security extension strategy



SDG indicator 1.3.1



Extending coverage to those in the informal and rural economy and facilitating their transition to the formal economy

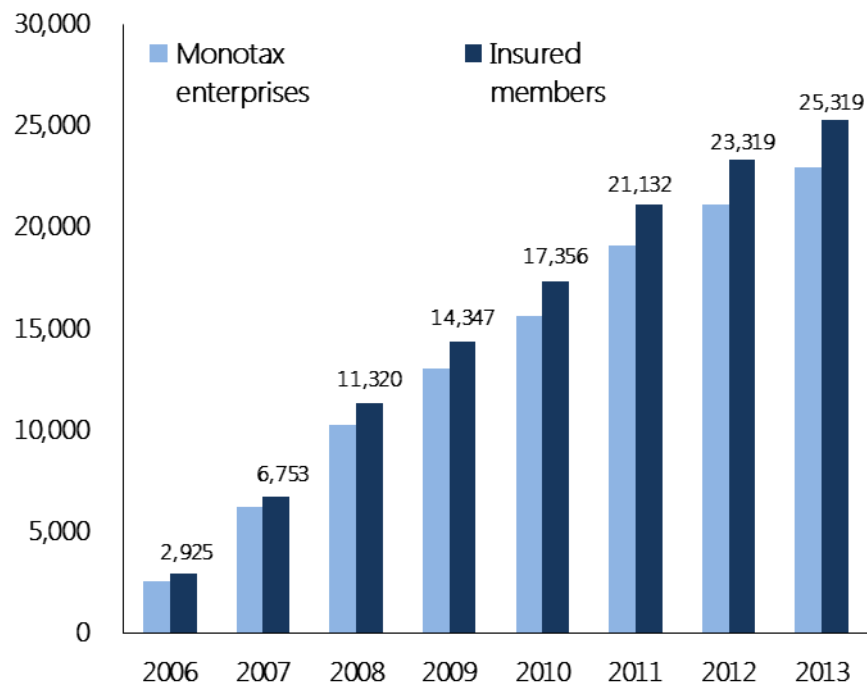
Half of the global workforce is in informal employment, many of them in rural areas

Most of them lack access to social protection

Coverage to those in the informal and rural economy can be extended through:

- through contributory mechanisms
- through non-contributory mechanisms (social transfers)
- through a combination of both

Extending social security coverage to the self-employed and workers in microenterprises: Uruguay's Monotax mechanism



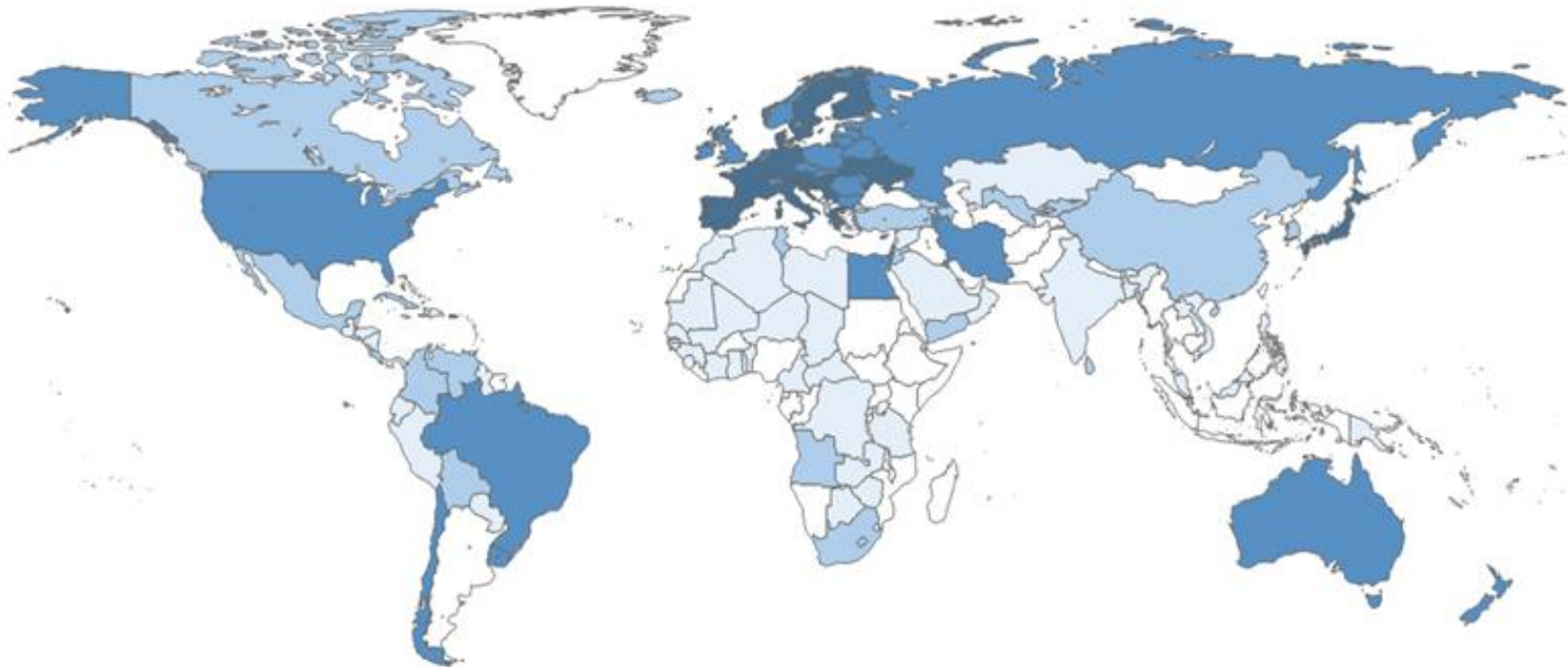
Number of registered monotax enterprises and insured members, Uruguay, 2006–13

Moving forwards towards universal social protection requires efforts in a number of areas

- Strengthening inclusive social protection systems, including floors, ensuring the inclusion of persons with disabilities, indigenous peoples, persons living with HIV/AIDS etc.
- Ensuring social protection for migrants and their families
- Building social protection systems in crisis and fragile contexts
- Tackling demographic change
- Social protection also necessary to facilitate mitigation and adaptation to climate change
- Importance to adapt social protection systems for the future of work

Underinvestment in social protection

Public social protection expenditure, excluding health, latest available year (percentage of GDP)



- Less than 5 per cent
- From 5 to less than 10 per cent
- From 10 to less than 15 per cent
- 15 per cent and above
- No data

Coverage gaps are associated to underinvestment in social protection

Negative impacts of austerity or fiscal consolidation cuts: narrow-targeting or eliminating schemes

Short-term austerity or fiscal consolidation setbacks

Main adjustment measures considered by region, 2010–15 (number of countries)

Region/income	Subsidy reduction	Wage bill cuts/caps	Targeting benefits	Pension reform	Labour reform	Health reform	Consumption tax increases	Privatization
Eastern Asia and Oceania	15	18	10	6	9	2	18	8
Eastern Europe/Central and Western Asia	14	17	18	18	12	9	14	11
Latin America and the Caribbean	14	14	13	17	11	2	18	3
Middle East and Northern Africa	10	8	7	5	6	3	9	2
Southern Asia	6	7	5	2	3	0	7	3
Sub-Saharan Africa	38	32	15	12	8	6	27	13
Developing countries	97	96	68	60	49	22	93	40
High-income countries	35	34	39	45	40	34	45	15
All countries	132	130	107	105	89	56	138	55

Options to extend fiscal space exist even in the poorest countries

- Re-allocating public expenditures (eg. Ghana, Indonesia, Thailand)
- Increasing tax revenues (eg. Bolivia, Brazil, Mongolia, Zambia)
- Increasing contributory revenues (eg Argentina, Brazil, Tunisia, Uruguay)
- Fighting illicit financial flows
- Lobbying for increased aid and transfers
- Tapping into fiscal and foreign exchange reserves (eg Chile, Norway)
- Restructuring/managing debt (eg Ecuador, Iceland, Iraq)
- Adopting a more accommodative macroeconomic framework (e.g. tolerance to some inflation, fiscal deficit)

These different alternatives must be discussed in national dialogue

How to build social protection systems, including floors?

Formulating and implementing national strategies



Start national dialogue: A collective agreement to achieve SDG 1.3 as part of the national development strategy

Identify gaps in social protection;

Determine appropriate social protection schemes, whether contributory or non-contributory, or both, as well as the time frame and sequencing for the progressive achievement of the objectives

Cost selected schemes, identify potential fiscal space; discuss financial and human resources with Ministry of Finance

Agree the National Strategy Social Protection through social dialogue

Design extension schemes, develop legal frameworks, build capacity to implement and monitor the national social protection system, including floors

ILO's areas of work

Policy development and standard-related activities

Knowledge development and sharing

Technical advisory services

Capacity building

Building and strengthening partnerships

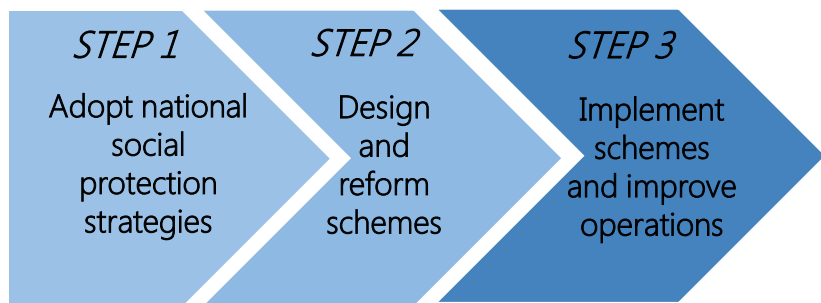
ILO's recent technical assistance on social protection in 136 countries



- Assist in the design and implementation of systems and schemes, in line with ILO Conventions and Recommendations
- Costing and financing of different schemes
- Legal advice
- Actuarial valuation services
- Facilitating consensus through national dialogue with all stakeholders, including Ministries of Finance

ILO's Global Flagship Programme on Building Social Protection Floors for All 2016-2030

Supporting the implementation of SPFs



Cross-country policy advice on thematic areas, such as



Development of knowledge & tools



Developing partnerships to support SDG 1.3





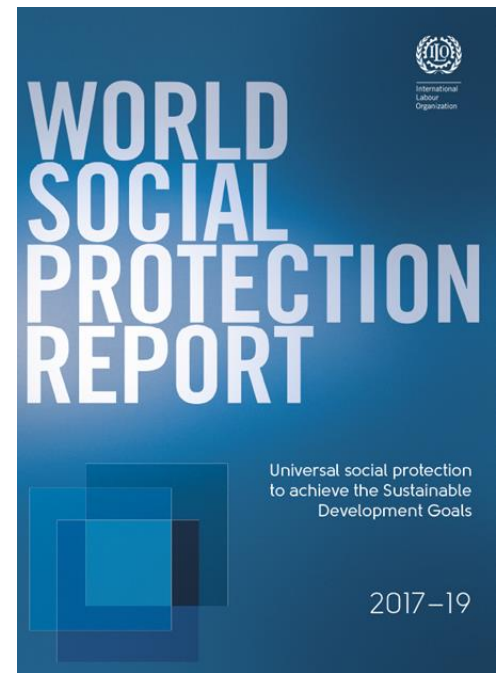
We have 12 years
to make **social protection**
a reality for all





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Thank You



World Social Protection Report 2017-19:
Universal social protection to achieve the Sustainable Development Goals

<http://www.social-protection.org>