Training course on Financing Social Protection for Informal Workers

Professional Development Training Course Outline

Category	Social Protection	**Duration**	10 Days
Base Fee	$1,500 USD	**Delivery Mode**	Online / On-site Hybrid

Course Introduction

The informal economy represents a significant portion of the workforce in most developing countries, particularly in Africa, including Kenya. While contributing substantially to economic activity and livelihoods, informal workers often lack access to formal social protection mechanisms, leaving them highly vulnerable to economic shocks, illness, old age, and other life contingencies. Training Course on Financing Social Protection for Informal Workers is meticulously designed to equip with the expert knowledge and practical methodologies to strategically analyze, design, and implement sustainable financing models for extending social protection to informal workers. The program delves into contextual analysis, tailored contribution schemes, tax-based financing, digital payment innovations, formalization incentives, risk pooling, governance structures, and lessons from global and African experiences, blending rigorous analytical frameworks with practical, hands-on application, extensive global case studies (with a strong emphasis on African contexts, including Kenya), and intensive fiscal scenario modeling and policy design exercises. Participants will gain the strategic foresight and technical expertise to confidently lead and engage in reforms, fostering unparalleled inclusion, financial resilience, and equitable social protection coverage for all segments of the workforce, thereby securing their position as indispensable leaders in building truly universal and adaptive social protection systems. This intensive 10-day program delves into nuanced methodologies for conducting comprehensive assessments of the informal economy's financing capacity and social protection needs, mastering sophisticated techniques for designing flexible and affordable social contribution schemes that align with informal workers' irregular incomes (e.g., daily, weekly, seasonal contributions), and exploring cutting-edge approaches to leveraging digital platforms (mobile money, digital IDs, social registries) for efficient contribution collection and benefit disbursement, integrating micro-insurance and micro-savings models into social protection, designing tax incentives and simplified tax regimes to encourage formalization, assessing the fiscal implications of expanding non-contributory benefits to informal workers, fostering trust and awareness through tailored communication strategies, and navigating the complex political economy of extending social security to this often-underserved population. A significant focus will be placed on understanding the interplay of social protection financing with broader labor market policies and formalization strategies, the specific challenges of data limitations and institutional coordination in contexts like Kenya, and the practical application of social dialogue and participatory approaches to ensure scheme relevance and uptake.

Programme Curriculum

Training Course on Financing Social Protection for Informal Workers

Introduction

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This intensive 10-day program delves into **nuanced methodologies** for **conducting comprehensive assessments of the informal economy's financing capacity and social protection needs,** mastering **sophisticated techniques for designing flexible and affordable social contribution schemes that align with informal workers' irregular incomes (e.g., daily, weekly, seasonal contributions),** and exploring **cutting-edge approaches** to **leveraging digital platforms (mobile money, digital IDs, social registries) for efficient contribution collection and benefit disbursement, integrating micro-insurance and micro-savings models into social protection, designing tax incentives and simplified tax regimes to encourage formalization, assessing the fiscal implications of expanding non-contributory benefits to informal workers, fostering trust and awareness through tailored communication strategies, and navigating the complex political economy of extending social security to this often-underserved population.** A significant focus will be placed on understanding the interplay of **social protection financing with broader labor market policies and formalization strategies, the specific challenges of data limitations and institutional coordination in contexts like Kenya, and the practical application of social dialogue and participatory approaches to ensure scheme relevance and uptake.**

Course Objectives:

Upon completion of this course, participants will be able to:

1. **Analyze core concepts and strategic responsibilities** of **financing social protection** specifically tailored for informal workers.
2. **Master sophisticated techniques** for **conducting comprehensive assessments** of the informal economy's characteristics, needs, and financing capacities.

3. **Develop robust methodologies** for **designing flexible and affordable contributory social security schemes** for informal workers, aligning with irregular incomes.
4. **Implement effective strategies** for **leveraging digital payment systems and mobile money** for efficient contribution collection and benefit disbursement.
5. **Manage complex considerations** for **integrating tax-based financing** with contributory schemes to ensure comprehensive coverage and equity.
6. **Apply robust strategies** for **designing fiscal incentives and simplified tax regimes** that encourage formalization and social protection uptake.
7. **Understand the deep integration of social protection financing with broader formalization strategies** and labor market policies.
8. **Leverage knowledge of global best practices and lessons learned** from successful financing models for informal worker social protection in diverse country contexts, particularly in Africa (including Kenya's NSSF Haba Haba, NHIF, and other initiatives).
9. **Optimize strategies for enhancing awareness, building trust, and fostering social dialogue** to increase participation and compliance.
10. **Formulate specialized recommendations** for **addressing operational challenges** such as identification, registration, data management, and grievance redressal for informal workers.
11. **Conduct comprehensive assessments** of the political economy factors influencing the extension of social protection to the informal sector.
12. **Navigate challenging situations** such as **low contributory capacity, high mobility, and lack of formal identity** in designing and implementing financing mechanisms.
13. **Develop a holistic, evidence-based, and inclusive approach** to **Financing Social Protection for Informal Workers,** ensuring sustainable funding and equitable access to vital benefits.

Target Audience:

This course is designed for professionals interested in Financing Social Protection for Informal Workers:

1. **Policymakers & Senior Government Officials:** From Ministries of Finance, Social Protection, Labor, Planning, and Local Governments.
2. **Social Protection Program Managers & Policy Advisors:** Responsible for scheme design, implementation, and expansion.
3. **Tax Authority Officials:** Involved in tax policy, revenue collection, and formalization initiatives.
4. **Social Security Fund Managers & Administrators:** Overseeing pension, health, and other social insurance schemes.
5. **Labor Market Experts & Formalization Specialists:** Focusing on decent work and transitions from informality.
6. **Civil Society Organizations (CSOs) & Worker Associations:** Representing informal worker interests and engaging in advocacy.
7. **Development Partners & International Organizations:** Supporting social protection reforms and innovative financing.
8. **Financial Inclusion Specialists & Digital Payment Providers:** Involved in leveraging technology for social protection.

Course Duration: 10 Days

Course Modules:

- **Module 1: Understanding the Informal Economy and Social Protection Gaps (Day 1)**
    - Defining the informal economy: characteristics, diversity, and prevalence in developing countries (with focus on Kenya).

    - Mapping social protection gaps for informal workers: Legal exclusion, inadequate benefits, and administrative barriers.
    - The socio-economic vulnerabilities faced by informal workers across the life cycle (health, old age, unemployment, disability).
    - The imperative for extending social protection: Poverty reduction, inequality, human capital, and economic stability.
    - Challenges in identifying and reaching diverse informal worker groups (e.g., casual laborers, gig workers, self-employed).
- **Module 2: Principles of Financing Social Protection in Informal Contexts (Day 2)**
    - Revisiting traditional financing models: Contributory (social insurance) vs. Non-contributory (social assistance).
    - Challenges of applying formal financing models to irregular incomes and employment.
    - Key principles for informal sector financing: Affordability, flexibility, relevance, equity, and sustainability.
    - The concept of "contributory capacity" and tailoring contributions to income variability.
    - Exploring the role of social dialogue and worker participation in financing model design.
- **Module 3: Designing Flexible Contributory Schemes (Day 2-3)**
    - Innovative contribution mechanisms: Daily, weekly, monthly, or seasonal payments; lump-sum contributions.
    - Voluntary vs. mandatory participation: Incentives for uptake and compliance.
    - Tiered contributions and progressive contribution rates based on declared or estimated income.
    - Bundling of benefits to increase attractiveness (e.g., combining health, pension, and life insurance).
    - Case studies: NSSF Haba Haba (Kenya), Ejo Heza (Rwanda), Micro Pension Plan (Nigeria).
- **Module 4: Leveraging Digital Payments and Technology for Contributions (Day 3-4)**
    - The rise of mobile money and digital platforms in Africa for financial transactions.
    - Designing digital payment systems for social protection contributions (e.g., USSD, mobile apps, payment agents).
    - Benefits: Reduced administrative costs, increased convenience, improved transparency, and real-time tracking.
    - Challenges: Digital literacy, connectivity, cybersecurity, and financial exclusion for some groups.
    - Examples from Kenya: M-Pesa integration in social security payments, digital ID systems.
- **Module 5: Tax-Based Financing for Universal Coverage (Day 4-5)**
    - The role of general government revenues in financing non-contributory benefits for informal workers.
    - Targeted social assistance programs for the poorest informal workers (e.g., cash transfers).
    - Exploring earmarked taxes or levies for social protection funds (e.g., VAT, excise duties).
    - The concept of "hybrid" financing models combining tax and contributions.
    - Assessing the fiscal space for expanding tax-financed social protection floors.
- **Module 6: Incentives for Formalization and Social Protection Uptake (Day 5-6)**
    - The link between social protection extension and formalization strategies.
    - Designing simplified tax regimes for micro and small informal enterprises.
    - Providing fiscal incentives for informal businesses to register and contribute to social security.
    - Leveraging business registration processes for social protection enrollment.
    - Exploring "graduation" pathways from social assistance to contributory schemes.
- **Module 7: Risk Pooling, Benefits Design, and Actuarial Soundness (Day 6-7)**
    - Principles of risk pooling and solidarity in informal sector schemes.
    - Designing relevant benefit packages for informal workers (e.g., health insurance, old-age pensions, maternity, work injury).

    - Actuarial considerations for scheme sustainability: Balancing contributions, benefits, and investment returns.
    - Addressing the challenge of benefit adequacy versus affordability.
    - Case studies of successful risk-pooling mechanisms for informal workers (e.g., community-based health insurance).
- **Module 8: Data, Identification, and Registration Systems (Day 7-8)**
    - Challenges of identifying and registering informal workers for social protection.
    - Leveraging national ID systems, biometrics, and digital registries for inclusive enrollment.
    - Data management, privacy, and interoperability between different government databases.
    - Strategies for reaching highly mobile or hard-to-reach informal worker populations.
    - The importance of a single registry for social protection in Kenya.
- **Module 9: Governance, Administration, and Operational Efficiency (Day 8-9)**
    - Designing appropriate governance structures for informal worker social protection schemes.
    - Streamlining administrative procedures to reduce barriers to participation and compliance.
    - Improving efficiency in contribution collection, record-keeping, and benefit disbursement.
    - The role of worker organizations, cooperatives, and trusted intermediaries in administration.
    - Strengthening oversight and accountability mechanisms to build trust.
- **Module 10: Building Awareness, Trust, and Social Dialogue (Day 9)**
    - Strategies for effective communication and awareness campaigns tailored to diverse informal worker groups.
    - Addressing lack of trust in institutions and demonstrating the value proposition of social protection.
    - The critical role of social dialogue: Engaging workers' and employers' organizations in policy design.
    - Behavioral nudges and incentives to encourage sustained participation.
    - Lessons from community engagement and sensitization efforts in Kenya's social programs.
- **Module 11: Political Economy and Pathways to Universal Coverage (Day 9-10)**
    - Analyzing the political economy factors that enable or hinder the extension of social protection to informal workers.
    - Overcoming resistance from stakeholders and managing trade-offs in policy reforms.
    - The concept of "progressive realization" towards universal social protection for informal workers.
    - Developing national strategies and roadmaps for financing and extending coverage.
    - Aligning social protection for informal workers with national development goals (e.g., Kenya's Vision 2030).
- **Module 12: Case Studies and Developing a Country-Specific Action Plan (Day 10)**
    - In-depth review of comprehensive country strategies for financing social protection for informal workers (e.g., specific examples from South Africa, Brazil, India, Ghana).
    - Detailed analysis of Kenya's current landscape, challenges, and opportunities in financing social protection for its informal sector.
    - Group work: Participants develop a preliminary action plan for financing social protection for informal workers in a specific sub-sector or geographic area within their country context.
    - Presentation of action plans and peer feedback.
    - Charting next steps and identifying key resources for continued learning and implementation.

Training Methodology

- **Interactive Workshops:** Facilitated discussions, group exercises, and problem-solving activities.
- **Upcoming Scheduled Sessions**

Start Date	End Date	Location	Price
21 Sep 2026	02 Oct 2026	Online	$2,000
21 Sep 2026	02 Oct 2026	Physical	$3,000
21 Sep 2026	02 Oct 2026	Physical	$0
21 Sep 2026	02 Oct 2026	Physical	$0
21 Sep 2026	02 Oct 2026	Physical	$0
21 Sep 2026	02 Oct 2026	Physical	$0
21 Sep 2026	02 Oct 2026	Physical	$0
21 Sep 2026	02 Oct 2026	Physical	$0

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