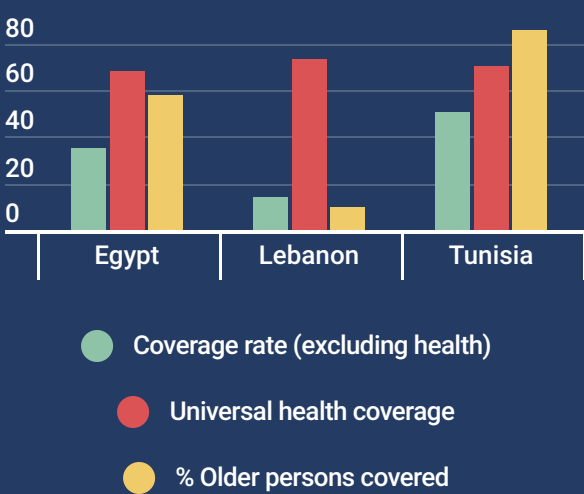


SOCIAL PROTECTION SYSTEM AND FORMAL AND INFORMAL PROGRAMMES IN EGYPT, TUNISIA AND LEBANON

Assessment



Source: ILO Database

Low coverage

Social protection schemes being tied to employment whilst the majority of informal workers, irregular workers and their families remains poorly covered

Informal protection

Individuals and families rely on informal social protection mechanisms

Source of informal social protection

Family support, community-based groups, local charities, friends and neighbors

Challenges

Limited coverage, and burdensome administrative process

- Significant gaps in coverage
- MSMEs consider the lengthy and complicated administrative process (48.48%) are crucial factors for not having formal social protection

Lack of trust and understanding

- A significant proportion of MSMEs (88%) reported a lack of understanding of the available social protection programmes

Institutional capacity challenges

- There are concerns about the limited institutional capacity of the governments to effectively design and implement social protection programmes, leading to inefficiencies and delays in service delivery



Recommendations

- Developing safety nets
- Extending social insurance schemes by facilitating administrative processes
- Implementation of Micro Social Protection Programmes (MSPP)



How to Manage?

A public financial institution through a community based insurance scheme or public financial institution such as Caisse de Dépôt et de Gestion (CDG), manage savings towards long-term investments, invest in national projects of high priority (education, health, housing, etc.). Their expertise: the management of savings, pension schemes, banking, finance, insurance, and regional development.



How to Finance?

- Government funding: national or regional institutions direct financing or through subsidies provided directly to MSMEs.
- Private sector funding: the private sector could provide funding for Micro Social Protection Programmes as part of their corporate social responsibility initiatives.
- Community based insurance and diaspora financing.
- Implementation of tax break policy.

Entrepreneurial benefits from social insurance

