

Wither Social Protection and Human Development in an Integrating ASEAN?

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Where are we?

Challenges and
Potentials



Benefiting from the
potentials and
addressing the
challenges

We are now...

- Enjoying demographic bonus... but rapidly ageing... at relatively low income level (in majority of economies)
- By 2035, the percentage of the population aged over 60 years is projected to have nearly doubled in all the ASEAN Member States except for Cambodia, the Lao PDR, and the Philippines.
- Indonesia, the Philippines, and Viet Nam will together account for around 72% of ASEAN's total population by that time.
- Other challenges: shrinking labour market, a large number of people not covered in the social protection system, and the need to match skills with future demand.

We have achieved...

- Successful stories of: reducing dire poverty, improving HDI, and impressive growth.
- Majority has achieved Millennium Development Goals targets on poverty, thanks to Social Protection Programs.

Are we growing old?

Country	2015		2025		2035	
	Population	Pop 60+	Population	Pop 60+	Population	Pop 60+
Brunei Darussalam	423	8%	475	13%	513	21%
Cambodia	15,578	7%	17,944	9%	19,988	12%
Indonesia	257,564	8%	284,505	11%	304,847	15%
Lao PDR	6,802	6%	7,966	7%	8,973	9%
Malaysia	30,331	9%	34,334	13%	37,618	16%
Myanmar	53,897	9%	58,373	12%	61,752	15%
Philippines	100,699	7%	116,151	9%	130,556	11%
Singapore	5,604	18%	6,231	27%	6,558	34%
Thailand	67,959	16%	68,637	23%	67,442	30%
Viet Nam	93,448	10%	102,093	15%	107,773	20%
ASEAN	633,490	58,923	698,154	89,108	747,730	123,318
Pop60+		9%		13%		16%
Growth			0.05	0.22	0.03	0.16

Main Issues: (i) uncovered old age, (ii) effective social protection coverage, and (iii) unprotected people and regional mobility



Being of old age does not mean being helpless; they can stay healthy, active, and productive.

... but unmeasured economic contribution



Universal coverage for healthcare: Singapore, Brunei Darussalam, Malaysia, and Thailand. Indonesia is progressive

High out-of-pocket payment

Income security, especially for children, women, and old-age persons

Majority of informal workers and undocumented migrants are uncovered



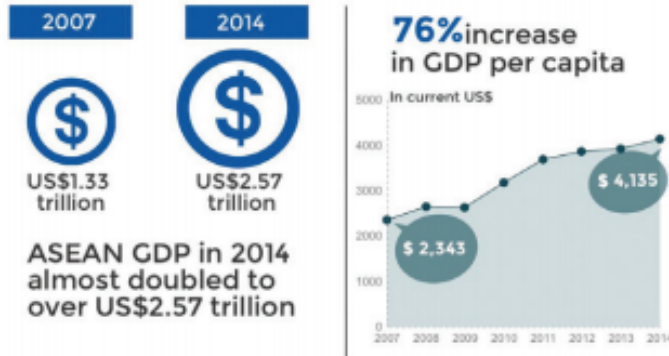
Millions of migrant workers and dependents from Cambodia, Lao PDR, and Myanmar live in other ASEAN countries. <50% got legalized, <20% insured by Social Security System (no pension)

Non-portable Social Security number

ASEAN in size

ASEAN ECONOMY

ASEAN GDP 2007-2014:



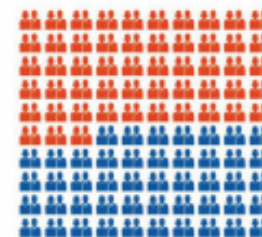
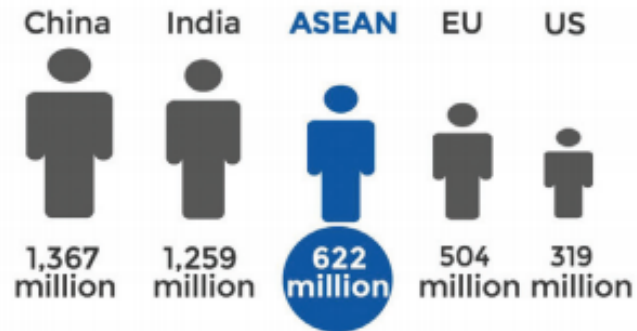
In 2014, ASEAN economy was:
3rd largest in Asia
7th largest in the world



Source: ASEAN Statistics and International Monetary Fund

ASEAN POPULATION

3rd largest in the world in 2014



More than **50%** of ASEAN's population is under 30 years old (compared to 39% of East Asia's and 34% of Europe's)

● over 30 years old ● under 30 years old

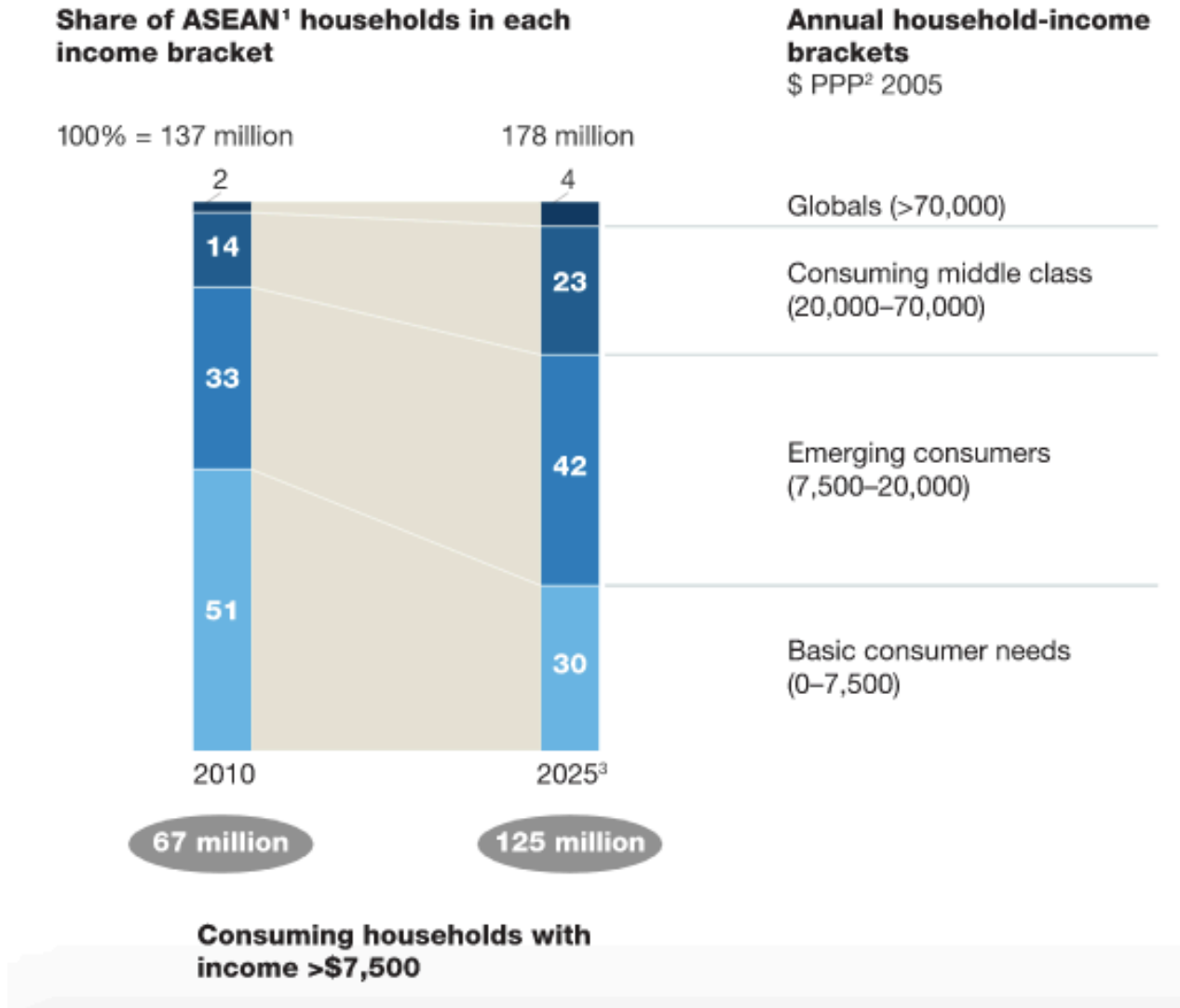
Source: ASEAN Statistics and UN, World Population Prospects



To be 4th largest economy in 2030 (IHS projection, 2016)

Source: AEC 2015 Progress and Key Achievements

Middle Income Class will dominate ASEAN Economy in the future



Source: McKinsey Global Institute Database, McKinsey Global Institute analysis

Addressing the challenges

- Better preparation to have healthy, productive, and happy old age
- Expand both legal and effective coverage for current old age and productive age group
 - right policies and sufficient spending
- Improved healthcare system design, reduce out-of-pocket payment, reach the unreached
- Basic healthcare services for everybody
- Improving efficient regional labour market:
 - smooth and harmonized regulatory systems across jurisdictions to support freer movement for workers.
 - Expand mutual recognition agreements (MRAs) in services, to provide greater mobility for professionals.
 - Build a reliable, updated, and integrated database for ASEAN based on agreed standardized indicators.
 - Encourage AMSs to agree on basic social protection for all ASEAN workers that can guarantee the portability of basic social protection programmes across the region.
- ASEAN to set up a regional fund that would compensate ASEAN nations that provide protection for marginal groups even if they are non-citizens.

Thank you

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