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# Good Practices in Social Security

Good practice in operation since: 2007

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## **Social Security: Outreach to all (Strategy of extending social security coverage)**

A case of the Social Security Corporation

**Winner of the ISSA Good Practice Award – Asia and the Pacific competition 2009**

**Social Security Corporation**  
Jordan

## **Summary**

*Stemming from the social and economic responsibility shouldered by the Jordanian Social Security Corporation (JSSC) at the national level, and in line with its efforts to extend social security coverage to all those working inside the Kingdom and Jordanians abroad, JSSC kicked off its strategy with the aim of extending social security coverage inside and outside the Kingdom.*

*The Strategy is based on three key components:*

- *extension of social security coverage based on geographic areas to cover enterprises hiring less than five workers;*
- *JSSC Ambassador to reach Jordanians working abroad through Jordanian embassies/consulates and mobile office, and*
- *redefinition of the Insured Person in the Social Security Law to avail the right for JSSC to cover employers, housewives, the self-employed, agricultural workers, fishermen, and those working in the informal sector.*

*The extension of social protection calls for a dynamic approach through the design of a national social security policy grounded in the concept of the partnership between different actors, state, local, and other strategically partners. In fact, this experience can be rolled out to all social security institutions that seek to extend coverage, taking into account the respective context of each country.*

## **CRITERIA 1:**

### **What was the issue/problem/challenge addressed by your good practice?**

The Jordanian Social Security Corporation (JSSC), among other social security schemes in the developing countries, faces the challenge to extend social security coverage to all workers in small enterprises and previously excluded groups which at early years of the scheme were seen difficult to cover; housewives women, students, employers, the self-employed, and those working in the informal sector. Failure to meet this challenge entails a negative impact on the social protection level in the country. JSSC's data as at 31 July 2009 reveals that total workers covered by social security stood at 808,000 insured persons, constituting around 44.6 per cent of the workforce and 49.9 per cent of employed persons in the Kingdom. In addition, this strategy goes hand in hand with the fact that employment structure in Jordan remains to be dominated first by small private sector firms.

Thus, we can conclude that the main challenges that JSSC faces in extending coverage are:

- a remarkable portion of workers not covered by social security are employed in small enterprises, many of which are in the informal sector;
- a considerable number of Jordanians are working abroad, especially in Arab Gulf countries; and

- the current Social Security Law excludes some working group.

## **CRITERIA 2:**

### **What were the main objectives and the expected outcomes?**

The main objectives of this Strategy are to raise the number of those covered by social security and realizing more social solidarity. To this end, JSSC has put in place the following initiatives:

#### **Extension of Social Security Coverage based on Geographic Areas**

Started on 1 November 2008, this initiative is aimed to cover a rate of 80 per cent of enterprises in the Kingdom employing less than five workers by the end of 2011. The number of enterprises targeted under this initiative counted for 150,000 enterprises hiring approximately 340,000 workers. Prior to this initiative, the social security scheme was applicable to all firms hiring five workers and more since 1 July 1987.

#### **JSSC Ambassador**

Known as JSSC Ambassador, the Social Security Mobile Office and JSSC's offices in the Jordanian embassies/consulates are aimed at reaching all Jordanians working abroad, especially in countries where Jordanian workers are being excluded from social security protection.

#### **The new Social Security Draft Law**

As an approach to extend social security coverage, this initiative is aimed at enabling JSSC to cover previously excluded groups; employers, housewives, agriculture workers, and fishermen. The government has recently approved of the cessation of applying social security law to these groups and of expanding the definition of the "Insured" to cover any person under the social security act; hence it can cover non-wage earners.

## **CRITERIA 3:**

### **What is the innovative approach/strategy followed to achieve the objectives?**

In order to ensure the optimal implementation of this strategy, JSSC has set a plan of action that includes legislative amendments, and intensive field work to reach insured persons and workers inside and outside the Kingdom. Based on feasibility studies carried out by JSSC's Studies and Research Directorate, a coordinated and well-planned strategy was laid down to achieve the following initiative:

#### **Initiative of Extending Social Security Coverage based on Geographic Areas**

As a first step, this initiative was launched in the special economic zone of Aqaba (Southern part of the Kingdom). Under the slogan "The umbrella of protection is getting larger... and the tip of the iceberg Aqaba;" Aqaba was chosen for being a restricted economic and geographic area with organized logistics and availability of data. It is also known for the highest rate of job opportunity generation in the Kingdom estimated at 12.1 per cent.

The following procedures used to achieve this initiative:

- create a cross-functional task force with membership of representatives of all administrative levels;
- simplify operational procedures for covering enterprises, and mobile technology was applied by using Personal Digital Assistants (PDA);
- conduct a survey study to identify opinions and points of views of employers and workers regarding coverage by the social security;
- cooperate with public and official bodies inside the targeted geographic area;
- divide the targeted geographic area into sub-areas, to each of which is assigned an inspection team;
- launch a media campaign in the targeted geographic area and involve students in this campaign;
- place booths in the geographic area which were provided with employees and equipped with the technological infrastructure required to facilitate the coverage process and respond to inquiries.

#### **JSSC Ambassador Initiative**

- Opening offices in Jordanian embassies/consulates in countries where the number of Jordanians working there is considerable.
- Creation of Social Security Mobile Office staffed by representatives of different administrative levels.
- Partnership and cooperation with the private sector by having a sponsor of JSSC Ambassador in the targeted country, and with the Jordanian missions.
- Train employees of the sponsoring agency on mechanisms and procedures of voluntary coverage.
- Kicking off a media campaign in the targeted country to introduce and raise awareness of the role of JSSC Ambassador through mass media means.
- Providing required logistics.
- Installing the technological infrastructure required to implement this initiative. JSSC used web applications through its website to enable Ambassador task forces to have immediate access to the updated database on the spot.

#### **The Social Security Draft Law**

In line with the objectives of the Universal Declaration of Human Rights regarding the right of everyone, as a member of society, to have social security, and calls of the International Labour Office (ILO) as well as the International Social Security Association (ISSA) on extension of social security coverage to all, JSSC embarked on drafting the new law which includes re-definition of the insured person to be any person instead of "the worker" in order to pave the way to cover employers, housewives, the self-employed, and students. Other amendments are also introduced to help JSSC reach a wider range of workers, including agricultural workers and fishermen.

**CRITERIA 4:****Have the resources and inputs been used in an optimal way to implement the practice?**

In order to ensure optimal use of financial and human resources during implementation of this Strategy's initiatives, JSSC adopted the following measures:

- set an integrated plan of action including procedures and mechanisms of implementation; key performance indicators were identified;
- involve private sector partners during planning and implementation phases of each initiative;
- orientate and train concerned employees and external partners on mechanisms and procedures to implement these initiatives;
- allocate the estimated expenses in JSSC's annual budget to implement these initiatives;
- install IT required infrastructure.

**CRITERIA 5:****What impact/results have been achieved so far?**

The Strategy to Extend Social Security Coverage resulted in a tangible impact on the increase in the rates of coverage (enterprises and insured persons).

Following are the results achieved so far in this respect:

**Initiative to Extend Social Security Coverage based on Geographic Areas**

- Number of enterprises that have been covered since the initiative inception on 1 November 2008 in Aqaba totaled 1,817 out of 2,196 enterprises hiring less than five workers.
- Considered as a pilot project to extend coverage in Aqaba, JSSC analyzed strengths, weaknesses, and opportunities before attempting replication thereof in the other parts of the Kingdom.
- Following Aqaba Special Economic Zone, JSSC is now taking final actions and preparations to go to another geographic area to the north of the Kingdom (Irbid); expected to start on 1 November 2009. About 26,000 enterprises will be targeted in this area.

**JSSC Ambassador Initiative**

- The number of voluntary contributors increased from 27,476 as at the end of 2006 to 41,176 in mid 2009.
- JSSC Service Delivery System has been developed and resulted in raising the clients' satisfaction to reach 87 per cent as at the end of 2008.
- Procedures of work are developed and the burden on the insured person is eased due to the introduction of Internet banking service instead of SWIFTS. This step is aimed at

ensuring depositing financial payments promptly as well as maintaining continuity of voluntary contribution.

### **The Social Security Draft Law**

As an approach to extend social security coverage, the draft law has included coverage of previously excluded groups. It was approved by the JSSC's Board of Directors and by the Cabinet of ministers; it is now being discussed with the Parliament members.

## **CRITERIA 6:**

### **What lessons have been learned?**

JSSC could learn the following lessons that will be factored in along the forthcoming implementation stages:

#### **Initiative to Extend Social Security Coverage based on Geographic Areas**

- Extending social security coverage requires pooling legislative and administrative efforts and actionable initiatives to reach insured persons and workers at their whereabouts.
- Gradual targeting of geographic areas has availed JSSC larger opportunities for success in extending coverage.
- Launching groups-targeted media campaigns to raise awareness of both the worker and employer of the importance of social security in protecting them.
- Highlighting a certain geographic area created further attention to this project.
- It is desirable that all agencies involved in social security should work together to plan an extension strategy.

#### **JSSC Ambassador Initiative**

- Importance of external stakeholders and strategic partners, and involving them in the Initiative to facilitate implementation.
- Emphasizing the deep attachment of Jordanians working abroad to their home country. Enhancement of social solidarity among all citizens wherever their job and residence sites are.
- Importance of interaction and communication with the insured persons and understanding their needs.

## **CRITERIA 7:**

### **To what extent would your good practice be appropriate for replication by other social security institutions?**

Applicable by any social security scheme seeking to extend coverage, this strategy has to be implemented in light of various aspects that affect effectiveness and efficiency of achieving intended objectives.

The most influential factors that should be taken into account are:

- employment structure;
- insurance awareness level;
- size of targeted geographic area, and
- legislative and administrative frameworks governing procedures of coverage.

There is not a single strategy that might fit all social security institutions as it depends on the national context and national strategy and on the political, economic, and social factors.