

# ► Kenya universal maternity income protection

## Report – Kenya Context and Background

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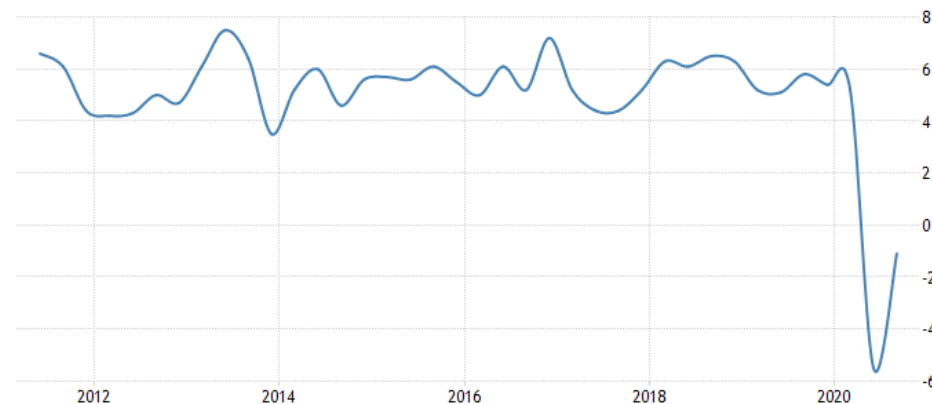
## Content

- ▶ Overview of demographic, labour and economic context
- ▶ Current legislation and provisions for health and maternity benefits
  - ▶ National legislation on paid maternity leave
  - ▶ Schemes provided under NHIF
- ▶ Why a maternity income benefit in Kenya?

# Overview of demographic, labour and economic context in Kenya

## Economic situation Kenya

- ▶ Kenya is one of the fastest-growing economies in Africa,
- ▶ Gross Domestic Product (GDP) of \$95 billion, reaching a lower-middle-income status in 2014
- ▶ COVID-19 - Kenyan economy has proven resilient and grew by 6.7% in 2021 due to relaxed COVID restrictions after a 0.3% contraction in 2020

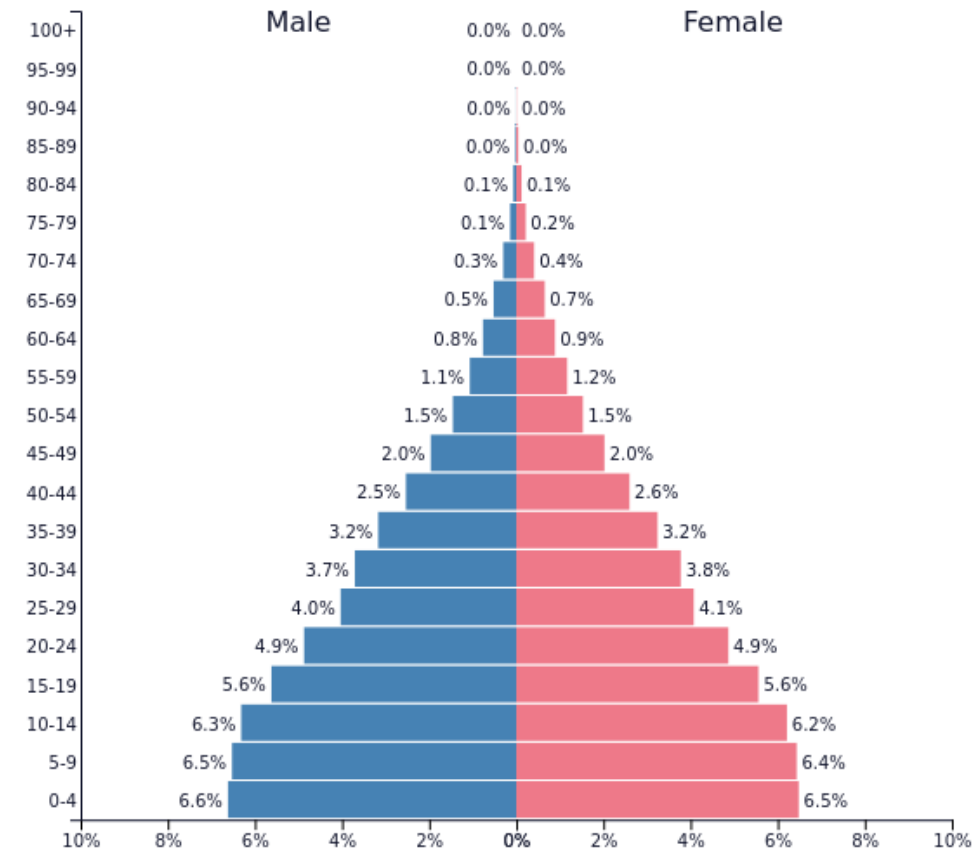


SOURCE: TRADINGECONOMICS.COM | KENYA NATIONAL BUREAU OF STATISTICS

## Social protection expenditure

- ▶ The social protection sector has seen progress, with policies shifting towards universal programmes with a lifecycle approach but spending is still below **0.4% of GDP in 2019**.
- ▶ There are still significant coverage gaps in numbers and types of benefits, particularly within the informal economy which forms 83.6% of the workforce in 2019 (MoLSP, 2020).

- ▶ Population 47.6 million in 2019 (census)
- ▶ Kenya's labour force (15–64 years) accounts for 57% and youth constitute 29% of the total population.
- ▶ Kenya is experiencing declining fertility rates → reduction in the proportion of the population below 15 years when compared to previous censuses.



- ▶ Accordingly, there were 1,191,507 registered births in 2019, over 75% of births were reported from mothers between the age of 20-34 years.

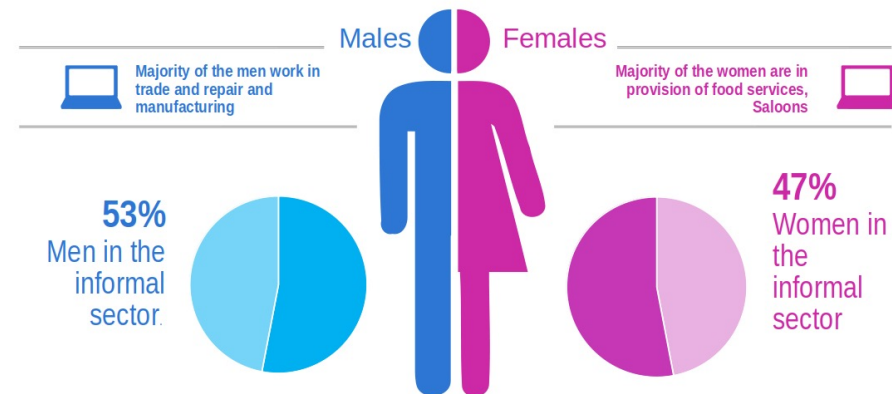
Age of Mother	%
<15 years	0.2
15 - 19 years	10.8
20 - 24 years	29.0
25 - 29 years	26.4
30 - 34 years	23.5
35 - 39 years	7.6
40 - 49 years	2.4
> 50 years	0.1

- ▶ In 2019, approximately 18 million people were estimated to be employed in Kenya. Most workers are engaged in the informal economy; roughly 15 million people formal economy, whereas three million were employed in the formal economy.

	2017	2018	2019	2020	2021*
<b>Modern Establishments</b>					
Wage Employees	2,792.7	2,859.7	2,928.4	2,742.6	2,907.3
Self-employed and unpaid family workers	139.4	152.2	162.7	156.1	163.7
<b>Sub -Total</b>	<b>2,932.1</b>	<b>3,011.9</b>	<b>3,091.1</b>	<b>2,898.7</b>	<b>3,071.0</b>
Informal Sector <sup>2</sup>	13,539.6	14,283.6	15,051.6	14,508.0	15,261.8
<b>TOTAL</b>	<b>16,471.7</b>	<b>17,295.5</b>	<b>18,142.7</b>	<b>17,406.7</b>	<b>18,332.8</b>



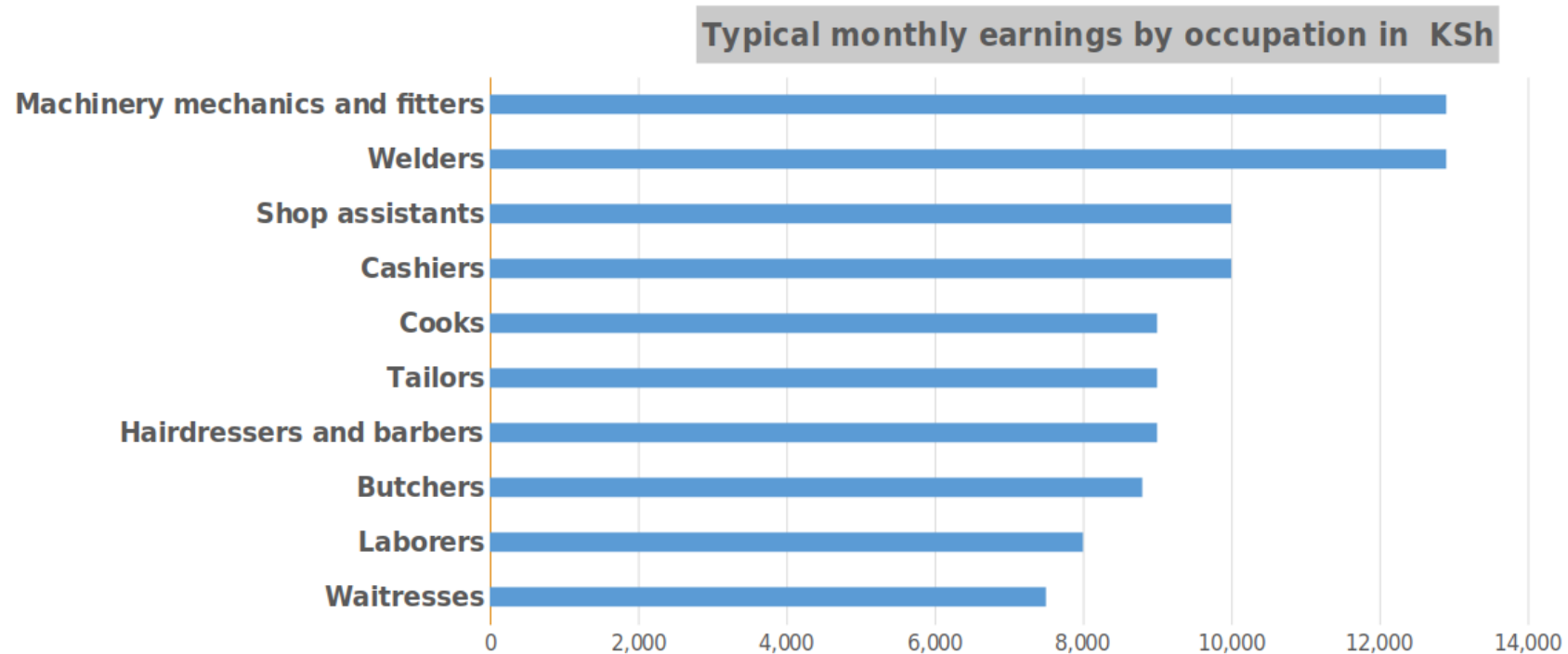
# Informal economy in Kenya



## ► Definition of Informal Economy:

- *“all economic activities by workers and economic units that are – in law or practice – not covered or insufficiently covered by formal arrangements, and does not cover illicit activities”*
- Wages and social insurance coverage are lower in the IE.
- Kenya: economic survey excludes agricultural workers and pastoralists from IE.

# Informal economy in Kenya - income



**Informal workers usually earn between 6,500 and 15,000 Kenyan Shilling per month**

- ▶ Study by the UN Women indicates that 64% of women in Kenya are currently in the labour force

	Male (15 -64 years)	Female (15 -64 years)
<b>Individual/family enterprise</b>	48.1	63.6
Private sector company	16.8	8.2
Informal economy employer	11.9	7.5
National government	4.6	2.8
County government	2.6	1.7
International organization	0.5	0.3
Non-governmental Organization	0.4	0.3
State-owned enterprise	0.2	0.7
Constitutional commission	0.3	0.0
Other	14.4	14.9
<b>Total (%)</b>	100.0	100.0

# Current legislation and provisions for health and maternity benefits in Kenya



## ▶ Legislation on paid maternity leave

- ▶ Article 43 (1) of the constitution states that “Every person has the right— (a) to the highest attainable standard of health, which includes the right to health care services, including reproductive health care.
- ▶ Item 43 (e) is even broader as it guarantees every Kenyan the right to e) social security.
- ▶ Employment Act, 2007: basic minimum terms and conditions that an employment contract should contain including annual leave, paid sick leave, maternity leave, and paternity leave.

## ▶ Legislation on paid maternity leave – continues

- ▶ A female employee is therefore entitled to three 3 months (12.9 weeks) of maternity leave with full pay and is also entitled to return to the same job she held before going on maternity leave, or a reasonably suitable job on terms and conditions equal to those that would have applied had she not been on maternity leave.
- ▶ A male employee is also entitled to two (2) weeks' paternity leave with full pay.
- ▶ Employer liability create disincentives for employers to hire women and incentives to discharge pregnant employees to avoid paying maternity benefits.

## ► Current NHIF coverage under the different health protection schemes in Kenya

1. NHIF National Health scheme comprising a package of health benefits covering the following population groups:

- Workers in the formal sector on a mandatory contributory basis. Maternity benefit based on employer liability for formal sector
- Households in the informal economy on a voluntary contributory basis. They can enrol for 6,000KES annually per household.
- Poor and vulnerable groups covered on a non-contributory basis. Government is paying 6,000KES annually per subsidised household.

2. Enhanced Scheme- comprising of benefit package for civil servants, public servants, national police, and prisons staff.

3. Linda Mama programme comprising a package of health benefits specifically on maternity care for which any pregnant woman who is not already covered by the NHIF is eligible (800,000 women per year).

# Why a maternity benefit for Kenya?





## ▶ Maternity benefit

- ▶▶ Maternity protection is essential to prevent and reduce poverty and vulnerability, promote the health, nutrition and well-being of mothers and their children,
- ▶▶ It ensures adequate nutrition and improved adherence to pre-natal and post-natal care during pregnancy and breastfeeding.
- ▶▶ The absence of income security forces many women to keep working into the very late stages of pregnancy and/or to return to work prematurely after the birth, thereby exposing themselves and their children to significant health risks.



## Current benefits do not cover most women in Kenya

- ▶ For Kenya, with only around 6 per cent of the population engaged in the formal economy, employer liability provisions will only benefit a very small proportion of the workforce.
- ▶ Hence, **95%** of pregnant women do not receive a replacement of their income during pregnancy or after childbirth and are often forced to resume work prematurely, putting their health and that of their children at risk.



## ▶ Breastfeeding



- ▶ Exclusive breastfeeding is one of the most cost-effective maternal and child health interventions.
- ▶ WHO recommends exclusive breastfeeding for 6 months of life and continued breastfeeding with complementary foods until at least 24 months
- ▶ Helping prevent diarrhoea and pneumonia, two major causes of death in infants.
- ▶ Mothers who breastfeed have a reduced risk of ovarian and breast cancer, two leading causes of death among women.

## Breastfeeding continued



- ▶ One of the major barriers to exclusive and continued breastfeeding is the lack of income protection for mothers,
- ▶ Empirical studies have shown that the sooner mothers return to work, the shorter their breastfeeding duration
- ▶ For most countries, the cost of not breastfeeding is approximately 0.7% of gross domestic product.
- ▶ The prevalence of exclusive breastfeeding in Kenya is **61%**, which leaves considerable room for improvement.

## ▶ Maternal mortality

- ▶ UNFPA estimates that the maternal mortality ratio, the number of women dying of pregnancy-related causes, stands at 355 deaths per 100,000 live births in 2020.
  - ▶ Ca. **5000** women and girls dying annually due to pregnancy and childbirth complications in Kenya
  - ▶ Access to skilled birth attendance has improved from 62% to about 70% over the last seven years, over 80% of maternal deaths are attributed to poor quality of care.

▶ **Thank you for your attention!**

