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By Hon. Tiyah Galgalo, VC Chair
DC - KWS & N



ELEVENTH PARLIAMENT- THIRD SESSION- 2015

THE DEPARTMENTAL COMMITTEE ON LABOUR AND SOCIAL WELFARE

REPORT ON
SESSIONAL PAPER NO. 2 OF 2014 ON THE NATIONAL SOCIAL PROTECTION POLICY

CLERK'S CHAMBERS
PARLIAMENT BUILDINGS
NAIROBI.

JULY, 2015

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1.0 Preface

On behalf of the Departmental Committee on Labour and Social Welfare, it is my pleasure and duty to present the Committee's Report on Sessional Paper No. 2 of 2014 on the National Social Protection Policy.

The Sessional Paper was laid in the House in June 2014 and through it the Ministry seeks for the formation of a National Social Protection Council that will bring together key stakeholders in the area of social protection.

The Policy aims to strengthen transparency and accountability in the social interventions.

1.1 Mandate of the Committee

As set out in Standing Order 216 (5), the Committee is mandated to:

- i) Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned ministries and departments.*
- ii) Study the programme and policy objectives of ministries and departments and the effectiveness of the implementation.*
- iii) Study and review all legislation referred to it.*
- iv) Investigate and inquire into all matters relating to the assigned ministries and departments as they may deem necessary and as may be referred to them by the House.*
- v) Vet and report on all appointments where the Constitution or any law requires the National Assembly to approve, except those under Standing Order 204 (Committee on Appointments); and*
- vi) Make reports and recommendations to the House as often as possible, including recommendation of proposed legislation.*

1.2 The Committee Membership

The Departmental Committee on Labour and Social Welfare was constituted on Thursday 16th May 2013 and comprises of the following members:-

1. Hon. David Were, MP - Chairperson
2. Hon. Tiyah Galgalo, MP - Vice Chairperson
3. Hon. Janet Teyiaa, MP
4. Hon. Peris Tobiko, MP

5. Hon. John Ndirangu Kariuki, MP
6. Hon. Winnie Karimi Njuguna, MP
7. Hon. Janet Nangabo, MP
8. Hon. John Serut, MP
9. Hon. Samuel Gichigi, MP
10. Hon. Elijah Lagat, MP
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21. Hon. Patrick Wangamati, MP
22. Hon. Rose Museo Mumo, MP
23. Hon. Silvanice Onyango Osele, MP
24. Hon. Mustafa Idd, MP
25. Hon. Nyasuna Gladys Wanga, MP
26. Hon. John Owuor Onyango Kobado, MP
27. Hon. Mwanyoha Hassan Mohammed, MP
28. Hon. Mlolwa Jones Mwangogo, MP
29. Hon. Ferdinand Waititu, MP

1.3 Committee Sitings

The Committee held two sittings on 26th and 27th June, 2015 in which the Principal Secretary Ministry of Labour, Social Security and Services and the relevant officials were invited by the Committee when considering the Sessional Paper. The Sessional Paper was laid in the House on 17th June, 2014.

1.4 Adoption of the Report.

The following Members of the Departmental Committee on Labour and Social Welfare, pursuant to Standing Order 199 adopted this report and affixed their signatures to affirm their approval and confirm its accuracy, validity and authenticity on 2nd July, 2015 without any amendments.

- 1) Hon. David Were, MP - Chairperson
- 2) Hon. Tiyah Galgalo, MP - Vice Chairperson
- 3) Hon. PerisTobiko, MP
- 4) Hon. Winnie Karimi Njuguna, MP
- 5) Hon. John Serut, MP
- 6) Hon. Elijah Lagat, MP
- 7) Hon. Abdi Noor Ali, MP
- 8) Hon. Daniel Wanyama, MP
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- 13) Hon. Omondi John Ogutu, MP
- 14) Hon. Patrick Wangamati, MP
- 15) Hon. John Owuor Onyango Kobado, MP
- 16) Hon. Mwanyoha Hassan Mohammed, MP
- 17) Hon. Mlolwa Jones Mwangogo, MP

1.5. Committee Observations and Recommendations

1.5.1 Committee Observations

Having heard and scrutinized presentations on the sessional paper on the National Social Protection Policy made by the Principal Secretary and his team from the Ministry of Labour, Social Security and Services, the Committee made the following observations, that:-

1. The Policy should provide for strengthened transparency and accountability in the social interventions.

2. There is need to incorporate the powers of the council in the proposed Bill
3. There is need to review the legislation and policies on social protection
4. There is need to carry out regular monitoring, evaluation and reporting of social protection programmes and interventions.
5. There is need to harmonize data e.g. of beneficiaries despite different implementing agencies.
6. The Ministry seeks for the formation of National Social Protection Council that will bring together key stakeholders in the area of social protection.

1.5.2 Committee Recommendations

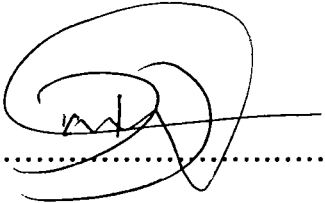
The Committee recommended that:-

1. The National Assembly adopts the Sessional Paper No. 2 of 2014 on the National Social Protection Policy.
2. The Ministry of Labour, Social Security and Services should strengthen transparency and accountability in the social protection interventions. *(This will be through such initiatives as the Single Registry, implementation of a standardized targeting tools, common Monitoring and Evaluation system, common Complaints and Grievance handling system and various community level committees).*
3. The Ministry of Labour to ensure that the powers of the Council are incorporated in the proposed Bill.

1.6 Acknowledgements.

- The Committee wishes to sincerely thank the Offices of the Speaker and the Clerk of the National Assembly for the support extended to it in the execution of its mandate.
- I take this opportunity to thank all Members for their useful contribution in the production of this Report which enabled the Committee to complete the task within the stipulated period.
- The Committee wishes to record its appreciation for services rendered by the staff of the National Assembly attached to the Committee, their efforts and input made the work of the Committee and compilation of this Report possible.

- Hon. Speaker, on behalf of the Departmental Committee on Labour and Social Welfare it is my pleasure and duty to present the Committee's observations and recommendations on the Sessional Paper No. 2 of 2014 on the National Social Protection Policy.

SIGNED.......... DATE..... 09-07-2015

Hon. David Were, MP (Chairperson)

Departmental Committee on Labour and Social Welfare

2.0 CONSIDERATION OF SESSIONAL PAPER NO. 2 OF 2014 ON NATIONAL PROTECTION POLICY

2.1. Social protection has been implemented in Kenya for many years in various forms that include both non-contributory and contributory schemes. These schemes were given an impetus by 2006 African Union meeting in Livingstone, Zambia, following which the government of Kenya initiated a wide consultative process to formulate a national social protection framework. Through this process, the government has identified several key social protection actions in the areas of social assistance, social security and health insurance.

2.2. The Constitution of Kenya (2010) contains a comprehensive Bill of Rights. Article 43 guarantees all Kenyans their Economic, Social, and Cultural (ESC) rights. It asserts the "right for every person...to social security and binds the state to provide appropriate social security to persons who are unable to support themselves and their dependants." This right is closely linked to other social protection rights, including the right to healthcare, human dignity, reasonable working conditions, and access to justice. Article 21 establishes the progressive realization of social and economic rights and obligates the state to "observe respect, protect, promote, and fulfill the rights and fundamental freedoms in the bill of rights.'

2.3. The Constitution emphasizes the direct application of international agreements ratified by Kenya. These include the universal declaration of human rights (1948), which recognizes social protection as a fundamental human right for all citizens of the world. This is reinforced by many UN and ILO conventions as well as regional agreements including the African Charter on Human Rights and Peoples' Rights(1981) and the East African Community Common Market Protocol. The UN/ILO Social Protection Floor Initiative (SPF) guarantees a universal minimum package of social transfers and services within a lifecycle approach to social protection. Within Kenya itself, vision 2030 envisages an equitable society to which social protection can contribute.

2.4. For the purpose of the policy, social protection is defined as: policies and actions, including legislative measures, that enhance the capacity of and opportunities for the poor and vulnerable to improve and sustain their lives, livelihoods and welfare, that enable income-earners and their dependants to maintain a reasonable level of income through decent work, and that ensures access to affordable healthcare, social security, and social assistance.

3.0 ANALYSIS OF THE NATIONAL SOCIAL PROTECTION POLICY

3.1 Objectives.

- a) The overarching goal of the social protection is to ensure that all Kenyans live in dignity and exploit their human capabilities for their own social and economic development. To attain this, the following broad policy objectives will be pursued:-
- i) Protecting individuals and households from the impact of adverse shocks to their consumption that is capable of pushing them into poverty or into deeper poverty.
 - ii) Supporting individuals and households to manage these shocks in ways that do not trap them in poverty by reducing their exclusion and strengthening their ability to graduate from social assistance and to become financially self sufficient
 - iii) Cushioning workers and their dependants from the consequences of income threatening risks such as sickness, poor health, and injuries at work as well as from the threat of poverty in their post-employment life.
 - iv) Promoting key investments in human capital and physical assets by poor and non-poor households and individuals that will ensure their resilience in the medium term and that will break the intergenerational cycle of poverty.
 - v) Promoting synergies and integration among social protection providers as well as positive interactions among stakeholders for the optimal functioning of the policy.
- b). The social protection policy is based on the principles of leadership and integrity; good governance; evidence-based programming; gender mainstreaming (assessing the implications of both males and females of any planned action); equity and social justice; adherence to common standards; public participation; the adequacy, affordability and sustainability of benefits; and flexibility and responsiveness to changing circumstances.

3.2 Policy Measures

The Policy measures are presented in three categories; social assistance, social security and health insurance.

a) Social assistance:

The Government, working with all other stakeholders shall:-

- i) Establish institutions and provide resources needed to provide social assistance to the various target populations.
 - ii) Ensures that the design and implementation of all programmes and developments approaches are coordinated, including those within social assistance and between social security and health insurance.
 - iii) Strengthen and scale- up existing programmes while widening their geographical and demographic coverage.
 - iv) Put in place institutional frameworks for coordinating social assistance to ensure consistent and adequate levels of support.
 - v) Conduct periodic reviews of instruments and strategies to reach the poor based on standards agreed upon by stakeholders such as ease of implementation, effectiveness in targeting, cost-effectiveness, and the impact on the welfare and livelihoods of the beneficiaries.
 - vi) Conduct research to inform the implementation of social assistance interventions on areas such as targeting, the adequacy of transfer value, delivery mechanisms, social rights, and community/beneficiary participation.
 - vii) Determine the appropriate graduation and exit strategies for the different interventions while helping stakeholders to develop standards to be used to assess the appropriateness of this strategies.
- b) Social security;**

The Government working with all other stakeholders shall:-

- i) Strengthen the existing social security regime and establish comprehensive social security arrangements that will extend legal coverage to all workers whether in the formal or informal sectors and their dependents.
- ii) Undertake research into and consider viable options for extending coverage to those who work informally and their dependants in consultation with key stakeholders, including those in affected communities and sectors.
- iii) Devise ways to make membership of social security schemes compulsory, and enforce and monitor the compliance of those who are able to contribute.
- iv) Review and adjust governance and management arrangements to ensure that governance is representative of the interest of the government, employers, and workers and that the management of the schemes is streamlined, cost effective and transparent.
- v) Introduce more coordination and integration between programmes as well as modernization where appropriate to ensure efficient collection of contributions, widen geographic access to quality service delivery and ensure the effectiveness of benefit payments.

- vi) Develop synergies within social security and across the social protection spectrum, by harmonizing benefits where and by coordinating and integrating a system of providing multi-pillar retirement schemes, supported by integrated coordinated information systems and reliable contributor and beneficiary databases.
 - vii) Support effective standard-setting by independent regulators with an extensive regulatory and supervisory mandate.
 - viii) Promote the adoption of legislation, policies, and implementing measures aimed at replacing, where appropriate, lump-sum benefit payments with regular payments indexed to the cost of living.
 - ix) Extend the range of social security benefits to cover such key areas of need including unemployment and comprehensive pre-natal and post-natal care for mothers and babies.
 - x) Determine the most appropriate role to be employed by occupational schemes in extending social security coverage to those who can contribute to their own post-retirement welfare and security and risk mitigation.
- c) Health insurance.**

The Government, in collaboration with partners, shall:-

- i) Re-establish the NHIF as a fully-fledged comprehensive national health insurance scheme, which covers all Kenyans, and to which those who can afford it must contribute
- ii) Establish a framework for enabling those who are not able to contribute to access a core package of essential health services, including maternity care and treatment for HIV/AIDS and related diseases
- iii) Extend the range of benefits provided by NHIF, including outpatient care, specialized treatment and quality of care assurance, sickness benefits, and mandated post-retirement health coverage
- iv) Ensure that benefits made available by the NHIF and other medical schemes are adequate and are geographically accessible.
- v) Streamline institutions by removing all duplication and inconsistencies between healthcare providers
- vi) Establish a health insurance regulator to improve standard setting, regulation, and supervision in the health sector.
- vii) Provide a supportive framework for private sector participation in the health sector and determine the exact role, place and function of medical benefit (insurance) schemes in relation to NHIF and Government interventions in healthcare.

4.0 COMMITTEE OBSERVATIONS

Having heard and scrutinized the presentation on the Sessional Paper on the National Social Protection Policy made by the Principal Secretary and his team from the Ministry of Labour, Social Security and Services, the Committee made the following observations:-

- I. The Policy should provide for strengthened transparency and accountability in the social interventions.
- II. There is need to incorporate the powers of the council in the Bill.
- III. There is need to review the legislation and policies on social protection.
- IV. There is need to carry out regular monitoring, evaluation and reporting of social protection programmes and interventions.
- V. There is need to harmonize data e.g. of beneficiaries despite different implementing agencies.
- VI. The Ministry seeks for the formation of National Social Protection council that will bring together key stakeholders in the area of social protection.

5.0 COMMITTEE RECOMMENDATIONS

The Committee recommended that:-

1. The National Assembly should adopt the Sessional Paper No. 2 of 2014 on the National Social Protection Policy.
2. The Ministry of Labour, Social Security and Services should strengthen transparency and accountability in the social protection interventions. *(This will be through such initiatives as the Single Registry, implementation of a standardized targeting tools, common Monitoring and Evaluation system, common Complaints and Grievance handling system and various community level committees).*
3. The Ministry of Labour to ensure that the powers of the Council are incorporated in the proposed Bill.

MINUTES OF THE 40TH SITTING OF THE DEPARTMENTAL COMMITTEE ON LABOUR
AND SOCIAL WELFARE HELD AT NEW MEMBER LOUNGE ON 2ND JULY, 2015 AT
10.00A.M

PRESENT

1. Hon. David Were, MP - Chairperson
2. Hon. Tiyah Galgalo, MP- Vice Chairperson
3. Hon. Elijah Mosomi Moindi, MP
4. Hon. Dan Wanyama, MP
5. Hon. Mwanyoha H. Mohammed, MP
6. Hon. Jones Mlolwa, Mp
7. Hon. John B. Serut, MP
8. Hon. Kinoti Gatobu, MP
9. Hon. Peris Tobiko, MP
10. Hon. Abdinoor Mohamed Ali, MP
11. Hon. Wesley Korir, MP
12. Hon. Winnie Karimi, MP
13. Hon. John Omondi Ogutu, MP
14. Hon. Elijah Lagat, MP
15. Hon. Patrick Wangamati, MP
16. Hon. James Onyango K'oyoo, MP
17. Hon. John Owuor Onyango Kobado, MP

ABSENT

1. Hon. Mustafa Idd, MP
2. Hon. Samuel Gichigi, MP
3. Hon. Cornelly Serem, Mp
4. Hon. John Ndirangu Kariuki, MP
5. Hon. Silvanice Onyango Osele, MP
6. Hon. Janet Teyiaa, MP
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8. Hon. Gladys Wanga, MP
9. Hon. Janet Nangabo, MP
10. Hon. Rose Museo Mumo, MP
11. Hon. Ferdinand Waititu, MP
12. Hon. Aisha Jumwa Karisa, MP

National Assembly Secretariat

1. Mr. Erick Nyambati -Third Clerk Assistant
2. Ms. Ella Kendi Mwenda -Third Clerk Assistant

3. Mr.Abdirahman Gele Hassan -Third Clerk Assistant.
4. Mr.Donald Manyala -Research Officer

Minute No.101 /2015 Preliminaries.

The meeting was called to order at 10.20 a.m. and prayers were said by the Chairperson.

Minute No.102 /2015 Confirmation of the Minutes.

Confirmation of the Minutes of the previous sitting was deferred to the next meeting.

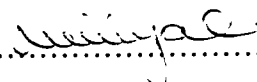
Minute No.103/2015 Adoption of the reports on the Sessional Papers.

The Committee unanimously adopted the reports on the following Sessional Papers without any amendments;

1. Sessional Paper No. 2 of 2014 on the National Social Protection Policy
2. Sessional Paper No. 2 of 2013 on the National Industrial Training and Attachment Policy
3. Sessional No. 3 of 2013 on the National Productivity Policy
4. Sessional No. 4 of 2013 on the National Employment Policy and Strategy for Kenya.

Minute No.104/2015/Adjournment

There being no any other business to transact, the meeting was adjourned at 11.40a.m

Signature.....

Hon. Tiyah Galgalo Ali, Mp (Vice Chairperson)

Date.....

DEPARTMENTAL COMMITTEE ON LABOUR AND SOCIAL WELFARE

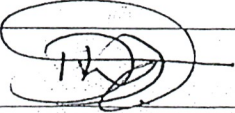
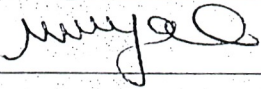
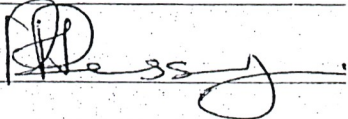
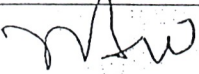
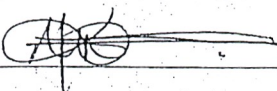
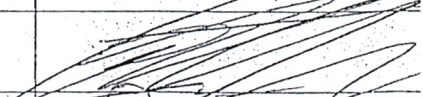

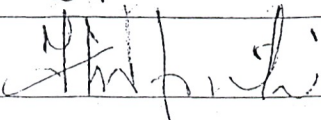
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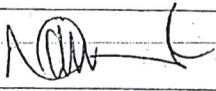
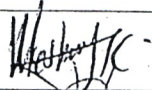
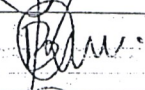
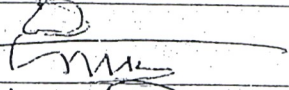
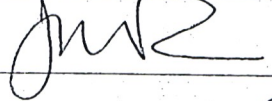
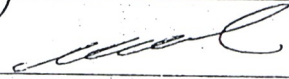
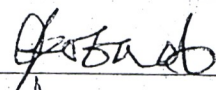
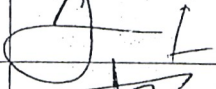
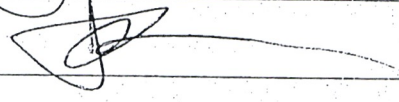
Date: 2nd July, 2015

Venue: New Members Lounge

Agenda: Consideration and adoption of the Reports on the following:

1. Sessional Paper No. 2 of 2014 on the National Social Protection Policy
2. Sessional Paper No. 4 of 2013 on the National Employment Policy and Strategy for Kenya
3. Sessional Paper No. 2 of 2013 on the National Industrial Training and Attachment Policy
4. Sessional Paper No. 3 of 2013 on the National Productivity Policy

NO	NAME	SIGNATURE
1	Hon David Were, Mp -Chairperson	
2	Hon. Tiyah Galgalo, Mp- Vice -Chairperson	
3	Hon Janet Teiyaa, Mp	
4	Hon. Peris Tobiko, Mp	
5	Hon. John Ndirangu Kariuki, Mp	
6	Hon. John Serut, Mp	
7	Hon. Winnie Karimi Njuguna, Mp	
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29.	Hon. Ferdinand Waititu	

ERIC NYAMBATI

FOR CLERK NATIONAL ASSEMBLY