

Tripartite round table on pension trends and reforms

Overall assessment of the pension system

Côte d'Ivoire (employers)

The ILO core principles that are fully or partially observed by the pension system

It should be pointed out that Côte d'Ivoire has not ratified either of the two conventions relating to social security, namely the Social Security (Minimum Standards) Convention, 1952 (No. 102), and the Invalidity, Old-Age and Survivors' Benefits Convention, 1967 (No. 128). Côte d'Ivoire has, however, applied certain principles, which underpin social security and are contained in the Social Protection Floors Recommendation, 2012 (No. 202). As a result, the Government has established a social protection policy, which is exemplified by the introduction of an old-age pension both for private-sector workers and for civil servants and State officials.

A pension fund for private-sector workers was first created on 21 September 1960. After several changes in legal status, the National Social Insurance Fund – the country's social insurance institution – was created by decree in 2000, pursuant to Act No. 99-476 of 2 August 1999, defining and organizing the social insurance institutions. Its objectives include:

- Managing the compulsory social insurance scheme for private-sector workers, which comprises four different schemes, one of which is old-age retirement insurance;
- Managing the supplementary, special, mandatory and voluntary schemes;
- Collecting social contributions and servicing the benefits provided under the various schemes.

The pension scheme consists of providing a replacement income to a worker who has asserted their right to retire. It has a contribution rate of 14 per cent, 55 per cent of which is paid by the employer and 45 per cent by the worker. It must be said that our pension system is not in full observance with the ILO core principles, reason being that the first principle, on universal coverage, is not in effect. In fact, only waged workers registered with the social insurance fund are beneficiaries. Moreover, civil servants are also beneficiaries of the pension scheme managed by the General State Officials' Pension Fund. It is clear that other sections of the population have no pension coverage, especially when it comes to those working in the informal economy. It should be noted, however, that the Government has established a retirement scheme for independent workers, which should benefit informal workers who are willing to register.

▶ Which core principles are only partially observed?

The Government does not contribute towards the funds to be made available in the private-sector pension system, yet the State is a member of the tripartite management committee. When it comes to civil servants and State officials, however, the State employer makes a contribution.

▶ Overall assessment of the pension system

Our pension system is doing well from the point of view of financial balance. Old-age pensions have even been increased by 5 per cent. However, the level of pension currently

provided is in breach of the legislation. While the law indicates that the ceiling should be 45 times the intertrade minimum wage, this has not been updated, despite the fact that the intertrade minimum wage was increased from 36,607 CFA francs to 60,000 CFA francs in 2015. Unsurprisingly, social partners have petitioned the Social Insurance Institution, by means of the National Council for Social Dialogue, to have the pension ceiling brought into line with the legislation.

On another note, the Social Insurance Institution intends to establish a supplementary pension, as it is required to do by law; however, it wants this supplementary pension to be mandatory for all workers. It also wants to be the sole institution responsible for managing said pension to the exclusion of private insurances, which have a long tradition in the establishment and management of supplementary pensions. Social partners and employers are calling for open dialogue.

► **How the pension system can be strengthened**

First, update the application of the regulatory framework; and second, ensure that the establishment of the supplementary pension does not result in high charges for employers or workers and that the interests of private insurers are taken into account.

Done in Abidjan on 9 November 2020
Edouard Ladouyou Sibahi
Head, Human Capital and Social Relations Department
General Confederation of Côte d'Ivoire Companies