Interregional Expert Group Meeting on the Social Protection Toolbox: Good Practices for Enhancing and Expanding Coverage
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Compendium of Good Practices

This document is a compilation of the good practices contained in the Social Protection Toolbox. Participants are requested to review these narratives for accuracy and provide feedback during agenda item 3.

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ECA

Algeria's Legal Framework for people of Working-Age

The overall unemployment rate in Algeria has declined considerably over the last decade falling from 30% in 2000 to 10% in 2010. However youth unemployment is still high and has steadily increased since 2009, up to 21.5% in 2012. In order to address unemployment, the Government of the People's Democratic Republic of Algeria adopted constitutional amendments in 1996 that guarantee the rights of working-age residents to adequate income security.

Article 5 of the amended 1989 Constitution of the People's Democratic Republic of Algeria states that "all citizens have right to work, the right to protection, security and hygiene at work as guaranteed by the law" and the right to rest. Constitutional provisions strengthened the 1994 Legislative Decree No. 94-09, which established an unemployment insurance scheme safeguarding Algeria's working age population against the risk of involuntarily loss of employment for economic reasons. The constitutional amendment was followed by further legislative provisions, which stipulated the institutional restructuring of the contributory unemployment scheme, and to extend its coverage through the country, through the Chapter IV Rights and Liberties and Legislative Decree of 3 May 1996.

1996 constitutional developments towards social protection in Algeria were deliberated during a two-day national understanding conference in which 38 leaders gathered and agreed to support amendments through a referendum. The constitutional and legislative legal frameworks supporting the income security of working-age groups in Algeria ensure the sustainability of unemployment insurance schemes already in place. Through this process the Government of Algeria has acted boldly to uphold equality and ensure that constitutional and legal provisions for income security form strong legal foundations for the creation of a social protection floor.

Egypt's Old Age Pension

In Egypt, the share of population aged 65 or older is projected to increase from 4.6% in 2010 to 13.1% in 2050, thus placing higher demands on the existing pension system. In 2013 the Government of the Arab Republic of Egypt reformed its pension system, introducing the new Old Age Pension (OAP) scheme to more effectively provide basic income security to older persons. The pension scheme is administered by the National Organisation for Social Insurance (NOSI), which administers funds and benefits to claimants.

Egypt’s new OAP consists of both contributory and non-contributory schemes. The contributory scheme is available to all residents aged 65 and above who have made contributions. Reforms in 2013 lowered contribution rates to 30.5%, of which 19.5% is paid by the employer and 11% by the employee. Relatively high contributions are rewarded with very high monthly pension benefits equal to 75-88% of the claimant’s last net salary before retirement, disability or death, calculated based on length of contributions. The non-contributory scheme is available to all Egyptians aged 65 and above who reside in Egypt and do not receive any other income or pension from the State. Those eligible for the non-contributory scheme receive monthly payments equal to 18% of the after-tax national salary. Before reforms 80% of the work force was enrolled in the OAP and in 2012, Egypt’s social security system covered 25 million residents.

Egypt’s pension system dates back to 1975 with the passing of the Social Insurance Law No. 79 and has, over time, been reformed in order to increase the level and extent of coverage. The new OAP has been realised through the merger of two separate schemes, one for the formal sector and another that targeted the informal sector. The OAP thus moves toward an integrated approach and forms a fundamental part of Egypt’s social protection floor providing essential income security for older persons.

Ghana's National Health Insurance Scheme

Between 2004 and 2009 out of-pocket expenditures on health care decreased from 51% to 37% in Ghana. These savings have been realised through the National Health Insurance Scheme (NHIS), which the Government of the Republic of Ghana launched in 2004. The NHIS is a decentralised insurance scheme that is comprised of a private health insurance scheme, district mutual health insurance scheme (DMHIS), and a non-profit community based scheme. The NHIS compliments an additional scheme for the formal sector and is administered by the National Health Insurance Authority, which also manages public and private health care providers at all levels of the health care system, including 400 hospitals and clinics and 128 diagnostic facilities in 138 districts.

The NHIS package provides coverage for approximately 95% of the most common causes of illness in Ghana, and includes inpatient and outpatient care, comprehensive maternity care, diagnostic testing, generic medicines and emergency care. The NHIS is mandatory and requires all residents in Ghana to be enrolled under one of its schemes through which they can access free health care. The DMHIS is available in all districts and is a public and non-profit system that each Ghanaian resident can access. Those who enroll are required to pay a one-time registration fee of USD 2 and premiums between USD4 – 24 per year depending on their income status. Children under 18 whose parents are enrolled, adults over 70 years of age, pregnant women, and those without employment or a fixed place of residence are exempt from paying premiums. By the end of 2008, 70% of NHIS members were in the exempt category; and, overall in 2009 the NHIS insured 67.5% of all residents of Ghana.

The NHIS has dramatically reduced the financial barriers to access health care in Ghana and is supported by a strong legal framework through the 2003 National Health Insurance Act. While the NHIS has extended services to many, the scheme has faced some difficulty in enforcing compliance across the informal sector. Despite this challenge the NHIS targets all residents of Ghana including migrants and is an important step toward the creation of Ghana’s social protection floor.

The Basic Old Age Pension in Mauritius

In 2012, 8% of the total population of Mauritius was over the age of 65; and in 2008 this group faced a 6% incidence of poverty. This low incidence of poverty among older persons has been achieved through the Government of the Republic of Mauritius's long commitment to income security for older persons with the implementation of the Basic Old Age Pension, introduced in 1951. This non-contributory scheme offers basic and universal income security to all eligible citizens of Mauritius and is administered by the National Pension Fund and supervised by the Ministry of Social Security and Solidarity.

The Basic Old Age Pension targets citizens of Mauritius aged 60 years and over who have resided in Mauritius for a combined period of 12 years after the age of 18; however, the scheme is available to all Mauritians after the age of 70 regardless of residency. The pension is also available to non-citizens who have lived in Mauritius for at least 15 years, combined, after 40 years of age, including three years prior to the claim. Eligible older persons are entitled to monthly payments calculated according to age. Claimants aged between 60 and 90 years are entitled to receive MUR 3,146, or USD 102 per month. Those between 90 and 100 years of age are entitled to MUR 9,357, or USD 303 per month, while those over 100 years of age receive MUR 10,621, or USD 345, per month. In additional to the basic pension, an Enhanced Basic Retirement Pension is available to pensioners who are totally blind, paralysed, or otherwise need constant care. The basic pension is also complimented by two contributory schemes, which provide coverage to those in the public sector and formal private sector. In 2011, 100% of older persons in Mauritius were covered under the Basic Old Age Pension