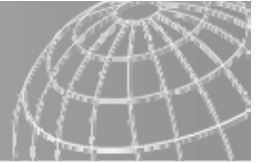


Social security in old age from the viewpoint of development cooperation

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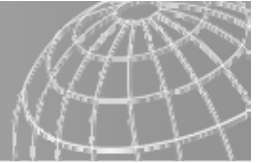
Overview

I. Introduction

II. Main section

1. The challenges for ageing societies in developing countries
2. The current significance of old-age security in development cooperation
3. Activities in German development cooperation

III. Conclusion

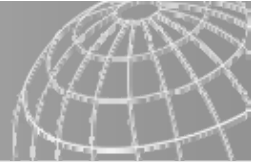


Ageing as a global phenomenon

- Number of people over 60 (worldwide)
 - » today: 680 million
 - » 2050: > 2 billion

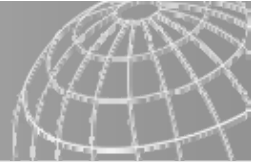
- 2050: 80% of older people will live in developing countries

- Number of older people without a secure income
 - » today: 340 million
 - » 2050: 1.2 billion, unless progress is made towards improving social security



Older people are agents of development

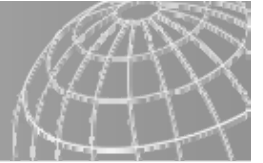
- Economically:
 - » in low income countries, 2/3 of men and 1/3 of women over 60 are still working
 - » employees, entrepreneurs and consumers
 - » household production
- Socially:
 - » care and assistance for family members (60% of AIDS orphans in southern Africa are cared for by grandparents)
 - » involvement in social environment



Threat of poverty in old age

- Particular danger from age-related health risks and handicaps
- Once in poverty, it is particularly hard for older people to escape from it again
- Increased risk for women living alone and old people in households with children

Social security systems for the aged and other measures to improve social security, reduce the risk of poverty in old age and expand the economic and social options for older people

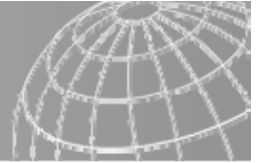


Social security for old age in development cooperation

- The Millennium Development Goals (MDG) completely ignore the ageing of societies and poverty in old age
- Development practice concentrates on productive economic development and younger and middle age groups – for older people there is "social security"

but

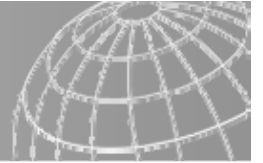
- 2002 United Nations *Madrid International Plan of Action on Ageing*
» *"a society for all ages"*



UN Madrid International Plan of Action on Ageing

"a society for all ages"

- » Old people should have the opportunity to **contribute to social life**
- » Older people must be treated **fairly and with dignity** – regardless of status, handicap or economic contribution.
- » Older people should be enabled **to work as long as they want** and are able to be productive.
- » Older people need **effective forms of social security** – including and particularly in the informal sector.

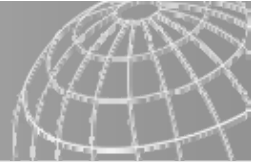


Activities of German development cooperation

- Growing importance of the issue of social security in old age
- German experience of a century of regular reforms

Examples:

- **Zambia:** Pilot project on social transfers for the poorest households. More than 50% of households covered are households headed by old people.
- **Indonesia:** Systemic advice on introducing comprehensive social security. Social security in old age particularly for the large informal sector is a challenge.
- **Namibia:** The goal is pensions to secure a standard of living, on top of existing universal basic pensions.



Closing remarks

- Take advantage of the existing *window of opportunity* before the accelerated ageing of societies!
 - » Reform and expand existing pension and retirement pension systems.
 - » Security for workers in the informal sector
 - » Government basic pensions while the first two steps are awaiting implementation
 - » Close cooperation with other sectors to address the vulnerability of older people.
- The MDGs can only be achieved by expanding social security systems, including systems for older people.
- The ageing of societies must be given more attention in other sectors of development cooperation as well.