

Expanding social protection for older people in Jordan



Fedaa Qatashah/HelpAge International

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Key messages

- Only half of Jordan's population aged 60 years or older are part of formal pension schemes.
- Older people in Jordan who are part of contributory pension schemes struggle with financial security post-retirement due to low wages driving low contributions.
- Older Syrian refugees also struggle to meet their basic needs with current incomes. Over two-thirds of Syrian refugees report rarely being able to cover health and medical expenses.
- Due to inadequate coverage, many households resort to negative coping mechanisms such as eating less food, buying less medication or taking on debt. These negative ways of coping are more common and severe among Syrian refugees.
- Wide gender gaps exist in old age income security; less than 27 per cent of women aged 60+ receive some type of retirement pension, many widowed older women rely on survivor benefits which are insufficient to cover basic needs.
- The Government of Jordan should introduce a universal social pension with adequate benefit levels to ensure that all older people can meet their basic needs, live in dignity and have their rights upheld.

Introduction

Social protection systems encompass public measures that societies provide for their members to manage social and economic risks and to protect them against economic and social distress resulting from demographic and work related contingencies as outlined in the International Labour Organization (ILO) Convention 102 (1952), which was ratified by the Kingdom of Jordan in 2014. The 1948 Universal Declaration of Human Rights defined social protection as a human right. This has been reinforced by the formulation of the Sustainable Development Goal 1 target 1.3. aiming to *‘implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable’*.



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The Government of Jordan is striving to establish a universal social protection floor by 2025, as outlined in its *National Social Protection Strategy (2019–2025)*. A crucial aspect of this strategy is expanding benefits to encompass all older people in Jordan.

However, there is still a long way to go. The current system is fragmented, comprising a complex mix of contributory and non-contributory informal, semi-formal, and formal protection mechanisms that differ by governorate and nationality.

In the absence of adequate income support, older people in Jordan – particularly those with limited economic activity due to caring responsibilities and those with ill health or disability – often rely on negative coping strategies to meet basic needs. Achieving income security is essential to ensuring that Jordanians in all their diversity can maintain dignified, safe, and enjoyable lives as they age.

Securing holistic social protection is not just about income. Ensuring access to healthcare through health and transportation subsidies; secure and accessible housing; social and wellness programmes; and the integration of older people’s voices into policymaking are essential for a system that not only prevents poverty but also promotes the physical, social, and psychological wellbeing of Jordan’s aging population.

196



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The research included 196 households surveyed across the Northern, Central and Southern regions of Jordan, as well as 24 in-depth interviews.

Against this backdrop, HelpAge International in collaboration with the Phenix Center for Economics and Informatics Studies (thereafter: Phenix Center) in Jordan undertook mixed-methods research to examine the social protection gaps in Jordan and identify pathways for extending social protection to all older people. The research adopted a human-rights-based approach to social protection, based on the premise that all members of society, regardless of status or economic contribution, deserve fundamental protections and securities for secure and meaningful lives.

This approach is also aligned with the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102) that provides the **minimum standards** for social security systems, focusing on providing comprehensive benefits to a large section of the population, including old age, and the ILO Social Protection Floors Recommendation, 2012 (No. 202), ensuring **universal social protection floors** and that **everyone has access to at least a basic level of social protection**, promoting **equity and social inclusion**, and encouraging countries to prioritise social protection as a mean of achieving broader economic and social development goals, including promoting social cohesion.

This perspective reframes essential social services and assistance as a duty of responsible parties. A core element of the framework is 'lifecycle' social protections, providing coverage from childhood to old age.

Derived from the above mentioned ILO standards, this policy brief is based on the following principles:

- 1. Social protection is a right, not charity;**
- 2. Coverage must be universal and lifelong;**
- 3. Gender equality and rights of informal economy workers should be guaranteed in social protection policies;**
- 4. Labour market conditions and labour rights are integral to social protection.**

According to the latest *Statistical Bulletin for Social Protection Indicators in Jordan* published by Jordan's Department of Statistics, over one in three residents in the Kingdom (34.1 per cent) were covered by national social protection mechanisms during 2021, reaching as high as 45.2 per cent of Jordanians. This includes direct and indirect recipients of national cash and in-kind support programmes, as well as individuals insured through contributory social protection mechanisms.

In 2021, 45.8 per cent of the older people (Jordanian and non-Jordanians) were direct recipients of a pension income from contributory and tax-financed schemes. In 2020, a total of 277,321 older people received contributory pension benefits (38.3 per cent), while in 2021 there were a total of 300,802 recipients (40.8 per cent).¹



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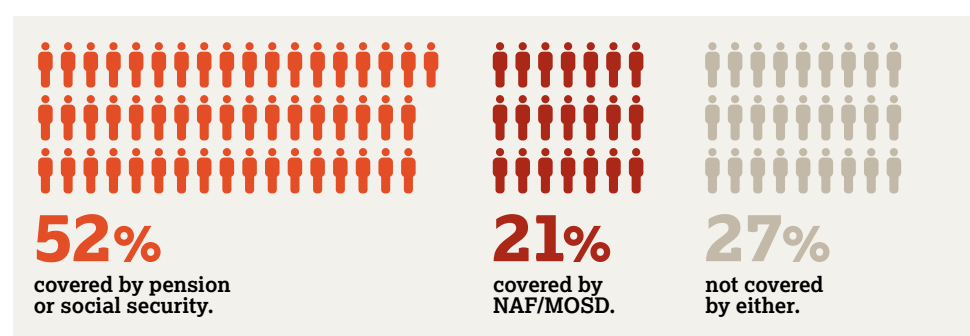
The main findings of the study

The study included a sample of 196 older people (60 years and above) in Jordan, and the survey was conducted in the North, Centre and South of Jordan. The following sections summarise the main findings of the study.

1. Inadequate social protection system

The study shows that despite the range of available services, social protection coverage rates remain low, and those who are covered often find their incomes are insufficient to meet their monthly expenses. Only about 50 per cent of older Jordanians in the sample are covered by a pension or social security scheme, and less than 10 per cent of pensioners report consistently meeting their expenses each month (Figure 1).

Figure 1: Cash income sources for older Jordanians



Note: Survey data was collected and analysed by the Phenix Center (2024). NAF refers to the National Aid Fund, MOSD refers to the Ministry of Social Development.



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Older Syrian refugees, while more likely to receive cash assistance than Jordanians, also struggle to meet their basic needs with current incomes. Over two-thirds of Syrian refugees in the sample report rarely being able to cover health and medical expenses. Without adequate coverage, many households resort to negative coping mechanisms such as reducing food consumption, taking on debt or/and forgoing necessary medical treatment and medications. In extreme cases, participants reported begging, using expired medications, and even turning down surgery. These negative coping mechanisms are more common and severe among Syrians.

“My husband and I have debts of more than 500 JOD [US\$705]. All of this is for medicine.”

Syrian woman, Amman

“I was referred to a private hospital for my operation. Because it required money, I was unable to do it.”

Jordanian man, Amman

These findings indicate that Jordan needs significant changes in its social protection system to address the needs of older people. For Jordanians, this includes aligning pension payments with living costs and extending benefits to all older individuals, including those in informal employment or domestic/care work. For older Syrian refugees, secure incomes require shifting from ad-hoc assistance to more sustainable and integrative measures. A sustainable social protection system also demands systemic adjustments to the Jordanian economy, such as improved wages relative to the cost of living, increased formalisation of the economy, and a commitment to lifelong social protection benefits.



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2. Dominance of informal sector and lack of contributions to social security

The research shows that half of Jordan's workers (48 per cent) lack social security.² Pension schemes are also more likely to cover high-income earners compared to low-income earners, with only 5.6 per cent of individuals in the lowest quintile, compared to 38.2 per cent in the uppermost quintile.³ However, this only applies to those formally employed and thus part of the contributory social protection mechanisms. In reality, more than half of the workforce in Jordan works informally (51.2 per cent).⁴ While workers outside of the contributory scheme can self-enrol to receive benefits, this rarely happens. Nearly all (99 per cent) workers with a daily or weekly employment agreement are not covered by social security benefits, with non-coverage being especially prominent among agricultural and construction workers.⁵ In addition, non-Jordanians, who dominate the agricultural and construction sectors, are not mandatorily covered, and not even eligible for voluntary coverage.⁶ This means the most vulnerable workers are even less likely to be covered by Jordan's social security system.

It should be noted that regarding contributory systems, low wages perpetuate pension poverty. They lead to lower contributions to pension schemes and lower accumulation of pension entitlements, which translates into a lack of financial security post-retirement. This means that to ensure a comprehensive and effective social protection system, the government needs to embed decent wages into the labour reforms. To illustrate, pensioners in the survey say they receive around 400 JOD (around US\$560) monthly from their contributory pension scheme. However, the research findings indicate that older people need a pension of 500–800 JOD (around US\$700–1,130) to meet basic needs and live comfortably in old age.



3. Challenges with targeted cash assistance

The research revealed a lot of challenges older population face in Jordan in relation to the social protection coverage and ability to meet basic needs.

The figures from the *Statistical Bulletin for Social Protection Indicators in Jordan* indicate that during 2021, 6.4 per cent of older Jordanians received direct tax-financed old age benefits administered by NAF, with coverage among older women (8.5 per cent) exceeding the coverage among older men (3.4 per cent). Receipt of direct benefits from contributory pension schemes is generally higher among older male Jordanians (61.4 per cent) than among older female Jordanians (54.1 per cent), and that indicates that retirement pension is the most prevalent type of income transfer for older males, whereas among female older Jordanians survivor pension is the most prevalent form of income transfer.⁷

With the recent revisions and updates of the NAF targeting mechanism, including towards unifying social assistance programmes (mainly monthly cash assistance) within a Unified Cash Assistance programme, there is potential risk that coverage and benefits decrease among old age group receiving tax-financed social assistance from NAF, and this risk is combined with an additional impact for the people with disabilities within the old age group (based on ILO's estimates).

As pension programmes do not cover all of Jordan's older population, non-contributory governmental social protection benefits exist. These include the targeted cash voucher assistance (TCVA) programmes operated through the NAF and the Ministry of Social Development which attempt to direct cash benefits towards the most vulnerable households. Included in the TCVA is the Recurring Financial Aid programme of the NAF, providing funds specifically for older people in Jordan. However, eligibility is determined through a complex algorithm accounting for 57 socioeconomic indicators, with the risk of not adequately capturing all of Jordan's economically vulnerable populations.⁸

The study shows that recipients of non-contributory assistance like the National Aid Fund (NAF) and UNHCR cash assistance faced significant difficulties in meeting their basic needs. Most said they were rarely able to meet their needs, with NAF recipients having slightly more difficulty than UNHCR cash assistance recipients.

In addition to the NAF, the Zakat Fund, which is operated by the Ministry of Awqaf and Islamic Affairs, also provided cash assistance to approximately 3,790 families in 2022, with an average of 46 JOD (around US\$65) per month, per household. The Zakat Fund also provides one-time emergency cash assistance to families, of which there were 2,500 total recipient households in 2022, with an average disbursement of 40 JOD (around US\$55) per family.

However, several problems arise with these funds. Firstly, beneficiaries may be unaware of the renewal dates for the Zakat Fund and many therefore miss out by not renewing. Second, there may be implications for receiving other support. When registering for the NAF, for example, older people stop receiving aid from the Zakat Fund.



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18%



Out of the total SSC (contributory) pension recipients, only 18 per cent are women.

27%



According to the Department of Statistics, less than 27 per cent of women aged 60+ receive any type of pension.

4. Lack of coverage among older women

Out of the total Social Security Cooperation (SSC) (contributory) pension recipients, only 18 per cent are women.⁹ According to the Department of Statistics, less than 27 per cent of women aged 60+ receive some type of retirement pension, indicating that private or other non-SSC pension plans only partially cover the pension gap. Without their own income, many women rely on their spouse's pension, which may be insufficient to cover the living costs of two people. In addition, women who leave the workforce before retirement age do not meet the minimum number of contributions to draw a pension salary. Among the older people surveyed, this is the case for around one-third of women who had worked formally.

Unsurprisingly, while women constitute only 18 per cent of pension receivers, they constitute nearly 80 per cent of all survivor beneficiaries.¹⁰ Although such a mechanism ensures that dependents reliant on a family member's income are still able to receive benefits if that family member dies, the precise mechanism for determining survivor benefits and their division amongst eligible dependents may still mean a significant reduction in monthly income upon the death of a pensioner spouse. Indeed, several focus group discussion and interview participants noted that the pension salaries decreased upon the death of their spouse.

“My husband had a retirement pension... we used to take [monthly] 300 JOD (around US\$420), but when he died, they started giving me 150 JOD (around US\$210) a month.”

Jordanian woman, Karak



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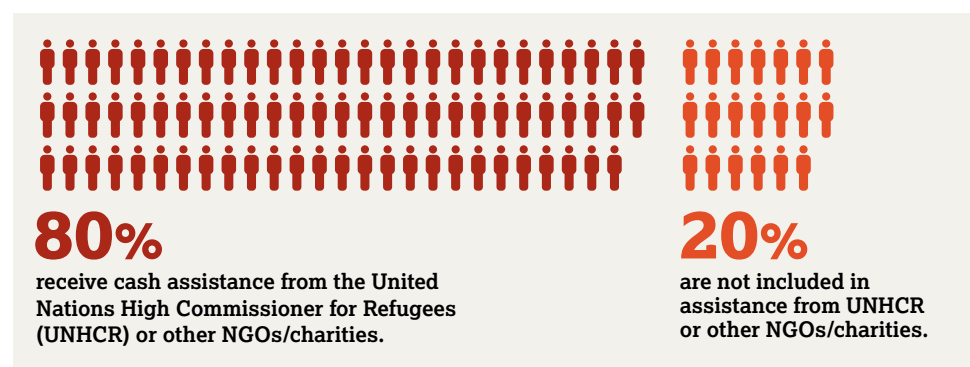
5. Low coverage rates for refugees

Another significant coverage gap emerged when the study looked at the nationality of those covered by social protection. While non-Jordanians, including refugees, may have de jure access to social protection through formal employment, in reality, coverage rates for non-Jordanians are considerably lower than their Jordanian counterparts. For example, there is no mandated social security enrolment for domestic workers, of which the majority are migrant women. Syrian refugees are more likely to work in the informal labour market and thus less likely to be covered by pension schemes. According to the survey, only around six per cent of Syrians were working formally and registered for social security in their most recent job before turning 60.

Non-governmental service providers, such as voluntary associations and international humanitarian and multilateral organisations also provide social protection services, particularly for refugees and non-Jordanians who are not eligible for state benefits. For example, UNHCR provides monthly cash assistance to approximately 33,000 refugee households, with transfer values ranging from 80–155 JOD (around US\$110–220) for Syrians and 125–300 JOD (around US\$180–420) for non-Syrians. Of these 33,000 refugee households, approximately 17 per cent had primary recipients aged 60 or older.¹¹

Among the survey participants, 75 per cent of Syrians identified UNHCR-targeted cash assistance as an income source and 19 per cent identified other charities. While there is considerable overlap between these two groups (with three-quarters of charity recipients also receiving cash assistance from UNHCR), in total, approximately 80 per cent of all participants received cash assistance from one of these two sources. Like older Jordanians, the remaining 20 per cent relied on family assistance or employment (Figure 2).

Figure 2: Cash income sources for older Syrians



Note: Survey data was collected and analysed by the Phenix Center (2024).



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Recommendations

The research highlighted the difficult living conditions of older people in Jordan. Even where individuals do have access to social protection, the amounts of pension and assistance are usually not enough to meet their basic needs. Amongst both pension recipients and non-recipients many older people resorted to negative ways of coping, such as eating less or missing medication. Below are key recommendations for the Government of Jordan and other relevant stakeholders emerging from the study findings:

- 1. Develop a universal social pension scheme with adequate benefit levels to ensure all older people, including non-pension recipients, can meet basic needs and live in dignity.**

According to the latest *Jordanian National Strategy on Older Persons 2025–2030*, social protection and financial security, health care and social care are key priorities for older people in Jordan.

The strategic objective of the strategy is to develop a universal social protection system for all older people in Jordan based on key principles of equality, justice, human rights and solidarity. A key objective of the strategy is the provision of income security for older people through the provision of non-contributory social pension to complement other sources of pension income.

Social pensions – which can be distributed in lieu of, in complement to, or in absence of traditional contribution-based pensions – provide a guaranteed basic income for all retirement-age adults regardless of their economic status or contribution during their working life. Recent research shows that pensions have an important impact on older people’s wellbeing and dignity. In addition, social pensions often support whole families, with older people tending to spend what little money they have on income-generating activities and the health and education of dependents.¹²

Lifecycle-based social protection through an integrated multi-tiered approach is key in achieving universal coverage, for example, Oman made a remarkable transformation by introducing a universal old-age pension as a step toward addressing unequal access to income security for old age.

- 2. Develop a comprehensive and integrated framework for institutions providing social protection coverage and cash assistance to older people, enhancing efficiency and coordination, and seeking complementarity between contributory and non- contributory schemes towards universal coverage.**
- 3. Increase monthly assistance provided by the NAF for older people to align with the national minimum wage, and reassess general wage levels to ensure pension amounts are sufficient to meet basic needs.**
- 4. Amend retirement age policies to address gender disparities in pension eligibility and provide flexible retirement options for those able and willing to continue working.**

5. Amend the Flexible Work Regulation to include older people in remote and flexible work arrangements, promoting their economic participation, to ensure all work adheres to the decent work agenda through robust legal provisions led by the Ministry of Labour.
6. Develop a legal framework to standardise eligibility criteria and create an electronic database for Zakat committees, strengthening transparency and accountability.
7. Expand NAF programmes to include supplementary health and psychological care benefits for older people.
8. Ensure that older people have affordable access to medical treatment, mental health counselling and occupational therapy via home healthcare services.
9. Ensure sustainable support for older refugees by improving access to essential services through UNHCR and other organisations.
10. Collaborate with stakeholders to facilitate local integration of older refugees through residency arrangements, financial support, and healthcare services, particularly for chronic conditions.



Fayhaa Awwad/HelpAge International

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HelpAge International is a global network of organisations promoting the right of all older people to lead dignified, healthy and secure lives.

HelpAge International
PO Box 78840, London SE1P 6QR, UK
Tel +44 (0)20 7278 7778
info@helpage.org
www.helpage.org
Registered charity no. 288180

Written by Courtney Geary, Ola Bader and Ahmad Awad (Phenix Center).
Edited by Juliet Heller.

Technical inputs and comments provided by Sylvia Szabo, Chandranshu, Jessica Petitprez, Tanvi Patel and Hester Clark (HelpAge International).

Technical oversight provided by Luca Pellerano and Rana Al-Ansari, with support from Fernando Martinez Cure and Chantal Sirisena (ILO).

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