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Study on extending social protection in Senegal

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Summary

Only 7.5 per cent of the Senegalese population has any form of social protection. Social protection of workers in the formal sector (public and private) is provided by institutions who receive contributions from workers for the receipt of benefits. In addition to mandatory contributions, non-contributory benefits exist for certain sectors of the population and cash transfers are provided to children from birth up to five years of age as part of the poverty alleviation programme.

Despite numerous initiatives to assist the population, coverage levels remain relatively low. A priority is to extend coverage to workers in the informal sector. As a consequence, various community-based initiatives (mutual societies) have developed to help meet the financial costs of health-care expenditure. Workers have also implemented similar initiatives to complement existing benefits by creating socio-professional mutual societies. These initiatives have encouraged the development of other projects to extend social protection to workers employed in the artisanal/traditional fishing sector and to migrant workers. The most promising path to extend coverage is one that combines the mobilisation of stakeholders with a commitment from government to fully engage in the process and to provide material and financial support for measures to extend social protection. A growing number of private and public initiatives suggest the emergence of a truly coherent social protection system that is both wide-ranging and national in impact and capable of accelerating the expansion of coverage in Senegal.

Introduction

Senegal is situated at the extreme west of the African continent. It covers an area of over 197,000 km² and has an estimated population of 10,425,210 inhabitants. It is predominantly rural (58.5 per cent) with an urbanization rate of 41.5 per cent. The economically active population is currently estimated to be 3,699,831, or 55.3 per cent of the potentially active (aged 15–64) population, 56.4 per cent of whom are employed and 43.6 per cent unemployed.

The question of social protection has become, in the current context, a very topical one given the importance accorded to eradicating poverty by policy-makers. There is a strong correlation between poverty and vulnerability, i.e. between exposure to social risks and the capacity of populations to overcome these risks. The social protection deficit is patently obvious as borne out by the *Strategic document for poverty reduction* (DSRP II, para. 252) which states that "In Senegal, social protection measures cover only 7.8 per cent of the population in an environment characterized by the predominance of family businesses (in agriculture, crafts, etc.) and the spread of the informal sector, the main refuge of the jobless, particularly women."

This alarming observation has prompted the Senegalese Government to engage in a process to break with the patterns of the past and create conditions for the sustainable extension of social protection. At the end of 2005, the Government developed a National Social Protection Strategy (Stratégie Nationale de Protection Sociale (SNPS)), the main aim of which is to increase health-care coverage and medical insurance coverage from the current 20 per cent of the population to 50 per cent by 2015. The National Social Protection Strategy adopted in 2008 aims to achieve the following objectives:

- to provide a social protection system that protects the entire work-force and their dependants against sickness;

- to establish a national health insurance fund for workers in the informal sector and for pensioners;
- to establish a health-care protection system for vulnerable persons; and
- to provide social insurance systems for agricultural risks and other risks faced by workers employed in the informal sector, crafts, etc.

It is worth recalling that Senegal already has a formal social security system. However, this system was created for and serves only salaried workers and their families to protect them against the damaging economic and social effects caused, for example, by the partial or total loss of income or earnings capacity, either temporarily or permanently, or the inability to provide for their basic needs. The National Social Protection Strategy stresses that employment was, and still is, the fundamental criterion for accessing benefits provided within the framework of the social protection system, despite the gradual attempts made to address needy populations through health care and other social actions undertaken by social security organizations.

These efforts, however, are as yet insufficient to cover the social protection deficit, hence the need to envisage other ways to extend social protection to the most vulnerable members of society and, in particular, workers in the informal sector who are without social protection.

The objective of this paper is to present the recent advances made in the Senegalese social protection system. It comprises two main parts:

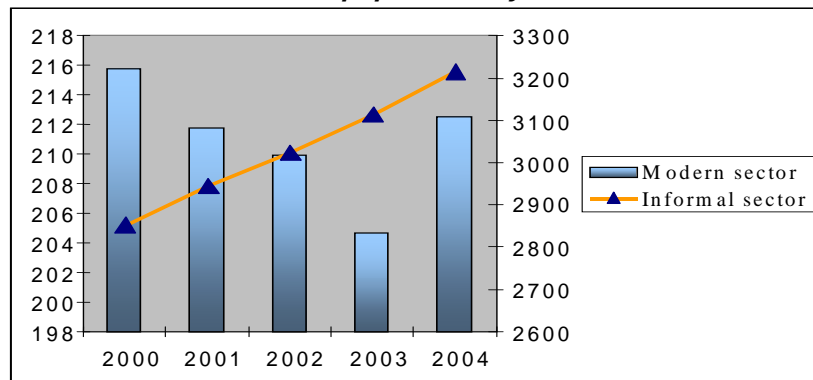
- the first part provides an overview of formal social security measures and an analysis of their impact on social coverage; and
- the second part examines Senegal's experiences in extending social protection and the principal lessons learnt.

1. An overview of social protection in Senegal

Social protection comprises a number of measures, some of which target salaried workers in the public and private sectors, whilst others serve to complement existing measures to increase the level of benefits offered. A number of new measures have also been implemented which target the most vulnerable populations and, in particular, those sectors of society who do not contribute to social security.

1.1. Socio-economic context

Figure 3.1 *Distribution of the active population by economic sector (thousands)*



Source: ANSD (2008).

Note: modern sector to the left.

Salaried workers represent 11.8 per cent of the economically active population which, in 2002, was estimated to be 3,491,694. There are 412,020 individuals are legally covered by social protection: 51,000 of whom are civil servants and 361,020 of whom are private sector salaried workers and public sector workers who are not civil servants. The active population is dominated by the informal market which is expanding (see figure 3.1). From 2000 to 2004, the informal sector grew from 2,853,100 to 3,213,400 workers, although there was a sharp decline in workers in the informal sector between 2000 and 2003 when their numbers fell from 215,700 to 204,700.

Table 3.1 shows the low level of national dependency and the positive change in the national dependence rate. The number of older persons covered by social security institutions remains relatively small. In 2007, there were an estimated 586,736 people aged 60 years and older. Statistics show that during the same period only 155,285 individuals were entitled to and received benefits from the Social Insurance Institute for Old-Age Pensions in Senegal (Institut de Prévoyance Retraite du Sénégal (IPRES)) and the National Retirement Fund (Fond National de Retrait (FNR)): 112,073 from IPRES and 43,212 from FNR respectively.

Table 3.1 *Changes in national dependency rates*

Years	Individuals aged 60 years or older (1)	Individuals aged between 18–59 years (2)	Rate of national dependence (1/2)
			%
2003	580,057	4,541,045	12.8
2004	579,604	4,719,426	12.3
2005	578,760	4,901,424	11.8
2006	580,508	5,083,161	11.4
2007	586,736	5,263,201	11.1

Source: ANSD (2008).

Household surveys on people's perceptions of poverty indicate that, in addition to lack of food, households consider health coverage to be a priority. Also, there is a higher incidence of poverty amongst children and the elderly than in any other category of the population. Table 3.2 presents the results from an EPPS survey in 2001 (Household Survey on Perception of Poverty in Senegal). Heads of households were asked to name the principal difficulties they face. Table 3.3 presents the incidence of poverty and poverty differential rates in the country.

Table 3.2 *Perceptions of poverty in Senegal (percentages)*

	Difficulties in feeding their households	Insufficient means to meet their needs	Lack of work	Lack of decent accommodation
Dakar	29.4	14.8	18.4	13.5
Rural centre	31.3	17.2	17.1	11.7
Total	30.3	16.3	13.3	11.8

Source: EPPS, 2001, Poverty Perception Survey.

Table 3.3 *Incidence of poverty and poverty differential rates in Senegal*

	Poverty incidence (census)			Difference in poverty (as a % of the poverty threshold)		
	Below the food poverty threshold	Below basic food needs threshold	Below the poverty threshold of US\$1/day	Below the food poverty threshold	Below basic food needs threshold	Below the poverty threshold of US\$1/day
Total	19.7	65.0	34.4	4.5	22.5	9.6

population						
Children (0–14 years)	20.9	66.7	38.5	4.7	23.1	10.9
Adults of working age (15–59 years)	18.4	63.3	30.7	4.2	21.9	8.5
Adults aged 60 years or older	20.8	66.5	35.2	4.6	23.1	9.4
Men	20.1	65.4	35.0	4.6	22.8	9.8
Women	19.4	64.7	33.9	4.4	22.3	9.5

Source: Behrendt and Gassmann (2006).

1.2. Analysis of social security performance

The Senegalese social protection system is characterized by a number of different institutions which provide social risk coverage for different sectors of the population according to age and position within the labour market. Nevertheless, the analysis in table 3.4 highlights the existence of important gaps in legal coverage for certain categories of the population. However, it would appear that legal coverage does not automatically mean that salaried workers are effectively covered. Consequently, it has been necessary to strengthen the actual level of coverage provided by existing social security systems.

The 11.8 per cent rate of salaried workers compared to the active working population, estimated to be 3,491,694 in 2002, equates globally to the rate of legal coverage. In absolute terms, the number of legally covered salaried workers is 412,020, 51,000 of whom are civil servants. The difference of 361,020 represents the number of private sector salaried workers and public sector workers who are not civil servants. The General Scheme of the IPRES is the pensions provider for these groups. In 2002, IPRES data showed that 171,115 salaried workers, i.e. 41.5 per cent of the total number of taxable workers, were registered with the IPRES. This reflects an evasion rate of 111 per cent. In other words, the number of workers who are legally covered but excluded from the social security system is greater than the number of officially declared workers.

Table 3.4 *Types of coverage in Senegal*

	Old-age pension	Dependent survivors	Disabled persons	Occupational accidents and diseases	Health care/treatment	Family allowances	Maternity benefits	Sickness benefit	Unemployment benefit	Other social assistance
Civil servants	FNR	FNR	State	State	State/mutual societies	FNR	State	(State)		
Private sector employees (formal sector)	IPRES–RG	IPRES – RG		CSS*	IPRES–RG PM Mutual societies	CSS	CSS			
Managers in the private sector (formal sector)	IPRES–RG IPRES–RCC	IPRES – RG IPRES – RCC		CSS	IPRES–RG IPRES–RCC IPM Mutual societies	CSS	CSS			
Workers in the formal sector					Mutual societies					Possible

Persons aged 65 years or older	Conditional upon previous status				Sesame Plan					Possible
People who are destitute										Possible

Source: Annycke (2008, p. 141).

Notes: * membership of the Social Security Fund (Caisse de Sécurité Sociale (CSS)) is mandatory for salaried workers in the private sector and public sector workers who are not civil servants. Membership is on a voluntary basis for workers in the informal sector, mainly in the agricultural sector, through the payment of contributions to the CSS.

IPM: Health Insurance Institutions (Institutions de Prévoyance Maladie).

IPRES–RG: Social Insurance Institute for Old-Age Pensions in Senegal General Scheme (Institut de Prévoyance Retraite du Sénégal, Régime Général).

IPRES–RCC: Social Insurance Institute for Old-Age Pensions in Senegal Supplementary pension plan for managers.

Unlike salaried workers, workers in the two dominant sectors of activity – "Agriculture, Stock-breeding and Forestry" and "Commerce" (who represent 73 per cent of the active working population) – are excluded from the scope of social security despite contributing more than a quarter of the country's GDP. Individual enterprises or households, representing 88.4 per cent of the working population in 2002, are also excluded from social security coverage (see tables 3.5 and 3.6).

Table 3.5 *Types of formal social coverage systems*

Risks	Types of persons protected	Forms of coverage	Funding	Persons with limited legal coverage/ Total population		Persons with legal coverage/ Active population		Registered protected persons/ Persons legally protected	
				2005	2006	2005	2006	2005	2006
Old age – survivors –death	Salaried	Mandatory	Contributive (employers and employees)	%		%		%	
				3.8	3.8	11.8	11.8	58.0	59.2
Occupational accidents/diseases (AT/MP)	Salaried	Mandatory	Contributive (employers)	3.8	3.8	11.8	11.8	58.0	59.2
Family allowances (PF)	Salaried	Mandatory	Contributive (employers)	3.8	3.8	11.8	11.8	58.0	59.2
Mandatory health-care insurance	Salaried	Mandatory	Contributive (employers and employees)	3.8	3.8	11.8	11.8	58.0	59.2

Source: Babou (2009).

Table 3.6 *Estimates of the number of people covered against the risk of sickness (informal and formal populations)*

	Persons covered	Managing organizations	Number of beneficiaries	Percentage of population covered
Non-contributory scheme	Public servants not employed by the State	Ministry of Finances	817 193	7.35
	Persons aged 60 years	State IPRES	555 69	4.87

	+ Sesame Plan Students	COUD	33	0.30
Voluntary contributions scheme	Members of health mutual societies	Health mutual societies	421.67	3.79
	Subscribers to private health-care insurance	Private insurers	24.5	0.22
Mandatory contributory schemes IPM	Private sector workers	IPM	400 149	3.6

Source: National Strategy for Health Risk Coverage, Senegal (2008).

Finally, as table 3.7 demonstrates, inequalities exist in terms of the adequacy of benefits between the different types of coverage and different categories of population. As a general rule, public servants receive a better quality of social coverage for comparable risks. Consequently, the average benefit paid by the FNR and the Social Security Fund (CSS) is far greater than the guaranteed minimum wage (*Salair minimum interprofessionnel garanti* (SMIG)). However, the average benefit paid by the basic IPRES scheme is less than the SMIG. In fact, the difference in the average benefit paid by the FNR and CSS, on the one hand, and the IPRES, on the other hand, increased from 66 per cent in 2003 to 83 per cent in 2006.

Table 3.7 *Comparison between the average benefit and the SMIG (francs CFA)*

Year	Average quarterly IPRES pension	Average monthly FNR pension	Average monthly CSS income	Monthly SMIG	IPRES TG	FNR TG	CSS TG
					%		
2003	71,408	100,103		36,243	65.67	276.20	0.00
2004	72,652	107,375		36,243	66.82	296.26	0.00
2005	88,244	111,870	39,784	36,243	81.16	308.66	109.77
2006	90,038	119,166	42,349	36,243	82.81	328.79	116.85

Source: IPRES, FNR, CSS, ANSD TG = average benefit/SMIG.

1.3 Mandatory social insurance for workers in the formal sector

Formal sector workers' social insurance is characterized by a range of different institutions which administer social insurance. In fact, the eight branches of social benefits offered in Senegal are managed by several institutions. Public sector workers, who are governed by Law No. 61-33 of 15 June 1961, which established the public service general statute, are covered by the National Pension Fund. Workers who are governed by Law 97-17 of 1 December 1997, which established the Labour Code, are covered by social institutions such as the CSS, IPRES and the IPM.

1.3.1 Mandatory social insurance for public sector workers

1.3.1.1 National Retirement Fund (FNR)

The FNR is a social insurance scheme for civil servants and public sector workers (see table 3.8). Membership of the FNR is mandatory for salaried workers who are civil servants and governed by Law No. 61-33 of 15 June 1961. This fund is administrated by the Directorate of Credit, Pensions and Annuities of the Ministry of Economy and Finance of Senegal (Direction

de la Solde, des Pensions et des Rentes Viagères (DSPRV)) and the Ministry of Economy and Finances (Ministère de l'Economie et des Finances (MEF)).

The FNR covers different categories of civil servants and their families: public sector workers who are not civil servants and railway employees who were governed by the former statutes, magistrates, teachers and professors, customs officers, the police force, the armed forces, civil servants employed in the national Fire Service, and the widows and orphans of these categories of public servants.

Table 3.8 Evolution of the number of salaried workers and pensioners affiliated to the mandatory retirement schemes

Years	Salaried workers	Beneficiaries	FNR dependency ratio	National dependency
			%	
2003	54,263	39,089	35.7	12.8
2004	56,476	39,671	34.7	12.3
2005	56,945	40,364	33.8	11.8
2006	57,256	41,652	34.7	11.4
2007	58,625	43,212	35.7	11.1

As stated above, FNR affiliation is mandatory and automatic. Contributions are deducted on a monthly basis and at source. The contribution rate is 35 per cent and is spread disproportionately between the employer (the State) and the employee. The FNR reform of 1 January 2002 increased employer (State) contributions from 20 to 23 per cent and reduced employee contributions from 15 to 12 per cent. It also expanded the contribution base to include the common elements of salaries paid to the different categories of public servants, namely, the special supplement, the living allowance and salary increases.

1.3.1.2 Health-care coverage

Health-care coverage for public servants is made through budgetary contributions. The State budget contributes 80 per cent, or four-fifths, of health-care costs, with the exception of medicines. Workers are required to contribute the remaining 20 per cent, or one-fifth.

1.3.2 Private sector workers

Private sector workers are governed by the Labour Code. The social protection framework comprises a number of different institutions who provide a range of social security benefits: the Social Security Fund (Caisse de Sécurité Sociale (CSS)), the Social Insurance Institute for Old-Age Pensions (Institution de Prévoyance Retraite du Sénégal (IPRES)) and the Health Insurance Institutions (Institutions de Prévoyance Maladie (IPM)).

1.3.2.1 The Social Security Fund (CSS)

The Social Security Fund manages three branches of benefits: family allowances, maternity (antenatal benefits and daily benefits) and occupational accidents and diseases.

In 2006, the family allowances branch registered 403,026 beneficiaries, comprising 103,509 families, 225,805 children, 4,363 widows and 69,349 children of widows. During this same period, the occupational accidents and diseases branch registered 3,360 beneficiaries. Within the Social Health and Family Action framework, 2,929 pregnant women received consultations and 1,379 pregnant women were immunized.

Contributions are transferable. They are deducted from the first day of employment and paid only by the employee. Family allowance contributions are 7 per cent. Contributions to the

occupational accidents and diseases scheme range from 1 to 3 per cent or 5 per cent according to the type of activity undertaken. Contributions are calculated according to the monthly salary and capped at Senegal CFA francs (XOF) 63,000. The contributions threshold is equal to the guaranteed minimum wage (SMIG) of 36,243 XOF per month or 209.10 XOF per hour.

Box 3.1: *Lessons learnt from extending CSS social security coverage to workers in the crafts industries*

In 1996, the CSS initiated a project to extend social protection to workers in the crafts industries. The project was short-lived due mainly to crafts people's mistrust of the scheme. Greater efforts are required to increase crafts people's awareness of the benefits of social security coverage. If this project is to succeed in the future, it will only do so if the more attractive aspects of the system are emphasized, e.g. the payment of benefits when a social risk occurs, etc. Stakeholders will also need to become more involved in the process by adopting an approach that is integrative, participative and progressive.

1.3.2.2 The Social Insurance Institute for Old-Age Pensions: IPRES

The Social Insurance Institute for Old-Age Pensions administrates three branches of benefits: old-age, disability and death, which are provided by two schemes: the General Retirement Scheme (Régime Général de Retraite (RGR)), membership of which is mandatory for workers governed by the Labour Code, and a complementary scheme for managerial staff (Régime Complémentaire Cadre (RCC)), membership of which is either through collective agreements or voluntary contributions.

In 2007, there were 17,017 affiliates from an active work-force of 203,241. Contributions are based on gross salary (salary and bonuses), excluding indemnities for the reimbursement of expenses. The contribution base¹ is capped at 256,000 XOF per month for the general retirement scheme (RGR) and 768,000 XOF per month for the complementary scheme (RCC). RGR contributions are set at 14 per cent of the contribution base – 8.4 per cent employer's contribution and 5.6 per cent employee's contribution – whilst RCC contributions are set at 6.0 per cent of the contributions base – 3.6 per cent employer's contribution and 2.4 per cent employee's contribution.

Box 3.2: *Lessons learnt from extending IPRES coverage to day workers*

IPRES implemented a project to extend social coverage to day workers following a decision taken by the IPRES Governing Board in October 1994 to extend membership of the scheme to day workers. However, the project was unsuccessful and, in 1999, five years after IPRES had started collecting contributions from day workers who were affiliated to the scheme and participants in the scheme, it was obliged to reimburse these contributions.

The failure of the project was due primarily to structural problems within IPRES. It was unable to process a number of salary declarations submitted by employers due to a lack of adequate administrative structures and IT systems. IPRES hopes to recommence this project; however, before doing so it will need to ensure that it has put adequate data processing structures in place.

Efforts will also be required to regain the confidence of these workers and their employers to encourage them to renew their IPRES membership. This will involve adapting the formal social security contributions system to these workers' requirements, the setting up of specific systems that are better able to meet the needs of these workers and the setting up of services that are exclusively dedicated to this category of worker.

Box 3.3: *The struggle to combat non-compliance*

The struggle to combat non-compliance is one of the Government's top priorities in matters of extending effective social security coverage to salaried workers. Consequently, a programme which targets social evasion (Programme d'urgence de lutte contre l'évasion sociale (PRULES)) is envisaged within the SNPS framework and will apply to all social security institutions. This programme will also involve a national campaign to increase the numbers of IPM affiliates (see below) and membership of the current schemes, and will involve educational, information and communication activities. The mechanisms to control and monitor affiliation of workers will also be strengthened under the PRULES programme.

1.3.2.3 Health Insurance Institutions (Institutions de Prévoyance Maladie (IPM))

The IPM system manages non-terminal and preventive medical health care. Unlike the IPRES and CSS which are unique structures, the IPM has a nuclear structure. There are currently 183 IPMs spread across Senegal, 166 of which (90.7 per cent) are located in the Dakar region. The IPM insures workers and their families against medical health-care costs for illnesses that are non-terminal and preventable. The contribution base is capped at 60,000 XOF per month and the maximum contribution rate is 6 per cent of the gross salary: 3 per cent contributed by the employer and 3 per cent by the worker, i.e. 1,800 XOF per month each.

According to the national health statistics collated by the Ministry of Health, annual IPM health-care expenditure is 8,413,887,685 XOF. The IPM, however, faces a number of difficulties. The obsolescence of the legislative and regulatory framework governing IPMs has led to differing practices between IPMs. Some IPMs have experienced financial difficulties due to imbalances between income and expenditure, whereas others have circumvented the traditional parameters which they consider inappropriate for the current context with regards coverage. The non-coverage of day workers and workers employed in the informal sector who feel excluded from IPM health-care insurance coverage has also further exacerbated the situation of IPMs.

In order to address these problems, the Ministry of Labour has commissioned a study with a view to reforming the mandatory health insurance scheme for salaried workers. The objectives of the study are:

- to evaluate the current provision of health-care coverage for salaried workers;
- to propose a global reform programme of the IPM mandatory health insurance scheme and its parameters;
- to define the administrative rules and norms governing social insurance institutions to improve governance;
- to conceptualize a method for regulating health insurance.

To summarize, the contribution-based benefits are mandatory and linked to employment. Deductions from workers' salaries to finance FNR, IPRES, CSS and IPM benefits are classed as mandatory deductions. While salaried workers have social protection, there are sectors of the population without any form of social protection. For this sector of the population the State has put in place non-contributory benefits.

1.4 Non-contributory public benefits

Non-contributory benefits take three different forms. Firstly, there are benefits to cover the risk of sickness; these benefits target persons aged 60 years and over (Sesame Plan (Plan Sésame)). Secondly, there are subsidies to cover the cost of certain types of medication and the

treatment of certain serious illnesses. Finally, there are the benefits for children from birth to 5 years of age that are currently being planned for the future.

1.4.1 The Sesame Plan

The Sesame Plan is an initiative of the President of the Republic of Senegal. In his speech to the nation of 3 April 2006, President Abdoulaye announced his decision to "provide free medicines for the elderly". There are 750,000 elderly people in Senegal, i.e. 7 per cent of the total population. This act, he added, "expresses the ideal of intergenerational solidarity which is characteristic of our people" (Ministère de la Santé, RAC, 2008).

The IPRES and FNR provide coverage to approximately 30 per cent of all elderly people in Senegal who number 750,000; the remaining 70 per cent are without any form of coverage. This extremely distressing situation prompted the Head of State to "instruct the Minister of Health and Medical Prevention to develop a medical care plan with partner organizations, such as the Social Insurance Institute for Old-Age Pensions, the National Retirement Fund, the Dakar Medical Faculty and local authorities, to provide free medical care to the elderly in hospitals and selected health-care centres and units throughout Senegal" (Ministère de la Santé, RAC, 2008).

A State subsidy of 700 million XOF has been earmarked to finance this new solidarity programme known as the "Sesame Plan". The IPRES will also release 300,000,000 CFA francs to make pre-payments to cover the hospitalization costs of pensioners across the national territory through pre-made agreements with hospitals.

This process is characterized by its participatory nature which has necessitated, on the one hand, the setting up of a commission to implement, monitor and promote the Plan and, on the other hand, the establishment of service-user committees to involve the elderly in the implementation of the Plan.

The Sesame Plan provides personal cover to those who are aged 60 years or over and who hold a National Identity Card (Carte Nationale d'Identité (CNI)). It is based essentially on the principles of free health care across all levels of the health pyramid (health units, health centres and the three different levels of hospitals) and the provision of free essential medicines.

1.4.2 Free health care and subsidies

1.4.2.1 Free childbirth, including by Caesarean section

Free childbirth is an important social policy within the health-care package for the disadvantaged groups of society. The high maternal and neonatal mortality rates – approximately 401 deaths for every 100,000 births – have led policy-makers to define policies to reduce mortality rates.

Moreover, Senegal has subscribed to the Millennium Development Goals (MDGs). As part of its commitment to Millennium Goal No. 4 to Reduce Child Mortality, Target 4, which aims to reduce by two-thirds the under-5 mortality rate, and Goal No. 5 to improve maternal health, policy-makers deemed it necessary to introduce free childbirth to encourage pregnant women to attend health centres and avoid, wherever possible, home births, which are often fatal for new-born babies.

Therefore, in order to reduce maternal/infant mortality rates, in January 2005 the Senegalese state began financing childbirth costs, including Caesarean sections, in Kolda, Ziguinchor,

Fatick, Matam and Tambacouda regions and subsequently rolled out this policy across the whole of Senegal, with the exception of the capital, Dakar.

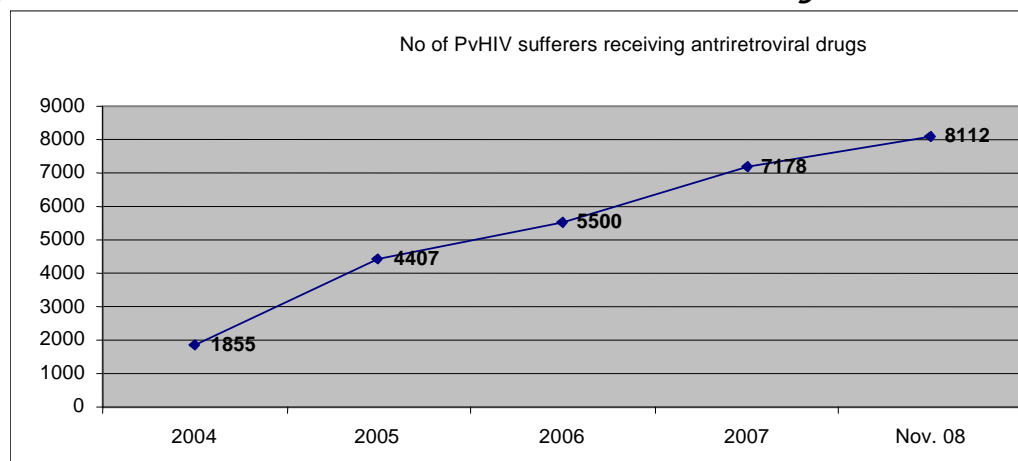
1.4.2.2 Free treatment for HIV/AIDS

The adoption of the Millennium Development Goals has been expressed through the pursuit of Millennium Goal No. 6 to stop the spread of HIV/AIDS and to reverse the spread of HIV/AIDS by 2015. In this regard, it should be noted that the objectives set for the period 2007–11 are as follows:

- to reduce the prevalence of HIV/AIDS to less than 2 per cent;
- to undertake 712,720 voluntary counselling and screening sessions (Conseils et Dépistages Volontaires (CDV)) and to reduce mother-to-child transmissions by 523,000 (Prévention de la Transmission Mère Enfant (PTME)); and
- to provide access to antiretroviral drugs (AntiRétroviraux (ARV)) for the 11,000 people suffering from HIV (PvHIV)/AIDS.

Senegal has one of the lowest HIV/AIDS rates of all the African countries. AIDS affects 0.7 per cent of the total population, 1.3 per cent of all pregnant women and 19.8 per cent of all sex workers. As part of the strategy to eradicate AIDS in Senegal, the Government has introduced a policy to make antiretroviral (ARV) drugs free of charge to persons infected with the disease. Currently, 8,112 seropositive sufferers of an estimated 61,000 cases receive free ARV drugs.

Figure 3.2 *Growth in the number of PvHIV sufferers receiving antiretroviral drugs*



Source: Ministère de la Santé, RAC (2008).

1.4.2.3 Free treatment of tuberculosis (TB) and leprosy

Millennium Goal No. 6, Target 3, adopted by the STOP TB Partnership Global Plan (Partenariat Halte à la Tuberculose) has been formulated as follows:

- to annually test at least 70 per cent of tuberculosis cases with positive microscopy TB and to cure 85 per cent of these cases;
- to reduce the prevalence of TB and TB mortality rates by 50 per cent by 2015; and
- to eradicate TB by 2050.

To achieve these goals, the Senegalese Government took the decision to make the treatment of TB free of charge. Statistics published by the Ministry of Health and Medical Prevention (Ministère de la Santé et de la Prévention médicale) show that in 2008 there were 7,383 new cases of TB and that an estimated 924 TB sufferers were receiving treatment.

In order to finance these programmes to provide free treatment to TB sufferers and people suffering from leprosy, the National Strategy to Extend Coverage of Health Risks to the Senegalese population² of August 2008 stated that a budget of 250 million XOF has been earmarked to provide coverage to 10,000 people.

1.4.2.4 Subsidies for expensive health care

Social policies in the medical field are not restricted to only providing free medical treatment for certain serious and chronic illnesses. They also include other serious illnesses such as cancer, kidney failure, diabetes, sickle cell, cardiovascular disease, etc.

The high costs associated with the treatment of these diseases have led the Government to implement a policy which subsidizes their treatment to make it more affordable for patients and so reduce the financial burden for sufferers. In 2006, government subsidies amounted to 310 million XOF.³

1.4.2.5 Extending social security cover to people living in extreme poverty

Senegal has implemented a number of measures to provide social security cover to people living in extreme poverty. The definition of a person living in poverty is someone who is without resources and who lacks the basic essentials to enjoy an adequate standard of living. To protect these populations against the risk of health-care costs Law No. 62-29 of 26 March 1962 relative to the certificates of impoverishment (Loi no. 62-29 du 26 mars 1962 portant sur les certificats d'indigence) enables persons with a certificate of indigence to obtain free health care in public health centres.

Hospital medical services, health centres, health units and stations, therefore, meet either all or some of the health-care expenditure of patients classed as social cases. The Social Action Directorate of the Ministry for Solidarity (Direction de l'Action sociale du Ministère chargé de la Solidarité) also allocates emergency funds to cover the health-care costs of persons in need. The Social Security Fund (CSS) and IPRES also provide periodic financial assistance to help those in need, regardless of whether they are affiliated to the CSS or IPRES.

1.4.3 Social transfers for children from 0–5 years

Poverty-reduction measures which focus on social transfers to infants can have a significant impact on reducing poverty and vulnerability in Senegal. It is estimated that children aged 0–5 years will represent 16.1 per cent of the total population in 2010 and 15.3 per cent in 2015 (approximately 2,448,000) (Samson and Cherrier, 2009). Poverty affects children disproportionately in comparison to other groups of the population; child poverty rates are significantly higher than in any other demographic group.

The aim of the programme is to encourage economic growth and a sustainable reduction in poverty. Its global objectives are:

- to reduce the damaging effects of high food prices in the short term;
- to reduce poverty in the medium term; and
- to prevent the intergenerational transmission of poverty in the long term.

As regards the amount of cash transfer paid, the feasibility study (Samson and Cherrier, 2009, p. 6) proposes: "the adoption of a sliding scale of benefits as a means to adjust for economies of scale. The benefit could be digressive with a smaller benefit granted for every additional eligible child. For example, 3,800 XOF for the first child, 3,000 XOF for the second child, 2,500 XOF for the third child and possibly 2,000 XOF for each additional child in order to

consider economies of scale associated with the number of children. Households with a large number of children will also be eligible for additional monitoring by social workers."

2. Other projects to extend social protection in Senegal

The extension of social protection in Senegal affects almost every sector of the working population and society. Workers in the informal sector who are not covered by social protection measures are implementing private initiatives to protect themselves against social risks, particularly the risk of health-care costs; whereas employee-based bodies are developing initiatives that will complement or increase the level of benefits they receive from traditional social insurance mechanisms.

2.1 Voluntary community-based initiatives

Community-based initiatives generally focus on health protection through mutual health societies.

2.1.1 Mutual health organizations

In light of the need for social protection, the Senegalese population has recourse to protective actions which focus on general health through the notion of a mutual society. Mutual societies (MS) are associations of voluntary persons who, through contributions from their members, are able to carry out preventive health-care actions as well as provide support and solidarity to members and their families to cover socio-health risks of individuals and their consequences.

The mutual health organizations are not-for-profit organizations; they prohibit profit-making and the non-distribution of surpluses to their members. These surpluses are ploughed back into the mutual society to strengthen coverage of its members with the aim of promoting their health care.

The objectives of the mutual societies are:

- to expand the level of social health protection;
- to reduce inequalities in social health protection risks;
- to facilitate universal access to quality health care and to reduce the cost of health care; and
- to improve the health of populations and to enable personal fulfilment.

The mutual societies' movement is based on four principles: solidarity, freedom, independence and democracy.

The principle of solidarity is the fundamental principle of the mutual society. It expresses the desire of members to resolve the problems of the individual through community action. Equality is at the basis of solidarity, and it implies equality of access to benefits provided for an equal need in the event of sickness. Solidarity is expressed through members' contributions to the mutual society for health care and the receipt of health care by members who fall ill. In general terms, the mutual society is a social pact between those who are sick and those who are "in good health", the young and the elderly, the rich and the poor, and between socio-professional groups to meet health-care costs.

The principle of freedom is firstly a freedom of expression between members of the mutual society. It also includes the freedom to join or leave the mutual society and, therefore, excludes any form of constraint and rejects any coercion of its members.

The notion of independence grants the governing body of the mutual society the latitude to steer the social mutual society, in accordance with the expectations of its members, in such a way that it is free from interference by public authorities, private organizations and pressure groups.

The principle of independence also enables the mutual society to enjoy organizational administrative and financial freedom. This freedom includes the freedom of initiative which firstly concerns the freedom to define its objectives, secondly, to determine the effective use of its resources and, finally, to adapt the services provided to meet the needs of members.

The principle of democracy rests on the freedom of members to elect, by direct vote, the individuals who will lead and manage their organization. The democratic principle means that each member is eligible to vote. The General Assembly is elected on the basis of a majority vote and the adoption of the correct voting procedures; these must conform to the statutes and internal rules established in this regard.

The mutual society movement in Senegal has engendered a certain amount of envy because of the opportunities it has created for members to overcome the risk of health-care costs. Table 3.9 shows the distribution of mutual societies across the national territory.

Table 3.9 *Summary of mutual societies across the country*

Region	MS In actual numbers	MS As a percentage
Louga	14	8.54
Diourbel	15	9.15
Dakar	42	25.61
Thiès	42	25.61
Kaolack	22	13.41
Fatick	7	4.27
Ziguinchor	6	3.65
Kolda	5	3.05
Saint-Louis	11	6.71
Total	164	100.00

The highest numbers of mutual societies are in Dakar and Thiès. These two regions have more than 25 mutual societies each, i.e. 61 per cent for each region. Regions such as Saint-Louis, Kolda and Ziguinchor, on the other hand, fall far behind Thiès and Dakar with only 6.71 per cent, 3.05 per cent and 3.65 per cent of the total number of mutual societies, respectively.

2.1.2 The advantages

Mutual health societies have enabled the population, and particularly the most disadvantaged members of society, to better meet the risk of sickness by improving access to medical care. In fact, medical care has become increasingly onerous and is unaffordable in the context of a crisis when the poverty threshold (2006) is estimated to be 19,990 XOF per month.

The only means of addressing these situations is to have recourse to insurance which is defined as an instrument that enables a group of people to share a risk through:

- pooling the finances of those who are exposed to risk; and
- solidarity between those who are not affected by the risk with the beneficiaries.

Health insurance is one of the best alternatives for ensuring the financing of health-care costs when needed. It enables:

- greater security in the event of illness;
- better continuity of treatments;
- a reduction in the time to access health care; and
- a reduction in financial exclusion, etc.

2.2 Special basic occupational schemes

Private professional initiatives are those developed by public sector workers who are not civil servants, truck drivers and employers working in agriculture and forestry.

2.2.1 Socio-professional mutual societies

The creation of socio-professional mutual societies is an expression of the desire of the members of a professional body to implement mutual society principles to reduce health-care expenditure considered to be too high. While civil servants have access to health care that is provided by the State, the State system covers only four-fifths of the expenditure of public sector workers who are not civil servants (hospitalization, consultations, laboratory analyses, etc.); pharmaceutical costs are not reimbursed by the State.

To reduce health-care costs, mutual health societies have been created by State employers to provide additional cover for medical costs. For example, social mutual societies have been created by customs officers, the armed forces, prison officers, voluntary and contract workers in education, and others.

In addition to these mutual societies, a large-scale social mutual society has been created: the Public Servants Social Mutual Society (Mutuelle Sociale des Agents de l'Etat (MSAE)) which is diverse in nature and numbers 3,814 members. The MSAE has branches throughout Senegal; however, membership is higher in regions such as Dakar and Kaolack. MSAE membership comprises male and female affiliates in differing proportions: the number of male affiliates is significantly higher than the number of female affiliates: male affiliates number 3,230, or 84.69 per cent of the total number of affiliates, whereas female affiliates represent only 15.31 per cent, or 584 of the total number.

The constituent General Assembly of 17 May 2003 set the contribution base at 3,800 XOF per month and a surcharge of 500 XOF. This surcharge or modulation is applied according to the category of medical costs to be reimbursed and the number of family members, as follows:

- an affiliate who subscribes to the first category of medical cover or whose salary is equal to or greater than 2,020 XOF contributes an additional 500 XOF per month;
- an affiliate with more than one wife contributes an extra 500 XOF per month for each additional wife; and
- an affiliate who has more than six dependent children contributes an additional 500 XOF per month per group of five children.

The MSAE⁴ reimburses a proportion of the medical, pharmaceutical and optical costs according to the rates set out in table 3.10.

Table 3.10 *Summary of the MSAE reimbursement rates for health care costs*

Benefit	Reimbursement rate
Surgery	100% of 1/5
Childbirth	100% of 1/5
Dental care	100% of 1/5
Hospitalization – Medicines	100% of 1/5
Laboratory analysis	100% of 1/5
Medical imagery	100% of 1/5
Consultation	100% of 1/5
Generic medicines	65% of the total cost
Specialist medicines	50% of the total cost
Spectacles	30,000 XOF every 2 years per beneficiary
Benefits provided by health centres and units	100% of the total cost

In establishments which accept budgetary allocations, the MSAE reimburses costs in accordance with the rates in table 3.10. For in-patient care (hospitalization), claimants are reimbursed their costs following the presentation of a copy invoice from the medical centre which disbursed the treatment and a copy of their pay slip showing the deduction of one-fifth of in-patient costs from their salary.

The MSAE is able to sign agreements with private organizations that are non-State registered according to the needs and demands of local branches, in which case it reimburses one-fifth of the costs set out above.

2.2.2 Transport workers

In December 2004, road transport workers who were affiliated to the Senegalese National Road Transport Workers Syndicate (Syndicat National des Travailleurs des Transports Routiers du Sénégal (SNTTRS)) included in their demands the question of social protection.

At the beginning of 2005, the Ministry of Labour approached the ILO STEP programme (Strategies and Tools against social Exclusion and Poverty) to support these workers' claims. Meetings with the Ministry of Transport and representatives from the National Confederation of Senegalese Workers (Confédération Nationale des Travailleurs du Sénégal (CNTS)), the National Confederation of Senegalese Workers – Forces for Change (Confédération Nationale des Travailleurs du Sénégal – Forces du Changement (CNTS–FC)) and the ILO STEP programme enabled a consensus to be reached on the need to establish a mutual society against the risk of sickness. The mutual society's constituent General Assembly was held on 16 February 2008 at the Léopold Sédar Senghor Stadium.

The steering committee defined the target population as: "workers in the Senegalese road transport sector who are officially registered with a structure that groups workers, such as Economic Interest Groups, or any other structure which is recognized as serving the community in areas where vehicles gather (garages, stations ...) as well as workers co-opted by chosen representatives of the target population".⁵ Within this definition, the target population also includes active workers (teams) and inactive workers (unemployed and retired workers). In terms of numbers, the social mutual society's target population is estimated to be 423,000 beneficiaries.

The mutual society is organized according to the following principles:

- It operates across the whole of the national territory. It will grow progressively in accordance with the development plan.

- It will have a centralized management structure. It will concentrate its management capacity at its national headquarters which will be relayed through the national territory by local units.
- The mutual society will favour group membership.
- Individual membership is possible through co-option at a local unit level; however, individuals will first be encouraged to join an existing group.
- The managerial and technical functions will be separate functions.

The mutual society proposes a health insurance product which will evolve in relation to its financial performance each year. Other insurance products could be added over time, in accordance with the rules governing mutual societies within the West African Economic and Monetary Union (Union Economique et Monétaire Ouest-Africaine (UEMOA)) legislative framework. In the short and medium term, the following products could be proposed:

- a life assurance product: the payment of a lump sum (to cover funeral costs) in the event of the beneficiary's death;
- a disability insurance product (following an illness covered by the mutual society).

The mutual society's aim is to offer social protection to all road transport workers in Senegal. This objective will require the mutual society to provide insurance cover to all groups of workers, according to the types of vehicles driven and the regions covered. The most effective and efficient organizational and operational method to enable the mutual society to achieve its mission is through establishing local units. The development plan, which covers a four-year period, states that local units will be established in six of Senegal's 14 regions.

The pilot project was implemented with the Association for Funding Urban Transport Professionals (Association pour le Financement des Professionnels du Transport Urbain (AFTU)) and the Dakar regional taxi-drivers group. Membership take-up has been fairly sluggish (table 3.11) but is expected to grow rapidly following the launch of the communications campaign.

Table 3.11 *Transport workers mutual society membership numbers (to 31 Nov. 2008)*

Members affiliated	Participating members	Beneficiary members
42	417	1 082

The mutual society's resources (see table 3.12) comprise membership fees, periodic contributions paid by members, subscriptions for honorary members, donations and legacies, investment fund products, possible government and local authority subsidies, and any other resources that are not considered unlawful.

The mutual society was able to become fully operational thanks to the technical and financial assistance it received from the ILO STEP programme. Every stage of the process, from the initial setting up of the social mutual society to the payment of benefits, has been achieved thanks to the support provided by the STEP programme, the voluntary support provided by members of its affiliated bodies, and the timely payment of contributions by members. The contributions received are used to finance benefits and a proportion of the operating costs. However, to reach a critical mass of members, the social mutual society will require additional resources to finance investments and a proportion of its operating costs to 2012.

Table 3.12 *Transport workers mutual society resources*

ILO contributions	Transport workers/voluntary contributions	Membership fees	Contributions received	Total
18,450,000 XOF	1,700,000 XOF	417,000 XOF	9,871,000 XOF	30,438,000 XOF

US\$ 36,433	US\$ 3,357	US\$ 823	US\$ 19,492	US\$ 60,105
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The road transport workers mutual society's first development plan covers four complete financial years (48 months). The development plan will follow a progressive growth pattern and increasingly test improvements in the operating mechanism. It was to be implemented early in 2009 and should be completed by year-end 2012.

Its objective is to validate the organization and its operating mechanisms and to disseminate the road transport workers mutual society's activities over six regions with eight local units. On completion of this development plan, the mutual society should have the technical and financial capacity to continue its programme of expansion across the country without any financial assistance.

To achieve this objective, the development plan is based on the mutual society's gradual expansion and the establishment of eight local units (see table 3.13). Its aim is not to seek to cover a maximum of beneficiaries but to ensure an uninterrupted growth in membership, which in the short term will enable it:

- to optimize the position of the movement and reach a financial equilibrium threshold whilst staggering the number of new memberships; and
- as a result of staggering the number of new memberships, to maintain capacity to test, correct and improve its operational mechanisms as well as its capacity to manage a growing number of beneficiaries.

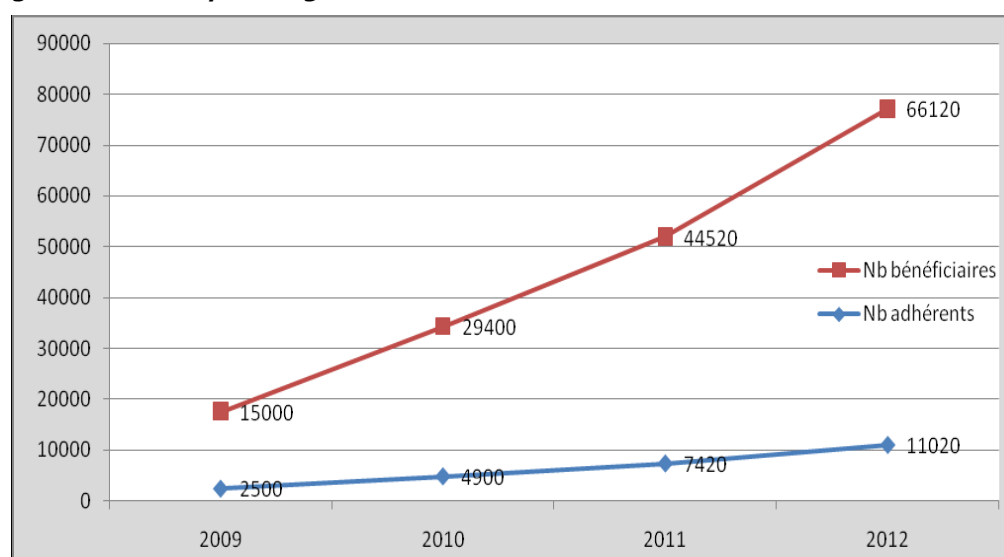
The first target groups associated with setting up the mutual society are road transport workers and truck drivers from 13 Economic Interest Groups (Groupements d'Intérêt Economique (GIE)), the Association of Urban Transport Funding (Association pour le Financement du Transport Urbain (AFTU)) and the Dakar taxi garages, who also participated in the completion of the feasibility study. The final objective of the development plan is to set up eight local units by the end of 2012 and to provide coverage to 66,120 beneficiaries.

Table 3.13 *Transport workers mutual society development plan*

Year	2009	2010	2011	2012
Management centre	1	1	1	1
Local units	3	5	6	8
No. of members	2,500	4,900	7,420	11,020
No. of beneficiaries	15,000	29,400	44,520	66,120

Figure 3.3 illustrates the expected growth in the number of members and beneficiaries.

Figure 3.3 *Expected growth in the number of members and beneficiaries*



Nb adhérents = No. of members

Nb bénéficiaires = No. of beneficiaries

Overall, the experience of the road workers mutual society has been a positive one:

- It has ended the cyclical disturbances linked to the question of social protection for road transport workers, which has been one of their continuous demands.
- It has made it possible to gauge the State's commitment to extending social protection to workers in the informal economy through the implementation of alternative protection mechanisms.
- It has engendered a corporatist spirit and a spirit of solidarity between stakeholders involved in terrestrial transport and the payment of voluntary contributions.
- It has enabled an understanding of the role of social dialogue in promoting social protection.

2.2.3 Rural workers

Articles 4, 6(2) and 8 of the Orientation Law No. 2004-012 of 4 June 2004 in respect of the Agro-Sylvo-Pastoral Orientation (La Loi d'Orientation no. 2004-012 du 04 juin 2004 portant Orientation Agri-Sylvo-Pastorale (LOASP)) provides for the establishment of a social protection scheme for agricultural workers. It will have a direct impact on reducing poverty by helping households avoid the prohibitive cost of health care and is also expected to have an indirect impact on reducing poverty by ensuring the economic sustainability of agricultural land by safeguarding the capacity to work.

This scheme, similarly to that for road transport workers, focuses exclusively on covering the risk of sickness which is the risk that rural populations in pilot zones have identified as the priority which needs to be covered by social protection.

The scheme will cover agricultural workers and their families who in 2007 were estimated to comprise approximately 6,658,766 individuals or 58.4 per cent of the population. Article 9 of the LOASP defines the target population of this scheme as workers who are employed in agricultural activities, in the broadest sense of the term (farmers, livestock breeders, forestry workers, fishermen, crafts people, rural workers, etc.) with the exception of those aged over 60 who are covered within the framework of the Sesame Plan.

This scheme will be implemented progressively (see table 3.14) and will first be piloted in four rural communities through three sectors of activity:

- the cotton sector in Tambacounda region, through the rural communities of Bandafassy and Missirah;
- the tomato and rice sector, through producers in the rural communities of Ross Béthio and the village of Guédé in the Saint-Louis Region in northern Senegal.

The scheme favours affiliation through work-based organizations. These professional organizations comprise: GIEs, GIE trade unions and the federation of GIE trade unions, Village Units (Sections Villageoises (SV)), cooperatives, associations and clubs and female producer groups.

Contribution rates will be 13,000 XOF (US\$25.67) per person and split as follows:

- 3,500 XOF (US\$6.91) contributed by the affiliate;
- 9,500 XOF (US\$18.75) contributed by the State.

The package of services provided will include all health services currently provided by the public health services (health-care centres, regional and national hospitals) and the same package of services will be offered in all rural regions. The package will not include medicines sold in public health structures (essential and generic medicines and branded medicines). However, medicines purchased in private dispensaries will be reimbursed, regardless of whether they are generic or branded.

The level of reimbursement will be 70 per cent at a primary level and 90 per cent for secondary and tertiary levels. In other words, patients covered by the scheme will be required to make a co-payment of 30 per cent for primary health-care costs, and of 10 per cent for hospital health-care costs (see table 3.15).

Table 3.14 *Development plan for rural mutual societies*

Year	2008	2009	2010	2011
Number of beneficiaries	18,295	61,729	262,765	1,112,982

Table 3.15 *Resource requirements for rural mutual societies*

Funding structure	2008	2009	2010	2011
Subsidies to implement the pilot phase	388,000,000 XOF 766,192.73 US\$	715,000,000 XOF 1,411,927.3 US\$	–	–
Beneficiaries' contributions	64,000,000 XOF 126,382.31 US\$	216,000,000 XOF 426,540.28 US\$	920,000,000 XOF 1,816,745.70 US\$	3,895,000,000 XOF 7,691,548.18 US\$
State contributions	174,000,000 XOF 343,601.89 US\$	586,000,000 XOF 1,157,187.99 US\$	2,496,000,000 XOF 4,928,909.95 US\$	10,573,000,000 XOF 20,878,751.97 US\$
Total	626,000,000 XOF 1,236,176.93 US\$	1,517,000,000 XOF 2,995,655.60 US\$	3,416,000,000 XOF 6,745,655.60 US\$	14,468,000,000 XOF 28,570,300.15 US\$

2.3 Other initiatives

The question of social protection has become a national priority in Senegal. In addition to the experiences of road transport and rural workers, other projects to extend social protection are being developed on a national scale.

2.3.1 Social protection of artisanal/traditional fisheries

The fishing sector in Senegal is composed of two subsectors: industrial and artisanal (or traditional) fishing. In 2006, the entire fishing sector represented 9 per cent of GDP of the primary sector, 1.5 per cent of the total GDP and 30 per cent of foreign exchange (US\$250 million per year).

As regards employment, the sector creates 100,000 jobs directly (including aquaculture) and more than 600,000 jobs indirectly (fish processing and sale of fish products), 67 per cent of which are within the artisanal sector. Ninety-five per cent of fishermen work in the informal sector, i.e. the artisanal sector.

With regard to social protection, only 5 per cent of all marine fishermen who work on industrial fishing vessels enjoy social security protection and contribute to a general retirement scheme. Families of workers in the artisanal fisheries sector have no medical cover at all. This state of affairs has been the main justification for extending social protection to workers in the artisanal fishing sector. Currently, the desire to extend social protection to this sector is at project stage. Pre-feasibility and feasibility studies will certainly be undertaken by

the ILO which has implemented a Project for the Reasonable and Sustainable Development of the Fishing Sector.

The aim of the project is to achieve a reasonable and sustainable development of the fisheries and aquaculture sector by improving the social and working conditions in the sector in certain African and Latin American countries.

2.3.2 Social protection of migrant Senegalese workers

Social protection of migrant Senegalese workers is a concern for both Senegalese citizens who work abroad and the Senegalese Government. In 2000, there were an estimated 409,701 Senegalese living abroad (Sander and Barro, 2000, p. 46). In order to better address this problem, the Minister for Migrant Senegalese Workers, Artisanal Industries and Tourism (Ministère des Sénégalais de l'Extérieur, de l'Artisanat et du Tourisme) in partnership with the ILO regional office for sub-Saharan Africa organized a workshop on the theme of "Social and legal protection of migrant Senegalese: Overview and prospects" ("La protection sociale et juridique des Sénégalais de l'Extérieur: Bilan et perspectives") which was held at the Hotel Savana in Dakar from 7–9 April 2009.

The principal aim of the workshop was to define an integrated and concerted global vision for the social and legal protection of migrant Senegalese workers. The workshop enabled participants to formulate a number of recommendations, including:

- The need to ensure the social protection of migrant workers and their families through exploring and combining all forms of institutional coverage: social security institutions for workers in the formal sector (CSS and IPRES, in particular), health mutual societies, health insurance and micro-insurance institutions should work together to promote the social protection packages offered to the diaspora.
- The need to reform national labour and social security legislation to reflect the new structures that have affected the world of work with a view to extending social security coverage to large sectors of the population currently without any form of protection.
- The need to conclude social security agreements with the principal host countries and to renegotiate existing agreements.

This will require agreements to be concluded with countries which have large communities of Senegalese migrant workers such as France, Italy, Spain, Portugal, Gabon, Cameroon, Cape Verde and others. In addition, it will include the convening of joint commissions with signatory countries who have concluded social security agreements to enable these agreements to be put into practice and to resolve any problems in their implementation; the signing of a multilateral social security agreement with CIPRES, the regional social security regulator, is also on the agenda.

Box 3.4: *Improving coverage of social risks for migrant Senegalese workers and their families*

Projects are being implemented to provide better coverage of social risks including the risk of health-care costs for migrant Senegalese workers and their families. One such scheme is the French Savings and Credit Mutual Society for Migrant Senegalese (Mutuelle d'épargne et de crédit des Sénégalais de France (Mecsef)) which was created on 19 April 2008 and which currently has approximately 100 affiliates. The Mecsef offers a "savings scheme for young savers and credit facilities for students" and a "savings scheme for housing". The Mecsef is also examining the possibility of covering the risk of sickness with other Senegalese partners and networks.

2.3.3 Private pension funds

The formal social security system does not wholly satisfy beneficiaries' needs. There is widespread and increasing criticism of the low level of paid pensions. The pensions system is a mature system and would appear to be saturated.

To improve workers' pensions, the Regulatory and Supervisory Commission of Social Security Institutions in Senegal (Commission de Régulation et de Supervision des Institutions de Sécurité Sociale du Sénégal (COSRISS)) has put forward a proposal to introduce private pension funds (Fonds Privés de Pension de Retraite (FPPR)) that will enable workers who so wish to contribute to and receive, upon retiring, a sum of money which will take the form of an indemnity or a cash lump sum to top up the cash benefits of pensioners who are in financial difficulties. The Private Pensions Fund is a voluntary savings scheme. The following categories can voluntarily subscribe to a personal pension plan or an occupational pension plan: Senegalese citizens, whose tax residence is Senegal, Senegalese citizens who are not resident in Senegal and, finally, any individual who is resident in Senegal or whose tax residence is Senegal.

The private pensions plan is a contract which establishes the rights and obligations of the contracting parties. It is an individual contract underwritten by the Private Pensions Fund for the beneficiary concerned or moral person in respect of an occupational pension plan. The Ministry of Labour has implemented this project under Article 16 of Law 75-50 of 3 April 1975 governing Social Pensions Institutions (Institutions de Prévoyance Sociale (IPS)) which provides: "that a general scheme and complementary social pensions schemes may be created by the competent authority or, at the request of professional employer organizations and the most representative worker organizations, for all employers and workers in all sectors of activity. The management of these schemes will be entrusted to one of the institutions that has already been authorized."

3. Conclusions

The Senegalese social protection system takes its inspiration from ILO international standards and, in particular, Convention No. 102 (1952) which establishes the minimum social security standards. Senegal provides eight of the nine social security branches set out in Convention No. 102, with the exception of unemployment benefits due primarily to economic constraints. The social security branches are as follows: (1) medical care that is curative and preventive in nature; (2) sickness benefits in the event of incapacity to work; (3) unemployment benefits; (4) old-age benefits; (5) benefits for occupational accidents and diseases; (6) family allowances; (7) maternity benefits; (8) disability benefits; (9) survivors' benefits.

These benefits target salaried workers in the public and private sectors who, in 2001/2002, numbered 228,299 workers⁶ of an estimated total active work-force of 3,491,694. Social security management in Senegal is entrusted to organizations charged with implementing government policy in the matter, in respect of other institutional stakeholders and professionals. In this regard, social security institutions are charged with implementing the practical aspects of the protection granted to workers and their families. However, workers in the informal and other sectors of society are excluded from the formal social protection system. This lack of protection has made them vulnerable and increased the incidence of poverty. To address these gaps in provision, strategies have been implemented to extend social protection and to combat poverty and social exclusion.

These strategies take two different approaches. Firstly, there are strategies that seek to extend social protection in the formal sector which are based on awareness-raising campaigns to

further integrate workers into the social security network, e.g. day workers or workers in the crafts industries.

Secondly, the strategies adopted to extend social protection to workers employed in the informal sector are based on an approach which focuses on general sickness. As highlighted in Report No. VI of the 89th session of the 2001 International Labour Conference: "in previous decades, attention was focused on old-age pensions and long-term benefits intended to ensure income security after cessation of work. Today, the priorities are of a short-term perspective and linked to health and the immediate impact of loss of revenue. ... In poor countries where States have limited capacity, the development of community-based initiatives is seen as a promising solution."

The success of these initiatives is conditional upon a certain number of strengths or advantages which are the result of a combination of factors:

- strong political will by the State to promote the extension of social protection;
- workers' awareness of the impact of health on productivity;
- determination of workers in the informal sector to obtain social protection;
- understanding the challenges linked to the prevention of social risks;
- shared will to combat all forms of vulnerability;
- the determinant role of social dialogue which has facilitated mutual understanding of the different actors involved (State, workers, trade unions, stakeholders) and the identification of priorities (choice of risks and benefits, etc.).

The most promising path to extending social protection is one that combines the mobilization of stakeholders with a commitment from government to fully engage in the process and provide material and financial support for the measures proposed. The growing number of private and public initiatives (mutual societies and systems that are tax-financed, basic occupational measures on a national scale supported by the State, significant social transfers targeting children, private-public partnerships for migrants, etc.) seems to suggest the emergence of a truly coherent social protection system that is both wide-ranging and national in impact and capable of accelerating the expansion of social coverage in Senegal in the coming years.

Glossary

AFTU: Association pour le Financement du Transport Urbain (Association for Funding Urban Transport Professionals)

ANSD: Agence Nationale de la Statistique et de la Démographie

ARV: AntiRétroviraux (Antiretroviral)

ASSF: Action Sociale Sanitaire et Familiale (Social Health and Family Action)

ATMP: Accident du Travail et Maladie Professionnelle (Occupational accident and disease)

BIT: Bureau International du Travail (International Labour Office)

CAFS/P: Cellule d'Appui au Financement de la Santé et au Partenariat (Support Unit to the Health Financing and Partnership)

CCNI: Convention Collective Nationale Interprofessionnelle (National Inter-professional Collective Agreement)

CDV: Conseil et Dépistage Volontaire (Voluntary counselling and screening)

CNDS: Comité National du Dialogue Social (National Commission on Social Dialogue)

- CNTS–FC: Confédération Nationale des Travailleurs du Sénégal – Force du Changement (National Confederation of Senegalese Workers – Forces for Change)
- COSRISS: Commission de Supervision et de Régulation des Institutions de Sécurité Sociale (Regulatory and Supervisory Commission of Social Security Institutions in Senegal)
- CSS: Caisse de Sécurité Sociale (Social Security Fund)
- DSPRV: Direction de la Solde, des Pensions et des Rentes Viagères (Directorate of Credit, Pensions and Annuities of the Ministry of Economy and Finance of Senegal)
- DSRP II: *Document de Stratégie pour la croissance et la Réduction de la Pauvreté* (Strategy document for poverty reduction)
- DTSS: Direction du Travail et de la Sécurité Sociale (Department of Labour and Social Security)
- ESAM: Enquête Sénégalaise Auprès des Ménages (Senegalese Household Survey)
- FNR: Fond National de Retraite (National Retirement Fund)
- FPPR: Fonds Privé de Pension de Retraite (Private Pension Funds)
- GIE: Groupement d'Intérêt Economique (Economic Interest Groups)
- IPM: Institutions de Prévoyance Maladie (Health Insurance Institutions)
- IPRES: Institution de Prévoyance Retraite du Sénégal (Social Insurance Institute for Old-Age Pensions)
- IPS: Institutions de Prévoyance Sociale (Social Pensions Institutions)
- LOASP: Loi d'Orientation Agro-Sylvo-Pastorale (Law on Agro-Sylvo-Pastoral Orientation)
- LPSS: Lettre de Politique de Sécurité Sociale (Social Security Policy Letter)
- MEF: Ministère de l'Economie et des Finances (Ministry of Economy and Finances)
- MFPETOP: Ministère de la Fonction Publique, de l'Emploi, du Travail et des Organisations Professionnelles (Ministry of Public Service, Labour and Employment and Professional Organizations)
- MSAE: Mutuelle Sociale des Agents de l'Etat (Public Servants Social Mutual Society)
- MSP: Ministère de la Santé et de la Prévention (Ministry of Health and Medical Prevention)
- PTME: Prévention de la Transmission Mère Enfant (Prevention of mother-to-child transmission)
- PvHIV: Personne vivant avec la VIH/SIDA (Person suffering from HIV/AIDS)
- OIT: Organisation Internationale du Travail (International Labour Organization (ILO))
- OMD: Objectifs du Millénaire pour le Développement (Millennium Development Goals)
- OP: Organisation Professionnelle (Work-based organization)
- PMI: Protection Maternelle et Infantile (Mother-and-child protection)
- RCC: Régime Complémentaire Cadre (Complementary scheme for managerial staff)
- RGR: Régime Général de Retraite (General Retirement Scheme)
- SIDA: Syndrome de l'Immuno-Déficience Acquise (Acquired Immune Deficiency Syndrome (AIDS))
- SNPS: Stratégie Nationale de Protection Sociale (National Social Protection Strategy)

STEP: Stratégies et Techniques contre l'Exclusion et la Pauvreté (Strategies and Tools against social Exclusion and Poverty)

SV: Sections Villageoises (Village Units)

UEMOA: Union Economique et Monétaire Ouest-Africaine (West African Economic and Monetary Union)

Notes

¹ These figures are for the 2008 financial year.

² National Strategy to Extend Coverage of Health Risks to the Senegalese population, Support Unit to the Health Financing and Partnership of the Ministry of Health and Medical Prevention (Stratégie Nationale d'Extension de la Couverture du Risque Maladie des Sénégalais, Cellule d'Apui au Financement de la Santé et au Partenariat (CAFS/P) du Ministère de la Santé et de la Prévention Médicale (MSP)), Dakar, August 2008.

³ MSPM (Ministère de la Santé et de la Prévention), *National Dialogue on the Hospital System*, October 2006.

⁴ Article 2 of the internal regulations governing the Public Servants Social Mutual Society (Mutuelle Sociale des Agents de l'Etat (MSAE)).

⁵ Development Plan for the Senegalese Road Transport Workers Social Mutual (Mutuelle Sociale des Travailleurs des Transporteurs routiers du Sénégal).

⁶ National Social Protection Strategy (*Stratégie Nationale de Protection Sociale*), p. 49.

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