

**SOCIAL PROTECTION: COVERAGE, COST AND BENEFICIARIES IN
SADC**
Lethokwa George MPEDI



OUTLINE

1. Introduction
2. Social Protection: A conceptual overview
3. Scope of coverage
4. Financing and funding
5. Concluding summary



1. Introduction



- “ Southern African Development Community (SADC) is:
 - “ a regional organisation;
 - “ an organisation of a wholly inter-governmental character; and
 - “ based on the principle of the sovereign equality of all member states.
- “ Comprises fifteen sovereign southern African countries (N.B. Madagascar has been suspended).
- “ SADC objectives expounded in the SADC Treaty (as amended) include the following:
 - “ achievement of development and economic growth,
 - “ poverty alleviation,
 - “ enhancing the standard and quality of life of the people of southern Africa and supporting the socially disadvantaged through regional integration, and
 - “ promoting self-sustaining development on the basis of collective self-reliance (art. 5(1) of the SADC Treaty).



2. Social Protection: A conceptual overview



- “ The concept of social protection is well known in the SADC region.
- “ Social protection refers to public and private, or mixed public and private measures designed to protect individuals against life-cycle crises that curtail their capacity to meet their needs+(Preamble of the Code).
- “ It is broader than the concept of social security
 - “ It is not restricted to protection against income insecurity caused by certain social risks.
 - “ Social protection embraces social security and social services.
- “ Its aim is to improve human welfare.

3. Scope of coverage



3.1 Social protection is a human right

- “ SADC recognises social protection as a human right.
 - “ Charter of Fundamental Social Rights in SADC (2003), required to create an enabling environment so that every worker in the region shall have the right to adequate social protection and shall, regardless of status and the type of employment, enjoy adequate social security benefits (article 10(1)).
 - “ Code on Social Security in the SADC (2008) provides every person in SADC with the right to social security (art. 4(1)).
- “ In addition, there are countries in the SADC region with Constitutions that makes provision for social security as a fundamental right which should be enjoyed by everyone (e.g. South Africa).
- “ However, social protection in SADC is, generally speaking, undeveloped or underdeveloped.

3.2 Limited scope of coverage

- “ Social protection schemes tend to exclude and marginalise many needy groups and categories of persons.
- “ Social assistance:
 - “ Some programmes follow categorical approach.
 - “ Only needy persons who fall within the listed categories of persons (e.g. young persons, persons with disabilities and elderly persons) can draw benefits under such schemes.
 - “ Schemes and services are often based in urban areas.
 - “ The rural poor often struggle to access such services.
 - “ Schemes are established and operated at national level.
 - “ There are no clear exit strategies for vulnerable but able bodied groups receiving social assistance benefits.
- “ Social insurance:
 - “ Social insurance schemes are largely tied to formal employment.
 - “ Informal sector workers are often excluded.
 - “ Most social insurance schemes lack a statutory duty to participate.
 - “ There is a serious lack of prevention and (re)-integration measures.
 - “ Beneficiaries who exhaust their social insurance benefits are often left destitute.
 - “ The territorial field of application of schemes is problematic.
 - “ In the absence of arrangements to ensure the portability of benefits, SADC citizens risk losing social protection benefits as they move within the region.
 - “ A majority of SADC member states do not cater for all the nine risks in their social insurance systems (e.g. only South Africa has an unemployment insurance system).

3.3 Options for enhancing access to social security

“ National

- “ Unilateral measures by individual countries to broaden access to social security.
- “ Progressive extension of social protection coverage.
- “ Bilateral and multilateral agreements (e.g. ECOWAS: General Convention of Social Security).
- “ Rights-based approach to social protection provisioning.

“ Regional

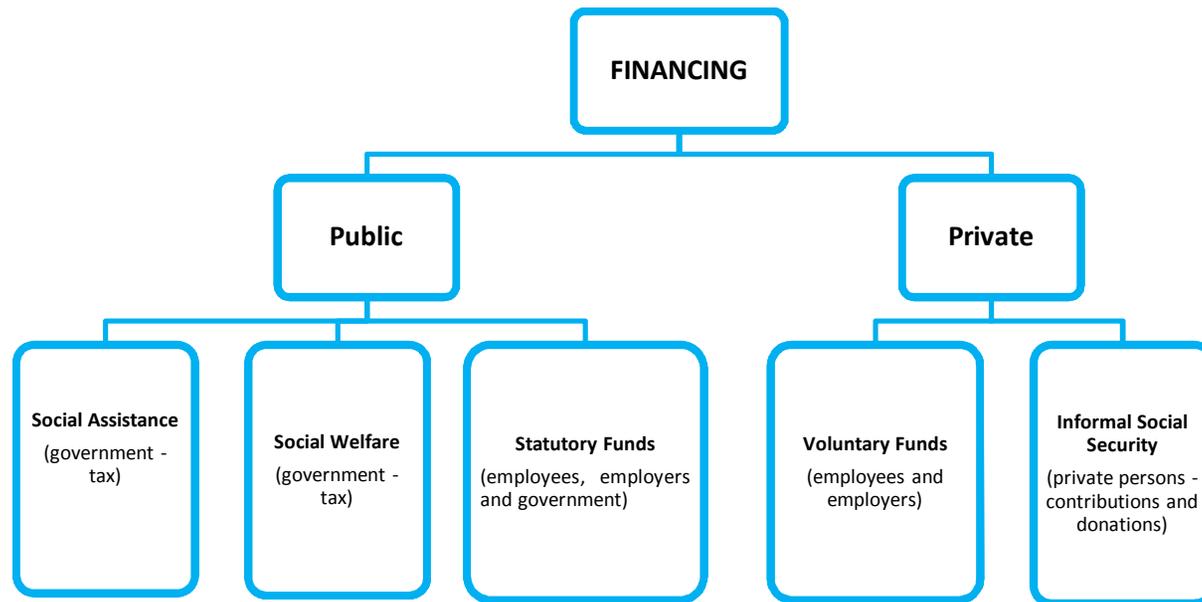
- “ Level of development differs from one member state to another.
- “ Develop binding regional agreements aimed at the extension of social protection to the vulnerable members of the society (e.g. migrant and informal sector workers).
- “ Conclude international social security agreements (bilateral and multilateral) build on the following principles:
 - “ equality of treatment,
 - “ determination of applicable legislation,
 - “ maintenance of acquired rights, and
 - “ maintenance of rights in the course of acquisition and reciprocity.



4. Financing and funding



- “ Sources of funds for social protection
 - “ Social protection programmes in the SADC countries are financed through a variety of means.



- “ There are SADC member states that rely on the support of development partners for the funding of (some of) their social protection programmes (e.g. Lesotho, Malawi, Mozambique, Swaziland and Zambia).

- “ Quality and quantity of benefits
 - “ The quality and quantity of social protection benefits are criticised for being modest.
 - “ Most SADC countries constantly strive towards the improvement of the value of their social protection benefits.
 - “ Some member states (e.g. South Africa) have increased the numbers of the social protection recipients through a variety of interventions.
 - “ For example, the South African Social Security Agency introduced the Integrated Community Outreach Programme to reach the rural poor.
 - “ The Namibian Social Security Commission conducts awareness campaigns and collaborates with the Home Affairs Department.

- “ Affordability and sustainability
 - “ Efforts to improve social protection systems have brought the long-term affordability of such systems in the region into question.
 - “ A balance has to be struck between social protection goals (such as poverty alleviation) and measures aimed at ensuring that beneficiaries graduate from social protection programmes.
 - “ Member states need to improve the management of social protection funds.
 - “ For example, lower the administrative costs linked to the paying of benefits and collections of contributions.
 - “ A new payment system implemented by the South African Social Security Agency in 2012/2013 lowered the unit cost per payment from R32 to a standard rate of R16.
 - “ Social protection is affordable . even for low income countries.
 - “ A study by the International Labour Organisation in 2009 showed that tax-financed schemes in Botswana, Brazil, Lesotho, Mauritius, Namibia, Nepal and South Africa cost between 0.2 and 2% of GDP.
 - “ South African social grants cost 3.4% of GDP in 2012/2013.
 - “ Social protection is not a luxury but an investment in people and economies.
 - “ Political will is important.

5. Concluding summary



- “ SADC countries do have social protection systems.
- “ However, social protection systems are underdeveloped or undeveloped in the region.
- “ The scope of coverage of social protection schemes is limited.
- “ Member states need to enhance access to social protection at national as well as regional levels.
- “ Social protection is affordable and all that is needed is political will.



THANK YOU!

