

Progress Report – Burundi

01/12/2022 - 30/11/2023

ILO GLOBAL FLAGSHIP PROGRAMME ON BUILDING SOCIAL PROTECTION FLOORS FOR ALL - PHASE II

Project Code: GLO/21/34/MUL



23 January 2024





Donor: Belgium and Luxembourg

Admin Unit: ILO Country Office for the United Republic of Tanzania, Burundi, Kenya, Rwanda and Uganda (CO-Dar es Salaam)

Project title:	BUILDING SOCIAL PROTECTION FLOORS FOR ALL. SUPPORT TO THE 2ND PHASE OF THE ILO GLOBAL FLAGSHIP PROGRAMME (2022 - 2025). GREAT LAKES REGION STRATEGY.
Report type (pick one):	Annual
Reporting period:	From December 2022 to November 2023

<u>Linkages</u>

ILO Strategic Policy Outcome:	Outcome 7: Universal Social Protection		
ILO Country Programme Outcome:	BDI202: Les cadres réglementaire et institutionnels de la protection sociale sont renforcés.		
Sustainable Development Goal:	SDG 1: End poverty in all its forms everywhere		
Preparation and Review			
Report prepared by:	Callixte Nkurunziza and Aurélie Klein, 24/01/2024		
Report reviewed by:	Jasmina Papa, 31/01/2024		
Report approved by:	Caroline Khamati Mugalla 14/02/2024		

1. Country context

Burundi is considered one of the poorest countries in the world, with a human development index ranking in 2021 of 187/191. Poverty remains an important challenge, with 87 per cent of the population living below the international extreme poverty line (1.9 US\$) and 62.8 per cent below the national poverty line according to the 2019–2020 household living conditions survey, "Enquête sur les conditions de vie des ménages" (ECVM).

Moreover, it is indicated in the ECVM report of 2019–2020 that employment in Burundi is largely concentrated in the informal sector (90.7 per cent) and the majority of informal jobs (56.3 per cent) are held by women. Access to social protection in Burundi remains insufficient. The social protection landscape includes contributory social insurance covering pensions and employment injury, managed by the National Social Security Institute (INSS) for the private and para-public sector and the National Office for Pensions and Occupational Risks (ONPR) for the public sector. Based on data collected through the Social Security Inquiry, only 4.7 per cent of the working-age population (in the 15 to 64 age group) are contributing to a pension scheme and are covered against occupational risks. Social health protection is provided through several schemes, including: the Health Insurance Fund for the Public Sector (MFP) covering 7.3 per cent of the population; the Health Insurance Fund for Private Sector (MSP) covering 0.5 per cent of the population; various community-based health insurance schemes covering 2 per cent of the population; and the Medical Assistance Card covering 23.2 per cent of the population (Enguête Démographique de la Santé, 2016–2017). Besides these, several social assistance programmes support the most vulnerable, provide free healthcare and medicines, support education (free schooling, school canteens and school kits) and also assist victims of environmental shocks. Comprehensive information on coverage across all schemes remains difficult to compile owing to the high level of fragmentation of the sector and its financing. In the face of this, Burundi has recently adopted the Social Security Inquiry (SSI - see below) as its data collection tool for the social protection sector, which will help in the collection and reporting of comprehensive data on social protection coverage. Based on the Government's budget, public spending on social protection is expected to amount to around 6 per cent of the public budget in 2023/2024, compared to 9 per cent in 2022/2023.

In 2023, Burundi has continued the revision process of the National Social Protection Policy. The Policy constitutes an important step towards a more comprehensive rights-based social protection system across the life cycle. The Policy's first component reflects the life cycle approach by identifying different measures to improve protection for children, the working age population and the elderly. Measures are very comprehensive and cross-sectoral, including a focus on education, support for the economic integration of youth, support to agricultural and solidarity groups and public works programmes, among others. The second component of the Policy focuses on transversal issues, including social health protection, specific protection of vulnerable groups, protecting populations against environmental shocks and strengthening the governance of the social protection sector.

The Policy provides an overarching framework for the social protection sector for the next 10 years, bringing together contributory and non-contributory schemes. While fragmentation and duplication of different programmes are identified in the Policy as a challenge, specific measures for addressing them still have to be developed. A further challenge is financial sustainability. The National Social Protection Strategy, which will guide the Policy's operationalization, is still under development and specific quantitative objectives and related costing have yet to be developed. The Permanent Executive Secretariat of the National Social Protection Commission (SEP/CNPS) submitted both the Policy and the Strategy to the Government in mid-2023, but both documents are still awaiting approval by the Council of Ministers.

The revision of the National Social Protection Policy and the National Social Protection Strategy underline the strong commitment of the Government of Burundi to increasing social protection coverage. In parallel, the Government of Burundi is developing a Universal Health Coverage Financing Strategy, which proposes three strategic and ambitious options for achieving universal coverage. A high-level national dialogue on financing the health sector in Burundi, which will gather all stakeholders including multilateral and bilateral partners, is in preparation.

However, the sustainability of social protection interventions is a concern given the limited fiscal space and the still politically challenging situation in Burundi. Contributory schemes are not exempted from those challenges. A new regulation increasing the replacement rate to 100 per cent for pensions of workers in the public sector, including members of the police, army and the Government's contractors affiliated to the National Social Security Institute (INSS) puts seriously at risk the financial sustainability of the contributory scheme managed by the INSS. This could also jeopardize the development of new schemes, such as family or unemployment benefits and their extension to the informal economy as proposed by the revised national Policy.

2. Progress report

A ministerial ordinance for the creation of the project steering committee was adopted by the Ministry in charge of social affairs on 27 March 2023. The project steering committee's first meeting to approve the annual work plan took place on 24 May 2023. This committee is composed of seven members representing different institutions such as the Ministry of National Solidarity, Social Affairs; the Gender and Human Rights (represented by the minister's Permanent Secretary, who is the Chairperson of the committee); the Employers' Association of Burundi (AEB); the Confederation of Trade Unions of Burundi (COSYBU) - respectively the most representative employers' and workers' organizations; the Permanent Executive Secretariat of the National Social Protection Commission (SEP/CNPS); the Ministry in charge of labour; and the National Social Security Institute (INSS). The Belgian Embassy, World Bank and UNICEF are also members of this committee and have observer status. The tripartite steering committee to guide at technical level the study on the extension of social protection to workers in the informal economy was officially established on 2 May 2023.

Outcome 1. In Burundi: The design of a social protection scheme responding to the needs and priorities of workers in the informal economy and other vulnerable groups is developed and endorsed by the Government and social partners

Output 1: Feasibility studies defining the parameters, institutional arrangements, and incentives for the participation of workers in the informal economy are validated by ILO constituents and other organizations representing the target population

Support for the review of the policy, legal and institutional framework for social security in Burundi In addition to the support provided for the review of the National Social Protection Policy and its implementation Strategy, the ILO in collaboration with UNICEF supported constituents to prepare terms of reference and to hire a national and international consultant to develop a feasibility study on the introduction of family benefits, comprised of a contributory scheme for the private sector and a noncontributory scheme for the most vulnerable under the framework of a long-term vision to achieve universal coverage. The study will propose different options for gradually increasing coverage and include cost estimates and financing options. These various options will also be assessed in relation to their impact in terms of poverty, inequalities, inclusion and gender equality. Focusing on the formal sector, the study will propose the development of a specific scheme as defined by the Social Protection Code and which is aligned with ILO standards. The study results are expected to become available in the second quarter of 2024 and will support national stakeholders in developing a road map towards universal child benefits. In addition to the support initially envisaged, tripartite partners have also requested support in updating the current occupational diseases list used by INSS and the National Pension and Occupational Hazards Authority (ONPR) to provide occupational hazard benefits. This list, adopted in 1977, no longer reflects current labour market realities, which results in under-declaration of occupational diseases and therefore reduces the level of effective coverage for beneficiaries of this scheme. A capacity-building workshop was conducted on 18 July 2023 with support from the ILO Occupational Safety and Health specialist (OSH) from the Decent Work Team in Pretoria and the respective department in Geneva. The workshop was aimed at constituents and social security bodies and covered 35 participants including from eight ministries (that is, the Ministry in charge of labour; the Ministry of public health; the Ministry in charge of domestic affairs; the Ministry in charge of social affairs; the Ministry in charge of agriculture; the Ministry in charge of education; the Ministry in charge of energy; and the Ministry in charge of commerce); the AEB and COSYBU; the National Social Dialogue Commission (CNDS); five social security bodies, namely: the INSS; the ONPR; the health insurance for public servants, or Civil Service Mutual Fund (MFP); the Health Insurance for the Private Sector (MSP); and the Permanent Executive Secretariat of the National Social Protection Commission (SEP/CNPS). The workshop led to the establishment of a tripartite technical committee in charge of updating the occupational diseases list. The activities of this committee are scheduled for February and March 2024.

Feasibility study on the extension of social security to workers in the informal economy, drawing linkages and lessons from existing health insurance schemes and other interventions in the informal sector

Under the supervision of a technical tripartite steering committee, a feasibility study on the extension of social security to workers in the informal economy was conducted by a team of two consultants (national and international) with inputs from the ILO project team, as well as the social protection specialists of the Decent Work Team in Pretoria and at Headquarters, to ensure alignment with ILO standards. The study identifies recommendations for addressing legal, administrative and financial barriers to the extension of social protection coverage to informal workers and it is intended that the recommendations will benefit the INSS in its efforts to increase its membership among informal workers. Recommendations derived from the study also focus on closer alignment of the proposed benefits with the priorities of informal workers by proposing adjustments to existing schemes and exploring the feasibility of complementary savings schemes. The recommendations stemming from the study have benefited from further inputs and validation by the tripartite steering committee in charge of the follow-up. The report is currently under finalization and a workshop is planned for February (see the following section below) to support constituents to develop a specific road map for the extension of coverage within the framework of the recommendations.

Support to the National Social Security Institute (INSS) and the Permanent Executive Secretariat of the National Social Protection Commission (SEP/CNPS) to extend social security coverage

The feasibility study on the extension of social security to workers in the informal economy revealed a number of obstacles faced by this category of workers and proposed a series of options to address these gaps. The ILO, in collaboration with the Permanent Executive Secretariat of the National Social Protection Commission (SEP/CNPS) and social partners, have approved terms of reference for a twoday-long capacity-building session scheduled for February 2024. The workshop will share international experiences in the extension of social protection, as well as on ILO guidelines and standards, among all stakeholders including SEP/CNPS, INSS and social partners. The workshop participants will develop a road map of specific actions to be implemented in the short and medium term for increasing coverage.

Feasibility of piloting social health insurance/community-based health insurance schemes in selected sectors

Under the leadership of the Prime Minister's Office, the Government of Burundi is currently supporting stakeholders in the development of a Universal Health Coverage Financing Strategy. It is anticipated that the Strategy will also feed into the National Social Protection Policy and Strategy. Despite several rounds of technical consultations, the prospective Financing Strategy is still awaiting approval. While waiting for this approval, the project will identify specific activities for 2024 that can contribute to improving social health protection access for workers in the informal economy.

Output 2. Increased awareness of key stakeholders of the importance of social protection to support the implementation of the National Development Plan 2018–2027

Policy and advocacy briefs on building a comprehensive and sustainable social protection system, including social health protection, in Burundi

The draft Universal Health Coverage Financing Strategy proposes a consolidation of different schemes in the health sector through the development of a basic health insurance. Such a health insurance already exists in the private sector, created by the social partners. However, the private sector social insurance faces difficulties in increasing its coverage owing to competition by commercial insurances and non-compliance by companies offering insufficient coverage to low-earning workers that often does not cover workers' dependants, and which therefore amounts to a breach of the Labour Code. The ILO supported the organization of a joint advocacy workshop by the most representative workers' and employers' organizations (namely, COSYBU and AEB) on the management of basic health insurance for the private sector, which was held on 14 August 2023.

This workshop brought together 35 participants representing decision makers and various stakeholders and partners, including the Belgian Embassy and WHO. Building on discussions on outstanding issues in the process of drafting the National Social Protection Policy and the Universal Health Coverage Financing Strategy, the following four topics were developed to guide the workshop's deliberations: (1) challenges related to basic health coverage in the private sector in Burundi (presented by AEB and COSYBU); (2) mechanisms and principles for management of basic health insurance schemes (presented by ILO expert); and (3) options to manage basic health insurance for the private formal and informal sector as a component of universal health coverage. Discussions during the workshop highlighted how the proposed options under the Universal Health Coverage Financing Strategy will contribute to better access and cost-effectiveness under the Social Health Insurance for the Private Sector. The workshop resulted in an agreement between social partners and the Government, through the Executive Permanent Secretary of the National Social Protection Commission, to develop a new ministerial ordinance designating the Social Health Insurance for the Private Sector as the compulsory basic insurance in this sector, in line with the proposals by the Strategy.

Support to the development of information, awareness-raising campaigns and communication materials/toolkits on social protection, including the social protection law.

Based on a proposal by the ILO, the SEP/CNPS reached out to other UN agencies and partners to jointly organize a National Social Protection Week event in Gitega between 8 and 10 October 2023. The event represented an opportunity to raise awareness concerning social protection among higher-level public institutions, including the President's Office; members of Parliament and the National Social Protection Commission; and social partners (AEB and COSYBU). Also involved, were representatives of different sectoral ministries concerned with social protection implementation, such as the Ministry of Finance, Budget and Economic Planning; the Ministry of Public Health and the Fight against AIDS; the Ministry of Public Service, Labour and Employment; the Ministry of National Solidarity, Social Affairs, Gender and Human Rights; the Ministry of Interior, Community Development and Public Security; and the Ministry of Education along with

other development partners, including local and internal NGOs, UN agencies (UNICEF, WHO, WFP, UNHCR) and the World Bank. The ILO project team contributed through presentations on ILO standards and international frameworks on social protection, principles for the management of social protection institutions, experiences in extending social health protection to informal workers as well as ensuring coordination across social protection schemes. This high-level workshop allowed all stakeholders to share their views about the current system, highlight the main gaps and develop invaluable recommendations with specific actions to make the social protection system comprehensive, well-coordinated and resilient. Among other courses of action, the workshop recommended the following measures: i) continue advocacy for rapid adoption of the National Social Protection Policy and the Universal Health Coverage Financing Strategy; ii) develop a road map for the extension of social security to workers in the informal economy; iii) develop a legal framework for social protection financing; and likewise, develop a regular reporting schedule concerning progress made in terms of social protection coverage by the existing system within the framework of SDG 1.3.1 and using SSI, and similar measures.

The ILO is supporting the SEP/CNPS to develop communication materials to increase awareness about existing social protection schemes, as well as knowledge of how to access them, so as to improve effective utilization. Materials will include messages in audio and video format for seven selected social protection programmes, which will be broadly disseminated using various channels (including social media) that highlight characteristics of each programme, target populations, eligibility criteria, types of benefits and procedures for enrolment and benefit claim. The terms of reference for this activity have been validated by the SEP/CNPS and social partners and the materials are expected to be finalized by the second quarter of 2024.

The development and dissemination of a policy brief on the National Social Protection Policy are envisaged once it has been adopted by the Council of Ministers.

Output 3. Social protection stakeholders and agencies have the capacities and tools to effectively drive the horizontal and vertical extension of coverage towards building social protection floors

Capacity-building

A training session on social health protection in collaboration with WHO and P4H was conducted from 31 January to 2 February 2023 by the project team with the support of the ILO social health protection experts from the Decent Work Team in Dakar and Headquarters. This training targeted 36 participants selected from among different stakeholders involved in the ongoing process of development of the Universal Health Coverage Financing Strategy. Among these participants were the Prime Minister's Office; the Ministry of National Solidarity, Social Affairs, Gender and Human Rights; the Ministry of Finance, Budget and Economic Planning; the Ministry of Public Health and the Fight against AIDS; the Ministry of Public Service, Labour and Employment; and the SEP/CNPS, as well as the following: the most representative organizations of employers (Employers' Association of Burundi, or AEB) and of the workers (Confederation of Trade Unions of Burundi, or COSYBU); the Health Insurance for the Private Sector (MSP); the National health Insurance for the Public Sector (MFP); and the National Platform for the Community-based Health Insurance (PAMUSAB), as well as key development partners, such as UNICEF, Enabel and Cordaid. The participation of the stakeholders in the training contributed to the generation and development of ideas for creating the draft of the implementation road map of the Universal Health Coverage Financing Strategy. These ideas include conducting a study on population classification for the informal sector to determine the contributory capacity of households; developing a legal framework; establishing universal health coverage; establishing

a legal framework on compulsory basic health insurance; and conducting an inclusive dialogue for defining the basic package for universal health coverage, and so on.

The ILO has supported a representative from the SEP/CNPS and the National Institute of Statistics to participate in a regional training on the collection and use of social protection coverage statistics, including through the SSI. This training forms part of the ILO's Africa Regional Strategy for Social Protection, which puts a strong emphasis on better data collection. Thanks to the training, up-to-date information on coverage has been collected for Burundi and this will be published and disseminated through the World Social Protection Report, as well as on the ILO Social Protection Data Dashboard. Furthermore, the SSI (excel version) has been approved as the national reporting form for all social security programmes to the SEP/CNPS, which will use this information to update the online SSI on a regular basis.

Costing of the national social protection floor and fiscal space analysis for Burundi, including poverty impact analysis, as part of the National Social Protection Policy and its implementation plan

The National Social Protection Strategy is very ambitious and comprehensive. A rapid initial costing is anticipated, but additional needs for more detailed financial analysis are likely. The development of a financing strategy for social protection and advocacy for adequate financing has also been identified as one of the recommendations from the study on the extension of social protection to informal workers. The project will contribute through an update of a study on innovative financing sources for social protection in Burundi that was conducted in 2014. The updated study will provide options to extend fiscal space to finance social protection within the universal approach provided for by the revised National Social Protection Policy.

OUT	OUTPUTS: Overall delivery assessment ¹				
	Highly satisfactory Implementation of almost all (>80%) outputs is on schedule as envisaged in the implementation plan and almost all (>80%) indicator milestones have been met.		Satisfactory Implementation of the majority (60-80%) of outputs is on schedule as envisaged in the implementation plan and the majority (60-80%) of indicator milestones have been met.		
	Unsatisfactory Some (40-60%) outputs are being implemented on schedule as envisaged in the implementation plan and/or only some (40- 60%) indicator milestones have been met.		Very unsatisfactory Few (<40%) outputs are being implemented on schedule as envisaged in the implementation plan and/or only a few (<40%) indicator milestones have been met.		

¹ This is a self-assessment.

Summary outcome(s)

See the table <u>here</u>.

Gender and non-discrimination

The ILO is advocating for a rights-based and gender-responsive approach to social protection. Schemes taking into consideration the needs of different groups and aiming at universal coverage are at the heart of this approach. Non-discrimination is also reflected in the principles of the ILO Recommendation No. 202. These principles guide all interventions of the project, and the project team actively advocates for their inclusion in policy documents, such as the National Social Protection Policy, and raises awareness of their importance in the various capacity-building activities.

The National Social Protection Policy highlights challenges encountered by women and girls and other vulnerable groups. The section of the Policy on cross-cutting issues identifies specific measures to be taken to cover vulnerable groups, including reintegration of marginalized groups, specific support for persons with disabilities and/or with chronic illnesses such as HIV, and the protection and socio-economic integration of women. These measures complement the integration of women and vulnerable groups into other existing schemes.

In the course of collecting the data for the SSI, special attention was also given to collecting disaggregated data, not only by gender but also for certain vulnerable groups.

3. Collaboration and partnerships

The ILO has provided input to the new UN Sustainable Development Cooperation Framework for Burundi, ensuring that the document reflects international labour and social protection standards. In the context of the social protection programme, the ILO is closely collaborating with UNICEF and the WHO under the umbrella of the P4H network. This includes the joint organization by the ILO/WHO of the capacity-building of health social protection and co-funding of technical workshops related to the updating of occupational diseases list; the financing (by ILO/UNICEF) of the ongoing feasibility study on family benefit; and the cofunding with Enabel of the celebration of the World Day for Safety and Health at Work. There is also ongoing discussion with Enabel for joint support in building capacities of constituents on international labour standards.

Strengthening social protection is an important priority for the Employers' Association of Burundi (AEB) and the Confederation of Trade Unions of Burundi (COSYBU), which are respectively the most representative employers' and workers' organizations. Both entities form part of technical steering committees piloting the extension of social protection to workers in the informal economy and child benefits. Furthermore, they have also benefited from support by the project to conduct a joint advocacy workshop on the management of basic health insurance for private sector workers.

4. Main challenges and corrective actions

Several project activities are contingent upon the approval of the National Social Protection Policy or the Universal Health Coverage Financing Strategy. Such activities include the feasibility of piloting social health insurance/community-based health insurance schemes; and the development of advocacy and policy briefs, as well as the development of awareness and communication tools. In close coordination with national

counterparts, the project team will identify activities envisaged under these frameworks, which can already help ILO constituents to prepare for their implementation as they wait for the final approval of the documents.

Within the above context, consultations with tripartite partners identified minor adjustments to activities contained in the initial proposal. These changes will be submitted to the steering committee for additional guidance and approval.

5. Summary and outlook

The project provided important support on the policy level through contributions to the revision of the National Social Protection Policy and advocacy around the Universal Health Coverage Financing Strategy; at the level of scheme design, it gave support by sharing the findings of the study on the extension of social protection to workers in the informal economy and through various workshops on capacity-building and awareness-raising workshops. The project team successfully promoted an approach based on ILO standards. This was also achieved through vigorous collaboration with other UN agencies, such as the joint support to the organization of the National Social Protection Week. The ILO has built up strong relations with SEP/CNPS as well as with social partners, in order to jointly promote a comprehensive and integrated social protection system.

The project expects to finalize activities by the third quarter of 2024. This will also include the development of a road map for the extension of social protection to workers in the informal economy, which can be taken forward through the project should an extension be granted or which might hopefully be taken on by other initiatives.