



Expanding Social Protection to Informal Women Workers for Better COVID-19 Recovery in Uganda

Key Considerations

Uganda has female labor force participation of 67 percent. While some efforts to advance social protection are being made, Uganda currently spends only about 3.5 percent of its gross domestic product (GDP) towards that end. Meanwhile, the National Employment Policy (2010) covers social security only for workers in the formal sector, leaving informal workers not covered. Intentional targeting and expansion of the social protection program to informal women workers is an economic investment that would shield informal businesses and households from the adverse effects of the COVID-19 pandemic shocks and closures.

What is at stake?

Gendered impacts of the pandemic on women workers in the informal economy

The informal services sector workers are unprotected. They do not have a choice in determining the terms and conditions of employment. The informal services sector is predominately female and gender norms play.

According to the International Labour Organisation (ILO), women in the informal economy, such as street vendors, domestic and home-based workers without social protection in place are more susceptible to insecure working environments with discriminatory policies, and there is limited access to grievance and redress mechanisms (ILO, 2018).

Most women who work within the informal sector reside in informal settlements (APHRC, 2012) and are at a higher risk of violence, with limited access to health services. Less control over their mobility, inadequate access to resources, and decision-

making often means less access to sexual reproductive health services (Miller, 2012).

The existing norms, gender-based discrimination in the workforce, and inequalities in the informal sector, also make women vulnerable to varied forms of violence within and outside their homes. As a result, women's low bargaining power in informal labor markets, coupled with a lack of robust protection mechanisms, make them particularly susceptible to violence at work. Further, many small business owners, vendors face harassment at the hands of law enforcement and other authorities with few options for legal redress. Domestic violence spilled into the ecosystem for many home-based workers, more so due to COVID-19 related shocks resulting in lockdowns, income loss, job loss, and lack of access support networks.

In Uganda, social protection mechanisms include cash transfers to vulnerable groups, pensions for the elderly, and grants to children headed households and people with disabilities.

Highlights

- Informal sector is a critical source of livelihoods for women and households.
- Informal Women Workers are the majority 87 percent in the sector.
- The COVID-19 social protection measures excluded the informal women workers.
- With targeted direct cash transfers to informal Women Workers, recovery efforts will be assured.



The value of social protection to informal workers in Uganda

The informal sector remains a critical source of livelihood for women, households, and the economy in Uganda. The sector contributes 54 percent of gross domestic product (GDP) and absorbs 87 percent of women workers (UBOS, 2020). However, informal workers in Uganda have little to no social protection due to the nature of their jobs and unregulated work environments. They lack entitlements to employment benefits like health insurance, maternity benefits, and pensions.

At the onset of the pandemic, about 75 percent of micro and small businesses laid off employees majority of them being women. The situation was aggravated by inadequate social protection mechanisms, especially among informal women workers (IWW), subjecting them to economic shocks and social vulnerabilities, especially in female-headed households.

This brief borrows from a multi-country study conducted by the International Center for Research on Women (ICRW) (2021) to assess the gendered impact of COVID-19 policies on informal women workers in Uganda, Kenya, and India. The brief focuses on the COVID-19 policy responses put in place by the Government of Uganda, gaps therein, and opportunities for inclusive and gender-equitable social protection.

ICRW undertook a desk review of the existing social protection policies and programmatic interventions in Uganda between January and May 2021.

Key Findings on the social protection mechanisms and impact on informal workers

Job protections for informal workers: The National Social Protection Policy (2015) provides that all Ugandan citizens are entitled to social protection irrespective of their socio-economic status, whether employed or not. The policy also acknowledges that anyone might encounter risks and vulnerabilities, rendering them unable to meet basic needs, including food, shelter, clothing, education, and healthcare. The policy clearly outlines nine categories of beneficiaries of social protection mechanisms: **workers in the informal sector** (*those working in economic units or family businesses with less than five persons, unregistered workplaces, rural agricultural areas*); workers in the formal sector; orphans & vulnerable children; labor constrained individuals and households; unemployed people; older people (60+ years); people with severe disabilities; ethnic minorities; and disaster-affected people.

Social protection refers to public and private interventions to address risks and vulnerabilities that expose individuals to income insecurity and social deprivation, leading to undignified lives. It comprises of two pillars, namely:

Social Security (protective and preventive interventions to mitigate factors that lead to income shocks and affect consumption).

Social Care and Support Services (range of services that provide care, support, protection and empowerment to vulnerable individuals who are unable to fully care for themselves).

The Republic of Uganda, National Social Protection Policy, 2015

NSPP, however, lacks a clear framework demonstrating how to provide social protection measures and benefits to the informal sector.

Non-responsiveness of social protection policies to informal workers: Review of the various social protection policies and guidelines {Protection Scheme, Tax Procedures Code (Amendment) Bill 2020, Business Relief Scheme Against COVID-19, Employment Act, Public Health (Prohibition of Entry into Uganda) Order, 202} reveal gaps for the informal workers.

In the wake of the COVID-19 pandemic, the Government of Uganda (GoU) announced a raft of measures to bolster social protection and cushion the population, including the vulnerable, from the socioeconomic impact of the COVID-19 pandemic as follows:

- Supplementary budget for additional social expenditure of UGX 284 bn (USD 76 million);
- Expansion of social assistance coverage to new vulnerable populations such as urban poor and informal sector workers; including food distribution campaign (maize flour, beans & sugar) to vulnerable people in Kampala and Wakiso;

Key gaps in social protection measures

- Inadequate targeting of informal sector workers for social protection (social assistance amount, coverage, duration)
- Absence of guidelines to facilitate direct income support to informal sector workers.
- Inadequate financial resources for social protection;
- Inadequate gender disaggregated data on the informal sector workforce to inform decision making.
- Limited bargaining power for employment benefits, control of workspaces and assets.
- Inability to advance collective bargaining due to isolated work arrangements, restrictions on in-person meetings and inadequate familiarity with emerging virtual workspaces in the era of COVID-19.
- Absence of childcare benefits (and or inadequate childcare mechanisms) amidst rising childcare and other COVID-related unpaid care needs.

However, there lacks evidence demonstrating the extent to which the informal sector workers, especially women, benefited from the social assistance programs. The gender neutrality of the existing social protection policies is a concern, as more women experienced employment interruptions due to the pandemic than men. Unless gender considerations are fully integrated into social programs and financial investments during COVID-19 recovery, informal women workers will continue to bear the brunt of the pandemic's aftershocks (or economic fallout).

“ We really recorded high rates of gender-based violence. In the urban center, that is Kampala one of our community role models was killed by her own husband, for having changed her ATM number.”

CSO Representative, Uganda

The very nature of informal work in Uganda hinders the ability of women to access social protections. Uganda's informal urban economy is highly temporal and unsecured, with very limited social protections. This is the result of existing policy and legal frameworks on employment and job protections that do not cater to informal workers.

Civil Society Organizations (CSOs) and the private sector sought to complement the Government's social assistance initiatives. For instance, Give-Directly Uganda, working with mobile network operators, identified vulnerable individuals and provided them with an initial three-month income of \$25 in rural areas and \$50 in urban areas. The CSOs initiatives were, however, limited in scope.

New working environments: Coping mechanisms during the COVID-19 pandemic have had diverse manifestations in the informal sector in that:

- Most employers opted for remote working operations, leading to job cuts.
- The pandemic has deepened pre-existing insufficient levels of informal worker protection, which includes inadequate contractual arrangements.
- Integration of new or rarely used digital platforms and technologies has created an unfamiliar working environment.
- Access to financial services among women is still

- deficient, with only 18 percent of females having received digital finance services.

Lessons for Policy and Practice

The findings elicit the following lessons for policy and practice to safeguard the informal women workers:

Review and strengthen the National Social Protection Policy (2015): Include the needs of informal women workers in designing and implementing social protection strategies. A review of the existing policies to encapsulate the safety, security, and wellbeing of the informal women workers in the wake of the COVID-19 socio-economic shocks is paramount. The review should factor in the multidimensional vulnerabilities facing informal women workers. Develop a comprehensive and integrated strategy that eliminates the negative impacts of COVID-19 and pre-existing negative aspects of informality while fostering equitable business environments with a particular focus on women in the informal economy.

Align legal and policy frameworks: : The pre-covid social protection measures, such as the social assistance grants for empowerment (SAGE) and senior citizen grants, need strengthening and expansion to ensure an agile and gender-inclusive response during pandemics like COVID-19. The Government should create coherence between informal employment and social protection frameworks, which align more with the formal sector. Given the precarious nature of informal work, it is important that workers therein are covered by the Employment Act, the Workman Compensation Act, the Occupational Safety and Health Act, and the National Social Security Fund Act, among others. Extend contributory insurance systems to informal workers

Make gender-smart investments: Responsive and explicit social protection measures are smart gender investments. Investing in social protection could serve to increase women's income, job security, and labor force participation. Policy actors and other stakeholders ought to analyze the needs of informal workers and gender constraints in access to social protection to integrate these into the design of social protection policies and programs.

Strong partnerships between Government, Private Sector, and Civil Society Organizations: Intentional and collaborative initiatives should be set in motion by all stakeholders to promote avenues through which informal workers can benefit from social protection schemes. The CSOs could also build the capacity of the informal worker associations to mobilize their membership into subscribing or negotiating for affordable social protection mechanisms, such as health insurance schemes. There is a need for a strategy to identify financing mechanisms and implementation strategies that will bolster existing government-led social protection schemes to the informal sector. The private sector should consider redesigning existing health insurance schemes to allow informal workers and business owners to subscribe to these arrangements.

Workplace investments in childcare: Unpaid care burden continues to limit women's work options and choices in the informal sector. The international labor standards and human rights conventions call for the expansion of social protection coverage to all workers (ILO, 2021). Governments and stakeholders should increase investments in public, private, and community-based childcare facilities within informal workers' reach. (WIEGO, UNICEF, & ILO, 2021)

Social protection and gender-based violence (GBV): Job losses and insecurity increase the vulnerability of women to gender-based violence. Accountability standards should be instituted to safeguard recipients of social assistance initiatives especially when cash transfers and food rations are involved.

Stakeholders should further explore the extent to which the existing social protection mechanisms (or lack thereof) increase the risks of informal women workers to GBV.

Expand health insurance schemes, pensions, employment benefits, child care benefits, paid maternity leave to informal workers to enable them to balance their work and care responsibilities.



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