COMMITTEE ON MIGRATION ISSUES OEA/Ser.W

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CONCEPT PAPER

THEMATIC SESSION: “ACCESS TO SOCIAL BENEFITS, PENSIONS, AND AGREEMENTS AMONG COUNTRIES FOR TRANSFERRING PENSIONS TO SOCIAL AND HEALTH SERVICES FOR THE MIGRANT POPULATION IN HOST COUNTRIES”

(February 2021)

(Prepared by the Chair of the CAM with support from the Technical Secretariat)

The current context of human mobility in the Americas requires awareness of the social policies that the region’s states have developed to address the challenges posed and opportunities offered by this phenomenon. In the work of the Committee on Migration Issues, priority has been placed on issues that require a coordinated response from the region’s states. In this section, we will cover social protection for migrants and access to suitable social protection policies, with a view to mitigating their levels of vulnerability.

Social protection policies facilitate the effective socioeconomic integration of migrant populations in their destination countries and are important not only in reducing the inherent vulnerability that generally characterizes migrants but also in maximizing their potential contributions to the integral development of their destination communities and countries.

Safe, orderly, and regular international migration can be an important factor in the development of those countries because it is intimately related to their processes of demographic reproduction and economic development. Capitalizing on this opportunity and others offered by international migration requires social policies and labor market access policies that guarantee the social inclusion of the migrant populations found in a nation’s territory.

Many countries of the Americas have already taken great steps forward with this through the adoption, in recent decades, of a rights-based approach in their regulations and public policies applicable to migrants and refugees, which has guaranteed those populations access to public services, including education and health.[[1]](#footnote-1)/

Another current topic on the region’s agenda is how to ensure access to pension systems, not only so that migrants’ contributions can bolster the sustainability of those systems, but also to keep migrants out of conditions of extreme poverty as a result of invalidity, workplace accidents, or retirement.

This poses a particular challenge to the region’s destination countries where employment rates in the informal economy are high among the population as a whole, and even higher among migrants, especially when they are employed in the informal economy.[[2]](#footnote-2)/

*Access to pension systems and mechanisms for transferring social security benefits*

It is also important to understand what happens to migrants once they reach retirement age and wish to return to their countries of origin and receive their pensions there. Some states have already entered into agreements that cover such arrangements. For example, Mexico and Canada have signed an agreement that benefits those workers who worked in the other country at some time in their lives and who paid into the pension systems of either of the two countries. That agreement came into force on May 1, 1996.[[3]](#footnote-3)/

Good practices also exist regarding the signing of agreements that allow the recognition of pensions paid into other countries through both traditional pay-as-you go social security systems and pension systems based on individual funding. One example of this is the agreement between Peru and Chile, which is notable because it allows migrant workers who have worked in the formal economy to transfer their pension contributions paid into the individual funding system of one country to that of the other. The worker must have had permanent resident status in the destination country and have made contributions to that country’s system for at least 60 months.[[4]](#footnote-4)/ By the end of 2017, there had been 716 fund transfers from Peru to Chile and 640 from Chile to Peru.[[5]](#footnote-5)/

Also noteworthy at the regional level is the existence of the Ibero-American Multilateral Agreement on Social Security, which has been signed by Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Paraguay, Peru, Uruguay, Venezuela, Spain, and Portugal. The agreement was developed in 2007 under the aegis of the Ibero-American Social Security Organization (OISS).

It neither replaces nor modifies the participating countries’ legislation; instead, it helps to coordinate those laws to uphold the rights of migrant workers, including equality of treatment regardless of nationality. It covers workers in the formal economy and the contribution-based benefits applicable to invalidity, old age, widowhood, workplace accidents, and occupational illnesses.[[6]](#footnote-6)/ The agreement has been signed by 14 of the region’s states and Spain, and only two countries have not yet ratified it. In addition, an enforcement agreement for the Ibero-American Multilateral Agreement on Social Security has been signed by 12 of its states parties and is in full effect in those 12 states.

South America also has the MERCOSUR Multilateral Social Security Agreement, which came into force on June 1, 2005, and covers Argentina, Brazil, Paraguay, and Uruguay. This agreement guarantees total recognition of the contributions or insurance payments made in the participating countries, with which migrant workers and their families can receive benefits for old age, invalidity, and death. It covers workers who were employees or self-employed and who participated in a voluntary contribution system.[[7]](#footnote-7)/

Taken together, the social security agreements reached in the region represent highly significant steps forward not only in guaranteeing the wellbeing of migrant workers and their families but also in enabling them to contribute to the comprehensive development of their countries of origin and destination.

One key challenge, however, is extending the coverage of those agreements to all migrant and refugee populations, including those employed in the informal economy.

This meeting is intended to discuss different aspects of the region’s social policies for people involved in processes of human mobility and how care and social protection can be assured for migrants and their families during the different stages of the migration cycle.

Following the presentations by the invited guests, the floor will be opened up to hear remarks from the member states on these issues. In particular, delegations will be asked to share their best practices with social security policies for migrants, in order to consolidate the information and make it available to the other member states.

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1. . In this regard, see: Selee, Andrew, and Bolter, Jessica, *An Uneven Welcome, Latin American and Caribbean responses to Venezuelan and Nicaraguan Migration,* Washington, D.C., Migration Policy Institute, February 2020. [↑](#footnote-ref-1)
2. . Selee, Andrew, and Bolter, Jessica, *An Uneven Welcome, Latin American and Caribbean responses to Venezuelan and Nicaraguan Migration,* Washington, D.C., Migration Policy Institute, February 2020, p. 43. [↑](#footnote-ref-2)
3. . Government of Canada, *Mexico-Pensions and benefits.* Available at: [↑](#footnote-ref-3)
4. . Macías, Osvaldo, *Migrantes y el Sistema de Pensiones Chileno,* Superintendencia de Pensiones, 2016. [↑](#footnote-ref-4)
5. . FIAP, *Migraciones y portabilidad de los ahorros pensionales, Notas de Pensiones,* No. 28, August 2018. [↑](#footnote-ref-5)
6. . FIAP, *Migraciones y portabilidad de los ahorros pensionales, Notas de Pensiones*, No. 28, August 2018. [↑](#footnote-ref-6)
7. . MERCOSUL, *Previsión Social en el MERCOSUR*, Subgrupo de Trabajo No. 10 – SGT 10. [↑](#footnote-ref-7)