

#2 Social Protection Responses to Covid-19

Alternative ways to reach informal workers

This brief focuses on alternative ways to reach informal workers, beyond social assistance (cash) support, drawing from the WIEGO's [social protection responses to the Covid-19 crisis tracking database](#). In this issue, we turn first to Brazil, and the example of waste pickers and extended producer responsibility (EPR), looking at how alternative economic relations may be leveraged to finance further social protection for informal workers. Morocco, our second case study, provides an example of efforts to adapt social insurance to reach the informal economy.

Both these case studies offer examples of how to build greater solidarity and the redistribution of economic resources into social protection systems. In Brazil, the industry association's Give a Hand to the Future (DAMF) initiative, funds capacity building and investment in infrastructure for waste-picker cooperatives, and has initiated an emergency grant to support them. This recognises the service and value that waste pickers provide to the sector by assisting them meet their legal obligation of recycling under the government's Extended Producer Responsibility (EPR) policy. While Morocco's scheme to reach daily wage workers through its National Medical Assistance Program (RAMED), fosters greater solidarity between formal and informal sector workers, through joint reliance on a social insurance scheme where the rich subsidise the poor.

The COVID-19 crisis presents an opportunity to push for the inclusion of informal workers into social insurance schemes in the long term, and the adaptation of such schemes to meet informal workers needs and budgets. These are not policy recommendations, rather they are intended to be a tool to share initiatives and policies that are being implemented in different parts of the world, that might provide insights for movements in their advocacy efforts to expand social protection to informal workers in this period of crisis.

Brazil

The “De a Mão Para o Futuro” initiative¹

This Extended Producer Responsibility (EPR) policy for recycling in Brazil is regulated by law under the National Solid Waste Policy, which was enacted four years after, in 2010 (after the project was launched). This is the legal basis that provided the regulatory framework for the so-called “reverse logistics”, under which companies had to bear responsibility for the waste resulting from their product. One of the main innovations was to include waste-pickers

¹ This case draws from the information collected from an interview with Ricardo Abussafy, national technical coordinator of the “Dê a Mão para o Futuro” project.

cooperatives under this framework, as well as the share of responsibility for recycling, along the whole consumption cycle.

Prior to the National Solid Waste Policy, industries were already starting to develop their own EPR policies. In 2006 the “[Dê a Mão Para o Futuro](#)” (Give a Hand to the Future, DAMF) project was created, which was part of the EPR of the personal hygiene, perfume and cosmetics industry sector. With this initiative, the industry association (ABIHPEC) funds capacity building and investment in infrastructure of the cooperatives and provides compensation for the so-called reverse logistics (proper waste collection). It was under this programme that the emergency grant initiative was established.

When the Covid-19 crisis emerged, the ABIHPEC launched an initiative to benefit some 5,000 waste-pickers from 150 cooperatives in Brazil, during the period in which social distancing and quarantine measures are in place and they are not able to work. According to this initiative, each waste-picker receives a R\$ 600 (US\$ 120) cash-grant, paid in two R\$ 300 (US\$ 60) instalments. Although this was not a mandatory action from the National Solid Waste Policy, the initiative was conceived and run under the scope of the DAMF project.

These 150 cooperatives have been working as service providers for the ABIHPEC, delivering waste collection and sorting for recycling under the EPR framework. During the current situation of the lockdown, only 2 of these recycling cooperatives are working on a regular basis. Without revenue, waste-pickers have lost their income source and, furthermore, these cooperatives risk folding for good, even when restrictions end. Apart from the human suffering, this would mean an interruption in the recycling chain and, consequently, a disruption in the work built along the last 15 years between waste-pickers and industry.

This initiative was discussed with representatives of the national movement of recyclers [ANCAT](#) (National Association of Waste Pickers). The grant has been welcomed by the waste-pickers. Although the amount is not sufficient to cover their expenses, it was a very important measure in this period of crisis, considering that federal government help has not yet reached all waste pickers (some applications are still pending to this day), and many of the relief initiatives from support organizations are in-kind transfers (food, staple baskets), whereas waste-pickers also need cash to pay their dues².

The delivery is done through bank transfers to the cooperatives, the cooperative then transfers the money to the waste pickers either through the bank, or the head of the cooperative pays the waste-picker in cash and sends the receipt to the programme coordinator. The initiative is planned to last for two months, but the situation of the cooperatives is being monitored and will be reassessed towards the end of this period.

² Account from a waste-picker part of the national waste-pickers movement who was one of the beneficiaries of the initiative.

“In Solidarity with Waste-Pickers” campaign³

A second initiative is the national campaign of waste-pickers led by the National Association of Waste-Pickers (ANCAT), in partnership with a coalition of civil society organizations and companies. As an emergency measure, this campaign seeks to create a national support network for waste-pickers in the face of the pandemic.

The initiative is also involved in legal advocacy efforts to support the inclusion of waste-pickers in local and national policies on waste management. More recently, they lobbied to explicitly include waste-pickers in the emergency cash-grant programme, in the second cash-grant Bill for informal workers. This was a necessary move to avoid loopholes when the policy was implemented.

Innovation in outreach

As the outbreak hit the waste-picking sector, the campaign has launched an emergency relief initiative “Solidariedade aos Catadores” (in solidarity with the waste-pickers) in partnership with the ANCAT. The action raised funds from the companies and also created a crowdfunding platform online (<https://solidariedadeaoscatadores.com.br/>) to deliver grocery voucher cards (Sodexo) for waste-pickers – including independent waste pickers not organized in cooperative⁴.

The innovative aspect of the initiative has to do with the outreach and the delivery of the benefits. The project mapped 17,500 waste pickers, organized or independent, and included them in a large database in order to deliver the benefit. This was done with the support of a broad network of actors, in particular, the waste-pickers cooperatives and organizations, religious organizations and NGOs. The campaign is also developing health and safety guidelines for waste-pickers, for the post-lockdown period.

Delivery strategy

The project works with the support of religious organizations for homeless and NGOs, to help deliver the identified voucher cards. The voucher cards for those workers who are organized are delivered by the post-office directly to the cooperatives, and then distributed to the waste-pickers. In the case of independent waste-pickers, many of whom are homeless, voucher cards are sent to them if they have an address, if they don't, these cards are sent to an NGO or church that is working closely with them, and which they have specified.

³ This case draws from the information collected from an interview with Luciano Marcos, director-general of INSEA (Instituto Nenuca de Desenvolvimento Sustentável)

⁴ There is not an updated number of the total of waste-pickers in Brazil. The National Movement of Waste Pickers estimates there are about 1 million waste-pickers. About 90% of them are independent waste-pickers ([Ipea, 2012](#), in Portuguese)

Lessons from Brazil

Both initiatives were directly undertaken by the waste-pickers, or in consultation with them, which is a key feature. It is important to highlight that these initiatives are a result of previous relations between the industry and waste-pickers organizations, which in turn was fostered or strengthened by the overarching legal framework: the National Solid Waste Policy. This policy, enacted in 2010, was designed at the time with several provisions that ordered the companies to be responsible for the waste their industries generate (reverse logistics) and also provisions to encourage companies to include waste pickers in the reverse logistics efforts. This long term relation and expertise was key for the rapid implementation of the relief measures. Another key aspect is the capacity of such initiatives to reach informal workers in a quick and efficient way, using partnerships with civil society organizations on the ground. This flexibility and outreach provided a good advantage on the delivery of the benefit.

These are **voluntary** initiatives from some industry sectors and the national waste picker movement, but they are not specified within the policy itself, which is a limitation. The support for waste-pickers organizations is provided through the National Solid Waste Policy for service delivery, but the “Solidariedade aos Catadores” action is discretionary for the associations or industries, which can be a problem for long term policies that might have to confront emergencies in the future. Providing these sorts of relief interventions, in a waste-management regulation framework, might be a good way to better insure waste-pickers, and increase the reach to more waste-pickers.

In terms of financing, although the initiative was very much welcomed by waste-pickers, it has inherent limitations, both in terms of the amount and period, and industries associations’ limited financial capacity. Increasing the range of industries involved might be a way to strengthen the relief effort.

Morocco

On the 27th of March the Moroccan government introduced formal measures to extend financial relief to informal workers, who no longer had an income due to compulsory confinement, through the country’s National Medical Assistance Program (RAMED). The funds for this initiative come from King Mohammed VI’s Special Fund for the Management and Response to COVID-19, made up of about 2.7 percent of GDP, financed by the government and by voluntary contributions from public and private entities which will be tax deductible. According to the minister of the economy a total of 4.3 million families headed by workers in the informal sector are expected to benefit from the fund.

RAMED is a subsidised non-contributory health insurance scheme for vulnerable households and covers about 20 percent of the population. By operating through a social insurance mechanism, the financial compensation given to recipients is framed as a form of insurance which they are entitled to, rather than a form of charity or social assistance.

Coverage: Both RAMED registered and non RAMED registered informal sector workers, who no longer have income due to the suspension of non-essential commercial activities, are eligible for this assistance. (The amounts of compensation granted per household as well as the withdrawal procedure, are identical in both RAMED and non RAMED registered households.) In addition, Moroccans registered with the National Social Security Fund (CNSS) can also benefit from the stipends. The inclusion of Non RAMED members means that the grant has a wider coverage and is more inclusionary, while the eligibility of informal workers whose employers are CNSS registered (and would therefore also be eligible for another government grant to support those affected by COVID), recognises the multi-dimensional nature of informal economy workers' vulnerabilities and needs.

Adequacy: The amount of the compensation ranges from US\$ 80 to US\$ 121 depending on household size. Households of two people or less receive stipends of MAD 800 (US\$ 80), while households of three to four people will receive MAD 1,000 (US\$ 100). Households of more than four people will benefit from MAD 1,200 (US\$ 121). The amount of compensation therefore makes some consideration for household size, which is important, but remains below Morocco's minimum wage of US\$ 265 per month in the private sector, US\$ 7 per day for agricultural workers. Furthermore, as a once off compensation, this support remains little more than a stop gap measure. With the extension of Moroccan lockdown to the 20th May (originally scheduled to end on the 20th April), it is also unclear whether a second instalment has been provided.

Registration: RAMED card holders were favoured in terms of being able to request and begin receiving the compensation (from the 13th April) before non RAMED cardholders, (from the 23rd of April). To apply, RAMED card holders in the informal sector were required to send their RAMED registration number to the toll-free number 1212. Non-RAMED informal workers were required to register on a digital platform filling out their personal details including an ID number, phone number, and evidence of their occupation. The use of digital technology, such as a smartphone, or computer and internet, operate as a barrier excluding the most vulnerable who are less likely to be able to afford or access such technology.

Distribution: Recipients are sent an SMS notification which includes a code and the name of a specific institution where the withdrawal can take place. Delivery has been staggered over a number of days to reduce the likelihood of crowding at points of collection, which would violate social distancing requirements. This delivery appears to have been relatively speedy and sustained. In a press release on April 20, the government announced that it was serving more than 200,000 eligible RAMED holder households per day.

But what about refugees, asylum seekers and economic migrants? The delivery of social protection to informal workers through a social insurance mechanism, can play an important role in institutionalising such support as an entitlement, and right, rather than a form of charity. Furthermore by covering both RAMED and non RAMED households, and by *not* excluding workers who may already have access to other forms of state support, Morocco's approach is more inclusive, and acknowledges the overlapping vulnerabilities of informal workers, but remains limited in that it only recognises citizens as being entitled to support. According to



Amnesty International and the UNHRC, the number of refugees, asylum seekers and migrants in Morocco are only in the thousands, but a number of other countries particularly in the Middle East and North Africa (MENA) region, host vast numbers of refugees, asylum seekers, and economic migrants. Because of their marginalised social, economic and political situation, these communities are more likely to be involved in the precarious livelihoods. For example, most of the estimated 1.6 million Syrian refugees in Jordan are involved in informal employment. Like Morocco, Jordan has instituted a programme aimed at reaching certain categories of informal workers (in this case wage workers) through a state social insurance scheme - Jordan's Social Security Corporation (SSC) - regardless of whether they are members or not. A recent ILO rapid assessment of the position of Jordanian informal workers, however, reports that the programme excludes most informal workers, especially refugee and migrant workers (Syrians, Palestinians and Iraqis) who constitute more than half of Jordan's population of 9.7 million. For many of these vulnerable populations, their refugee status is not formally recognised, which means that they are ineligible for the usual foreign aid channels, and the majority live outside camps amongst Jordanian communities, which makes them harder to reach, hence they are doubly or multiply vulnerable.

The reality that many informal workers in certain parts of the world are **non-citizens** of the countries in which they work or reside, needs to be taken into consideration in the development of social protection responses to the COVID pandemic.

COVID 19: StreetNet International and WIEGO engagement & updates

StreetNet International launches a new campaign calling on governments to ensure protection for all during the COVID 19 pandemic: Download the campaign banner [here](#)

Laura Alfors on what happens 'When the Overlooked Workforce becomes the Essential workforce' for the WomenLift Health Speaker series. Available [here](#)

Rachel Moussié presents for Socialprotection.org on the Impact of COVID 19 on care politics and pens a UN Women blog on [ways to contain the impact of COVID 19 on informal Workers](#)

ABOUT WIEGO

Women in Informal Employment: Globalizing and Organizing (WIEGO) is a global network focused on securing livelihoods for the working poor, especially women, in the informal economy. We believe all workers should have equal economic opportunities and rights. WIEGO creates change by building capacity among informal worker organizations, expanding the knowledge base about the informal economy and influencing local, national and international policies. Visit www.wiego.org.