



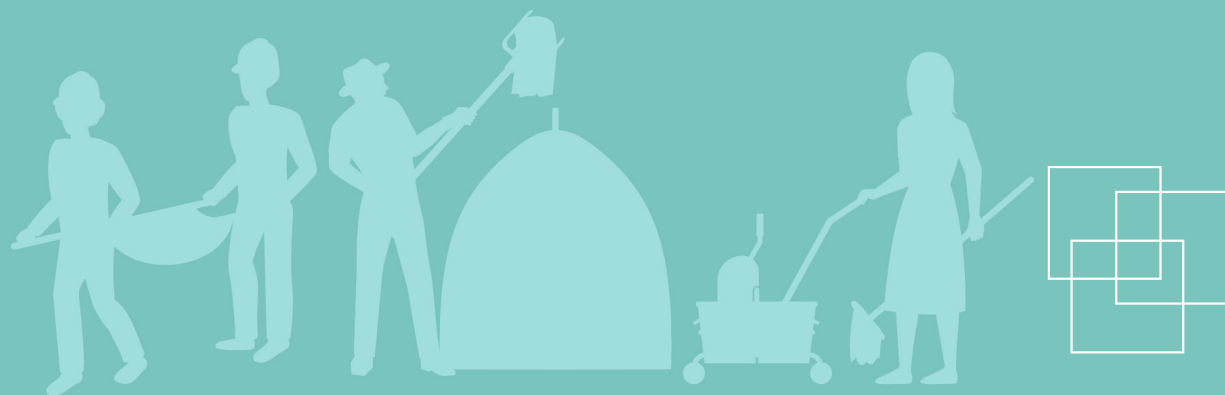
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HOW TO EXTEND

SOCIAL PROTECTION TO WORKERS IN

INFORMAL EMPLOYMENT IN THE ASEAN REGION



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HOW TO EXTEND SOCIAL PROTECTION TO WORKERS IN INFORMAL EMPLOYMENT IN THE ASEAN REGION

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Programme



This policy brief is based on the findings and recommendations of the report, [Expansion of Social Protection to Workers in Informal Employment](#), from the International Labour Organization.¹

The report outlines recent trends in informal employment as well as the challenges and opportunities for extending social protection to all workers across the member countries of the Association of Southeast Asian Nations (ASEAN). It describes the gaps and needs of specific groups of workers who are more likely to be excluded from social protection coverage. Structured around a proposed typology of strategies, the report documents relevant country experiences and lessons from those experiences, drawing conclusions and proposing recommendations to invigorate the regional and national policy debates on the extension of social protection coverage.

¹ For the full findings, including statistical information, see the complete report.

244 MILLION ASEAN WORKERS

IN INFORMAL EMPLOYMENT FACE DECENT WORK DEFICITS

For most ASEAN Member States, the future of social protection depends on how they succeed with extending coverage to workers in informal employment. Despite considerable progress in expanding social protection across the region in recent years, many workers remain unprotected. Some 244 million workers earn income through informal employment – nearly 79 per cent of the region’s workforce aged 15 and older. In this environment, serious decent work deficits are daily realities, including the lack of social protection (ILO, 2018d).

Ensuring quality jobs is a major challenge in the ASEAN region. Combined, some 82 million new jobs emerged between 2000 and 2018. Yet, the prevalence of vulnerable employment remains high, at 47.5 per cent of total employment. Many workers find themselves in extremely vulnerable situations, with often little or no labour as well as social protection (ILO, 2018d).

Social protection deficits closely associate with informal employment. The lack of at least a basic level of income security and essential health care traps workers in an unrelenting cycle of poverty and vulnerability. It affects their welfare and constitutes a significant challenge for national economic and social development.

Over the past few decades, the ASEAN community embraced commitment towards ensuring social protection for all, culminating to date with the 2013 ASEAN Declaration on Strengthening Social Protection (ASEAN Secretariat, 2013).

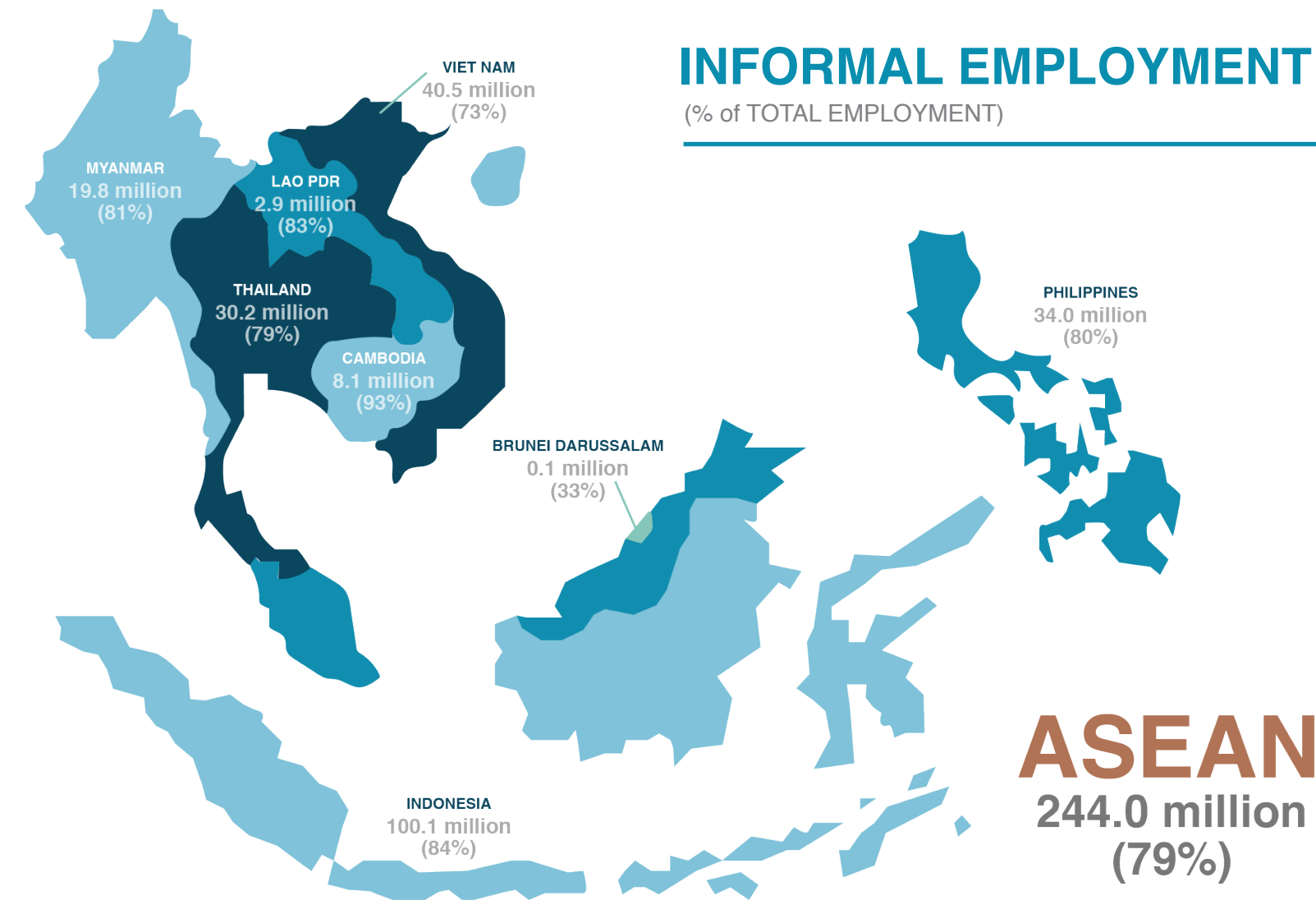
Despite the efforts of ASEAN Member States to extend coverage, only a minority of the region’s population is effectively covered by comprehensive social protection systems. Compounding the situation, public expenditure on social protection is low in many ASEAN Member States, considerably below the average level for Asia and Pacific (ILO, 2017b).

Certain workers are more likely to be in informal employment than others. Around 81 per cent of all own-account workers and more than 60 per cent of all wage employees in the region operate in the informal economy. In terms of number, wage employees constitute the largest group of informally employed workers (ILO, 2018d). Women, as is often documented, represent the bulk of informal workers in vulnerable situations, especially as contributing family workers or as domestic and migrant workers.

“New” forms of work spawned through digitalization and automation can offer advantages for workers and employers but, in many instances, may also be associated to a lack of labour and social protection. They thus have potential to exacerbate the challenge of informality across the region if adequate actions are not put in place.

The barriers to extending social protection are manifold and diverse across countries and types of workers. Many challenges related to the extension of coverage go beyond the scope of social security policies and administrations.

Certainly, there is no one-size-fits-all solution to extending social protection coverage to workers in informal employment. Generally, though, there is a basic formula: ASEAN countries need to adapt their social protection systems to the characteristics of their workforce in tandem with the increased allocation of financial resources and strengthen the mechanisms for achieving effective coverage.



NOTE : The total for the ASEAN region is greater than the sum of countries for which there are data. The ASEAN figure represents an estimate for the whole of the region.

PROFILE OF WORKERS IN INFORMAL EMPLOYMENT



WHERE DO THEY WORK?

Informal employment is found not only in informal economic units (the informal sector) but also in the formal sector and households. Among the 78.6 per cent of employment that is informal in the ASEAN region, around 65.8 per cent works in informal sector enterprises, while 8.4 per cent works in the formal sector and 4.4 per cent in households.²

The fact that informal employment is prevalent in the informal sector indicates a strong association between lack of social protection and the informalization of economic units. This means that achieving expanded social security will require both social security extension strategies and the formalization of informal businesses.

Informal employment in the formal sector concerns mostly employees and contributing family workers who are not entitled to social security or other employment-related benefits, despite the formally recognized nature of their workplace.

² ILO calculations based on data from the ILOSTAT database, <https://www.ilo.org/ilostat/> [accessed 27 Jun. 2019].

WHAT IS THEIR EMPLOYMENT STATUS?

An estimated 81.8 per cent of all own-account workers worked informally in 2017, equivalent to 93 million workers, or 29 per cent of the total labour force.³ There were 51 million contributing family workers, all of whom are considered as having informal status by definition.

Employees, however, are less exposed to informality than own-account workers and contributing family workers, even though they comprise the largest group among workers in informal employment (at 94 million workers, or 30 per cent of the total labour force).⁴

HOW DO THEY EARN THEIR INCOME?

Among the three economic sectors, the agriculture sector employs the majority of workers in informal employment, at 44 per cent, followed by the service sector, at 37 per cent, and then the industry sector, at 19 per cent. Similar to the predominance of agriculture, informal employment is more prevalent in rural than urban areas, where a large share of working-poor persons lives and decent work deficits are severe (ILO, 2017a).

Workers in informal employment frequently change between wage employment and self-employment, between formal, informal and household sectors and between rural and urban areas, and sometimes engaged in multiple jobs at the same time.

DO AGE AND GENDER MATTER?

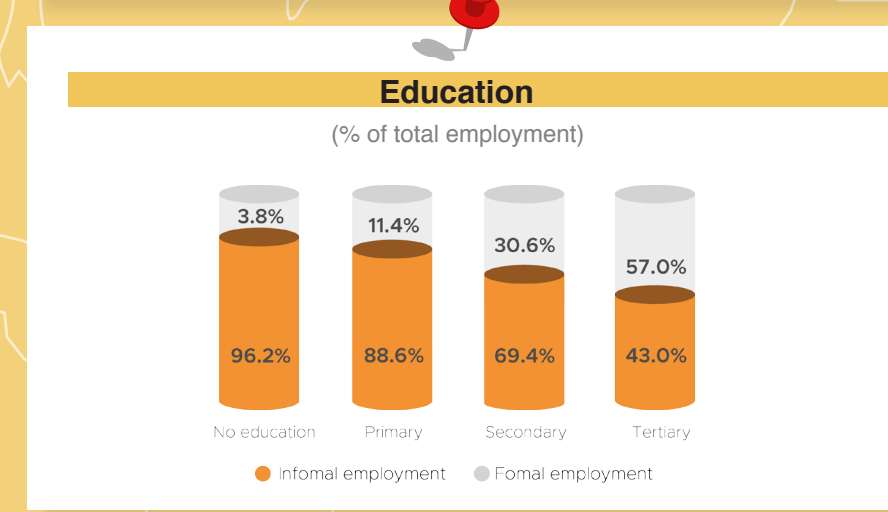
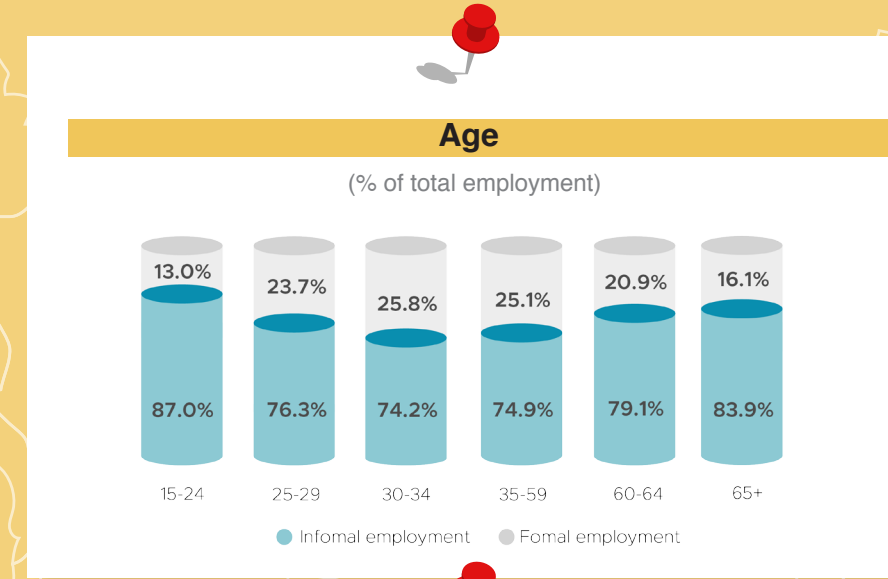
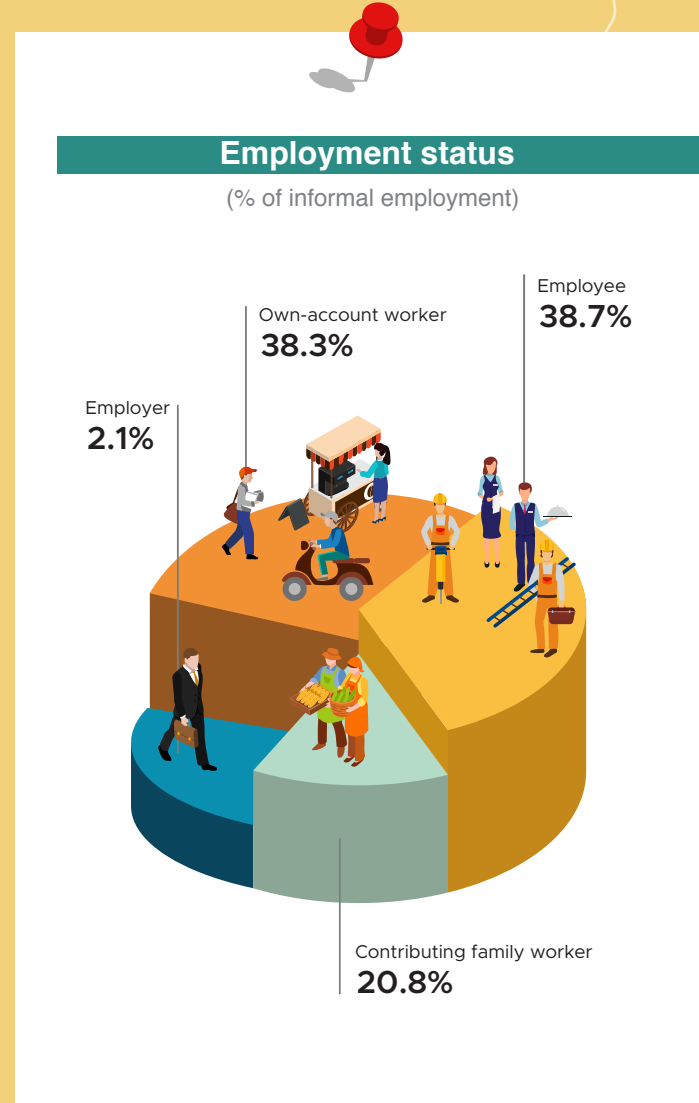
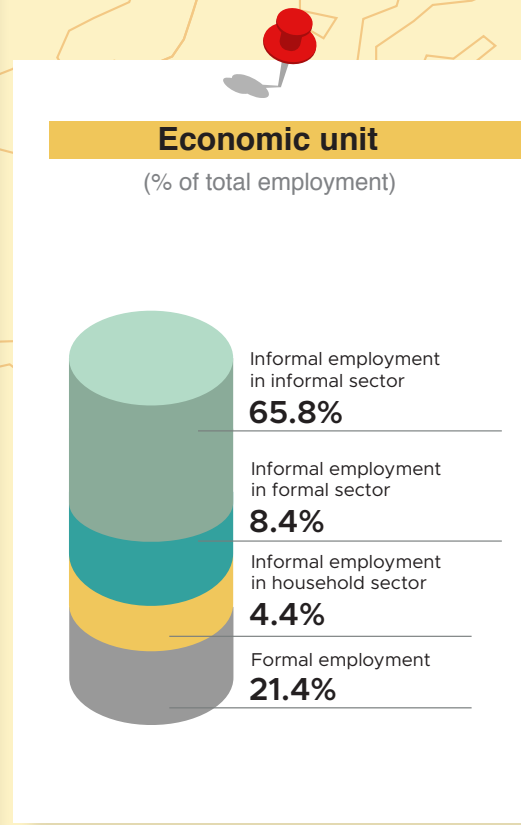
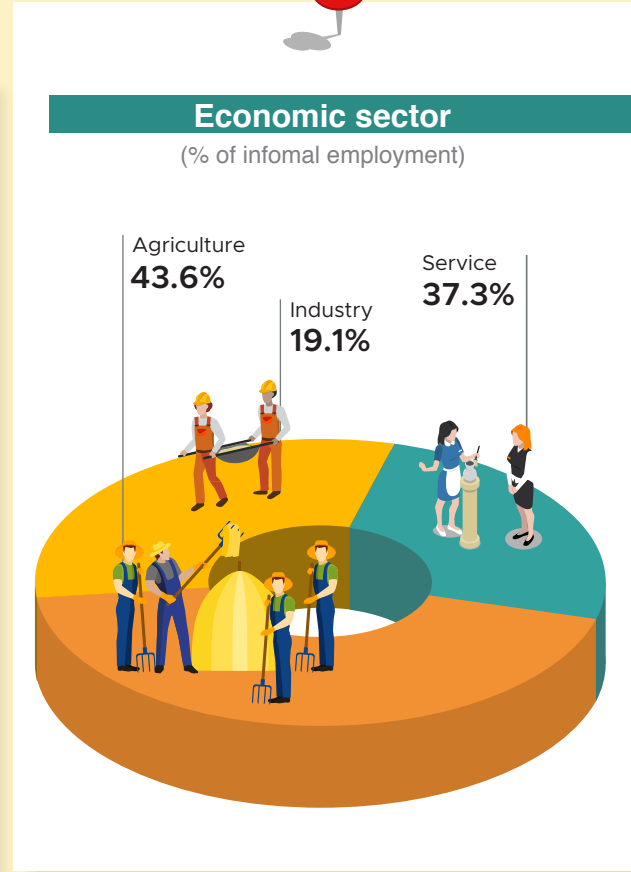
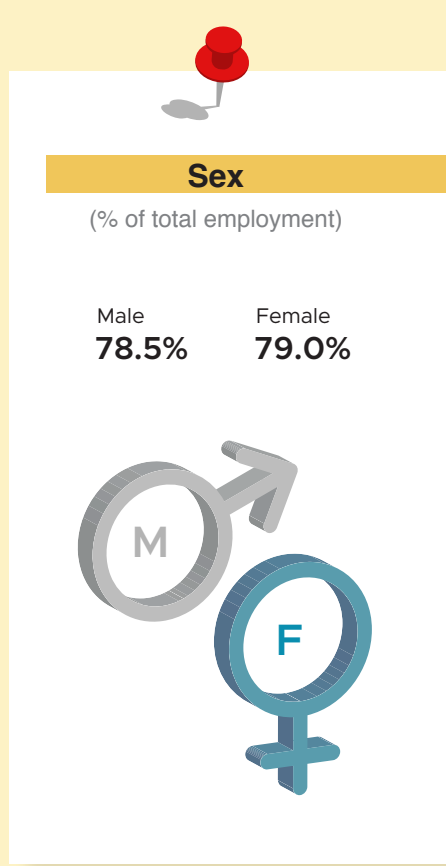
Most young workers aged 15–24 years and workers aged 65 years and older encounter greater obstacles to accessing formal employment than middle-aged workers. This renders them more likely to work in informal employment.

Women and men are equally affected by informality. But women tend to concentrate in the more vulnerable situations, such as domestic work, home-based work or contributing family work (ILO, 2018b). A major difference between women and men in informal employment is the large proportion of female contributing family workers, usually unpaid.

³ See own-account workers in ILOSTAT, <https://www.ilo.org/ilostat/> [accessed 27 Jun. 2019].

⁴ ILO calculations based on data from the ILOSTAT database, <https://www.ilo.org/ilostat/> [accessed 27 Jun. 2019].

PROFILE OF INFORMAL EMPLOYMENT



LIKELIHOOD OF INFORMAL EMPLOYMENT

Certain characteristics influence the likelihood of a worker ending up in formal or informal employment.

Employment relationship

The absence and lack of recognition of an employment relationship in law increases the likelihood of workers in informal employment.

Employment security

Workers in non-standard employment, such as part-time and temporary workers, are more likely to be in informal employment than those in a continuous and full-time employment relationship (Behrendt and Nguyen, 2018; ILO, 2018d and 2016a).

Employer

Employees with an identifiable, direct employer are less likely to be in informal employment than workers without an employer or with multiple employers.

Size of enterprise

Employees in small enterprises are more likely to be in informal employment than employees in large enterprises.

Earnings

Workers with high, regular earnings are less likely to be in informal employment than workers with low, irregular earnings.

The more criteria a worker fails to meet, the more likely they will engage with informal employment. For example, workers on part-time or temporary contracts may be covered, depending on the rules set out in national legislation and the enforcement of those rules. In comparison, workers with seasonal, casual employment who have low earnings and no identifiable employer (construction workers, for example) have little likelihood of formal coverage.

WHAT IS IMPEDING THE EXTENSION OF COVERAGE?

Legal barriers

Some countries' legislation explicitly excludes certain groups of workers from social insurance coverage, based on employment status, occupation or sector, or implicitly through exemptions in compulsory social insurance coverage. Commonly excluded workers encompass domestic workers, migrant workers, own-account workers and agricultural, casual and temporary workers.

Where the self-employed and other typically hard-to-cover groups are shielded with protection thanks to the national legislation, it is mostly on a voluntary basis. However, voluntary schemes are largely ineffective in achieving broad coverage due to a variety of reasons, including adverse selection and high drop-out rates.

Weak enforcement

Ineffective or weak enforcement of applicable labour and social security regulations obstruct the expansion of social protection coverage. Weak capacities to intervene and enforce legislation can result in low compliance among employers and workers.

Lack of policy coherence and coordination

In many countries, the lack of integrated and coordinated policies limits the ability of governments to extend coverage. On one side, this includes limited coordination between social protection policies and institutions. On the other side, the lack of coherence between social protection and other policy areas results in impediments to the extension of coverage. Many of the challenges related to the extension of coverage go beyond the scope of what can be done in terms of social security policies and relate to other policy areas, such as business registration, labour regulation and tax policies.

Burdensome and lengthy administrative procedures and processes

Registration, contribution payment, delivery and claiming mechanisms are often designed without taking into account specific characteristics and needs of hard-to-cover workers. They tend to be lengthy processes and may impose a high burden on workers and employers, especially those with limited administrative capacity. Contribution payment schedules or methods may not be in line with the characteristics and income patterns of own-account workers, agricultural workers or domestic workers.

Affordability

Many workers and employers in the informal economy have little income or volatile income, live in poverty or are at risk of falling into poverty, which limits their capacity to contribute (regularly) to a social insurance scheme. This situation is particularly serious for certain categories of self-employed persons because they must bear both the workers' and employers' share of contributions.

Weak governance structures

Weak governance of social protection programmes, both at the policy design and operational levels, can have a negative effect on the efficiency, effectiveness and equity of service delivery and considerably limit the trust of participants in the system.

Where transparency and accountability of the financial accountability regarding the financial situation of a scheme are limited, the public's trust in institutions is also reduced.

Limited institutional capacities and supply-side constraints

Limited institutional capacities hamper the extension of coverage and make it difficult to carry out well-intended policies. Insufficient matching of demand and supply not only creates obstacles to social protection but also leads to a low level of trust in social security institutions. In many countries, the lack of public investment is associated with limited technical, administrative and personal resources (Wening Handayani, 2016).

Lack of incentives or weak perception of value for money

Lack of incentives for formalization and social security registration may discourage workers and employers from operating in the formal economy and joining social security schemes. If members do not perceive the "value for money" due to, for example, the poor quality of services, inadequate benefits or the mismatch between benefits and priority needs, their willingness to join a scheme might be limited, even if they could afford to pay contributions.

Limited information and awareness on social protection

Limited awareness and information of social security rights and responsibilities, available schemes and programmes, registration and claiming procedures and other related issues hamper the extension efforts in many countries.

Lack of organization and representation

The informal economy is characterized by the absence of workers' representation and organization, which makes it difficult for workers to voice and defend their rights, including with respect to social protection. This is particularly relevant for persons at the lower bottom of the pyramid within the informal economy, such as homeworkers, subsistence farmers and domestic workers.

Knowledge gaps about workers in informal employment

Large gaps in information regarding workers in the informal economy make it challenging to understand their size and the characteristics or their employer, if they have one, and to guide and monitor the extension process.

EXAMPLES OF WORKER-SPECIFIC OBSTACLES

IN ADDITION TO THE COMPLEXITIES ALREADY CITED, SOME GROUPS OF WORKERS EXPERIENCE ADDITIONAL DIFFICULTIES



Agricultural workers combine their unique challenges with the common barriers among own-account workers and employees.

- **Remoteness of the workplace:** Limited State capacity for administration and delivery in rural areas often results in the exclusion of agricultural workers from social protection coverage.
- **Seasonal work:** Social insurance schemes often fail to account for the seasonal income cycles and inter-sector labour mobility of agricultural workers.



Migrant workers are often excluded from social protection schemes in both their home and host country (ILO, 2018c). Some social security schemes limit coverage to citizens or permanent residents. Another reason for non-coverage is workers' immigration status (including those who are undocumented) and in some cases their legal exclusion.

- **Administrative barriers:** Migrant workers often lack documentation, thus bureaucratic and administrative requirements may restrict their access to benefits.
- **Lack of portability:** In the absence of a social security agreement between origin and destination countries, migrant workers find it difficult to accumulate contributions for long-term benefits.



Domestic workers may work for more than one employers and/or experience frequent job turnover, irregular payment of wages, in-kind payment of wages and no employment contract. Such employment arrangements create unique obstacles.

- **Legal exclusion:** Around 90 per cent of domestic workers globally are legally excluded from social security systems (ILO, 2016b). Their employment relationship is typically not recognized under the labour law. And legislation often excludes them from social protection provisions by the minimum requirement of employment contract, workplace, income and working time.
- **Enforcement:** Labour inspectors are rarely mandated to enter private households. Even if they have such legal mandate, an inspection process involves a high cost because of the dispersion of workplaces (Daza, 2005).
- **Isolation:** An isolated working environment limits access to information about social protection and organization for collective bargaining (ILO, 2016c).

THERE IS NO
ONE SOLUTION
FOR EXTENDING
COVERAGE

Many governments in the ASEAN region and beyond have instigated a range of approaches and measures to extend coverage, adapted to their national context. To easily present the possibilities in use across the region, the *Expansion of Social Protection to Workers in Informal Employment* report proposes a typology of interventions, which provides a classification for different strategies used to extend social protection coverage. It is important to remember that strategies are not mutually exclusive and are more nuanced in practice. In reality, many countries that have successfully extended social protection coverage use a combination of measures and approaches rather than pursuing a single method. Interventions show success particularly when they are undertaken within an integrated or comprehensive strategy or policy framework.

Strong social dialogue institutions with the participation of employers' and workers' organizations, including representatives from the informal economy, are critical for the effectiveness of policies. Most of the successful experiences entailed recognition that the extension of social protection to uncovered groups of a population is a priority policy objective in itself. This recognition involves investments that have a positive impact on workers' welfare and the nation's economic and social development.

EXPANDING OR ADAPTING SCHEMES

Many of the strategies found across and beyond the region include the adaptation and expansion of existing schemes, mostly to facilitate the inclusion of previously uncovered groups of workers into employment-based schemes (predominantly social insurance schemes and other contributory schemes). This strategy is usually targeted at, but not limited to, categories of workers who are closer to the formal economy and have some contributory capacity and therefore are relatively easier to be covered by contributory social protection mechanisms. Measures under this category include:

Reducing legal barriers that uncovered groups typically encounter is often the first crucial step towards expanding social protection coverage. Examples include extending mandatory social insurance to self-employed workers in Indonesia, Japan, the Republic of Korea and the Philippines; lowering minimum thresholds for the size of covered firms (as in Cambodia and Thailand); modifying eligibility conditions on the minimum period of employment or working hours (as in the Netherlands and Viet Nam); extending legal coverage to specific occupations, such as domestic workers (as in the Philippines and Uruguay) and construction workers (as in the Republic of Korea).

Legal extension of coverage does not automatically translate into effective coverage. In addition to the extension of legal coverage, countries often use additional measures, including financial incentives, simplifying administrative procedures and enhancing access to services to encourage enrolment and compliance. Relevant laws and regulations outside of social security should also be reviewed and, if necessary, modified, particularly to clarify and adapt the scope of laws to guarantee effective protection for workers who have disguised or unclear employment relationships.

Introducing financial incentives. In recent years, many governments around the world have increasingly sought to extend coverage by providing subsidies for social insurance contributions or financing the benefits for low-income or other vulnerable workers. Brazil, Thailand and Uruguay offer examples of including self-employed workers and other groups who were not previously covered by the compulsory social insurance by subsidizing their participation in the general scheme. While these countries provide a more comprehensive package, other governments have started by targeting specific branches. The examples of Indonesia, Mongolia, the Republic of Korea, the Philippines and Viet Nam reflect how the use of subsidies in health insurance schemes for certain population groups can lead to the rapid extension of coverage and accelerate progress towards universal health care coverage. Other countries, such as Mongolia, the Republic of Korea and Viet Nam, provide subsidies to certain groups of workers for their pension insurance contributions.

Adapting administrative and operational frameworks. Adaptation measures can include changes in the administration and operations of schemes or programmes. Simplifying and facilitating access to registration and other administrative processes have been constructive towards extending coverage. There is a range of measures, including a simplified contribution collection and payment regime (as in Argentina, Brazil and Uruguay), the introduction of flexible payment schedules (as in the Republic of Korea, the Philippines and Viet Nam), the use of information and communication technology (as in Cambodia, India, Indonesia, Malaysia, the Philippines and Thailand) and the development of partnerships with organized workers' groups that can function as aggregators (as in Costa Rica, the Dominican Republic, Indonesia and the Philippines).

Many governments have stepped up their efforts to redress the constraints on labour inspection, for example, by improving the efficiency and effectiveness of inspection processes through coordinated IT solutions, collaboration between different institutions and the development of partnerships with trade unions, professional associations, etc. (as in Belgium, China, Malaysia, the Philippines and Singapore). Compliance can be encouraged by escalating awareness and setting incentives for social security registration and formalization (as in Argentina, Chile, Costa Rica, France, the Republic of Korea, Malaysia, Singapore, Uruguay and Zambia).

CREATING SEPARATE SCHEMES

Another strategy for coverage extension concerns the establishment of separate (new) schemes that directly or indirectly lead to the extension of social protection for workers in the informal economy. These include:

Specific contributory schemes that target hard-to-cover groups, such as self-employed workers or rural populations. For example, Algeria and Belgium adopted a separate scheme covering all self-employed workers, while China, France and Germany created several separate schemes for different types of self-employed workers (ILO, forthcomingb).

Sector- and occupation-specific schemes. For example, China and India created specific schemes for construction workers that address the unique barriers in the sector, including the complex subcontracting arrangements and the high mobility of workers. The primary contractors in a construction project are usually required to pay a levy that is set at a percentage of the total project cost, instead of calculated based on workers' earnings, and then is used to finance the social protection benefits for all workers on-site (ISSA, 2018; Newitt et al., 2014).

Non-contributory, tax-financed schemes, including means-tested schemes, insurance-tested schemes and universal schemes. Examples include the extension of pension coverage to the entire population through the creation of universal tax-funded pensions in Brunei Darussalam and Thailand.

International experience suggests that schemes or programmes that target specific groups of workers or sectors may address protection gaps but risk introducing system fragmentation. A major shortcoming of a fragmented system is the lack of integration because entitlements accumulated under one scheme may not be portable to another. This leads to inequities in coverage levels and difficulties accessing benefits and can be a major impediment to adequate social protection, particularly for individuals with high labour mobility, who frequently change between wage employment and self-employment or formal and informal sectors. When governments opt for separate schemes, they must make sure that the benefits are portable and that there is effective coordination and integration between the different schemes.

AMPLIFYING GOVERNANCE AND STRENGTHENING AWARENESS AND ACCESS TO INFORMATION

Promote information sharing and elevate awareness. For example, the National Institute of Social Security in Cabo Verde undertook an extensive outreach campaign that specifically targeted self-employed workers in urban and rural areas.

Ensure good governance and the active involvement of all stakeholders, including workers' and employers' representatives. For example, in Cambodia and the Occupied Palestinian Territory, a tripartite National

Social Security Committee was put in charge of developing the national social security strategy. In Mauritius, a tripartite National Pensions Board now governs the universal pension scheme (ITC/ILO, 2010).

Establishing efficient and transparent administrative processes and fine-tuning the delivery of services. Examples include the one-stop shops in Indonesia and Mongolia.

INTERVENTIONS OUTSIDE THE SCOPE OF SOCIAL SECURITY

Because many of the challenges related to the extension of coverage go beyond the scope of social security, a number of countries have instituted measures in other policy areas.

Formalization of enterprises. For example, in Malaysia, the Government encourages self-employed workers to enrol in the Companies Commission of Malaysia and to establish a business entity by providing them with better tax rates and allowing them to claim business expenses and deductions (ILO, forthcoming). Several Latin American countries, such as Brazil, Argentina and Costa Rica, promote the formalization of businesses. Through an administrative alliance between the tax authority and the social security institution, they established a simplified and unified collection scheme for small contributors (ILO, 2014).

Adapting or extending the scope and application of labour laws. Countries and territories, such as Bolivia, Hong Kong (China) and the Philippines, extended the scope of the law to include domestic workers and ensure their protection (ILO, 2013). Ensuring social protection for new forms of workers, including those in digital platforms, requires efforts outside the scope of social security, especially to clarify the nature of the employment relationship and to address misclassification.

Increasing tax revenues to increase the fiscal space. For example, Indonesia, the Philippines and Viet Nam earmarked sin taxes to partly fund their respective social health insurance scheme (Goursat and Pellerano, 2016).

Enhancing organization and representation of the informal economy. For example, the Bakery, Confectionary, Manufacturing and Allied Workers' Union in Kenya was a major actor pushing the Government to reform and enforce the labour code (ILO, 2013). In Cambodia, the Independent Democracy of Informal Economy Association, a union representing informal workers (including thousands of street vendors, taxi drivers and tuk-tuk drivers), advocates for workers' rights to social protection benefits and assists workers in accessing the National Social Security Fund's ID card for free health care (Oxfam, 2018).

These different cases demonstrate the use of combined measures and approaches to extend social protection coverage successfully rather than through single or individual methods. The examples from around the world illustrate how complex it is to extend coverage and why a comprehensive approach is required for tackling the diverse impediments to social protection.

RECOMMENDATIONS



PROMOTE A COMPREHENSIVE APPROACH TO TACKLE THE DIVERSE IMPEDIMENTS TO EXTENDING COVERAGE

A combination of measures and approaches have proven to be more effective in reaching the goal of coverage extension equitably. Although there is no one-size-fits-all approach for the expansion of social protection coverage, some general recommendations can be offered.

- Introduce comprehensive and integrated extension strategies, in line with national priorities;
- Tailor schemes, programmes and policy measures to the needs of workers;
- Follow a gradual extension strategy;
- Make extension of coverage mandatory (ideally);
- Reduce legal barriers, including the extension of legal coverage; and
- Promote effective social dialogue.

COMBINE THE EXTENSION OF CONTRIBUTORY COVERAGE WITH THE ESTABLISHMENT OF A NATIONAL SOCIAL PROTECTION FLOOR

International experience in social protection reforms highlight the importance of developing comprehensive social protection systems, including social protection floors for all. Mandatory social insurance schemes financed by contributions are pivotal to providing higher levels of benefits for large groups of a population, including the middle class. Guaranteeing a social protection floor as part of a comprehensive social protection system is necessary to truly include persons who are not covered or insufficiently covered by contributory schemes.

ENSURE ADEQUATE RESOURCES FOR THE EXTENSION OF COVERAGE, BASED ON EQUITABLE AND SUSTAINABLE FINANCING SOURCES, INCLUDING CONTRIBUTIONS AND TAXES

Many of the successful strategies in the region and beyond demonstrate that the extension of coverage necessarily involves additional public expenditure. High economic growth offers opportunities for creating additional fiscal space. Social protection is a vital investment to enhance people's lives; it should be accepted as a social and economic necessity and thus be supported by adequate resources.

- Explore the potential of combining different financing sources; and
- Increase social protection expenditure and explore new sources of fiscal space.

ENCOURAGE INSTITUTIONAL COORDINATION AND INTEGRATION ACROSS AND BEYOND SOCIAL PROTECTION PROGRAMMES

There is a need for increased coordination and integration at both the policy and operational levels. Different dimensions can be identified when it comes to coordination: coordination among different social protection schemes; a combination of different sources of revenue; and administrative and operational frameworks.

- Improve coordination and integration between different schemes and sources of funding;
- Strengthen coordination mechanisms at the administrative and operational levels; and
- Strengthen coordination with other policy areas to promote an integrated, holistic framework towards formalization.

BROADEN THE SCOPE AND LEVEL OF PROTECTION

Although some ASEAN Member States have continuously sought to increase the level and scope of protection offered, it is important to continue reinforcing those efforts to adapt the level and range of social protection benefits so that workers' needs are adequately addressed.

Adequate, predictable and regular benefits are important because they affect how affiliates perceive the value for money.

Social protection benefits should be designed to meet the priorities and needs of workers. It is imperative that immediate and short-term benefits are included in the benefits package.

REINFORCE ENFORCEMENT AND PROMOTE COMPLIANCE

To ensure the protection of workers, some ASEAN Member States should further build on and reinforce their efforts to ensure compliance with the law and step up their enforcement of legislation. Governments may need to adapt the applicable legal and operative frameworks for inspection interventions, for example, by establishing rules for the inspection of private homes in the situation of domestic workers and home-based workers, removing thresholds regarding enterprise size or increasing the number of inspection personnel.

It is important to ensure adequate financial resources for rigorous inspection processes. To improve the efficiency of inspection processes, countries need to continue harnessing the potential of information and communication technologies.

SIMPLIFY ADMINISTRATIVE PROCEDURES AND STEP UP ACCESS TO ADMINISTRATIVE SERVICES

Administrative processes and procedures related to registration, payment of taxes and contributions and benefit claiming need to be simple, accessible, streamlined and adapted to the specificities of different groups. This is necessary so that they do not constitute a barrier or obstacle for workers and enterprises with weak administrative capacity. Accessible and efficient procedures will help build trust among the public. ASEAN Member States can learn from countries that have used innovative measures, such as:

- Partnerships with workers' and employers' organizations and civil society;
- Innovative delivery mechanisms, such as single-window service mechanisms and one-stop shops for social protection services; and
- New technology and digital services.

FOSTER COMPLEMENTARY INTERVENTIONS BEYOND SOCIAL SECURITY

The transition from the informal to the formal economy requires an integrated and holistic policy framework. Complementary efforts may need to be undertaken in other policy areas, such as:

- Labour legislation and regulation;
- Formalization of enterprises;
- Tax policies; and
- Promoting organization and representation.

INTENSIFY AWARENESS RAISING AND SHARE INFORMATION

Countries need to continue their efforts to raise awareness and educate workers and employers, including by ensuring the availability and easy access to information about the importance of social protection and the conditions and rules of available schemes and benefits.

PROMOTE TRUST IN SOCIAL PROTECTION SYSTEMS

Trust of the population in government institutions and processes is central to the success of any social protection scheme or policy. Building accessible, accountable and transparent social security schemes to nurture people's perceptions regarding the benefits of participating is an important element for establishing trust. To this end, design administrative procedures to be accessible and efficient without imposing significant costs, and make the delivery of services more efficient and coordinated.

ENHANCE THE KNOWLEDGE BASE ON THE INFORMAL ECONOMY

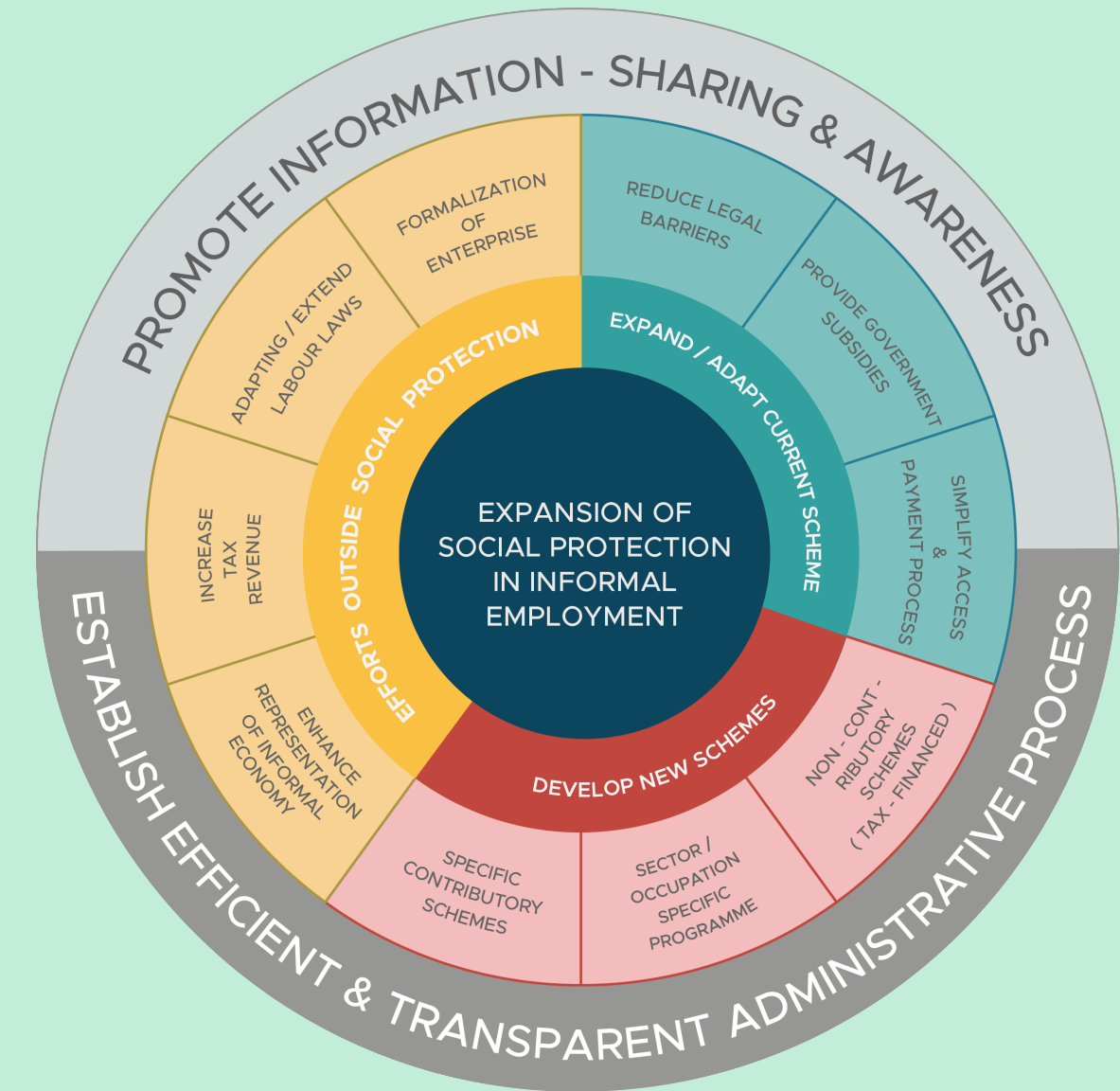
ASEAN Member States should bolster their efforts to collect and improve evidence on the nature of the informal economy through national assessments and develop tools for benchmarking social protection policies.

Additionally, governments should build up their national and regional monitoring frameworks to include specific targets and indicators (such as coverage, target groups, benefit levels, eligibility conditions and social protection expenditure) to evaluate the success of their social protection policies and programmes.

TIGHTEN REGIONAL COORDINATION BETWEEN ASEAN MEMBER STATES ON SOCIAL PROTECTION ISSUES

Coordinated mechanisms to ensure the capacity of government agencies and other stakeholders involved in social protection are required, such as for planning, programming and budgeting, implementation and monitoring and for evaluating processes. They range from technical assistance programmes over capacity building and knowledge sharing to pilot projects, subject to national capacities and strategies.

With regard to providing social protection for migrant workers, countries are called upon to further explore possible avenues for appropriate coordinating mechanisms, such as bilateral social security agreements, which, in the long run, can be spun into a regional multilateral agreement (Ong and Peyron Bista, 2015).



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