AN ANALYSIS OF THE FACTORS INFLUENCING THE EXCLUSION OF NON-FORMAL WORKERS FROM THE MOZAMBICAN SOCIAL PROTECTION SYSTEM

BY

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(P1362833Q/UM/D/MAY/13/16/08

THESIS SUBMITTED TO ZIMBABWE OPEN UNIVERSITY IN FULFILMENT OF THE REQUIREMENTS FOR DOCTOR OF PHILOSOPHY IN PUBLIC POLICY STUDIES

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AUGUST, 2018
ABSTRACT:

This thesis was an analysis of the factors influencing the exclusion of the non-formal workers from the Mozambique Social Protection System (MSPS). It aimed at finding mechanisms through which the MSPS could become more comprehensive and inclusive. The social protection system only accommodates employees from the formal sector of the economy, which constitutes the minority of the economically active population (EAP) and also of the Mozambican people. So, in more than 25 million of Mozambicans, of which more than 15 million are above 15 years and are EAP, of which more than 87% are out of the formal sector and, consequently, excluded from the MSPS. In this context, the research looked out to understand why the MSPS excludes the non-formal workers? What are the implications of this exclusion of the non-formal workers? How the excluded workers survive in situations of illness, invalidity, old age or death? Which mechanisms can be adopted in order to make the MSPS more comprehensive and inclusive? To constitute the sample, it was recurred to non-probability sampling in its convenience and purpose type, in which had employees of the National Institute for Social Security (NISS), Municipality Council of Maputo City (MCMC), non-formal professional associations responsible and the non-formal workers, as the research participants. To generate data, to the sample elements, the researcher administered a questionnaire and interview containing closed and open-ended questions. To analyse and discuss data, it was delimited to the use of interpretivism or constructivism approach in qualitative methodology. For presentation, analysis and discussion, it was confined to the use of technical charts and contends analysis. As guiding theories, the study recurred to the social protection and social network theories. Through the use of the qualitative methodology, philosophy, procedures and theories above, it was perceived that the MSPS managed by the NISS did not include the non-formal workers because it lacked administrative organisation to include and manage them and because bureaucratic aspects. The NISS considered all workers that were not working at enterprises as the non-formal, without resources to contribute to the social protection system and difficult to find them. However, some of them were salaried, clearly locatable, with enough financial income to contribute to the system. Moreover, some of them were continuously in relationship with some public institutions, namely, Ministry of Economy and Finance (MEF), Ministry of Industry and Trade (MIT), MCMC and National Institute for Statistics (NIS), which licensed and afterwards, collected fees and tax, interacted constantly and collected important information from them, and so on. Therefore, this exclusion, besides having no objectively real and valid reasons, condemned these non-formal workers to social and economic vulnerability in the future when they are at social and economic risk, such as maternity, sickness, invalidity, old age and/or death. To minimise the impact of these situations, the excluded workers adopted informal systems for social security or constitute professional associations, through which they face the maternity, illness, invalidity, old age and death difficulties. That is why the NISS must: (1) develop strategic tools for the institutional management, by which should be guided in all its actions to cover all workers, the formal or non-formal; for that, the NISS can (2) create partnership with the non-formal professional associations and public institutions which interact with them, because they know who and where are then, their financial and economic conditions; (3) consolidate the use of Information and Communications Technologies (ICTs) to facilitate the scanning and electronic storage process of historical information of the (not)submitted contributions to reduce the contribution evasion and inactivity of employers and workers; and (4) develop a training plan for their employees to identify with the strategic objectives and challenges of the institution, just to mention a few proposals. Finally, Also, it is necessary to do a feasibility study for (1) reimbursement of the Mozambican state with respect to its contribution rate of the non-formal workers and other segments hitherto excluded; (2) create fiscal mechanism to provide social pensions non-contributory, i.e., welfare pensions; (3) show the possibility to define and regulate an explicit mechanism and purpose of upgrading the amount of benefits that can be accrued from engaging non-formal workers into the social protection system.
DEDICATION:

This thesis is dedicated to my father, Calisto Recama who died before witnessing, celebrating and blessing his son’s graduation with a Doctor of Philosophy Degree (DPhil) from the Zimbabwe Open University.
ACKNOWLEDGEMENTS

First and foremost, my gratitude is to God for the Grace of life He bestows on me; and to my mother Margarida Vanocha and to my late father Calisto Recama for their role in shaping the person I am today. I am grateful for their care and continuous support.

My gratitude also goes to my supervisor, Dr. Stanislas Bigirimana, for his priceless and patient guidance throughout the research development and analysis. He remained steadfast in his guidance to the end even when the going was tough.

I also thank my wife, Teresa Vitorino Alberto and my children Denisa, Junior, Suely, Mukhany and Dylan, for their understanding in my constant and at times prolonged absence during the study.

My appreciation is also extended to Mozambique National Institute for Social Security (NISS), my employer, who gave me a Scholarship and the needed support in kind to continue studying and increase my knowledge.

My sincere gratitude goes to the Catholic University of Mozambique and the Zimbabwe Open University for accepting my application for this PhD.

Finally, my gratitude goes to everyone who directly or indirectly has contributed to my motivation during this overwhelming five years, specially, Professor Chiome Chrispen, Professor L. T. Nyaruwata, Professor B.C. Chisaka; Dr. Adolph S. Chikasha; Dr. Amalia Dickie and Msc Litos J. Raimundo. To all them, goes my sincere gratitude.

God blesses them!
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<tr>
<td>ABH</td>
<td>Association for Boots and Hawkers</td>
</tr>
<tr>
<td>AC</td>
<td>Administration Council</td>
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<tr>
<td>ACSSS</td>
<td>Articulation of the Compulsory Social Security System</td>
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<td>ADH</td>
<td>Autonomous Department Heads</td>
</tr>
<tr>
<td>AFD</td>
<td>Administration and Finance Directorate</td>
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<tr>
<td>AMIW</td>
<td>Associations for Micro Imports Workers</td>
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<td>ANFSM</td>
<td>Association for Non-formal Sector Workers</td>
</tr>
<tr>
<td>APRAP</td>
<td>Action Plan for Reduction of Absolute Poverty</td>
</tr>
<tr>
<td>ASC</td>
<td>African Studies Centre</td>
</tr>
<tr>
<td>BSS</td>
<td>Basic Social Security</td>
</tr>
<tr>
<td>CBA</td>
<td>Chairman of the Board of Administration</td>
</tr>
<tr>
<td>CCSS</td>
<td>Caja Costaricenese del Seguro Social or Colombia Compulsory Social Security</td>
</tr>
<tr>
<td>CRM</td>
<td>Constitution of Republic of Mozambique</td>
</tr>
<tr>
<td>CSS</td>
<td>Compulsory Social Security</td>
</tr>
<tr>
<td>CSSS</td>
<td>Compulsory Social Security System</td>
</tr>
<tr>
<td>CSSSA</td>
<td>Compulsory Social Security System Articulation</td>
</tr>
<tr>
<td>DAF</td>
<td>Directorate of Administration and Finance</td>
</tr>
<tr>
<td>DD</td>
<td>District Directorate</td>
</tr>
<tr>
<td>DPhil</td>
<td>Doctor of Philosophy</td>
</tr>
<tr>
<td>DSS</td>
<td>Directorate of Social Security</td>
</tr>
<tr>
<td>EAP</td>
<td>Economically Active Population</td>
</tr>
<tr>
<td>EMU</td>
<td>Eduardo Mondiane University</td>
</tr>
<tr>
<td>ERP</td>
<td>Economic Rehabilitation Programme</td>
</tr>
<tr>
<td>FASS</td>
<td>Faculty of Arts and Social Sciences</td>
</tr>
<tr>
<td>GD</td>
<td>General Directorate</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GSPO</td>
<td>General Statute of Public Officials</td>
</tr>
<tr>
<td>GSSPA</td>
<td>General Statute of Public Officials and Agents</td>
</tr>
<tr>
<td>HRD</td>
<td>Human Resources Department</td>
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<tr>
<td>ID</td>
<td>ICTs Department</td>
</tr>
<tr>
<td>IAD</td>
<td>Internal Audit Department</td>
</tr>
<tr>
<td>ICD</td>
<td>Information and Communication Department</td>
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<tr>
<td>ICTs</td>
<td>Information and Communications Technologies</td>
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<tr>
<td>ILO</td>
<td>International Labour Organisation</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Found</td>
</tr>
<tr>
<td>ISSS</td>
<td>Integral Social Security System of Colombia</td>
</tr>
<tr>
<td>ITB</td>
<td>Income Taxpayers Base</td>
</tr>
<tr>
<td>KASAPI</td>
<td>Kaya SA Phil Health Insurance</td>
</tr>
<tr>
<td>LD</td>
<td>Legal Department</td>
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MBA – Master Business Administration
MCB – Mozambican Central Bank
MCel – Mozambican Cellular
MCMC – Municipality Council of Maputo City
MCSA – Ministry for Co-ordination for Social Action
MEF – Ministry of Economy and Finance
MGCSA – Ministry of Gender, Children and Social Action
MIS – Management Information System
MIT – Ministry of Industry and Trade
MLESS – Ministry of Labour, Employment and Social Security (of Mozambique -
MLF – Mozambique Liberation Front
ML-PSND – Ministry of Labour-Planning and Statistics National Directorate
MPAESS – Ministry of Public Administration, Employment and Social Security of Angola
MPS – Ministry of Public Services
MSPS – Mozambican Social Protection System
MZN – Mozambican Currency (Metical)
NASDC – National Administration of Statistics Directorate of Colombia
ND – No Date
NE – No Editor
NGOs – Non-Governmental Organisations
NHS – National Health System
NIS – National Institute for Statistics
NISA – National Institute for Social Action
NISS – National Institute for Social Security
NISW – National Institute for Social Welfare
OFR – Overseas Finance Regulation
OVR – Own Voluntary Registration
PAPMES – Public Administration Performance Management and Evaluation System
PD – Provincial Delegate
PhP – Philippine Pesos
IDH – Integrated Department Heads
IFAL – Integrated Form of Assisted Liquidation
IPRCSSSA – Implementation Protocol of the Regulation of Compulsory Social Security System Articulation
PSACs - Portuguese-Speaking African Countries
PSC – Population Studies Centre
SAF – Social Action Found
SAFW – Social Action Found at Work
SD – Services Directorate
SE – Self Employed
SMSs – Small and Medium Enterprises  
SPL – Social Protection Law  
SPS – Social Protection System  
SSD – Social Security Directorate  
SSLMP – Social Security and Labour Ministry of Portugal  
SSS – Social Security System  
SUSS – Supplementary Social Security  
SWOT - Strengths, Weaknesses, Opportunities and Threats  
TAM – Tax Authority of Mozambique  
TSR – Taxpayers Single Register  
TV - Television  
UCM – Universidade Católica de Moçambique  
UDHR – Universal Declaration of Human Rights  
UNO – United Nations Organisation  
UNPD – United Nations Programme for Development  
USD – United States Dollar  
VRM – Voluntary Registration Maintenance  
ZOU – Zimbabwe Open University  
WB – World Bank
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CHAPTER 1: INTRODUCTION

1.1. Introduction

The present research is an analysis of factors influencing the exclusion of the non-formal workers from the Mozambique Social Protection System (MSPS). The researcher became interested in this subject because he had observed that the non-formal workers were being excluded from the MSPS.

In this chapter, the researcher presents the introductory aspects of the thesis such as background to the study, statement of the problem, research questions and purpose of the study. In addition, delimitation of the study, limitations of the study, ethical and legal considerations and organisation of the study, definition of special terms and expressions and the chapter summary.

1.2. Background to the Study

According to statistical data (NISS, 2006a), in Mozambique, by the end of 2014, only less than 13% of the economically active population are working in the formal sector of the country. Therefore, the non-formal sector of the economy emerged (and still arises) as an alternative for the large group of individuals now excluded from the formal sector of the economy.

Consequently, these limitations of employment in the formal sector constitute two groups of workers which are found in Mozambique. The minority segment of the formal workers that fit within the social protection system criteria on one hand. On the other hand, the other group of workers is composed of the majority of the non-formal excluded from all formal schemes of the social protection system.
Furthermore, the workers excluded from the social protection system, there are workers who, working in the formal sector, are not included in the social protection system. This was either because they do not know or, merely, by the fact that their employers, illegally, do not enrol them into the social protection system.

Another group of people are those who have lost their jobs and are either ignorant of the fact that they can continue to voluntarily contribute to the social protection system on an individual basis or they do not generate enough income to enable them to voluntarily contribute.

In that regard, the social protection system is now being enforced in (Mozambique), basing on 102 International Labour Organisation Convention (Süssekind, 2011). Its basis is based on the compulsory social insurance and on the principle of contributory and solidarity.

Thus, the social protection system in Mozambique: "aims to ensure the subsistence of (formal) workers in situations of lack or reduction of capacity for work, as well as that of the relatives surviving in the event of the death of workers and grant additional conditions of survival" (NISS, 2009: 7).

This social protection scheme covers public officials, Mozambique Central Bank officials, Member of Parliament, private sector workers and Non-Governmental Organisations (NGOs).

In other circumstances, Mozambican Social Protection Scheme aims to attenuate, according to the country's economic conditions, the absolute poverty of the nationals who are incapacitated to work, without means to meet their basic needs (NISS, 2009).
This social protection scheme covers people living in absolute poverty. These include children in difficult situations, elderly people living in absolute poverty, people with disabilities and living in absolute poverty, and people with chronic and degenerative diseases (NISS, 2009).

As it can be understood, according to the Mozambican social protection system legislation, the non-formal workers are neither in the formal sector nor in a situation of vulnerability or absolute poverty. In that regard, they could be excluded from any type of social protection scheme legally established in Mozambique.

However, in Mozambique the right to the social protection system is enshrined in the Constitution of Republic of Mozambique (CRM), which states that all the citizens are legally equal as mentioned in the articles 35, 89 and 95 of the CRM of 2004.

So, according to the Article 35 of the CRM of 2004, “All citizens are equal before the law, and they shall enjoy the same rights and be subject to the same duties, regardless of colour, race, gender, ethnic origin, place of birth, religion, level of education, social position, the marital status of their parents, their profession or their political preference”.

According to the Article 89 of the CRM of 2004, “All citizens shall have the right to medical and health care, within the terms of the law, and shall have the duty to promote and protect public health.”. Similarly, according to the Article 95 of the CRM of 2004, “All citizens shall have the right to assistance in the case of disability or old age. The state shall promote and encourage the creation of conditions for realising this right”.

3
Despite of this constitutionally enshrined and legally established, only the formally employed people and their dependents enjoy the social protection benefits.

That is why, “one of the major challenges the Mozambique Government will have to face is to build a coherent social protection system, ... by building quite inclusive system that is able to reflect the rich and complex institutional mosaic of the Mozambican society, characterised by a national economic framework turned into market economics” (Francisco, Ali & Ilbraimo, 2011: 39).

It is understandable that “to build a social protection flow for everyone or for a growing population number in Mozambique it is an enormous, complex and extremely difficult challenge, but by no means insurmountable” (Idem, 2011: 286).

It was in this context that the present study stated the problem of the Mozambican Social Protection System (MSPS) in view of contributing for its expansion to more people who were currently excluded from enjoying their constitutional entitlements.

1.3. Statement of the Problem

According to the statistical data (NIS, 2012/2013), until the end of 2014, Mozambique had a total population of about 25 million and more than 15 million people are 15 years old or more who constituted the Economically Active Population (EAP).

From these EAP, only less than 14% of the people are employed in the public and private sectors (against 9% unemployment and 77% in non-formal activities – as shown Table 10, page 233), thus, their eligibility for the social protection system, including the state welfare system for workers in the public administration and the social security

And considering that some of the companies and its workers integrated into the social security are inactive, that is, they did not regularly submit their contributions into the system. By the end of 2014, less than 7% were eligible to benefit from the social protection system formally established in the country (NISS, 2015; MPS, 2014 and Francisco, Ali & Ibraimo, 2011). This added to the number of majority workers considered to be among non-formal who were excluded from any kind of MSPS.

Even workers who are legally included in the social protection scheme in Mozambique, some of them would not enjoy the rights and benefits of the social protection system because they are self-employed. There was no voluntary maintenance of the pension and non-inclusion of part or all workers in the social protection system by their employers (deliberately or not), among other rights and benefits.

This was the problem of this research: the exclusion of the majority of Mozambican workers (the formal and the non-formal) and their dependents from any social protection benefits or scheme in Mozambique.

Furthermore, the existing statistical reports indicate that “... only about 10% of people over 60 years old receive a pension of compulsory social protection. Many of them receive as part of the public officials’ scheme, administered by the Ministry of Economy and Finance, while more than 65% of the elderly population are still active in the labour market, seeking alternative livelihoods ... percentage indicating a failure for the social protection” (Picado-Chacón et al., 2010: 97 and 99).
1.4. **Objectives of the Study**

The main objectives of this study were to:

- Explore the factors influencing the exclusion of the non-formal workers from the Mozambican social protection system.
- Examine the implications of this exclusion from the social protection system.
- Assess the alternative strategies adopted by the excluded ones to face the effects of the exclusion.
- Propose alternative mechanisms for integration of the excluded workers.

1.5. **Research Questions**

The present research had the following questions:

- Why does the social protection system of Mozambique exclude the non-formal workers?
- What are the implications of this exclusion of the non-formal workers from the social protection system?
- What are the survival strategies adopted by the excluded workers to face the risk situations?
- Which mechanisms can be suitable to integrate the excluded ones in the MSPS, in order to make the system more inclusive and sustainable financially?

1.6. **Purpose of the Study**

Considering that social protection is not only a right for formal workers in private and public sectors but also a necessity of the humanity (workers or not, man or woman,
children and adults, among other categories of humanity). This study had as a purpose to find out possible mechanisms through which the Mozambican social protection system (MSPS) could become more comprehensive and inclusive and more financially sustainable in the medium and long time.

This concern arises once the MSPS only accommodates employees from the formal sector of the economy, which constitutes the minority of the Mozambicans (less than 7% - NIS, 2012/2013; MPS, 2014 and NISS, 2015). That is a kind of a situation that increases the vulnerability and poverty of the Mozambican people.

1.7. Significance of the Study

This research was very relevant because the issue of the social protection system had gained interest as a way of reducing inequalities and distributing wealth at international and national conferences and fora. Such conferences and fora would advocate for the expansion of the social protection integration for everybody, whether employed or not. The major purpose of the social protection system would be fighting against poverty, taking into account the reality and the current dynamics of the labour market.

Therefore, the results of this research would contribute to the ongoing debate about the efficacy of the social protection system in integrating more workers, in particular, and more Mozambicans, in general, into the social protection system. This would make the social protection system more comprehensive and inclusive. This would ultimately contribute to the mitigation of challenges associated with high levels of poverty and vulnerability among the majority of the Mozambique population.
Therefore, the research showed that it was relevant, not only because it served as a means for satisfying the fulfilment for the requirements for obtaining the Doctor of Philosophy Degree in Public Policy Studies. Above all, the results that would emerge from this study might constitute an added pair of theoretical and practical value and an element for reflecting on the strategies in order to make the social protection system comparably compete among some of the instruments or policies useful to fight against poverty. In that regard, theory would inform practice in the realm of social protection system.

1.8. Delimitation of the Study

Within the three regimes described in points 2.3.2.5, this research had only addressed the social protection system managed by National Institute for Social Security (SPS-NISS), which, in accordance with articles 4 and 53 of Decree 53/2007, from December 3rd (NISS, 2009). It included private sector workers both national and foreign residents, regardless the economic sector that they were operating.

Otherwise, the social protection system managed by the NISS includes also self-employed (SE) workers (different from non-formal ones), workers that are serving their probation period, workers who have a permanent or temporary economic activity.

The choice of the social protection system managed by NISS is explained by the fact that the non-formal workers had the characteristics described above, that is, they had economic activities, one of them permanent and the other temporary, as presupposed the articles 4 and 53 (NISS, 2009), on one hand.

On the other hand, the social protection system managed by the NISS did not exclude any sector of economy (the formal or the non-formal) where the workers are operating.
Therefore, the non-formal workers can fit perfectly into the Compulsory Social Security (CSS) managed by the NISS.

The research was carried out in Maputo Metropolitan City for its overcrowded people from all over the country and because it is the economic and political capital of the country. Consequently, it was the centre for every opportunity. According to the statistical data (NIS, 2012/2013), of ≈5.5 million employees, over 57% (3.2 million) were concentrated in Maputo City.

Thus, it could be said that most workers now integrated into or excluded from the Mozambican social protection system are in Maputo city. The headquarters of NISS is located in Maputo, where policies for workers, particularly, and the general population were designed.

In terms of time, the research was delimited to the period between 1990 and 2014. The first year was the beginning of operating of the social protection system managed by the NISS. Its coverage and registration of the employees in its social protection system, and the second year was confined to the available data under analysis in this research.

1.9. Limitations of the Study

During the course of this research, the researcher was faced with the existence of a few studies related to the social protection system in the country. As a result, the researcher used studies from other countries and contexts, sometimes not applicable (or are different) to the Mozambican reality. With this in mind, review of related literature for the study was based on the use of primary sources such as laws, magazines, reports and dissertations.
Another limitation which was certainly found, for the completion of the field work, was the language factor, especially, in dialoguing with some workers excluded from the social protection system, whose mother tongues were not known by the researcher. For this reason, it was necessary to make use of local translators.

Other limitations were related to the shortage of financial resources and time to carry out the field research in order to generate accurate data from the entire country and to the entire population under study (NISS and MCMC officials and all the non-formal sectors).

For that purpose, the researcher used sampling and questionnaire with closed-ended questions and interviews with open-question techniques. The advantages and disadvantages of the preceding aspects of methodology are described in the methodology and design chapter (Chapter 3).

1.10. Ethical and Legal Considerations

The researcher was aware that in order to encourage the participants to answer the questionnaires and interviews, there was need for him/her to exercise a high degree of moral duty to respect their privacy and dignity.

Thus, in order to ensure that the rights and welfare of the informants they would be protected, the process of data generation with the participants were characterised by confidentiality, anonymity, and on the basis of informed consent.

According to Crow and Wiles (2008), confidentiality and anonymity of the participants are central to ethical research practice in social research. Where possible, researchers aim to assure the participants that every effort would be made to ensure that the data
they provide could not be traced back to them in reports, presentations and other forms of dissemination.

Therefore, participants were guaranteed by the researcher that their responses would be kept secret. For that reason, the researcher did not ask for any personal information that might generate mistrust on the participants’ part such as revealing their names, phone number, residence, workplace or other information that would help to identify them (confidentiality and anonymity).

If the participants freely gave their personal information, the researcher used pseudonyms or changed the reported characteristics of gender or workplace or activity of the participants to conceal their identities. This would assist them to maintain the confidentiality of the data provided by the respondents.

Furthermore, they had the freedom to participate or not or to provide information or not (willingness or voluntary participation). The researcher also ensured that participants were not required to give any information without their written consent (acceptance or informed consent).

1.11. Organisation of the Study

This study had five chapters structured in the following way:

The first chapter is introducing to the study; so, there are presenting the background of the study, the research topic and title, the background of the problem, the statement of the problem, and the research questions.
Equally, in the same chapter, the purpose of the study, the objectives of the study, the significance of the study, the delimitation of the study, the limitations of the study, and the organisation of the study, the definition of the special terms and expressions, and, finally, the chapter summary of the study are presented.

In chapter two, the focus is on the introduction of the chapter, the literature review, where the conceptual and theoretical frameworks, the experiences of other countries are examining. It is important to refer that in these countries, the social security system has integrated more workers both independent and non-formal workers.

In this second chapter, the theoretical perspectives of the research are presented. In the same chapter, theories that guided study under theoretical framework; the conceptual framework and, finally, the summary of the chapter are also presented.

In chapter three, the study’s methodology and design, are commencing with the introduction, the paradigm of research, the methodology of research, the study methods and the techniques for data generation are outlined and explained.

In the same chapter, procedures for the presentation, analysis, and discussion of the data, the research population, sample and sampling, the ethical and legal considerations to be taken into account during the research and a summary of the chapter are presented.

In chapter four, the compilation starts with the introduction of the chapter, the presentation of the data related to NISS, CMCM, responsible of the non-formal workers; analysis, discussion and interpretation of the data related to the challenges of MSPS. In addition, factors and the impact of exclusion of the non-formal workers and
the survival strategies of the excluded workers get their fair share of presentation as well. Finally, there is presenting the summary of the chapter.

Chapter five begins with presenting the introduction of the chapter, the thesis summary and findings, the main conclusions of the study, the implications and recommendations of the study to the management board. The assumptions to be taken into account to make the MSPS more inclusive; the future researches and the research summary are also presented.

1.12. Definition of Special Terms and Expressions

In this section, main terms and expressions have been presented and defined. In some stages of the research, reference had been made in order to have the understanding proposed by the researcher, namely, work, non-formal workers, employment, under-employment, unemployment, exclusion and vulnerability, as it can be seen.

1.12.1. Work

It can be understood as work in this research "... the performance of an activity that produces energy expenditure in order to produce goods and services of value (target or not) to others" (Rodrigues et al., nd: 74).

For that, there is necessary a "set of human activities, reciprocated or not, productive or creative nature, which, through the use of techniques and materials or information available, allows you to produce or provide certain goods, knowledge and other resources and get some sort of, material, psychological and/or social" compensation (Blanche, 1990: 112).
It is in this context that people, even devoid of a formal employment, always seek to perform their work, regardless of type (formal or non-formal). This was done in order to ensure their recognition and their livelihoods in the environment in which they are.

1.12.2. Non-formal workers

In this research, non-formal workers can be considered as a set of workers, employers themselves involved in the production of goods and services developed many times on small-scale which fundamental purpose is creating of self-employment and income (ILO, 1993).

These workers adopt these activities considered as non-formal because the limitations of those considered as formal activities, and therefore being non-formal worker appear as survival strategies for them.

1.12.3. Employment

In this research, employment is considered as any activity or set of work activities formed through a contractual relationship between two parties, one that sells work (the man, that is, the worker) and another purchases (organisation, state or even an individual, that is, the employer) by cash or exchange of goods or services (Rodrigues, et al., n.d.).

1.12.4. Under-employment

For this study, it can be considered as under employment a set of employed or self-employed (SE) persons who involuntarily work less than the conventional adopted time,
that is, eight (8) hours/day or 40 hours per month and have time to spare which could be used for more work (NIS, 2006a).

1.12.5. Unemployment

It can be understood as unemployment the people who are 15 years old and above with no work and are available to work and looking for job or employment (NIS, 2006a). It should be noted that, according to the same source, by the end of 2014, the unemployment rate in Mozambique was estimated at around 9%.

1.12.6. Economically active population (EAP)

In this study, Economically Active Population (EAP) refers to the people with or more than 15 years old weather employed or unemployed who are available to perform any economic activity (NIS, 2006a).

1.12.7. Exclusion

For this study, it can be considered as exclusion, essentially, a situation of lack of access to opportunities offered to the members of the society (Amaro, n.d.).

Equally, exclusion can be considered as a combination of lack of economic resources, social isolation and limited access to social and civil rights, such as the right to social protection, paid employment, academic and professional training (Estivill, 2003).

This might involve and mean deprivation, lack of resources, more broadly, lack of citizenship, that is, lack of full participation in society, and to the different levels of organisation and expression: environmentally, economically, politically and socially.
1.12.8. Vulnerability

Vulnerability can be considered as the condition of fragile situations that individuals or groups of individuals are which put them at risk situations and the meaningful levels of social breakdown (Ximenes, 2010).

Otherwise, it can be considered as, “The lack of control or lack availability of material or symbolic resources of the actors (individuals or groups of individuals), and access to the structure of social opportunities, economic and cultural factors provided by the state, market and society (as the social protection), translating into weaknesses or disadvantages for performance and social mobility of actors” (Da Silva, 2007: 3).

Consequently, these situations cause "an increase of situations of defeneclessness and insecurity, which highlight the problems of exclusion and marginalisation" (Ximenes, 2010: 1). This was a situation that shows an intrinsic relationship of the concepts of vulnerability and social exclusion, that is, one leading to another.

1.13. Chapter Summary

In this chapter, the main subsections that fulfil the introduction of this research were shown, for example:

The background of the study, which showed that the right to the social protection system is enshrined in the Constitution of the Republic of Mozambique. Therefore, that is why no one, can be deprived of it either because its employment status or for any other reasons.
Then, it was shown that this thesis fits into the Public Policy area, with the title, *analysis of the factors influencing the exclusion of non-formal workers from the Mozambican Social Protection System.*

It had a background of the problem and emphasised the fact that the social protection system in Mozambique is only reserved for formal workers in government, public and private sectors, who constitute less than 14% of the ≈11.5 million Economically Active Populations (EAP). This deprivation automatically means that the other people (the majority of the EAP) excluded from the social protection system.

Otherwise, a considerable part (more than half) of the included people by the social protection system was not fully fulfilling the proposed requirements as contributors because their inactivity or non-submission of contributions to the social protection system, which lead to not benefitting from their rights to the social protection system.

It is in this context, which the following questions raised: why does the social protection system in Mozambique exclude most of its population? What are the implications of the exclusion of non-formal workers? What are the alternative and/or survivor strategies adopted by the excluded ones to face the effects of the exclusion, that is, social risks? Which mechanisms can be adopted by the MSPS to integrate the excluded workers in order to make it (MSPS) more comprehensive, inclusive and sustainable financially at same time?

The main purpose of the study was to examine mechanisms to make the MSPS more comprehensive and inclusive to more workers now excluded, making it (the MSPS) more economically sustainable.
It constituted a centre of attention at national and international platforms the need to extend the social protection mechanisms to more social groups, in order to reduce the impact of vulnerability and social poverty that face most of the people.

That is why this research was confined to the social protection system managed by the National Institute for Social Security (NISS), which includes workers outside the public sector (government and public institutions and companies). This is because this social protection system, it may include workers outside the formal sector, such as the non-formal workers and others into the system.

During the research, the researchers came up across linguistic limitations because most of the interviewed speak Xangana and Xironga (southern mother languages) while the interviewer spoke Portuguese and Emakuwa (northern mother language).

Other limitations were related to the shortage of studies and/or publications in area of social protection in Mozambique. One other limitation concerned the shortage of financial resources and time to conduct a wider sample, and integrating the entire subjects of the research population. In particular, this would include employees of the NISS, the municipality councils and non-formal workers.

Finally, the researcher presented the structure of the research, which consisted of five chapters, namely, the Introduction; Review of Related Literature; Methodology and Design; Data Presentation, Analysis and Discussion of Results; the Research Summary, Conclusions and Recommendations; and, finally, the References and the Appendices.
CHAPTER 2: REVIEW OF RELATED LITERATURE

2.1. Introduction

This chapter examines the review of related literature so as to give a context in terms of where the ongoing debate is as far as written material is concerned, identify the gaps in the current debate, and recommend how the study can fill in those gaps or bring in a new perspective of the discussion.

A thorough assessment of the available literature on the problem under study was carried out and an illustration of a conceptual framework that discusses key concepts for a better understanding of the subject under examination was done. These concepts are work, non-formal workers, under-employment, unemployment, exclusion and vulnerability.

Then, a background of the social protection system in the world and in Mozambique is briefly discussed, highlighting the historical evolution of the social protection system since the country’s independence in 1975 until 2014.

Furthermore, lengthier discussions are carried out on issues around access to the social protection and the benefits of the Mozambican social protection system to workers when sick, on maternity leave, when disabled, in old age and even in situations of death.

This chapter also discusses work in general as a human need and the relationships between the employees and employers in regard to inclusion in the social protection system. The chapter also considers the situation of workers in the non-formal sector.
The chapter also discusses some of the social protection theories such as Pay as you Go and Capitalisation, Cumulative and Distributive Theories, the Social Network and Research Theories.

An Empirical Framework, in which the social protection experiences of some Southern American countries, like Costa Rica, Colombia and Philippines, as well as, the experiences of some Southern African countries, like, Angola, Lesotho, Swaziland, South Africa and Mozambique, as well were presented. Finally, a summary of the chapter is presented and a short conclusion is drawn.

2.2. Conceptual Framework

A conceptual framework explains the basic meaning underlying a term. In this paper, a conceptual framework is done in order to bring forth the author’s intended meaning. The following are some of the definitions found in the course of this paper: Non-formal Sector; Social Protection; Social Security; Social Exclusion; Social Integration, Associativism, Social Vulnerability and Social Risks were presented.

2.2.1. Non-formal sector

Authors, in the field of social sciences, differ in their definition of the term the non-formal Sector. According to Chichava (1998), this difference is due to the fact that some based their definitions on legal grounds and defined the non-formal sector as what is outside the law, the sector which is not regulated by law, and thus illegal, clandestine, underground. Others authors based their argument on economic grounds and looked at the non-formal sector as secondary economy, alternative, marginal sector, and so on.
Another group of authors, according to Chichava (1998) have based their argument on political grounds by defining it as a development alternative, while others bring out the statistical aspects of the economy, considering it as characterised by activities not taken into account in the national Gross Domestic Product (GDP).

The International Labour Organisation (ILO, 1993), on the other hand, considers the non-formal sector as all economic units involved in the production of goods and services developed on a small-scale, by hand. This is usually established without separation of ownership of the work factors and capital, with a low relative level of organisation, with the ultimate goal of creating self-employment and income.

For the ILO (1993), the labour relations in such economic units are based on casual employment, in family, personal and social relationships. The labour relations under such circumstances are usually not on contractual agreements that entail formal guarantees.

In this research report, it is the approach of the Vletter (1992) and Andrade (1992) that is adopted. For these authors, the non-formal sector is that sector of workers, economic and financial units dedicated to the production of goods or services with fundamental purpose of creating self-employment and generate income.

The adoption of this approach is justified by the fact that the authors agree that the non-formal activities which are not illegal or clandestine, low income or relatively disorganised, but they are an alternative to the limitations of the considered formal labour market. Therefore, as an alternative to the survival for most economically active populations (EAP) in Mozambique, otherwise, in fact, the non-formal activities are registered in Mozambican GDP.
Perhaps that was why in 2012, the then president of the Mozambique Tax Authority, Rosário Fernandes, said that the small-scale agricultural sector (also called the non-formal) contributed with 25.4% to the state revenue collected in 2011, against only 3.4% on the mega-projects (Fernandes, 2012).

This is a demonstration that the non-formal workers contribute to the state budget, and, therefore, could not be ignored and underestimated, not even be excluded from being taken as contributors to the national GDP.

It should be taken into consideration that the agricultural sector was absorbing most of the non-formal workers, with about 81%; Most of them (the non-formal workers) are women, with about 58%, as shown in Graphs 1 and 2 and Table 11, page 235.

Graph 1: Distribution of non-formal workers, relatively in the agricultural sector

Graph 2: Distribution of non-formal workers, per gender

Source: NIS (2006b) and NIS (2015)

Moreover, most of the non-formal workers (about 56%) are young people, ranging from 14 to 34 years old, as shown in Graph 3 and Table 11, page 235.
2.2.2. Social protection

Social protection has been defined by many authors, like Fukuyama (1992), ILO (1996), Butter and Kock (2003), Barker and Holtzhausen (1996), Francisco (2010) and others, and each one with his/her own understanding.

Fukuyama (1992) considers the social protection system as an integral part of the social rights and citizenship, framed in social policies that societies attribute to their members so that the result and the basis of the universal social security benefits should enable people to fulfil their social role with dignity in the society.

This means that the existence of a system for the social protection is a crucial prerequisite for any modern state based on human rights (Oliver 2001: 22).

ILO (1996) considers the social protection as the protection which the society provides its members against economic and social needs that might otherwise occur by the removal or substantial reduction of earnings. These deprivations would result from
sickness, maternity, accidents at work, unemployment, invalidity, old age and death, the provision of medical care and subsidies for families with dependent children.

Butter and Kock (2003) do not differ much from ILO’s definition, once they consider the social protection system as the one that is provided by the society for its members through a set of the public measures against the economic and social needs due to cessation or significant reduction in their income.

Barker and Holtzhausen (1996) state that the social protection is the system of social assistance guaranteed by the state benefiting, facing people in need when their normal income resources have been interrupted by illness, unemployment or retirement.

This research would work with the definition adopted is by Francisco (2010: 37), who defines social protection as a set of mechanisms, initiatives and programmes (developed by the state) in order to ensure a dignified human security, freeing the citizens from two crucial fears in the cycle of human life: 1) fear of lack of food in due to lack of income or due to incapacity, chronic or structural; and 2) fear of physical or psychological aggression due to feeling unprotected.

The choice of this approach and justified by the fact that it shows itself more complete, with a double dimension, a wider and narrow one.

The wider dimension brought aspects of the rights of citizenship, dependent on the political and legal institutional framework of society, in which all citizens have (or should have) the right to the social protection system (Idem, 2011), as declared in the Constitution of Republic of Mozambique (2004).
The narrower one represents a set of rights or privileges granted to specific social and professional groups, in order to prevent, mitigate and manage the negative effects caused by the vulnerabilities, disruptions and/or reduction of income (Idem, 2011), task for the social protection managed by the NISS.

In both dimensions, the state was presented as a guarantor of the social protection or the one to safeguard the minimum livelihood for its citizens, a generally and specifically in the event of risk, need and/or inability to generate income on account of old-age, illness, accident or death.

By doing so, the state guarantees a reasonable standard of living, and therefore, preserves human dignity and social integration of the beneficiaries. This allows the individuals to protect themselves from the contingencies arising from lack, loss or failure of their income.

Therefore, the provision of the social protection for citizens, regardless whether they are employed or not (in formal or not the formal sector), it is at least a necessary exercise for any state, as a Rule of Law, and Mozambique cannot be the exception.

Social protection provision includes different social strata. It is considered, at least, as protecting the nation itself and the community as a whole (Oliver, 2001: 23), against discrimination and the social exclusion of its members.

**2.2.3. Social security**

Social security to the times of the Germany's Chancellor Bismarck, 1883-1889 (Quive, 2007) and it was the first step of a social protection only covering people the formal labour market (Oliver, 1999).
Generally, the social security entails a contribution from the worker to a common fund managed by a subsidiary. Thus, a worker can only benefit if he or she had previously made contributions into the social security system (ILO, 1998).

In Mozambique, the social security contribution is a Compulsory Social Protection System (CSPS) managed by the National Institute for the Social Security (NISS), covering workers in the formal labour market and their immediate families.

It should be noted that the registration of the workers to the NISS social security system is the responsibility of the employer and not of the employee.

The majority of the citizens in Mozambique do not claim their rights and entitlements to the NISS in times of need. It is assumed that the employers will deduct from their employees what is due and direct it to NISS, but the reality is that some employers do not direct the deductions to the NISS and there has not been a mechanism to urge them to do so.

Often times, when employees claim their benefits, they are already unemployed or retired finding themselves in a situation that they cannot benefit because the former employer did not contribute on behalf of the worker.

Consequently, the NISS just tells them that their contribution was not received. In that regard, they are not entitled to anything. This violates grossly their basic human right to the social protection.
2.2.4. **Social exclusion**

The concept of social exclusion is best defined by contrasting with the concept of the social integration. Social exclusion prevents the vast majority of people in society from enjoying a certain right, while social inclusion does the opposite.

However, it is important to note that the use of the concept of social exclusion is relatively recent, and its approach is hampered by the diffusion it has in various discourses, especially, in political and intellectual circles (Rodrigues *et al.*, n.d.: 64). For this reason, according the same author, it is appropriate to build an approach that results in a more complete and operational definition.

It is nevertheless true that social exclusion is both a phenomenon of the past and present and, if not addressed, belongs also to the future (Estivill, 2003). It falls on millions of people trying to survive in the toughest conditions of life and work.

According to Ferreira (1995), the attempts to define exclusion are faced with two major problems. The first one is the identification of a “normal” or “average” situation, from which people are considered as "deleted", and the second is to define the exclusion criteria, which must specify, for example, deal with income levels, access to social rights and political equality or benefits.

Indeed, authors such as Rodrigues *at al.* (n.d.), report that the use of the exclusion concept is creating more inequalities resulting in a dialectic opposition among those that effectively use resources (physical and social) for full participation in society and those lacking these resources and thus, incapable of having such a participation.
Hence, for these authors, social exclusion is this non-participation in a set of benefits that define a full member of that society, which is clearly the opposite of the notion of social integration (Idem, 2011: 64).

Meanwhile, Estivill (2003) considers social exclusion as the combination of lack of economic resources, social isolation and limited access to social and civil rights (such as the right to social security, paid employment, academic and professional training).

Meanwhile, Amaro (n.d.) looks at exclusion as being essentially in a situation of lack of access to opportunities offered to the members of the society. This may involve deprivation, lack of resources, more broadly, and lack of citizenship. By implication, that means that this not full participation in society, the different levels that organise and express the perpetuation of discrimination; environmentally, economically, politically and socially.

In this study, social exclusion can be understood in the logic of Amaro (n.d.), that is, as the opposite of integration. It is about the impossibility that certain individuals or groups have to participate in the major institutions of a society, such as the economic institutions (access to employment, occupation, income), political (the right to vote), school (education and success conditions) and non-participation in a range of other social relationships (associations or amusement sports, family life and friendship). Therefore, it is opposed to integration.

From the argument above, social exclusion is taken in this research to be the impossibility, difficulty or the denying of access to individuals, workers or members of a society from enjoying their rights to social welfare in order to reduce their vulnerability when faced with disability, old age, illness or death.
This researcher explored the opportunities and mechanisms to reduce the level of exclusion of the non-formal workers to benefit from the social rights provided by the social protection system in Mozambique, with the ultimate goal of reducing their levels of social vulnerability.

### 2.2.5. Social integration

For this study, social integration was taken as the process leading to accessibility of all the opportunities in society to those who otherwise would be denied, allowing them the resumption of an interactive relationship between a cell (individual or family) and the body (society) to which it belongs (Amaro, n.d.).

It is important to note that social integration, unlike social exclusion, always comes as an opportunity to add value both to individuals and to society.

Social integration for individuals (currently excluded) would unlock access to opportunities in society and they can choose whether or not to grab them; whereas, for society, integration or social inclusion is enriched by diversity that helps it to organise itself in order to open up its opportunities for everybody, strengthening them and making them fair (Idem, 2011).

Thus, the integration of workers excluded from the social protection system, especially, the non-formal workers, comes as an advantage for this otherwise excluded workers because they will benefit from social rights enshrined in the Constitution of the Republic of Mozambique meant to benefit all workers. This would ensure their recognition and dignity in society, as well as, enriching and diversifying the revenue source of the social protection system.
It is also an advantage for the society as a whole that enhances and ensures sympathy and social cohesion while fighting poverty and social insecurity of its citizens, especially at old age, maternity, illness, disability and other physical or social impairments, including death.

2.2.6. Associativism

Associativism, in this study, refers to all forms of appeal to solidarity and mutual support in face of adversities and/or situations of risk, deprivation of the benefits as a result of the social exclusion (Rocha, 2002).

Associativism spirit is often stimulated by the need to create and/or maintain ties of sympathy, cohesion, kinship relations and friendship when there is lack of social and economic support. At this moment, the need for the networks of care that have mutual interest develop policies that are sensitive to the needs of the non-formal workers (Idem, 2011).

This phenomenon of associative also occurs among workers, especially, when their rights and entitlements are threatened because of lack of proper social protection measures by the state.

The absence of social protection measures leads to development of associative spirit or even to creation of the informal systems of social protection that counter the perceived or current risks arisen from lack of a proper social protection measure by the state or government.

According to Santos (1993), cited by Quive (2007: 107), informal systems of social protection refers to "a configuration of networks of inter-knowledge, mutual recognition
and mutual support, based on kinship and neighbourhood ties through which, small social groups exchange goods and services in a non-commercial basis and with a logic of reciprocity”.

These mutual aid systems exist throughout the country, with different names such as *Xitique* (Southern region of the country), *Ttôttôte* (Nampula Province), *Nssongonnssongo*, *Khupenzana*, *Odjiyana* and *Ossókela* (Central region of the country) (Quive, 2007).

### 2.2.7. Social vulnerability

The concept of social vulnerability, in this research, takes into account the understanding of Ximenes (2010), who considers it as the condition of individuals or groups in fragile situations, which make them at risk and at the meaningful levels of social breakdown.

In other words, social vulnerability refers to sharp exclusion process, discrimination or weakening of individuals or groups caused by different factors such as formal professional training that would allow them either to be self-employed or formally-employed and find another way to generate revenue for livelihood.

Another definition similar to the above is discussed by Da Silva (2007: 3), who considers:

> social vulnerability as lack of control or availability of material or symbolic resources of the actors (individuals or groups), and access to the structure of social opportunities, economic and cultural factors that come from the state, market and society, translating into weaknesses or disadvantages for performance and social mobility of actors.
This results from an increase in the situations of the defencelessness and insecurity, which highlights the problems of exclusion and marginalisation (Ximenes, 2010: 1). These are situations that show an intrinsic relationship of the concepts of social vulnerability and social exclusion, one leading to another.

Thus, exclusion of the non-formal workers from the social protection system, not only, deprives this group of the benefits to enjoy their right to the social protection system provided by the state, but also leads to social vulnerability, thereby, perpetuating their state of poverty.

This was one of the reasons why this research was focused on viable ways to reduce the social exclusion of the non-formal workers and consequently their social vulnerability.

2.2.8. Social risks

Social risks, in this research paper, is referred to a future uncertain events (but predictable), natural or man-made, regardless of the will of the stakeholders, which causes a decrease or labour income loss or decrease in the level and quality of their life and families (Dias, 2011 and Martins, n.d.).

In other words, social risks are situations of danger, which may occur in a person’s course of life, usually, as a result of a threat caused by unemployment, sickness, maternity, work accidents, disability, old age, death and widowhood, just to name a few examples (Quive, 2007).

Dias (2011) goes on to say that social risks are related to impossibility to meet basic level of better human life. Thus, concluding that social risks are correlated to social needs.
The social protection system is or should be conceived in order to create a safety net for people in need. This could be in any form, be it cash provision (cash transfers), service provision or creation of the condition that allow the people in need to meet their basic needs.

2.3. Theoretical Framework

In this section, an overview of the social protection in the world is presented and a presentation of how the social protection system in Mozambique evolved since the country’s independence in 1975 until 2014. A discussion will follow about the effectiveness of the system vis-à-vis the benefit for the people.

This section also discusses work as a human need. As a result of this position, no one could be discriminated from any right as the social protection system only because of his/her type work. Furthermore, the relationship between the employment and social protection in the Mozambique, Africa and the World, was presented.

Finally, the non-formal sector, which appears as result of limitations of the formal sector, was presented.

2.3.1. Social protection in the world

Concerns on the social protection of citizens are not an uncommon lately issue nowadays. On the contrary, they are result of the social consciousness of rights as well as political and economic transformations.

Maia (1997), for example, says that since the creation of the Portuguese nation by the clerics and monarchs, inspired by Christian values of charity. The sense of moral values
and obligations of the state to its citizens started fading while the sense of religious charity started to take over the satisfaction of individual and family needs.

So, these transformations arise by the initiatives of the clerics, monarchs, members of the royal family, religious orders, of corporations for teachers and wealthy individuals, there reflected a development of efforts to give up the feeling of moral obligation to people in order to face the situations of need for the individual and family.

At the end of the Middle Age, according to the same author (Maia, 1997), simple impulses perspective of individual charities were drawing an embryonic conception of private charity organisations, led to the first major reform in social assistance, especially, in the areas of health and social welfare.

The 19th century, with the industrial revolution and the consequent poor working conditions, brought with it some strong associative workmen who triggered an important mutualism movement that stimulated the growth of associations of mutual aid with the aim of providing medical care and cash benefits in situations of temporary or permanent incapacity for work. They also instituted a funeral allowance (Idem, 2011).

So, these associations for mutual aid gave rise to social insurance plans to cover social risks in old age, disability and occupational diseases of workers, in particular the industrial.

In first half of the 20th century, with increase of unemployment rates, other social care schemes started to emerge and expand to cover all the employed and all other workers’ risks (Butter and Kock, 2003).
After World War II (WWII), concerns for social risks both in employment and personal/private setting started to increase, arising from the aftermath of war, professional and private life. These concerns led to introduction and/or extension of retirement plans in the 70s that were especially focused on coverage providing social protection cover to a high number of unemployed due to the collapse of companies caused by the war. Ever since, the social protection policies have become the tool for the macro-economic policies of the countries (Idem, 2011).

Form the description above, it is easy to see that the social protection system started as an act or acts of charity addressed to individuals or families at risk in the Middle Ages and gradually started looking and social vulnerabilities. Today, the social protection system is a social demand enshrined in the human rights in order to safeguard the protection of the most vulnerable in society.

In 1948, the United Nations acknowledged, through Article XXII of the Universal Declaration of Human Rights (UDHR, 1998), that "every human being, as a member of society, has the right to social security".

In 2001, the 89th session of the International Labour Conference recognised that absolute priority must be given to policies and initiatives that promote the extension of the social protection to the people who are not included. Furthermore, the social protection system should not be seen only as something fundamental to the well-being of workers in the formal sector and their families, but also for other levels of society (Social Security and Labour Ministry of Portugal - SSLMP, 2002).

In fact, according to Waterhouse and Lauriciano (2010: 17), there is a renewed thinking on the broader importance of the state in social protection. Proponents struggle in order
to convince others of the economic and social value to a broader investment in social protection.

In 2004, the then former Head of State Joaquim Alberto Chissano, recognised that social protection is a basic and fundamental right of humanity and without it, African countries will not easily meet the Millennium Development Goals (NISS, 2004: 4-5).

According to the SSLMP (2002), when well-managed, social protection can promote productivity and economic development, even though, this relationship has generated controversy, mainly between employees and employers.

Employees claim that it contributes to the improvement of the living standard and to improve the economic productivity of the companies. This also contributes to the social cohesion and productivity of work while maintaining a healthy labour force.

In contrast, employers reject the idea that social protection invariably favours the economic growth, arguing that this preferential treatment depends upon each situation of the design and the cost to each scheme for the social protection. This is especially, for the cases of health insurance that can reach excessive costs in cases of epidemics such as HIV and Aids (Idem, 2011).

It should be noted that, in the field of the social protection, no road map fits to all countries. Each country conceives its model grows and evolves progressively in its own context. That is among the reasons why there are various schemes like social assistance, social insurance schemes, universal devices, public or private (SSLMP, 2002).

Thus, being a social imperative, social protection, according to the concrete realities to each country, some principles have to be upheld in the conception and introduction of
social protection schemes, such as the inclusiveness to all individuals in a certain society, to avoid turning it into an exclusivist or elitist scheme which is solely concerned with formally employed individuals.

Such basic principles can be upheld by Mozambique too. As long as there is political will, Mozambique can draw an applicable social protections model. Such a model could fit its socio-economic, historical and political context and according to the real characteristics of the majority of its citizens.

2.3.2. Social protection in Mozambique

Social protection has lately become an object of debates at global level, among governments, employers, employees, and especially, among intellectuals both in developed and developing countries.

In many countries with competing priorities, no government, employers, employees and intellectuals, can escape the debate on the social protection and/or care and protection for the most vulnerable members of society.

In developing countries like Mozambique, the debate is even more intense and sometimes with many disagreements because of the financial implications it causes and the need for the structural adjustments and economic reforms adopted in most of these countries.

Often times, the social protection schemes in countries like Mozambique only cover few people, mostly those who are wages Economically Active Population (EAP), who benefit from the contributory pension scheme.
2.3.2.1. Social protection schemes in the period before Independence in Mozambique

Though, some authors place the origins of the social protection schemes in Mozambique at the beginning of the 20th century. It is important to take into consideration few issues about the emergency of the social protection systems in Mozambique.

In his book Protecção Social em Moçambique: uma rede furada de protecção social, Quive (2007) sets the emergency of the social protection schemes in Mozambique in 1901 and it was applied through the Regulation of Overseas Finance. This view is contested on the grounds that the Regulation of Overseas Finance does not resemble the current the social protection system in the country. It was set up by the colonial structure to benefit the Portuguese colonial personnel.

The colonial formal structure, including Mozambique (and other territories under colonial rule - mainly Portuguese), be it social protection, economic, political, cultural and social (including educational and religious), was designed for the colonial apparatus and it must be understood in the historical context of the colonisation period.

That is why Waterhouse and Lauriciano (2010: 17) state that the colonial government committed a highly extractive regime, providing little for the welfare or social protection to indigenous.

For example, such regulations and schemes were only meant and enjoyed by few Mozambicans, especially, those employed by the Portuguese employers. It happened in the absence of the formal social protection schemes, especially during World War I (1914-1918), where common citizens adopted various survival strategies that included
solidarity associations, co-operatives and small community informal saving schemes (Rocha, 1991).

In 1963, a Social Action Fund (SAF) at work was instituted by the Decree nr. 2368/63 of May 25th, another instrument mentioned by Quive and Patrício (2005).

The objective of the fund was to ensure a gradual transition of indigenous people who were in transition from the customary means of subsistence economy into the new capitalist labour regimes and/or market. It was designed to serve the interests of the Portuguese colonial economy.

The Overseas Statutes, through Decree nr. 47/66 of 21 July 21, amended the Overseas Finance Regulation (OFR) to a Social Action Fund at Work (SAFW), established under Decree nr. 332/73 of July 3 and Decree 52/75 of February 08 were legal instruments that introduced changes integrating some Mozambicans who were not assimilated into the scheme.

This however, was a way to stop the spirits of the Liberation War and to respond to the calls of the United Nations (UN) to respect human rights (such as social security).

Therefore, every effort undertaken by the then Portuguese colonial rule before 1975 had no other goal. It sought to meet and ensure that the interests of the white minority and never to effectively provide social protection or safety for "indigenous", Mozambicans.

Therefore, the emergence of the current social protection system has to be associated to the new Nation State that started in June 1975 and efforts undertaken thereafter to create safety nets for the most vulnerable people in the post-independence country.
2.3.2.2. From Independence period (1975) through the 1980’s

The new Mozambican state that emerged on June 25th, 1975 had been a subject for study of authors like Abrahamson and Nilsson (1994), who critically looked at how the economy was planned, especially, the centralisation of planning as a result of the communist ideology adopted after independence in June 1975.

This socio-political development paradigm (socialism) adopted by the new government of independent Mozambique had four major objectives which were the: (i) legitimacy of governance, (ii) economic welfare, (iii) social protection and (iv) collective identity - different approaches, but all united in the aspiration to achieve the common welfare and general fulfilment of social needs (Santos, 1998).

In pursuing these public goals, the government took the following measures, (1) socialisation of the economy, through the progressive recognition of the role of the state in regulating the economy, (2) politicisation of the state, through the expansion of regulatory capacity of the state or in forms of welfare state either in the form of developmental state, and (3) nationalisation of the cultural identity, through which partial and movable identities from different social groups were contextualised in national space-time (Santos, 1998).

The government at that moment was aiming to establish, among citizens, that all are equally bound to the same conditions and everyone should enjoy the same rights ... obligations or favours (Rousseau, 1973: 41).

Therefore, the new state sought to enforce respect or equality to all citizens. In pursuit of the achievement of that purpose, the state priority to the introduction of the structural adjustment programme, the distribution of income and access to social services in
Mozambique were relatively equal, because of the government's social policy practiced through tax policy (for example, price subsidies) and government expenditures in health, education and other services for public interest" (Castelo-Branco, 1994: 158).

The new state sought to ensure the satisfaction of basic human and social needs such as education, health, transportation. Above all, it ensured "employment for everybody" and, thus, ensuring social protection to all citizens including those with disability and old age (Idem, 2011).

According Waterhouse and Lauriciano (2010: 18):

"... the early years of independence registered a massive expansion of the state in the provision of social services, particularly health care and education. Schools and health centres guided by the church were nationalised by the state, and many barriers to access them had been removed."

Until the mid-80's, under the influence of the socialist regime, private property was not permitted and the state was the only employer, through government and public institutions, and therefore the state was the only entity that provided formal employment for the majority of work force (Idem, 2011).

However, this goal of equality was short-lived, because when the Mozambique Liberation Front (MLF) government tried to expand basic social services throughout the country. It was quickly overwhelmed by economic collapse and war, followed by a rigid exercise of power by the state under the structural adjustment programme (Idem, 2011: 17).

At the end of the 1980’s, when the Soviet Union was collapsing together with many communist states around the world, the government of Mozambique with its
professional and social paternalism started to look at the West in search of new development partners. It was not surprising to learn that Mozambique among other developing nations started to give in to the demands of the capitalist world by allowing the participation to the institutions of Bretton Woods in particular the World Bank (WB) and the International Monetary Fund (IMF) in their economies (Abrahansson & Nilsson, 1994).

One of the preconditions imposed to Mozambique to access the financial resources of the WB and IMF was to engage into a structural adjustment programme, through market liberalisation and easy the restrictions by regulations.

As a consequence of those situations, the Mozambican economy started the accommodation of private property arrangements, reduction of public deficits through cuts in social expenses (health, education and transport), privatisation of state enterprises, rationalisation of manpower and the consequent unemployment and/or underemployment followed, Roesch, 1992).

It is in this context of high unemployment and under-employment that the informal sector picked up. The social protection system, once upheld by the socialism regime, shrunk to benefit only formally employed people and excluded the majority of Mozambicans who did not fit that category (of formal employed people).

Despite the fact that the Constitution of the Republic, its Article 95, stating the right to protection for all citizens in the event of disability and old age. This right was reserved for a minority of Mozambican citizens, because of high employment in the formal sector which is slightly more than 5% of the economic activities of the adult population (Waterhouse & Lauriciano, 2010: 25).
2.3.2.3. From the end of 1980 until 2014 period

The second half of the 80’s saw a sharp rise in unemployment and under-employment rate and consequent reduction in the adherence to the formal sector.

In 1987, with the Decree nr. 14/87 of May 29, General Statute of Public Officials (GSPO), it was instituted civil servants would benefit with retirement packages. However, this measure continued to leave out those who are not employed—the majority of the Mozambicans.

In 1988, in order to further extend the range of social benefits to more citizens in Mozambique and thus, ensuring the survival of non-public employees, by the Decree 17/88 of December 27, the government formalised a social security system for those formally employed in the private sector. This was done by creating the National Institute for Social Security (NISS), as (future) management institution of the Social Security System.

NISS elaborated the Social Protection Act, which after approval by Parliament resulted in the Law Nr. 5/89 of September 18, in which the social protection system was created and regulated to cover both national and foreign resident employees of private sector and their families.

It is important to note that after creation of this social protection system, many changes have been carried out in order to adapt the model to the Mozambican reality and to ensure that all (or, at list, majority of) Mozambican citizens in the short term are included by the social protection system and therefore using the benefits of the system.
Nevertheless, the current status of the social protection system is neither comprehensive nor fully inclusive yet.

**2.3.2.4. Access to the social protection system**

As has shown in the previous section, the social protection system for private sector workers was created and regulated by the Law Nr. 5/89, of September 18, and managed by the NISS.

Among its many tasks, the NISS has the mandate of promoting the registration of workers and employers covered by the social protection system, creation of the policies and mechanisms for inclusion of more workers currently excluded.

At the beginning, the social protection system managed by the NISS covered only workers who belonged to employers with ten (10) or more employees living in the city and province of Maputo as per Article 1 of the Ministerial Decree n. 45/90 of May 9.

Likewise, workers were also free to continue contributing on their voluntary registration maintenance (VRM) after the termination of their employment contract.

Recognising the importance of Social Protection has to highlight the survival of Mozambicans, in 1997, through the Ministerial Decree nr. 26/97, of May 21. The social protection system was extended to integrate other employers with 10 or fewer workers and it was extended throughout all 11 Provinces and 66 Districts (from the total 150 Districts of Mozambique), as shown in Table 2, page 220.

As efforts to extend the personal scope, on February 7, 2007, a new Law on Social Protection that provides inclusion of self-employed workers and new benefits like
maternity, hospitalisation and funeral subsidies was introduced. However, until December 2014, this newly included in the system were not begin entitled to.

Therefore, the adoption of the new legal instrument in 2007 that provides the expansion of the social protection system to a new layer of workers is an added value in the integration process of the other layers hitherto excluded from the social protection system.

This measure comes out as a recognition of the people, who are outside of the formal employment sector, that is, the self-employed, concern for their social security and recognition of their contribution to national economic growth and their role in increasing the GDP.

It is important to note that until then, the social protection system managed by NISS was not related to the social protection system used by public servants. However, there is a constant mobility of workers from one system to another.

In order to make sure that their contributions in both sides are taken into account when moving from the public sector to the private sector and vice versa. In 2009 the government came up with the Decree n. 49/2009 of September 11, instituting Joint Rules of a Compulsory Social Security System (JRCSSS). Graph 4 shows the evolution of the social protection system from 1975 independence.

However, these efforts to integrate more sections of workers into the social protection system have not reduced the vulnerability of the Mozambican workers because by the end of 2014, most Mozambican workers were still excluded from any social protection scheme.
So, a comprehensive coverage of the social protection system in Mozambique is still a mirage. This is why the contribution of the research for promotion of debate for the expansion of the social protection system coverage in Mozambique is important.
Graph 4: Chronological evolution of the Social Protection System (SPS) in Mozambique - 1988-2014

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<tr>
<td>SOCIAL BENEFITS</td>
<td>Subsidies (Disease and Death), Retirement (Invalidity, Old Age and Survival), Social Protection Gift (Old Age, Survival)</td>
<td>Subsidies (Maternity, Funeral, Hospitalization)</td>
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Source: Author's adaptation based on the Social Protection Legislation

Legend:
- NISS – National Institute for Social Security
- SSS – Social Security System
- Min. Dipl. – Ministerial Diploma
- OVR – Own Voluntary Registration
- NISW – National Institute for Social Welfare
- CSSS – Compulsory Social Security System
- Companies > 10 empl. – Companies with more than 10 employees
- Companies 1+empl. – Companies with 1 or more employees
- empl. - Employees
- self empl. – Self Employed
- CSSSA - Compulsory Social Security Systems Articulation
- MCB – Mozambique Central Bank
- IPRCSSSA - Implementation Protocol of the Regulation of Compulsory Social Security Systems Articulation
- Priv. – Private
- Pub. - Public
According to the Mozambican Social Protection Law (Law nr. 4/2007, of February 7), the social protection system seeks primarily at ensuring that livelihood of workers employed in public and private sectors, in situations of lack or loss of capacity to work because of sickness, accident, invalidity, old age and motherhood, as well as contributing to the survival of their families in case of death of the worker.

In some cases, the state, through the state budget, tries to mitigate the dire situations of vulnerable people by coming up with specific social action programmes.

The Law on Social Protection mentioned above states that the achievement of these objectives will be done in three levels, listed in Table 1, page 219, namely:

2.3.2.5.1. The Compulsory Social Security (CSS)

This regime of the social security covers all public and private employees and their families, and is subdivided into the following sub-systems:

a) Social Welfare System for employees in the public sector and it is managed by the National Directorate of Social Providence - Ministry of Economy and Finance (MEF).

b) Social Welfare System for employees of the Central Bank, managed by the Bank of Mozambique itself.

c) Social Security System for private sector workers, managed by the National Institute for Social Security (NISS) - Ministry of Labour and Social Security (MITESS). This is the schemes that the present research focuses on looking at
the possibilities of the inclusion of non-formal workers in the legally instituted social protection system in Mozambique.

2.3.2.5.2. The Basic Social Security (BSS)

The SSB covers those who are incapacitated living in extreme poverty and unable to meet their basic needs. The coverage includes children in difficult situations, older people in extreme poverty, people with disabilities and people suffering from chronic and degenerative diseases.

SSB is managed by the National Institute for the Social Action (NISA) under the Ministry of Gender, Children and Social Action (MGCSA). The philosophy behind this scheme is the social solidarity with emphasis on distribution of wealth to the most in need and it is mainly sponsored by the state budget.

2.3.2.5.3. The Supplemental Social Security (SUSS)

The Supplemental Social Security (SUSS) is open for people who are employed and already complying with the compulsory social security (CSS), but want to increase their premium with other private insurers. This particular scheme is managed by the private sector.

2.3.2.6. Social benefits provided by the Mozambique Social Protection System

For NISS (2009), a social benefit is made up of cash benefits enjoyed by the contributor after complying with the necessary and legally demanded pre-requisites. The beneficiaries and their dependents are entitled to maternity cover, illness, disability,
retirement and death covers. These benefits are mentioned in the Social Protection Law (SPL, 2007).

2.3.2.6.1. Sick Pay Cover

This is attributed to the contributor when he or she is gets sick in the course of their professional duties, but not intentionally caused by the employer, that will result in incapacity to work.

This type of benefits also covers for the spouse when nursing a sickness that will require the direct beneficiary to stay at home caring for the patient. The time that the worker stays at home recovering is called paid sick leave which is covered by NISS.

a) Sickness Cover

Figure 1: A worker in the sickbed

The payment is reimbursed by NISS based on the cost of medication and treatment to the incumbent or its dependents.

This particular kind of benefits can be enjoyed to a maximum of 365 continuous days, after which the beneficiary is placed in the disability protection regime (disability pension in case he/she meets the requirements for this purpose).
b) Hospitalisation allowance

Figure 2: A worker admitted in hospital

This benefit is enjoyed by the incumbent when admitted in hospital. He or she enjoys both paid sick leave and hospitalisation allowance.

The allowance for hospital admittance is awarded based on the invoice submitted by the public health authority (National Health System - NHS) where the beneficiary was hospitalised.

2.3.2.6.2. Maternity cover

This benefit takes place to beneficiaries who have taken maternity leave at work.

a) Maternity Allowance

Figure 3: A worker (mother) in breast feeding situation

This allowance is basically the monthly remuneration reserved to the recipient for a period of 60 days without losing her job and salary.

The maternity leave allowance is paid monthly until the last day of the second month. If the mother is still disabled to work and needs some medical rest, she enters into another category – paid sick leave.
2.3.2.6.3. *Benefits in old age*

They take place when the beneficiary is 55 years old (for women) and 60 (for men) and it is called Pension or Old Age Pension (NISS, 2009).

**Figure 4: A worker in retired situation**

- **a) Old Age Pension**

Lifetime monthly payment to the beneficiary, after reaching the age of 55 form women and 60 for men and/or legal requirements (for example, number of years of contribution).

The pension for old age is lifelong and it is paid monthly to the beneficiary. After his or her death, this benefit passes on to his or her children under the age of 18 years, becoming survivors' pension.

- **a) Allowance for Old Age**

**Figure 5: Retired workers**

It is a once off payment to the benefit paid to the beneficiary after he or she reaches the retirement age without completing the required years of
contribution for a regular pension for the older people.

2.3.2.6.4. Disability benefits

The entitlement for this benefit is for those who have not reached the retirement (age 55 years old for women and 60 years for men) and suffer an accident that leaves them incapacitated physically or mentally to work. The disabilities have to be duly certified by the medical examination board.

a) Disability Pension

Figure 6: A worker in disability situation

It is a monthly payment that can be lifelong (in case of permanent disability) or temporary (if the incapacity can be corrected - depending on the certificate from the health board.

This social benefit is enjoyed by beneficiary who have not reached the normal retirement age and found themselves with disability. Medical board has to review the beneficiary’s condition every six months to ascertain that he or she is still in that condition.

Note:

The Disability Pension automatically turns into the old-age pension when the beneficiary reaches the age defined by law (55 years old, for women and 60 years old, for men) for their allocation.
2.3.2.6.5.  

**Death related benefits**

These benefits cover the beneficiaries who eventually die. They mostly cover for those under disability pension that result in death or an old age pension beneficiary who eventually dies. These benefits include: Death Benefit (in the form of death grant, funeral benefit and survival allowance); Funeral Benefit (in the form of funeral grant) and Survivor's Pension for the children under 18 years of age (NISS, 2009).

a) **Death grant**

**Figure 7: Worker death**

It is the payment awarded to the surviving spouse or descendants or ascendants, in case of death of the active beneficiary or disability and old age pensioners.

The death grant is a once off payment to the entitled members of the family. It is also called spouse survivor’s grant.

b) **Funeral Benefit**

**Figure 8: A funeral ceremony to a passed away worker**

This particular benefit covers for funeral expenses of the worker, retirement or disability pension beneficiary.
The application is normally done by the spouse, descendant, ascendant or any other family member in the impossibility of these. This is a once off grant.

**Figure 9: A Survival pensioners**

**c) Survival's Pension**

It is a monthly payment to dependent/s of the deceased beneficiary, particularly the spouse, minor descendants or ascendants, in order to "compensate" for the loss of income as a result of death of the worker or pensioner.

*Note:*

The survival pension is equal to the Pension for Old Age, distributed as follows: 50% to the surviving spouse and 50% divided equally among the orphans. In the absence of a surviving spouse, the entire pension goes to orphans.

The survivors' pension is paid monthly to the surviving spouse while alive. After his/her death, this benefit reverts to the orphans.

**d) Survival Allowance**

**Figure 10: Social Protection gift (allowance paid)**

This is a once-off grant paid to the dependents (spouse and descendant or ascendant) of a deceased beneficiary
who did not meet the requirements to enjoy a survival pension.

It should be noted that the old age or survival allowances are transitory benefits reserved to beneficiaries who, having completed the retirement age (55 years and 60 years for women and men, respectively) do not meet the conditions for access to the old age pension or until the date of the worker's death, he or she had not reached the requirements to his or her dependents enjoy a survival pension.

2.3.2.7. General considerations for social benefits

An overview of the social benefits of the social protection system in Mozambique shows that it does not meet the minimum requirements set by the ILO Convention 102 from 1952 (Süssekind, 2011).

Other basic social benefits like unemployment allowance, family and medical support, industrial hazards and occupational sickness – all these are not covered by the current social protection system in Mozambique (Idem, 2011).

However, the social protection system in Mozambique has improved in the last ten years. It is gradually improving its administrative procedures as well as user friendliness. As these improvements must continue to take place. The inclusion of other vulnerable economic active groups should be ensured in such a way that situations of vulnerability (sickness, maternity, old age, and so on) are all covered.

That is probably why it is very important that the social protection system draws up mechanisms to include more people (workers) so that they can contribute while they are working. They probably hope to gain from these benefits when they can no longer work
because of different social risks such as maternity, sickness, invalidity, old age and even death.

### 2.3.3. Work as a human need

Work is such an essential aspect of human life that it needs to be mentioned about when talking about pension and social protection.

From the very beginning of human existence on this earth, work has ensured the survival of making through the centuries. Human beings have exercised different kinds of work such as manual work, intellectual work as well as other productive activities.

It is this contest that many authors have written extensively about work from the classical historical moment through modernity until today, mainly on concepts and other complementary aspects of work. Work has taken many meanings in different stage of human history.

In the Judeo-Christian tradition, for example, work had a double meaning. The first one followed the biblical interpretation of work using the myth of Genesis, where work was some sort of punishment - "earn your bread with the sweat of thy face" (Holy Bible, 2000: Genesis, 19th verse).

The second meaning has a different interpretation of the biblical text, work is seen as the creation and salvation of the soul, giving it a new meaning (Papa João Paulo II, 1981).

Thus, for Christianity, work involves suffering, but it is also a condition of human achievement and proximity to God (Marques & Dos Santos, 1988).
In the 16th-18th centuries, due to technological advance in Western Europe that enabled men to dominate and quickly turn the forces of the nature, the concept of work as a human activity started to take consideration by philosophers, politicians and economists.

At this time, Adam Smith wrote the book *Wealth of Nations*; where he explains the realisation of humanity through progress derived by human work and wealth creation. Therefore, work has a new meaning, that is, it is a way to generate wealth and improve livelihoods (Marques & Dos Santos, 1988).

In the nineteenth century, Karl Marx recognised that labour is source of wealth and well-being, and it is ultimately the source of progress and wealth of nations. And he goes on to say that work cannot be isolated from private ownership of the means of production and capital (Idem, 2011).

Indeed, Karl Marx states that capital turns labour into commodity and therefore it is subject to the law of demand and supply. Hence, according to him, a worker is not recognised or considered as a human being who performs his/her duties, but, a mean to wealth creation. In this way, work is not looked at as a duty pleasure or a way of fulfilment. For Karl Max, work has become alienation and degradation of the human condition (Idem, 2011).

Nietzsche, a critic of liberal economists, apologists of work as a source of wealth and progress, states that work does not only lead to the alienation of the workers and private ownership as an instruments of labour, but also satisfies the desired domain of the person commissioning to, that is, original and creative capabilities. For Nietzsche, work
standards impose a pattern and consume most of the energies and capacities of the imagination (Idem, 2011).

From the above descriptions, it is possible to see that the work has been part of the human existence right from the origins mostly as part of survival. However, despite the realistic and naysayers’ perceptions of Marx and Nietzsche about work, work is a moral value that gives mankind the dignity enjoyed by the human being and primacy over other beings.

That is why a person sees and always wants to perform some sort of work even in the absence of formal employment. Therefore, all work performed by an individual, especially, that which is aimed at ensuring their livelihood, has to receive adequate recognition by the state and create conditions to include the ones performing it in the formal social protection system.

The above suggestion is even important when in a society like Mozambique that intendeds to build an inclusive society. That aim requires that all aspects of social inclusiveness are considered and social protection is part and parcel of that. As such, adequate adjustments to the system should be done in order to ensure inclusiveness of all workers regardless of acting in the formal or non-formal sector.

In fact, the formal workers are a minority in the world and in Mozambique, thus, the bulk of workers (in the non-formal sector) are excluded from the social protection system, making it (social protection system) a right to a minority of the minority and leaving to cover for their own risks, which is not always possible.
2.3.4. Employees in the World, in the Africa and in Mozambique versus Social Protection

In many countries, especially in developing ones, employment in the formal economy has declined greatly, due to the impact of structural adjustment policies, which have been translated into economic cuts that have mostly fostered job creation in the formal economy (Castelo-Branco, 1994).

According to ILO (2005), two thirds of the workforce around the world is in a situation of unemployment or under-employment and most of them are in non-formal sector of the economy, and consequently excluded from the public social security.

In Africa, about 90% of urban jobs created in the 1990s were in the non-formal sector, that is, consisting of paid activities. These activities generated incomes which, in some cases were taxed by the state (Levinsky & McKinnon, 2005).

Early in the 21st century, only less than 25% of the world population had access to the adequate social protection cover and in sub-Saharan Africa (such as Mozambique) and South Asian countries only about 10% of the population was included by the social security (Idem, 2011).

This situation can be explained by the fact that both in developed and in developing countries the majority of the social protection systems are based on employee contributions in order to finance themselves, and it considers only formally employed workers, that is public servants, private sector and NGO’s objectively recognised by the state for that purpose (Idem, 2011).
As a result, the non-formal sector had emerged as a recourse output, leading itself to be a majority segment which can be found both in the cities and suburbs areas and in the rural area as well as.

According to the Mozambican social protection legislation (NISS, 2009), the current social protection system includes only workers employed in the formal sector, leaving out the self-employed and the non-formal workers.

It is also reported that many workers in the formal sector also not benefiting from the current social protection system due to registration or non-contribution by their employers (Quive, 2007).

This situation has is rising suspicion and lack of trust of the social protection system. This is more so when those who contributed to the social protection system find difficulties in accessing their benefits in times of need.

This situation has sparked and fuelled a general pessimism regarding the contribution that social protection system can make dealing with the increasing level of insecurity and poverty, especially in developing countries, like Mozambique. It is in this context, that the problem of this research can be best understood.

Social security for all is a right enshrined in the Universal Declaration of Human Rights (UDHR, 1948) and in the different versions of the Constitutions of the Republic of Mozambique of 1975, 1990 and 2004.

As such, all citizens, regardless of the type of work or the labour sector they are in or even who does not perform any work. The social protection system has to be provided
in times of need. The right to the social protection system extends to those in various situations of risk like unemployment, old age, sick or death.

From this analytical perspective, the social protection system in Mozambique is not covering most of the people in need. Countries like Costa Rica, Colombia and Angola have already created schemes to cover workers who are operating independently and in the non-formal sector.

2.3.5. Non-formal Sector

According to Chichava (1998), the non-formal sector is not necessarily the same as the informal sector because the informal sector is defined as jobs not legally registered, therefore, it can be illegal, or clandestine (legal perspective). It can also be even a group of activities which are not registered in the national employment agencies (statistical perspective). Sometimes, it can also be even secondary, parallel, marginal, alternative economy (economic perspective); or a sector which is not structured, non-organised, non-registered or of low income.

Whereas the non-formal sector, dealt with in this study, is a set of legal activities, registered business in the national accounts, which pays their taxes with some sort of organisational structure; that usually comes about as an alternative way of reducing unemployment at the formal sector. So, the consideration as the non-formal sector is only because of political or bureaucratic reasons.

In Mozambique, the issue of the non-formality, under-employment and unemployment started to increase from the late 1980s as a consequence of the adoption of the
Economic Rehabilitation Programme (PRE-1987). This was combined with historical, political and macro-economic factors.

These factors included the adoption of centralised and centralising policies, the recent colonial past and two wars (liberation and the civil wars) that followed. These factors happened in such succession, sometimes concurrently, that the country did not create better ways of preparing its citizens for more organised ways of working. There was high level of external dependence that weakened development indicators in education, health, employment sectors (Castelo-Branco, 1994, Ministry of Coordination for Social Action - MCSA, 1999).

It is in this context that in contrast with the progressive and increasing EAP, that the inclusion rates and the response capabilities of the country to employment demand were quite limited, leading to high under-employment or unemployment levels in the Mozambican population at productive age. That productive age could be found in urban and outskirts of urban areas as well as in rural areas (Quive, 2007).

Nowadays, the phenomenon of the non-formality became widely generalised, integrating a variety of people from different strata and social conditions. It is worth noting, in this regard, that the non-formality does not necessarily lead to poverty or social exclusion, but rather, it is a survival resource for those excluded from the considered formal sector (Feliciano, Lopes & Rodrigues, 2008).

It should be noted that this sector is developed to absorb surplus residual from the formal sector and as a survival strategy for the unemployed.
Most of the time, the non-formal sector represents those who are unable to be in the formal sector, especially in urban areas. Some say that this sector is a result of the absence of capitalistic productive activities in developing countries (Quive and Patrício, 2005).

In Mozambique, the non-formal sector involves many people and it has high transactions that are reflected in the country's economy. The types of activity performed in this sector are diverse. There is a wide range of activities performed by a diverse type of people and sources of income which are remarkable with a collective high turnover (Idem, 2011).

According to statistical data, up to the year 2000, the majority of the labour force (85.7%) was composed of the self-employed workers taken as the non-formal (NIS, 2001), a percentage that increased in 2003 to 87.7% (NIS, 2004b) and in 2005 to 88.5% (NIS, 2006b).

Privatisation of many public enterprises as well as mechanisation of many sections of work, the formal employment has increasingly demanded more qualified people. This has worsened the unemployment situation and increased the under-employment.

According to the survey on the non-formal sector (NIS, 2006b), about 77% of economically active population (EAP) in Mozambique is in the non-formal sector of the economy. It is one which is the same as saying that the majority of workers are in the non-formal economy, or rather, performing non-formal activities as source of their income and their families, as shows Table 10, page 233.
These results show that the greater part of the Mozambican society is in the non-formal economy. They even purchase their means of production in non-formal settings in order to operate in the non-formal sector, this in relation both to the labour market and to the markets of other factors of production: productive capital markets and capital market unproductive real estate (Francisco & Paulo, 2006).

These people found subsistence in alternative initiative livelihoods in the non-formal sectors like welding, piecework, family workers without wages or other occupational in business, agro-based employment, and so on, by creating self-employment and alternative forms of income generation.

Francisco (2010: 61) also argues that, the financial support of the Mozambican State depends more on foreign aid than the Mozambican taxpayers. This makes the government more dependent on donors than on the Mozambican society. Consequently, it cannot therefore design and implement policies according to the needs for its citizens as comprehensive social protection. This is because it will use externally received grants; to avoid that, the government opts to design a system to please its external "bosses".

Hence, the non-formal sector is a lifeline to many people, as it offers many opportunities for livelihoods. It is available even to those without significant initial financial capital, and it does not require major infrastructure or investments or professional training or previous experience in most cases (Shandhop, 1994).

Most activities in the non-formal sector are not prohibited by law and they are also performed by economic agents unsatisfied with regulation frameworks in the formal
sector (Francisco & Paulo, 2006), especially, the excessive bureaucracy, high and permanent taxation.

However, the non-formality in the country leads to social exclusion of its members from the social protection system, although it (non-formality) constitutes a survival resource to that majority excluded from the formal sector (Feliciano, Lopes & Rodrigues, 2008).

Hence, the importance of this research, as it aimed at the recognition of the socio-economic and political role of the non-formal sector in Mozambique. Therefore, there is an urgent need to design flexible regulatory tools for its formalisation or, at least, their integration into the Mozambican social protection system as what would have happened in other developing countries in Africa and South America.

2.4. Theoretical Perspectives

In this section, the theoretical perspectives that guided this research were presented, especially, the process of analysis, discussion and interpretation of the data.

And to avoid holding a narrow perspective of things, a triangulation theory was used, bringing together two theories and perspectives, namely, Social Protection Theories (*Pay as you go, Capitalisation, Commutative and Distributive*) and Social Networks. Theories to help the researcher to cross-check the information through the use of multiple perspectives to corroborate among them and come with substantive conclusions about the phenomenon under study (Tichapondwa, 2013).
2.4.1. Social Protection Theories

2.4.1.1. Pay as You Go and Capitalisation Theories

According to Mendes (2010), social benefits of the contributory social protection schemes are geared for the replacement of earned regular income when they cease as a result of the different social risks, such as maternity, illness, old age, disability or death.

However, in Mozambique, such rights are reserved only for the employed people in the formal sector and the disadvantaged and vulnerable individuals without minimum conditions of survival, leaving out the independent workers and/or those in the non-formal sector.

For those in a non-contributory scheme, mostly cash transfers, the financing of social benefits is guaranteed by the state budget, that is, through taxes paid by all citizens.

Funds for the social benefits of the formal sector workers are included by social protection in the contributory scheme, using competing theories, namely, Pay As You Go and Capitalisation.

According to the theory Pay As You Go, retired workers and the inclusion of social risks are paid with the money from the contributions of companies and active workers, that is, what retired people receive derives from the contributions from the companies and workers who are employed.

The theory of capitalisation suggests that money for retired workers and the social risks has to come from pension funds and capitalisation of individual contributions. Retired
workers’ pensions come from the interest of their contributions, accumulated during the period of their employment.

2.4.1.2. Commutative and Distributive Theories

In social security studies, two dominant conceptions complemented each other in the first half of the 60s: the commutative concept design and the distributive concept design.

The commutative perspective was conceived by Otto von Bismarck from German, who introduced the mandatory social insurance.

For him (Bismarck), social protection is identified with a system designed to guarantee professional income. In other words, it is meant for protection of individuals who are employed in addition to medical care, and it is based on a set of cash benefits taken as replacement income to offset the loss of wages (Maia, 1983).

The distributional approach was inspired by William Beveridge, who viewed social protection as a minimum subsistence guarantee system, according to the principles of generality and uniformity to every individual member of a certain society regardless their social role (Maia, 1983).

As it can be seen, the two approaches presented above are opposed with regard to their level of coverage.

For the commutative design, to be a paid worker is a condition sine qua non a social protection benefit will happen. That is why the beneficiaries have to have a salary from which to deduct the contribution to the system which shall apply solely to employed
people. While the distributive concept seeks to include all layers of society or for every individual, as member of a society, whether employed or not, in the formal sector or not, the wish is hard to attain.

Thus, the commutative design supports exclusion of the layers of society which are not formally employed. This is the theory that supports the current social protection system in Mozambique, which includes only formally employed workers in government, in the public or private sector or in NGOs, and, however, leave out the self-employed and workers in the non-formal sector.

The distributive concept tends to be more inclusive, in that it seeks to ensure or give protection to all members of society regardless of their social situation as long as they are in a situation of vulnerability.

2.4.2. Social Network Theory

The concept of social networks appeared in the field of social sciences, especially sociology and social anthropology, around the 30s and 40s in 20th century. The concept was used in a metaphorical sense.

According to Portugal (1995), the construction of an analytical sense for the concept of social networks developed around two streams. The first one is the one that emerges from the British Social Anthropology after the World War II primarily focusing on situational analysis of restricted groups. The other stream, especially American, which relates to the development of quantitative analysis within a structural analysis, cares primarily for the normativity of cultural systems.
Thus, the non-formal sector, as a group (unrestricted) emerges and develops in the context of the limitations of the labour market in the formal sector, and it is governed by some norms (social networks) in situation of exclusion from the social protection system. These social networks are evoked when faced with risky situations.

Social networks are a chain of personal relationships, derived from the mutual recognition and mutual help, based on religion, kinship, and neighbourhood associations aimed at the exchange of goods or services (Molina, 2002).

A more elaborate definition of social networks is characterised by social relations between individuals spanning networks of kinship, co-residence, neighbourhood, friendship, religious affinities, socio-professional, economic and cultural operable (in case of need) to maintain or preserve a certain identity or socio-cultural cohesion in situations of risk and social exclusion to protect the members of the group (Bimbe, 2005: 29-30).

Social networking can be a social capital, especially if it is taken in the perspective of reciprocity of existing relations in society where social ties are based on factors such as gender, age, religion and social status of its members. Hierarchies and power relations in social networks are defined by its members based on confidence and coordination capacities for mutual benefit (Cruz & Silva, 2003).

Note that social networking for the authors (Cruz & Silva, 2003) derives from the inability of the state to provide basic social services, which in the terms of this research is the social security to the non-formal workers in case of risk situations such as invalidity, old age, accident, illness or death.
Human beings are very resilient and in constant search for better alternatives. When workers and/or people are excluded from the formal social protection system, they seek alternative social security measures for protection in times of need. As a result, the social networks emerged as one of those measures found in the absence of formal social security system covering excluded workers.

So, social networks are mostly based on the closest relations and people who share the same situation as such kinship and the neighbourly, socio-cultural, professional and economic relations, among other social networks. This clearly shows that the social realities are complex web of relations between individuals who are connected to a wider network of people or institutions (Molina, 2002).

In this regard, in a situation of crisis or risk that a person faces sometimes in his life, can appeal and activate a wide repertoire of influence and knowledge it holds to reduce or mitigate the negative impact of these situations (Idem, 2011).

The search for viable means of social protection, which is practically demonstrated by social networking, shows the importance of the social protection system for all human beings. A deep understanding of what motivates these individuals to increase social security networks that somehow protect them is important.

Hence, the interaction is fundamental to understanding the behaviour of individuals who symbolically interact with each other, as they add common meanings and act accordingly.
2.4.3 Research Theories

For this study, and looking at the current state of social protection in Mozambique, Pay As You Go is singled out for consideration. This model was chosen in order to ensure the: "redistribution of income (inter and) between individuals and generations to benefit the most vulnerable workers without even if they have not contributed in the proportion of their actual benefit scheme" (Mendes, 2010: 64).

As such, the social protection expected benefit becomes attractive even to the weakest of the contributors who are constantly exposed to accidents at work as well as those exposed to danger (dust, chemicals, hazards, among other dangers) and groups that earn very low wages (Idem, 2011).

These beneficiaries are assured of their enjoyment to the legally established minimum benefits even without adequate contribution period, which otherwise would have been mandatory if it were the Capitalisation Theory.

The current social protection system, managed by the NISS, estimates that about 70% of the retirees consist of 30,600 pensioners who receive just a minimum pension of 3.180,00 MZN (about USD 50 at the time of its introduction) with no proportional discount because of their low wages or reduced time-out (30 or 35 to men or women, respectively).

These gains in some aspects of the current social protection system are a result of political pressure from the electorate. These are some of the changes brought about by popular pressure, as stated by Mendes, "the adoption of a minimum pension,
independent of the actual individual contribution ... appeals to the popular feelings of justice in contemporary societies" (Mendes, 2010: 65).

These changes are also motivated by the responsibility felt by the ruling party over the labour force. This is why Mendes (2010: 65) goes on to say that “... the paternalism of the political power that characterised the Mozambican state since its communist times has influenced the current regime to think that many people may not save enough money for the final period of their lives”.

To this end, government finds itself with the "obligation" to guarantee that sufficient savings that would not be useful for them, gathered with the factors above in mind, may be a gimmick to sceptical about the benefits associated with the social protection system.

Furthermore, these situations arise because of the necessity “... to overcome market failures, characterised by lack of secure investment opportunities in real terms” (Mendes, 2010: 65).

NISS is also urged to find ways to generate income and increase the social protection funding base. For that, the Article 26 of Law nr. 4/2007, of February 07 gives full permission to the Institute when it states that "the Compulsory Social Security reserve funds are invested according to the ... principles of safety, liquidity and yield" and "prohibited the application of reserve funds to the activities or business at risk".

Therefore, according to the above constraints and problems of moral hazard and adverse selection that characterises the investment and the characteristics of the domestic
financial market, itself incipient and uncertain, the assumption of capitalisation shown to be less appropriate for the current Mozambican social protection system.

The financing of the social protection system in Mozambique through the Pay as You Go method comes as the most appropriate compared to the capitalisation approach, especially as far as adjusting to present demographics and macro-economic conditions.

Mozambique has a population structure in a pyramid shape, with a wide base and narrow top. This is an indication that the bulk of youth which is active and the need for the provision of work is huge. For example, in 2014, 15 million (out of 23 million) were youth between the ages of 15 to 35 years (NIS, 2006a).

There is high fertility and short longevity, which is a compensation of a proportion of a relative growth of the elderly people, that is, more workforce than pension beneficiaries.

Otherwise, the relative trend of the labour market, catapulted by the big economic projects such as extractive (mining and petroleum), tourism and agriculture in the country, and the continued growth of individual initiatives in job creations. When compared to the revitalisation of the vocational and technical education and limitations of the formal market employment, ensure a growing trend of pensioners from the social protection system, under Pay as You Go scheme.

So, this research aimed at achieving both sustainable and more inclusive social protection systems. This is why the combination of the commutative and distributive theoretical approaches, that is, a mixed model for the social protection system, is advocated here.
The choice of a mixed model of the social protection system is justified by the fact that it recognises the need for a self-financing system, thus, pushing for the adoption of a system based on the social insurance - contributory system.

The mixed model also emphasises that the social protection system is not only for the formally employed workers at the formal sector, but, also for other types of workers. Such workers include the non-formal and self-employed workers whose contributions might be included in the social security fund, even for unemployment whose charges may be borne by the state.

Lastly, the creation and adoption of a mixed model of the Compulsory Social Protection allows not only to extend the system individuals, but, also it constitutes a means of broadening the contribution base of the system itself.

It also constitutes a way of preventing extreme poverty and other new forms of social exclusion when faced by the social risks they see emerging such as the breakdown of the traditional family, and long term unemployment, drug addiction phenomena and HIV and Aids, and thereby, reducing the beneficiaries of the basic social protection, fully guaranteed by the state budget.

A comprehensive social protection system will contribute for more integration and social cohesion and enable people to face difficult situations. With a more comprehensive social protection system, the state will be creating and giving the same opportunities and rights (and duties) to its members of society without discrimination (Reis, Matos & Costa, 2001).
In his book, the *Social Contract*, Rousseau (1973), states that there should be a social agreement between the state and its citizens such equality that all are bound by the same conditions and everyone should enjoy the same rights, all sovereign act, all authentic act of the general will, or forces also favour all citizens.

For that purpose, it must be ensured the integration of independent and non-formal workers into the current social protection system, which will increase the fund base, while including vulnerable working force in the social security system – which is the main scope of this research.

By doing that, the social protection system will allow the extension its personal scope, providing a way to prevent poverty and other new forms of social exclusion, compared to other social risks that are emerging, such as the breakdown of the traditional family, the long term unemployment, among others, in addition to being a way of broadening the contribution base of the social protection system.

2.5. **Empirical Framework**

In this section, is a presentation of some examples of systems developed and adopted by countries in Southern America and Southern Africa, specifically Costa Rica, Colombia, Philippines, Angola, Lesotho, Swaziland and South Africa. These countries have social and economic characteristics that are relatively similar to those of Mozambique, especially, concerning the situation of the non-formal workers.

This section also brings experiences from the Mozambican reality, particularly, focusing on the factors that could be influencing negatively on the effectiveness of the social protection system in Mozambique.
2.5.1. Southern America Experiences

2.5.1.1. Costa Rica

2.5.1.1.1. Social security

Costa Rica has a large population of the self-employed people in the non-formal sector. The efforts for their integration date back to 1941 when they created the Caja Costaricense del Seguro Social (CCSS), which established the principle of national solidarity (http://www.elportavoz.com/pension-de-la-caja-costarricense-del-seguro-social/, retrieved 7th May 2015).

In 1961, the obligation of the universal social security and the state subsidy were imposed by the Law nr. 2738 of May 12th (Law of Universality of Social Insurance). Thus, the CCSS took over the constitutional responsibility to ensure inclusion of all citizens (Durán-Valverde, 2009).

In 1975, the Ruling Council of the CCSS adopted a Regulation to extend the social security to the self-employed workers, which provided for a voluntary registration. In 2000, with the enactment of the Worker’s Protection Act, social insurance for the self-employed became compulsory, which allowed the integration in social insurance of over 70% of them (self-employed), having the same protection regime applicable to employees (Durán-Valverde, 2009).

An analysis of the inclusion process of the self-employed workers in the CCSS contributory programmes reveals that relative success was achieved due to the important efforts made by the CCSS in adapting their administrative schemes and the content of their programmes to the needs of such workers.
2.5.1.1.2. Integration of the self-employed

According to Durán-Valverde (2009), for the integration of the self-employed, workers in Costa Rica, through CCSS, adopted a set of measures with emphasis on the following ones:

a) State grant contributions inverse proportion to the ability to pay for each occupational group/income

CCSS put forward an approach that consolidated one legal compulsory scheme, complemented by the state subsidies to the contributions of workers who otherwise could not manage to comply with the required contribution. The required contribution meant the total contribution rate applied to the self-employed is divided between the employee and the state, with the lowest tax capacity which corresponds to the greater state subsidy and vice versa.

The participation of the state shows commitment to include all social working classes in the current social protection system, as well as a clear witness that with effort and innovative spirit. The state and the social protection institution (such as the NISS) can make significant progress in this complex and delicate process of the adaptation and inclusion of groups that need social protection benefits.

b) Solidarity contribution from other workers

The state subsidy is added to the excess payment from other employees. Even though the contributions of the self-employed represent only 10.8% of what they are supposed to pay. They are entitled to the same rights provided to other employees paying in full.
This is a particular demonstration of the solidarity among workers (Durán-Valverde, 2009).

c) Description of obligation to contribute

In order to further expand the social security system to other excluded layers from the contributory system, from the year 2000, the criteria to adhere to mandatory membership of independent workers was amended and its implementation was made gradually. Supervisory mechanisms were put in place in order to oversee the process, thereby, discriminating and separating the most prone to constitutive evasion activities (Durán-Valverde, 2009).

d) Legal registration agreements of organisations which group producers’ associations and co-operatives

There is a direct relationship between the ability of the workers to be organised in associations and the easiness of entering into contributory social protection schemes. That is why the fact that Costa Rica introduced a collective "collective insurance agreements" has contributed greatly to the success of the contributory inclusion in populations of the self-employed, especially, in the rural areas and farmers (http://www.elportavoz.com/pension-de-la-caja-costarricense-del-seguro-social/, retrieved 7th May 2015).

Through agreements signed with the social security, the organisations committed themselves to prepare a monthly report, collect contributions of its members and forward them to the social security system.
**e) Portability of contributions and maintenance of rights of registered employees, self-employed and non-formal workers and vice versa**

The contribution from the non-formal workers is often irregular, mostly because of the irregularity of their income. For this reason, the CCSS established a system of the complementarity where those with regular income subsidise, so to say, those with irregular income (http://www.elportavoz.com/pension-de-la-caja-costarricense-del-seguro-social/, accessed 7th May 2015).

**f) Decrease of transaction costs**

Costa Rica introduced a Compulsory Social Security (CCSS) for all. This measure allowed that a greater number of the independent workers who were included in the system while minimising transaction costs associated both to the payments of contributions and access to their benefits ((http://www.elportavoz.com/pension-de-la-caja-costarricense-del-seguro-social/, accessed 7th May 2015).

2.5.1.2. Colombia

2.5.1.2.1. Social security

The social security system in Colombia was formalised in March 1993, with the Law n. 100 of December 23 (1993) that created the Integral Social Security System (ISSS). However, it was only from 2003 that changes were introduced to SSSI allowing the inclusion of the self-employed workers (Farné & Vergara, 2008).

This change brought about two social security schemes: (1) the contributory scheme - directed to people with economic capacity to contribute to the social security, including
the employed and self-employed people, and (2) the non-contributory scheme - subsidised by the state for people who do not have the financial capacity to pay (Idem, 2011).

Independent workers are free to adhere to one of the existing schemes or health or pensions, and benefits package, depending on their financial capacity, differing in benefits regarded to occupational risks, which are voluntary for the self-employed. Thus, according to the National Statistics Department of Colombia, (DANE - https://twitter.com/DANE_Colombia), almost half (49%) of the self-employed workers contribute for health cover and about 26% of them have been included in the pension systems.

The measure was adopted with the objective of accommodating individuals who have no ability to pay cash under the two sub-systems. It was compulsory that workers enrol in one of the two sub-systems. They could choose the sub-system that is accurate to their situation. However, they can enrol in both if their financial capacity covers both sub-systems.

2.5.1.2.2. Integration of self-employed

Durán-Valverde (2009) explains that in order to increase inclusion of social security to the general population and the self-employed in particular SSSI, Colombia adopted some practices, such as:
a) Integrated Form of Assisted Liquidation (IFAL)

The Integrated Form of Assisted Liquidation (IFAL) was introduced as a user-friendly measure that would allow workers to flexibly choose one of the social security schemes that suit them.

It is an electronic platform on which workers can see the different schemes, look at their contributions and entitlements, as well as, some of the benefits they have already enjoyed in the course of their contributions.

IFAL makes it possible to pay the various social security sub-systems in a unified manner, and it is time saving for users and other people involved. It is user-friendly, consolidated and it promotes control and effective supervision of taxpayers’ contributors and tax evaders.

b) Taxpayers Single Register (TSR)

Taxpayers Single Register (TSR) is an electronic platform that shows cross contributory information of registered workers in the various sub-systems of the Colombian social security system (Health, Pensions and Occupational Hazards). It is centralised in one Management Information and Communication System (MICS), with the advantage of detecting cases of evasion of contributions, payment of contributions, multi-application, among other situations.
c) **Collective subscription**

The registration and control of the self-employed workers is done through individuals with common interests or even through clusters of geographical proximity. Thus, ISSS performs the registration and control of the self-employed individuals.

Registered self-employed workers may have access to services provided by the social security system as an associated worker, which automatically gives him or her rights, entitlements and obligations that usually were granted to the formal employees.

**d) Amendments to the Law on Special Cases**

Workers, especially, the self-employed workers, do not always have the same turnover rates every production cycle. There are a lot of variations in their income throughout the year.

Therefore, in order to allow that workers flexibly move from one scheme to the other as their financial situation changes, an amendment to the law was carried out. Workers can enter to the IFAL platform and make the necessary income taxpayers base (ITB) and declarations adjustments according to their production cycles and variations throughout the year.

2.5.1.3. **Philippines**

2.5.1.3.1. **Social security**

According to Durán-Valverde, *et al.* (2011), the social security system in the Philippines (SSSP) was established in 1957, after the approval of Republic Act nr. 1161 *(Social Security Act 1954)*. The system is to ensure broad protection for its members against the
risks in old age, disability, death, sickness, maternity and other vulnerabilities that can lead to a loss of income or create financial burdens, thereby, promoting social justice.

2.5.1.3.2. Integration of the self-employed

The inclusion of independent workers in the formal SSSP and integration to the formal sector of the economy in Philippines was established in 1980 and extended to the non-formal sector in 1992 (Durán-Valverde, et al., 2011).

In terms of benefits, all workers enrolled in the social protection system (employed, self-employed or non-formal) enjoy the same rights and social benefits in case of sickness, maternity, old age, disability or death, except in case of work accidents or occupational diseases, which were reserved only to employees (Idem, 2011).

In the pursuit of its objectives, SSSP has implemented an identification social security card (SS Card) for its members by the liberalisation of access to key services of SSSP as the consultation of the contributory situation, contributions plumbing, request services, just to name a few examples of the key services (Idem, 2011).

With this tool, SSSP simultaneously streamlined human resources and highly valuable time for other high impact services such as the processing of benefits. In 2005, in order to encourage eligible people to enrol in the scheme, a Kalusugang Insurance in Abot-Kaya SA Phil Health Insurance (KASAPI) was launched.

This strategy was implemented through strategic partnerships with agencies such as co-operatives, micro-finance institutions, NGOs and rural banks in order to direct their activities specifically for workers in the non-formal economy.
2.5.2. **Southern Africa experiences**

According to Waterhouse and Lauriciano (2011), the question of increasing social protection coverage in Southern African countries has been of concern lately to many social security practitioners. This has been especially because the social protection system has been associated with social anti-poverty policies. Countries like Angola, Lesotho, Swaziland and South Africa are handling it in that perspective.

This has been due to the "growing realisation that predictable social transfers (other than ad hoc emergency aid) could have great benefits to help reducing poverty, risk and vulnerability" (Idem, 2011: 29).

In these countries, individual efforts to include social protection initiatives that help not only the poor and those who are unable to work, but, also the poor and those who are capable to perform work.

2.5.2.1. **Angola**

According to the Ministry of Public Administration, Employment and Social Security (MPAESS, 2008), social security in Angola dates back from the period before independence. Angola had inherited the Social Welfare Funds of a corporate nature. The social protection system protected professional groups such as the railway workers, the postal and telecommunications workers, and customs workers, mainly from the Portuguese decent.
It inherited also the mutual nature of institutions, which were open to the entire population, such as the case with Montepio Geral. These are communal institutions where many Angolans indigenous were integrated into.

In the period after independence, studies were made to extend the personal scope of the social security, especially, for the workers from the private sector. This included the public officials as well as other sectors of the society.

The inclusion of other beneficiaries depended on the socio-economic reality of the country and complied with the minimum standards which are embodied in the Convention Nr. 102, 1952.

In 1978, a set of three laws instituted social security benefits as rights in Angola: (1) Decree Nr. 130/78 of December 09, which generalises the right to maternity leave to all working women; (2) Decree Nr. 132/78 of December 09, which enforces grants related to Death and Funeral; and (3) Decree Nr. 146/78, of December 09, which unifies and generalises the amount of family benefits to all workers (MPAESS, 2008).

However, the current social security system in Angola is quite new. Especially, with the functionalities it has – management of beneficiaries and benefits, regulation and enforcement of procedures and law is plausible.

The Law 18/90 of October 27th institutionalised the National Social Security System (NSSS). In 2004, a new Law 7/04 of October 15th improved even more the social protection system by instituting the Basic Social Protection Regulation (BSPR) (MPAESS, 2008).
This improvement was based on general and universal principles that guide the social security system - universality, equality, efficiency, symphony and participation. It was also based on an established a personalised application, which included all sectors of work, be it: formal, self-employed and non-formal sectors.

Otherwise, benefits covered people who stopped work because of a disability and retired employees due to age.

2.5.2.2. Lesotho, Swaziland and South Africa

In Lesotho, the adoption of policies aimed at a more comprehensive social protection system took place in 2005, when a retirement pension scheme was established for elderly people. It provided a universal monthly pension (Waterhouse & Lauriciana, 2011).

According to Waterhouse and Lauriciana (2011), the provision is entirely funded by the National Budget, and it is non-contributory. It is currently universal for citizens that are 70 years old and above. Close to 10.000 school children in Lesotho received some educational support money from the pension’s fund.

Swaziland and South Africa are other Southern Africa countries that have introduced a comprehensive social protection scheme; the first one (Swaziland) has come up with a non-contributory retirement pension for all elderly people. While South Africa has opted for a full inclusion of the following benefits: retirement pension for the elderly people, disability grant and child support grant (Idem, 2011).
It is noteworthy that the benefits of such provisions are extended beyond pensioners, because they benefit the entire household. By so doing, this automatically reduces the negative consequences of social exclusion. Such negative effects include vulnerability, social reproduction of poverty and other consequences that the beneficiaries would be subjected to if they did not have such benefits.

In a context of high incidence of HIV and Aids and other degenerative diseases, many children who soon become orphans and vulnerable opt to live with their grandparents who mostly benefit from the social grant. As such, the retirement pension has helped older people in the guardianship of grandchildren or even support the children themselves, ensuring not only food and health, but, also their formal education (Waterhouse & Lauriciano, 2011).

These are predictable and consistent cash transfers. Although their operation is delicate and technically demanding, they require a strong and support of a robust financial and administrative capability of the system. In that way, they change the purchasing power of the higher income bands for the poor.

It provides a stimulus to economic growth, consequently leveraging the national economy. This could be even more, by allowing households to plan in advance the savings so that they are not forced to use their main productive assets when there is a crisis (Idem, 2011: 30).

It is important to recognise that Swaziland and Lesotho are two relatively small countries in terms of population, with estimated population of just over 1.5 and 2 million inhabitants, respectively. The level of its development and the size of its
population make it quite difficult to compare with Mozambique with more than 24 million people and a lot to be done to galvanise its development.

However, such policies show a political will of the government and Mozambique can learn from that. South Africa, a large country with over 45 million people, also has a comprehensive social protection policies geared to universalisation.

Mozambique is criticised for its resistance to make improvements in its social security system. Among the issues raised, highlights go to lack of political will, limited analysis of the causes, consequences and degree of vulnerability, the potential economic and social benefits of the social protection system, budgetary institutional barriers and the perception of political risk (Waterhouse & Lauriciano, 2011: 30).

Politicians look at the comprehensive social protection initiatives as a minor issue, a marginal contribution than a central theme and focus their debate on general poverty reduction strategies. This approach dates back to the colonial history of Mozambique, where “… the state did little (or nothing) to provide for the welfare to any of the indigenous peoples, and for the poor in order for them to be able to help themselves to come out from poverty” (Waterhouse & Lauriciano, 2011: 23, 30 and 31).

Moreover, there is "... a fear that undeserving people become almost-dependent …” a fact that suggests "... limited awareness and analysis of the causes ..., consequences and degree of vulnerability in Mozambique, "... as well as an undifferentiated view of the poor who are and who are not able to work" (Idem, 2011: 30).

If ever on one hand there is lack of deep analysis of the structural and institutional causes of vulnerability in the country, on the other hand, "... in general terms,
government actors are not well versed on issues of the social protection system ... they see this as a luxury ... because of limited expertise of government officials in this area, and the lack of knowledge of experiences in neighbouring countries " (Idem, 2011: 30).

As a consequence, Mozambique "does not allocate financial contribution to social protection... this is seen by many people as lessening in growth opportunities" (Idem, 2016: 30-31). The apathy of the government and other politicians make it difficult to develop a more comprehensive social protection policy.

So, there is need for politicians and all involved to understand that for a comprehensive poverty reduction strategy, they will require a more concerted effort to address vulnerability at short, medium and especially long-term view. It is critical for all to appreciate that the social protection system can play a key role in this process, because, in fact, "the social protection has both social and economic benefits as stabilisers" (Idem, 2011: 33).

2.5.2.3. Mozambique

2.5.2.3.1. Demographic, social and economic characterisation versus social protection

The Republic of Mozambique is located in the South Eastern part of Africa. To the north Mozambique borders Tanzania, to Northwest borders Malawi and Zambia. To the south and southeast there is South Africa and Swaziland. To the west, there is Zimbabwe and to the eastern
part there is the Indian Ocean, as shown in Figure 11 (https://pt.wikipedia.org/wiki/Mo%C3%A7ambique, retrieved 10 August, 2017).

The total area of Mozambique is 799,380 km² and a coastline of 2,470 km (Idem, 2011). Mozambique is the 36th largest country in the world.

According to statistical data (NIS, 2010) as happening to the most developing countries, in 2014, Mozambique had a demographic structure with a basis of very young people of productive age. The basis of the pyramid is made up of people in the ages of 15 years and older, 63% from the total population of 25,041,922 inhabitants, as shown in Figure 12, Graph 5 and Table 9, page 232.

According to NIS (2010b), this proportion (of 63%) of the 15-year-old people and above coupled with some elderly people, about 72% of the constituted economic active
population (EAP). This was encompassing the category of the salaried individuals (at public and private sectors), the self-employed and the non-formal workers and the unemployed, as shown in Graphs 6 and 7 and Table 10, page 233.

Graph 6: 15+ years old Mozambican population distribution

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Active Population (PEA)</td>
<td>28%</td>
</tr>
<tr>
<td>Non Economic Active Population (PNEA)</td>
<td>72%</td>
</tr>
</tbody>
</table>

Graph 7: Economically active population (PEA) characterisation in labour process

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formal Sector (Public and Private)</td>
<td>9%</td>
</tr>
<tr>
<td>Non Formal (Self Employed)</td>
<td>14%</td>
</tr>
<tr>
<td>Unemployment</td>
<td>77%</td>
</tr>
</tbody>
</table>


However, this EAP potential labour force was not properly harnessed because of the country has weak capacity at the formal sector of the economy, namely, the government, public sector, the private sector, Non-Government Organisations (NGOs) and the co-operative sector to offer formal employment conditions (NIS, 2006b). The foregoing data are as shown in Graph 8 and Table 11, page 235.
Several factors have contributed (and continue to contribute) for this reality. Among such factors were the historical past of the country characterised by colonialism, the struggle for the national liberation and the civil war that followed, adoption of ineffective centralised policies characterised by economic restructuring, liberalisation of the economy and privatisation of companies, and consequently rationalisation of the labour force and other factors (Abrahmsson & Nilsson, 1994).

As a result, employees at the formal sector of the economy are minority with only less than 14% of the EAP (NIS, 2006a), as shown in Graph 9 and Tables 10 and 11, pages 233 and 235.
Of the lowest proportion of workers in the formal sector, about 17% was working for the government and public sector. The other 83% was out of the public or government sector, such as in the private sector with 66%, in the NGOs and other associations without profit purposes with about 1.0%, and in the co-operative sector with 16.0%, as shown in Graph 10 and Tables 10 and 11, pages 233 and 235.
Agriculture and other related activities is the sector that absorbs more formal workers, with about 73%, followed by manufacturing activity, with about 10%, as shown in Graph 11 and Table 11, page 235.

Graph 11: Formal EAP distribution, per activity type

Source: NIS (2012/2013) and NIS (2006b)

It is quite difficult to see the line differentiating the formal and the non-formal sector in Mozambique. The move from communism state to a multi-party democracy with free market has brought about privatisation policies and introduction of new technologies to most sector of work.

These changes led to massive retrenchment of workers who increased the unemployment rates. These workers made up the, people that were the formally employed were and are facing unemployment, resulting in a growing trend of registered unemployment in the last 15 years (2000 to 2014).

Despite the fact that Direct Foreign Investment (DFI) registered in from 2010 has absorbed some of the unemployed people, especially, the labour force in the coal mines of Tete and gas in Cabo Delgado and Inhambane provinces, the unemployment rates continued to rise, as illustrated in Graph 12 and Table 12, page 237.
There are many more unemployed persons who are not officially known by the National Institute of Statistics record. Most of these make their living in the non-formal sector.

That is why the non-formal sector has been the resource of livelihood to many people who, for the reasons presented above and others cannot hold a job in the formal sector. Such workers include the self-employed and unemployed people, who, until the end of 2014 were over 86% of the economically active population (NIS, 2006a/b, NIS, 2012/2013), as shown in Graph 7, page 89, and Table 10, page 233.

Despite the fact that many of these people generate income from their non-formal activities, they are excluded from the Mozambican social protection system formally established, being at the mercy of adverse situations with regard to the risk situations. This would result in increasing levels of insecurity and poverty prawns population in general and excluded, in particular, who are above 86% of the active workforce (NISS, 2015, MPS, 2014), as illustrated in Graph 13 and Table 10, page 233.
The Action Plan for the Reduction of Absolute Poverty (APRAP II, 2006) estimated that poverty in Mozambique fell from 69.4% in 1996-97 to 54.1% in 2002-03, that is, a reduction in 15.3%. The United Nations for Development Programme (UNDP, 2006) indicates that that more than two thirds of the Mozambican population were below the poverty datum line, contradicting what the APRAP II says.

Even though, government policy documents (APRAP II) indicated that the incidence and depth of poverty tended to reduce, the United Nations Organisation (UNO) analysts and researchers as Huo (2007) states that "... although there was an effort and progress for reduction, poverty continues to be a widespread phenomenon across the country, especially, in rural areas." (Picado-Chacón, Durán-Valverde & Briceño, 2010: 97).

Thus, "if among us the number of poor people decreases, it should not overshadow the sadness that, among those who are in poverty situation, their difference is strongly increasing" (Huo, 2007: xiii).

It is in this context that, "(...) although, there was an overall improvement, this was the most significant among the least poor people, suggesting that although it has improved
the absolute poverty (defined as lack of income required to satisfy basic food and non-food needs - APRAP II, 2006), relative poverty (which is the lack of sufficient income to satisfy the food needs and non-essential food, according to the norms of society - APRAP II, 2006) it did not improve ...” (Huo, 2007: 53).

Therefore, the country, until to the end of 2014, in general, was still very poor and remained in the last position of the regional and global Human Development Index (UNDP, 2006).

In this in this context that, if the social protection system comes out as one of the ways in which the Mozambican government can use to support poor people to cope with risk situations, there is a need to start thinking about more comprehensive and inclusive social protection system.

A comprehensive social protection in Mozambique would go a long way to create safety nets for poor people while reducing imbalances and promoting social redistribution of wealth.

2.5.2.3.2. Social Protection System Management

In this section, the researcher presented the institution responsible for the management of the social protection system in Mozambique, the National Institute for the Social Security (NISS). The section presents the structure of NISS, showing its assignments and the governing bodies, the NISS quantity and quality of the human resources and its mandate and obligations.
2.5.2.3.2.1. National Institute for Social Security (NISS)

The NISS is the institution responsible for the implementation and management of the Compulsory Social Security (CSS). This is solely managing contributions from workers in the private sector. The NISS is a public entity and it has its autonomy of asset ownership and freedom to engage in investments that will increase the social security fund.

It works under supervision of the Minister of Labour and has its headquarters in Maputo. The delegates in provincial capitals and district capitals where they are seen as relevant, as shown in Table 2, page 220.

2.5.2.3.2.1.1. NISS roles and assignments

The main assignments/roles of the NISS are the following:

- Contribute to the definition of policies and the objectives of the Compulsory Social Security (CSS), like readiness to respond in case of any situation of risk affects a worker. It could be, financial, human and material resources management.
- Contribute to the preparation of legal provisions and guidelines established under the CSS.
- Promotion and registration of workers as well as employers in the system and management of their files.
- Collection of contributions and management of financial resources allocated to the CSS.
- Promotion of actions aimed at effective implementation of the right to benefits.
• Preparation of the budget and the annual accounts of the CSS and their monitoring and evaluation of budget execution.

• Representation in specialised international organisations and involvement in preparing and implementing measures integrated into international co-operation at CSS.

• Ensuring the notation and the collection, compilation and dissemination of statistical data of the CSS.

• Conducting the necessary updating studies.

• Promotion of information to the recipients/users, among others.

2.5.2.3.2.1.2. NISS management structure

The top management is made up of an Administration Council (AC) and the General Directorate (GD).

The AC is composed of representatives, in equal numbers of the stakeholders, namely, the state, workers and employers. The GD is the executive management, consisting of the Manager (M), service directors (SD) and heads of autonomous departments.

The AC has the following functions: 1) deliberate on the rules and procedures of NISS, the Budget for Social Security, 2) purchase of assets and goods, sales, exchange of real estate, rental, 3) establishment and termination of fixed asset rights, 4) the acceptance of bequests and legacies, 5) the reporting and annual reckoning NISS and 6) the Programme of Health and Social Welfare.
Meanwhile, the GD is responsible for the implementation and execution of the activities and decisions made at AC level with respect to the collection, management and monetisation of contributions and allocation of benefits.

By the end of 2014, the GD at NISS had two directors of services, for the Social Security and for Administration and Finance. There are four heads of restricted to departments, which are Human Resources, Internal Audit, Information Technology and Legal, as shown in Figure 13.

**Figure/Diagram 13: Organisational structure of the National Institute for Social Security (NISS) - 2014**

![Organisational structure diagram]

**Source: Researcher adaptation according to NISS respondents**

**Legend:**
- **AC** - Administrative Council
- **GD** - Directorate General
- **DSS** - Directorate of Social Security
- **DAF** - Directorate of Administration and Finance
- **HRD** - Human Resources Department
- **PD** - Provincial Delegations
- **LD** - Legal Department
- **IAD** - Internal Audit Department
- **ID** - ICT Department
- **DD** - District Delegations

It is up to the General Director of the NISS, assisted by the council of directors to implement the decisions of the AC, to authorise the revenues and expenses represented by the NISS when delegated by the Chairman of the Board of Administration (CBA).
2.5.2.3.2.1.3. Operating logic of NISS's management bodies

The management of resources at NISS is done on the basis of fiduciary relationship between managers and shareholders and/or system owners. However, this relationship is harmonised not only with the establishment of legal instruments, but, also through the framework of best practices of corporate governance (D'Almeida, 2011).

According to Andrade and Rosset (2006), cited by D'Almeida, (2011), corporate governance is a set of values, principles, roles, rules and processes governing the system of power and the corporate management mechanisms, namely: (a) equity (fairness) with regard to equal treatment of system users; (b) transparency (disclosure) of provided information; (c) provision of responsible and efficient accounts (accountability) based on best accounting practices; and (d) compliance to internal and external standards relevant to the organisation (compliance).

Thus, the possible continuation of deviations from targets between the owners and managers from NISS, the Corporate Governance intervenes to align the objectives of the two agents (AC and GD) calling to awareness for the observance of a set of values, principles, roles, rules and good organisational management processes, as is shown in below in Figure/Diagram 14.
Figure/Diagram 14: Performance areas of Governance and Social Protection System (SPS) management - 2014

Legend:

SPS – Social Protection System
AC – Administrative Council
GD – General Directorate
SD/ADH – Service Directors and Autonomous Departments Heads
PD – Provincial Delegations
IDH – Integrated Department Heads

In Figure 14, the areas of operation of the Corporate Governance at the NISS Management are visible. The area bounded by the above inverted triangle. Figure 14 represents the Corporate Governance of NISS, with its personnel, namely, (1) the system owners, represented at the institution by the Administrative Council (AC), and
(2) the General Direction (GD), made up of the General Directorate (GD), and Service Directors (SD) and Autonomous Departments Heads (ADH).

Note that the CA acts like a link between the system owners and the management, making it one of the main agents of Corporate Governance of NISS.

The area bounded by the figure of the lower triangle represents the NISS management which, in addition to the General Directorate, is also composed by Provincial Delegates (PD), Integrated Department Heads (IDH) to Service Directors, District Directors and all the Technical and Administrative Staff distributed in different sectors.

The GD and its constituent elements are located at an intersection area of the Figure 14, which means that it is a both Corporate Governance and Management element.

In the operations system of NISS there is a decision-making process flow formally characterised by the institutional philosophy of "nose in, fingers out" by separating the stages of the decision-making process in two: control decisions, attributed primarily to the AC and management decisions, assigned to the GD, as shown in Figure 15.

**Figure/Diagram 15: NISS interaction of decision-making process - 2014**
Source: Adaptation of Fama and Jensen Model, in D'Almeida (2011)

The daily running of NISS is entrusted to the GD, while the institutional logic and the risks inherent to the institution functionality are (or should be) entrusted to the Board of Directors.

The researcher recognises that various factors affect negatively the envisaged effective and efficient operation of NISS in Mozambique. The factors are, among many, lack of technical knowledge of the institution's business, weak capacity for abstraction and critical of the facts.

The Administrative Council has not actually performed that well on its roles, vision, institutional logic and analysis of the risks inherent to the institution's functionality. So, there is a need to strengthen the capacities, faculties and powers of this body.

2.5.2.3.2.1.4. **NISS human resources characterisation**

At the end of 2014, the NISS had 1,053 employees, distributed in two levels, (i) central level (Service Directions and Autonomous Departments) and (ii) local level (Provincial District Delegations), as shown in Table 3, page 222.

In Table 3 (page 222), it can be seen that 173 employees occupied directorate/leadership positions at the central level as general directorate, service directorates, autonomous and integrated department heads, central division heads, and locally there are provincial delegates, department heads, district directors and provincial division and sections heads.
This high number of officials in positions of leadership (more than 16% of the total stuff) can, in some way, interfere with the rapid functioning of activities and processes, due to the high level of bureaucracy.

As an illustration, a request for some benefit is initiated by the technician, then it must pass through the section heads, then through the division heads, then through the integrated department heads, then though the autonomous department heads, then through the services heads and finally the general directorate and, sometimes, through the administration board of directors.

As a consequence, the institution's responses take a long time, in a context in which the worker already needs the allowance or pension. These delays make the system heavy and less desirable for many employers and employees. Therefore, through the social protection system, there is a need for a profound reform in order to make the institution bureaucratically less heavy and with more efficient and effective results.

In terms of qualifications, it can be noticed that the institution has a relatively good situation because it has an acceptable number (19.8%) of university graduates, including master's degrees, bachelors, and a big group (43.7 %) with high school completed between technical and general education.

However, this situation is not accurate, because all areas of education are cross-cutting and complementary. It is not necessarily related to the business of NISS.

Moreover, this high index of employees with higher education is not accompanied by technical and professional training, which would bring added value to the institution as
they teach the know-how. Summing up, the NISS has officials to think (the strategies and logic) but few are the ones that can and must perform the necessary work.

In terms of age, most of the employees of the NISS (68.2%) were under 40 years old and 79.5% were under 15 years of service, a fact which shows that NISS is an institution consisting of mostly young workers, in terms of age and service time.

This demonstrates an existence of little experience to think out the solution of structural and structuring problems of the NISS and of the system, like how to make the social protection system more inclusive and comprehensive. This is a potential area that need for development. Meanwhile, in the next 5 years, 5.2% of employees will meet the requirements for retirement either because of their age (3.5%) or their years of service (1.7%).

However, according to NISS respondents, “these experienced employees are not properly utilised” in terms of giving them space to pass their experience to new comers. There are “no publications, no training opportunities, no seminars, no meetings given by senior staff” to the younger ones.

Another aspect, not less important, is the fact that employees from NISS, despite the administrative, patrimonial and financial autonomy of their institution (NISS), they do not benefit from the social protection system.

Their pensions are managed by the Regulator of Public Officials (General Statute for Public Officials and Agents – GSPOA) and it is Regulations (RGSPOA). They continue to be governed by the statutes of public officers in full compliance of all regulations of
civil servants, considering career progressions and career mobility, retirement and other related issues.

This situation makes NISS employees not motivated to improve the system and be creative for a more user friendly environment.

Moreover, recruitments, career progressions, promotions and other aspects of professional development of employees of the NISS are based on public functionalism principles, becoming the NISS less able to monitor and improve along the new institutional challenges.

2.6. Chapter Summary

In this chapter, the researcher discussed the important concepts, theories, and an empirical review of findings related to this particular study. This was done as a basis to inform the conduct of the study. These are Non-formal Workers, Social Protection, Social Security, Social Exclusion, Social Integration, Associativism, Social Vulnerability and Social Risks to ensure a common understanding of the meaning in this paper.

Then, the overview of the social protection system in the world and in Mozambique was presented. In the section of Mozambique, questions related to demographic, social, and economic characterisation of the country and/or social protection system (SPS) were discussed at length as well as the Mozambique socio-political situation versus social protection.
A reflection about work as an existential human need, employment and its relation to the social protection system were also done in this chapter. This was where unemployment, privatisation and formation of the non-formal sector in Mozambique were discussed and a connection to the need for a more inclusive social protection system.

Further down, issues related to the access to the social protection system in Mozambique were discussed while looking at the historic evolution of Social Protection in Mozambique, that is, before independence period, from independence through the 1980’s until 2014 period. This was a reflection on the benefits provided by the Mozambique social protection system.

This chapter also examined NISS as an institution responsible for the management of the social protection system in Mozambique, taking a closer look at the management structure. There was also a presentation of the question of work, as an existential human need, employment and its relation to social protection system and, finally, the non-formal sector was approached.

This chapter also focused on the experiences from some developing countries in South America and Southern Africa and their social and economic characteristics in comparison to what obtains in Mozambique.

A closer look at the experiences of these countries was looked at and how they adopted different policies, managed their schemes to increasingly expand their social protection systems to other layers of workers such as the self-employed and non-formal sector employees. Particular attention was given to their experiences in processes of the inclusion of independence and the non-formal workers in the social protection schemes.
The chapter ends with the theoretical framework which had helped the researcher in the analysis, discussions, reflections and explanation of the data generated in the field. Some literature review was done on the theories of social protection (Pay as You Go and Capitalisation, Commutative and Distributive), the Social Networks Theory, and the Research Theory.

Because this is a scientific research, it should follow criteria and methodological techniques which are presented in the next chapter, which had guided the researcher to ensure the credibility and trustworthiness of this research.
CHAPTER 3: RESEARCH METHODOLOGY AND METHODS

3.1. Introduction

This chapter presents the research methodology and paradigm, the research methods, data generation, analysis and interpretation procedures, treatment of triangulation, credibility and trustworthiness. Detailed of legal and ethical conduct and the summary of the chapter shall be put across as well. For the sake of making an orderly presentation of the chapter, the researcher shall begin introducing the chapter, followed by the research methodology and paradigm, and the research methods.

After that, the instruments and procedures for data generation, presentation, analysis and interpretation, followed by the population, sample and sampling that would be used in the research shall be presented.

The triangulation, validity and reliability issues. The ethical and legal issues that would be considered throughout the research process and, finally, the summary of the chapter shall also be presented.

3.2. Research Methodology

In this section, the researcher presented the research methodology, sometimes considered as epistemology, once they are closely related aspects.

Whereas while epistemology involves the philosophy of how the world is seen, the methodology involves the same from a practical point of view. Therefore, the methodology is concerned to how is conceived the world, being, thus, more practical in nature than epistemology (Chisaka, 2014b).
It is from this point of view that Kothari (2004) notes that the research methodology is a set of steps that should be taken in a research and the logic or rationale behind these steps. In other words, the research methodology assumes steps or procedures to be taken during the research process as well as being the logical processes that support the research efforts.

In turn, Chisaka (2014b) states that methodology is the organising principle, which provides the procedures that guide the process and the research project. Therefore, sometimes the methodology is called the philosophy of methods. The focal point of the methodology is to describe how a particular issue or problem can be studied. Chisaka (2014b), also notes that a research methodology can be considered as a global strategy of research in order to support the beliefs and values, that is, a perspective or worldview, a philosophy or the principles that guide a particular investigation.

David Silverman (2005) writes that methodology can be defined broadly and schematically as, for example, quantitative, qualitative and triangulation (mixed method) Methods.

According to Tichapondwa (2013: 108):

quantitative research approach is “... a formal, objective, systematic process in which numerical data are utilised to obtain information about how words... are used to describe variables; to examine relationships among variables; to determine cause-and-effect interactions between variables... using numbers and statistics”.

While qualitative research approach is “... a broad approach to the study of social phenomena... which recognises that meaning emerges through interaction... allowing the researcher to study issues in detail, without predetermined categorised analysis... describes and analyses people’s individual and collective social actions, beliefs, thoughts and perceptions and has data collected by interacting with people” (Tichapondwa, 2013: 108-109).
Finally, the triangulation or mixed approach method “... the researcher 'mixes' both quantitative approach that collects data (numbers) and qualitative approach that collects text data (words) in single study. In that way, different data collection methods, which enable the researcher to see the same phenomenon from different perspectives in order to understand the problem more completely are made use of” (Idem, 2011: 110).

While quantitative approach enables the researcher to look for relationships between the variables and generalise results to the main population. The qualitative approach enables him/her to acquire in-depth understanding of participants’ experiences and perceptions (Idem, 2011).

For this research, qualitative methodology was used. According to Goldenberg (2000) and Quivy and Campenhoudt (1992), emphasises the particularities of a phenomenon and as such allows the study to qualify issues such feelings, motivations, beliefs, and individual attitudes. By so doing, it allowed some interaction between the researcher and the researched (or participants). It also systematically interprets the aspects of the daily life of those surveyed in detail.

This choice is also explained by the fact that "the qualitative approach assumes that reality is a social construction. This subjective reality will be constructed in the interaction between the researcher and the phenomenon under study (the participants of the research)” (Canastra, Haanstra & Vilanculos, 2015).

According to the same source, for this approach, the reliable way to know reality is by interpretation of the meanings that the actors attribute to a given phenomenon or event. The objective of the study, in this approach, is to understand the directions and meanings co-produced by the actors in a given context in view of the singularity of
situations and phenomena. So, in this process, the researcher sought only to be an interpreter of the narratives given by the study participants so as to understand in depth the "how" and the "why" of events.

Otherwise, according to Chisaka (2014b: 1), “Qualitative research is an inductive study in the sense that the researcher does not start his/her investigation from a theoretical position, that is, researcher does not operate within an existing hypothesis or theory”.

In fact, the basis of this qualitative research is the problem of social exclusion of non-formal worker that the researcher had identified through observation. From this problem observed, the researcher ploughs through the patterns of the observed problem, created a theory or from his study data (Idem, 2011).

In this methodology, data were always in the form of rich and verbal descriptions from the participants and from the researcher, and these descriptions related the attitudes, feelings and expressed believes (Idem, 2011).

By the way, the “qualitative research emphasises that theory is generated from the interaction of the emic and etic perspectives. The voice of those being investigated should be heard in the theory” (Chisaka, 2014b: 2).

So, in this qualitative research methodology focused on developing theory based on the NISS, MCMC and the non-formal workers experiences as opposed to explaining and making predictions on their behaviour.

This methodology was chosen because the context of phenomena of exclusion which was under investigation as opposed to the universalisation of knowledge. Uniqueness
of the phenomena is the watch word, hence, generation is not associated with this methodology (Idem, 2011).

However, the researcher was conscientious that in qualitative research the “data are collected from a few cases or individuals, which means that findings cannot be generalised to the larger population (as quantitative research) … (as such) it is, therefore, often more difficult to convince others about the importance of the contribution… it is heavily dependent on the individual skills of the researcher. Rigour is more difficult to maintain, assess, and demonstrate. In addition, the volume of data makes analysis and data interpretation a time consuming” and so on (Tichapondwa, 2013: 109).

The qualitative research can be loaded with a dose of subjectivity, of course, it uses inductive reasoning. It can draw conclusions from specific observations, not being therefore generalisable to the entire population. It has advantages because it allowed an understanding of the social phenomenon of the social exclusion from the perspectives and understandings of the participants (the non-formal workers and officials from NISS and Municipality Council of Maputo City - MCMC).

The other advantage of this methodology (qualitative) is that there is a greater flexibility in their methods and research process, described below, being adaptable to real situations to be encountered during the generation, analysis and data interpretation.

Thus, complementing the interpretative paradigm above, the qualitative methodology enables the researcher to analyse the real causes or motives of the exclusion of non-formal workers from the social protection system, its implications and the strategies adopted by the excluded to address their vulnerability.
3.3. **Research Paradigm**

In this section, was presented the research paradigm, which, according to Tichapondwa (2013: 105), is “a view of a subject that includes its underlying philosophy and the assumptions inherent in that view”, while research philosophy is “a belief about the way in which data about a phenomenon should be gathered, analysed and used”.

Guba and Lincoln (1994), cited by Chisaka (2014a) identify the following paradigms that guide social sciences researches: positivism, post-positivism, critical realism and constructivism.

The qualitative research paradigm is characterised by the following, post-positivism, critical realism, *interpretivism* or constructivism and postmodernism. Therefore, the researcher described the phenomena of the above paradigms.

3.3.1. **Positivism**

Positivism refers to the assumption that according to which the only legitimate knowledge can be found from experience, and only according to this basic assumption of positivism that an investigation can produce knowledge that corresponds to an objective reality that is judgement free and which prioritises the observation (Idem, 2011).

The positivists believe in empiricism, the idea that observation and measurement are the essence of any scientific endeavour. The fundamental approach of the scientific method is the experience where the operationalisation of the issues studied is the prevailing idea. Only things that are measurable can be taken as true (Idem, 2011).
3.3.2. Post-positivism

Post-positivism, also known as post-empiricism was developed by critics of positivism. They argued that the subject and the object could not be separated (as claimed by positivism). They suggest that while humans cannot fully understand the reality, researchers can approach it with rigorous collection and data analysis (Idem, 2011).

According to Chisaka (2014a), the post-positivist thinking is to influence the qualitative research. It includes philosophical and methodological positions and is different from scientific and critical realism, grounded theory, and symbolic interactionism.

3.3.3. Critical realism

This paradigm agrees with the positivists that there is an independent observable world of human consciousness, and at the same time, it suggests that knowledge about the world is socially constructed (Danermark et al., 2002, cited by Chisaka, 2014a).

Note that the critics realistically use the word "critical" in a particular way. Johnson and Duberley (2000), Reed (2005) and Contu and Willmott (2005) suggest that critical realism provides an alternative to those who study management and organisation, as it allows the use of multi-methodological approaches. The multi-methods tend to increase further detailed and accurate analysis when looking for causalities in the development of enterprises.
3.3.4. **Interpretivism or constructivism**

Interpretivism is concerned with the subjective and shared meanings. These philosophical positions are interested in understanding how people, individuals or group of individuals, interpret and understand social events (Alvesson & Willmott, 2003).

It looks at how much of the qualitative research focuses on human action, that is, in the understanding and interpretation of the researcher. Interpretivism is an important aspect for any analysis of themes and qualitative issues (Idem, 2011).

According to the interpretivism, “the researcher himself is used as the primary instrument of research; the study is inter-subjective – as the process of charring the bases of one’s subjectivity at making clear one’s theoretical, methodological and personal preferences and biases… Interpretivism is designed to study… societies, or institutions as wholes” (Tichapondwa, 2013: 106).

3.3.5. **Postmodernism**

The postmodernism rejects positivism, rational and generalisable foundation for scientific research, which would explain the world from the objective point of view. This means that it rejects any knowledge or shared common ground. In doing so, it also rejects the monopoly of knowledge, for example, management (Alvesson & Willmott, 1996, 2003).

So, in this study the phenomenological interpretivism or constructivism, which is associated with qualitative research methodology, was used.
This paradigm was chosen because, as referred by Bogdan and Biklen (1992), the researcher did not know or he had little knowledge about the research theme - the factors of exclusion of non-formal workers. That is why the researcher has applied hermeneutical analysis of the socially constructed realities (Berger and Luckmann, 1967).

The researcher started from the view that access to shared dynamic reality built individually. He/she believed that it is only through social constructions such as language and shared meanings that knowledge can be generated. That is why it should not be focused on the content of empirical data, but on how these contents are produced through language practices.

Moreover, dependent and independent variables should not be predefined or predetermined. However, the researcher needs to consider the complexity of feelings of the research participants. This would enable him/her to come up with logical and credible conclusions, on the basis of assuming that there are many possible data interpretations, which would be provided.

Therefore, using the interpretivism or constructivism or paradigm phenomenological, the phenomenon of exclusion of the non-formal workers from the Mozambican social protection system can give more comprehensive understanding of the social constructions, and so it cannot be seen in a generalised manner (Chisaka, 2014a), but in a contextualised to the Mozambican reality.

Therefore, it is necessary to focus on regulatory devices from the National Institute for Social Security (NISS) as an institution that is managing the social protection system in Mozambique and the issue of the non-formal workers.
3.4. Research methods

In this section, the research methods which are the basic tools and techniques of investigation or the specific steps used in the research process in order to generate, presented, analyse and discuss data as well as the process of engaging in legal and ethical issues were presented (Chisaka, 2014b).

Methods are often divided into techniques for generating data, for example, questionnaires, interviews and observation, and data analysis methods, for example, content analysis, narrative analysis (Chisaka, 2014b).

According to Chisaka (2014b), data generation can be understood as the collection of real world information of a particular phenomenon. It is meant to obtain useful information about one 'mystery' or problem under study. On the other hand, data analysis is 'handling' or interpretation of these data generated so as to discover new knowledge or new understanding.

The objective of these methods of data generation is to not to test a theory, but to generate it, because the test of a theory it is defended by deductive logic which believes that the theory is the first source of knowledge author (Chisaka, 2014 b).

The logic above is not suitable for this qualitative research. This is because it considers that the theory does not exist a priori, but later through constant corrections concerning findings or publications that are being found during the search process - ready for inductive logic (Johnson & Duberley, 2000).

It should be noted that some methods are better suited for some methodologies, for example, observation with ethnography, interviews and questionnaires with data
analysis or in a broader sense are particular to qualitative research. They are not roughly connected to each other, so that certain methods would rely on a very restricted group of methods (Idem, 2011).

This method of data generation allowed to the researcher to understand the factors influencing exclusion of the non-formal workers from social protection system, legally established in Mozambique. This also took into account the strategies adopted by the excluded to counter risks faced by them, like maternity, illness, disability, old age, death or other situations, as well as, reflecting on possible mechanisms to make social protection system more comprehensive and inclusive.

3.5. Research design

Research design can be understood “... as constructed plans and strategies that are developed to seek and discover answers to research questions... (or can be considered as) the plan of action or structure, which links the philosophical foundations and the methodological assumptions of a research approach to its research methods” (Tichapondwa, 2013: 114).

For this research, the monographic method or case study was chosen as research design, which “focus is on single entity/phenomenon” (Chisaka, 2014b: 5), and "involves a deep and comprehensive study of some objects in order to allow its broad and detailed knowledge" (Silva, 2004: 15).

According to Lakatos and Marconi (1999), the monographic method or case study was created by Le Play and it constitutes the study of certain individuals, professions,
conditions, institutions, groups or communities, examining in detail and observing all factors influencing the topic, analysing it in all its aspects.

So, the advantages of this case study were its ability to probe deeply, analyse intensively and get an in-depth and detailed understanding of the phenomenon under review. That is why before the researcher decided choosing this research design (case study) it was necessary to visit the participants at their natural settings, observing their behaviour, attitudes and actions in which the problem of the exclusion is framed (Tichapondwa, 2013).

Otherwise, the monograph method or case study is premised on the fact that all cases studied in depth can be considered representative of many or even of all similar cases and can obtain generalisations (Lakatos and Marconi, 1999).

For this purpose, a brief description of the case being studied (in this case, the NISS and the non-formal workers) should be presented in a general way the institution where the research is being carried out, indicating its history, location, services, resources, mission and objectives, among other aspects that enable the beds to visualise the institution (Canastra, Haanstra and Vilanculos, 2015).

The case study was a privileged method to study the phenomenon or social event (in this case) related to the exclusion of the non-formal workers from the social protection system. This was a phenomenon that in itself revealed a singularity and at the same time a complexity in terms of global apprehension (Idem, 2011).

Thus, its unique nature and the lack of similar empirical studies in Mozambique have made this method of the case study to introduce the researcher in a first (exploratory) empirical approach to the phenomenon of the exclusion of the non-formal workers from
the social protection system. This was a fact which made as imperative the use of triangulation of data generation instruments, presented in section 3.6 below.

3.6. Data generation instruments and procedures

In this section, the research and procedures to generate the empirical data were presented.

According to Lakatos and Marconi (1997, 106), instruments and procedures (or techniques) refer to a "set of principles and processes that the researcher or scientist uses, and the ability to use these standards or rules to achieve its objectives, that is, the practical part of data generation".

In this study, the procedure of data generating, which provides a much wider range of relations between the researcher and the social phenomenon was used. It covered the exclusion of the non-formal workers from the social protection system too (Mason, 2002).

Thus, with data generation, the researcher could obtain all or at least the necessary information through an interactive process with the participants or informants (Chisaka, 2014b).

Moreover, the use of data generation technique was explained by the fact that the researcher was not fully neutral in this process of generating and analysing data or information. In that regard, the researcher was the builder of knowledge on the exclusion through the experiences or sayings by the non-formal workers (Chisaka, 2014b).
To this end, the researcher went through two stages. The first one was the literature review, to obtain theoretical data. The second was the empirical or field research, involving data generation or evidence in the field.

The first stage was held at Eduardo Mondlane University (EMU) libraries, especially, at the Population Studies Centre (PSC), the African Studies Centre (ASC), the Faculty of Arts and Social Sciences (FASS) and at the libraries of the National Institute for Social Security (NISS), the National Institute for Statistics (NIS) and at the Ministry of Labour.

In the second phase of the generation of empirical data, the researcher has used the research procedures that, according to Samuel and Simão (2016: 14) “... are the specific instruments that the researcher uses to access the field (empirical work) ... The most used were: (a) survey (by interview and/or questionnaire), (b) observation (direct-systematic and/or participant and (c) documentary analysis”.

It should be noted that the research instruments and procedures for data generation are closely related to the approach/nature adopted for the research. However, in the same research, for example, qualitative, several techniques of data generation, commonly known as triangulation, can be used, which further enriches the study (Canastra, Haanstra and Vilanculos, 2015).

For example, in this research a combination (triangulation) of instruments and techniques was made. The techniques are usually associated to the different types/approaches of study (quantitative and qualitative studies).

So, in addition to the use of the quantitative approach descriptive method, which routinely uses the questionnaire survey as techniques or instruments for data collection,
the researcher made use of a number of techniques that are consistent with the conduct of qualitative research. Qualitative research is associated with data generation techniques such as interviews and document analysis, to clarify some of the questions that were included in the questionnaire survey (Idem, 2011).

Therefore, after the researcher had applied the questionnaire survey, at the end of the study, he verified that there were dubious or unclear results, and he (the researcher) also gave interviews to the study participants and made a document analysis to clarify such unclear results, produced after the administration of the questionnaire survey (Idem, 2011).

The recourse to the questionnaire in this research is because, being “... a document containing questions designed to obtain information from the sampled respondents... usually composed of structured or closed-ended questions” (Tichapondwa, 2014: 126), the researcher could fix alternatives or multiple choice questions with specific answers which the participants could be chosen from a number of options to economise the generate data time, on one hand.

On the other hand, the questionnaire, contained both flexible and unstructured or open-ended questions. The participants could give to the researcher their real responses according their reality, beliefs, knowledge, likes and dislikes about the study phenomenon of exclusion of the non-formal workers from the Mozambican social protections system.

While the researcher re-visited the interviewees, it was necessary for him/her to do that to establish whether or not the participants still held the same views regarding the

Using the technique of interview, containing open-ended questions, it enabled the researcher to establish what the participants believed, known, liked, disliked and thought about the problem of the study. Otherwise, it is flexible and not limited to the possible answers and it tends to allow the participants to give their real responses (Tichapondwa, 2013).

There are two types of interviews: directive interview (or focused interview) and semi-directive interview (or non-focused interview) (https://pt.wikipedia.org/wiki/Entrevista#cite_note-2, retrieved May 18th, 2017).

The directive interview or focused interview aims to analyse an experience that the interviewee has lived or attended. The interviewer does not have any guide with pre-established questions, but rather a list of topics related to the topic studied that will necessarily be addressed throughout the interview as the conversation unfolds (Idem, 2011).

For this research, the second one was used, that is, semi-directive (non-focused interview) which is the most used in social research once it is guided by a series of relatively open-ended questions, not very precise, guiding questions that do not necessarily follow the order of the guidelines.

The interviewer in this way “left the interviewee walk” as far as possible, striving only to forward the interview to his goals when he loses a little, posing questions to which the interviewee does not “touch” by himself, naturally and in the right time (Idem, 2011).
These two techniques (questionnaire and interview) had provided the study high objectivity, because there was a standard way of answering the close-ended questions of the questionnaire, in one hand, and in other hand the open-ended questions of the interview had gave a wider freedom to the participants to speak what were in their mind, letting the researcher to know the respondents feels and attitudes (Tichapondwa, 2013).

They had enabled data sets to be generated over a relatively short period of time. It was relatively cheaper to distribute the questionnaire and conduct interviews to the same participants permitting to the researcher to get a lot and in-depth of information from participants at minimal cost.

Moreover, the two techniques enabled to the researcher to have little personal involvement during the data generation process and therefore less risk of interviewer’s influence, because all responses were written, thereby, providing a relative greater objectivity (Idem, 2011).

These situations allowed the researcher overcome the limitations of paucity of financial resources and time constraints limitation referred in Chapter 1, on one hand. On the other hand, they minimised the researcher interferences and/or subjective interpretation, proper of qualitative study such as, allowing him (the researcher) to relatively generalise of the obtained results.

It is important to note that the questionnaire and interviews targeted to public officers from NISS and MCMC (as can be seen in the population of the section, sample and sample below) in order to understand from them the requirements or the conditions to be covered by MSPS. If there were possibilities to integrate the non-formal workers, the
conditions for licensing of non-formal activities, taxes or fees paid by non-formal workers, on one hand and other important information, on the other hand.

On the other hand, the questionnaire and the interview were administered to the non-formal workers in order to perceive their monthly income to determine whether or not they were related to public institutions. If they paid some taxes, if so, to which institutions did they pay their taxes and fees? If they were organised/integrated into associations (professional or not), and if they would like to be integrated into the social protection system, how could that be done?

Furthermore, in this research, the techniques of documentary analysis considered as “a process that involves selection, treatment and interpretation of existing information in documents (written, audio or video) in order to make some sense” were used (Do Carmo & Ferreira (1998), cited by Trez in http://wiki.ua.sapo.pt/wiki/An%C3%A1lise_Documental, retrieved 18 May, 2017).

According to Trez, in the research process it is necessary for the researcher to collect information from previous work, add some value and transmit it to the scientific community so that others can do the same in the future.

It was therefore a matter of studying what has been produced in a given area such as the social protection and exclusion in order to “introduce some added value to scientific production without risking studying what is already studied taking as original what others have already discovered” (Idem, 2011).

Thus, the technique of documentary analysis is characterised by being a dynamic process by allowing representing the content of a document in a way different from the original, thus, generating a new document (Piña Vera and Morilla, 2007, cited by Trez).
This technique allows the creation of new (secondary) information based on the study of primary information sources. The secondary information is created with the direct influence of the primary information, in a process that relates the bibliographic description, the classification, the writing of abstracts and summaries, and the technical-scientific transcription.

So, for this study, new knowledge was created on the factors that influenced the exclusion of the non-formal workers from the social protection system in Mozambique. This knowledge was based on existing documents on the social protection system, the non-formal workers and the non-formal sector, the social exclusion, the social risks and other related documents.

Based on this context Sánchez Díaz and Vega Valdés (2003), cited by Trez affirm that the documentary analysis seeks to give order to the “chaos” and to solve problems.

It should be noted that these complementarities of data generation instruments or techniques did not affect the research quality. On the contrary, it was even advantageous and recommended by the university experts, and once the objectives of the study required this.

Above all, it had been observed, and being rigorous, that there was a predominant approach (qualitative), which had used diverse instruments or techniques of other investigative approaches.

3.7. Data presentation, analysis and interpretation procedures

In this section, the procedures to data presentation, analysis and interpretation which were the transformation process and management of a data set previously generated
were presented. This was done in order to make it more perceptible, interpreting the data (processing) to give meaning to the numbers or answers (Chisaka, 2014b).

It should be noted that according to Canastra, Haanstra and Vilanculos (2015), the procedures and instruments of (generation), presentation, analysis and interpretation of data are a decisive moment. This is true because a part of the scientific validity of the results depends on how these procedures and instruments have been organised and implemented.

Moreover, in the qualitative approach like this one, the researcher was the main instrument of (generation), presentation, analysis and interpretation of data. As a result of this, his subjectivity was present throughout the investigative process. The procedures and instruments became more flexible and less structured, although they had been rigorously and consistently applied in accordance with the objectives of this research (Idem, 2011).

This flexible nature of procedures, both for the generation and for the presentation, analysis and interpretation of the data, allowed for cross-referencing and complementarities of procedures.

This procedure of complementarities of the generation, presentation, analysis and interpretation instruments it is recommended in qualitative approach such as to ensure methodological triangulation and thus, reducing as much as possible the effects of the subjectivity inherent to this type of study.

Thus, for the presentation of the data of the present research, the researcher used two techniques, namely, tables and description and interpretation of the meaning of the narratives of the participants.
In the first one (table technique), in which the questionnaire answers were presented, it was confined to the use of technical charts and/or diagrams, “… which helped the researcher to organise and summarise important results that the reader is able to visualise them easily… to organise and summarise data such that important results are easier to perceive” (Tichapondwa, 2013: 223).

The second data presentation procedure consisted of literal transcription of participants’ responses, placing them (the participants' answers) in quotation marks.

After the description, the interpretation of the answers was made, according to the meaning and the context to which they were given, on one hand. On the other hand, this was done according to the literature review so as to either confirm or disconfirm the current findings.

Relative to the data analysis and interpretation procedures, it was important to note that in “Qualitative research, data analysis was reflective and interpretative. It took the form of expressing verbal insights into a problem that were at hand” (Chisaka, 2014b: 3).

Therefore, according to (Chikasa, 2014b), data analysis and interpretation in this qualitative research was a process of creation of order to facilitate reading of meaning in data at latent or manifestation level. This created order to gain better understanding of the relationships and reference points of emic data. In that regard, in the analysis and interpretation processes, the researcher gave meaning to emic data.

Otherwise, the analysis and interpretation of data constituted a "... technique for social research ... (which) came up with as much as possible the elements of information and reflection which served as material for a systematic analysis of the content
corresponding to the explanation of requirements, stability and inter-subjectivity of the process” (Lakatos and Marconi, 1997: 107).

This technique of analysis and interpretation of data emphasised the particularities of a phenomenon of exclusion. As such, it made it possible to study issues like feelings, motivations, beliefs, individual attitudes of the participants, focusing on the interaction between the researcher and those (participants) Goldenberg (2000).

In this sense, the researcher was reflective and interpretive. He/she took into account the written and verbal ideas expressed by the participants about the problem of exclusion of non-formal workers from the social protection system. He/she also considered that the issue of exclusion does not exist outside the excluded or the excluders, but it was within them, being the result of the interpretation of both (excluded and excluders).

Therefore, the analysis and interpretation of data took the form of reading meaning into the observed behaviour, attitudes, feelings and expressed beliefs, reports, conversations and research notes withdrawn from the NISS and MCMC officials and the non-formal workers from municipal markets, street vendors, farmers and pastoralists.

It was also important to emphasise that, according to Chisaka (2014b), this process of data analysis and interpretation in this qualitative research does not happened at the end of data generation. In this study, but it was started on the day that the researcher started his/her interaction with the participants of study and continued until the problem of exclusion of the non-formal workers was explained.
3.8. Population, sample and sampling

In this section the research population or universe, the sample and sampling were presented.

According to Lakatos and Marconi (1997: 107), population or universe is a "set of animate or inanimate beings that have at least one characteristic in common."

In this study, population are all employees from NISS where non-formal workers are excluded from and employees from MCMC where the non-formal workers are licensed in, and all the non-formal workers, integrated in municipality markets or selling in the street, working on farms and grazing cattle in Maputo City.

Thus, the non-formal workers were included in the responses of Association for the Non-formal Sector Workers (ANFSW), Association for Boots and Hawkers (ABH); Association for Micro Importers Workers (AMIW), sellers of the main streets and markets of Maputo City. These were particular to the Central Market of Maputo, Zimpeto, Estrela Vermelha, Fajardo, Xipamanine, horticulture producers and livestock cattle and goats, as it is shown in Table 4, page 224.

A sample “is the group of cases (individuals) selected from all the possible participants of population in which the study is being conducted (Tichapondwa: 2013: 122).

The sample is set to represent population in order to save financial resources, time and because the impossibility of availability to study all the individuals from populations of interest. So, it was necessary generate information from a part of the population, which should be relatively representative of the population.
However, according to Guerra (2006), it is not all studies that have a representative sample of the entire population; a fact that has happened in studies of qualitative approach like this one that sought to explore a problematic little known, with little literature and lack of empirical studies.

For this context, being a kind of an exploratory study, localised and limited to a particular and complex phenomenon such as the exclusion of non-formal workers from the social protection system, the researcher opted to choose participants who assumed a status of "privileged informants".

Therefore, the selection of the participants in this research was done using a probability sampling in its convenience and purposive or intentional non-probability type.

The convenience or accidental sampling to choose the non-formal workers were used (in markets and street vendors, farmers and stockbreeders) as they come to the researcher making use of volunteers.

Meanwhile, the purposive or intentional sampling for NISS and MCMC officers and non-formal associations responses and seniors were used because the researcher knew that these individuals have “some defining characteristics that make them holders of specific data needed for the study”; so, their inclusion were “… on the basis of their relevance to the problem under study” (Tichapondwa, 2013: 124); having, thus, as criterion their social representativeness (Guerra, 2006)

Therefore, according to Marconi and Lakatos (1997), were considered them to be the key to explore their views on the problem of the social protection system and exclusion, on one hand, and on the other it was assumed that they possess privileged information or in-depth knowledge about the organisations that they manage or work to a long time
ago and about the professional association members of the associations that they response, respectively.

Despite being aware that with these techniques it is difficult to generalise the results obtained through the sample resulting from the entire population (as qualitative study). Their selection is justified for the fact that the researcher wanted to explore the views of the institutions that manage the social protection system and licence the activities of the non-formal workers and the views of the trade unions and associations of the non-formal workers above.

Furthermore, the choice of these techniques is explained for the fact that randomness proves difficult to implement, since in the case of street and market vendors, farmers and livestock are difficult or impossible to pre-select them or find the individuals selected before.

So, the sample individuals were chosen as the researcher was finding them and, especially, those who proved a willing to answer the interviewer questionnaire and interview questions and therefore give the information to him (the researcher).

As for the sample size, it is important to note that, it was influenced by the type of research (the qualitative case), research objectives, the financial and time constraints, the importance of results, data generation procedures and the degree of necessary accuracy.

Therefore, for this study, it was taken into account that it is a qualitative nature, the lack of financial and time resources, the procedures questionnaire with closed-questions and interviews with open-ended questions to data generation and the degree of accuracy required, the researcher was not determined the exact sample number a priori.
So, the final number of the participants of the sample was designed from the moment that the researcher began having the same answers (tiring condition), he had stopped the questionnaire and the interview at number 47, as it is shown in Table 4, page 224.

3.9. Triangulation, credibility and trustworthiness issues

In this session, the issues concerning the triangulation, credibility and trustworthiness in the generation, presentation, analysis and interpretation process of the study were presented.

In order to avoid influences and subjectivity on data interpretation, and ensure the credibility of the results to be obtained with the methods and methodologies presented in this chapter. The researcher had been faithful to the interpretation of the answers given by the participants to the questionnaire, closed-ended questions and to the interview open-ended questions.

The faithful to the answers catered from the closed-ended questions of the questionnaire providing to the study high objectivity because there had a standard way of answering questions, on one hand. On the other hand, the open-ended questions of the interview enabled the study to get data which were sometimes buried deep in the minds, attitudes and feelings of respondents, as referred Tichapondwa (2013).

Thus, the participants’ answers, all of which were recorded in writing, should be made available should they be required either by another individual and/or researcher. Therefore, it can be consulted for verification of the researcher faithfulness in the process of presentation, analysis, and interpretation, which allowed to reduce the researcher subjectivity and influence, while researching.
3.10. Detailed discussion of the ethical issues

In this section, the ethical issues were presented in order not to incur any illegalities and irregularities regarding the process of extracting the other people’s ideas. This was also done to avoid hurting or harming participants socially, emotionally, physically, morally, cognitively, and psychologically.

So, it was important to note that this study was fully investigated by the researcher himself. He/she thus avoided (auto) plagiarism as much as possible by using references, sources and data generated from the field work. The researcher was aware that in order to encourage participants to answer the questions of the questionnaire and interview, there was need for him/her to exercise a high degree of moral duty to respect their privacy and dignity.

Thus, the researcher had ensured that the rights and welfare of informants would be protected. Therefore, the process of data generation with the participants was characterised by confidentiality, voluntary participation, anonymity, and on the basis of informed consent of the participants.

Therefore, participants expected the researcher to assure them that he/she would keep secret everything they said (confidentiality).

They had the freedom to participate or not or to provide information or not (willingness or voluntary participation).

They had the freedom to choose to be identified either by name or by their professions or their institutions or workplaces or other information that helped to identify them (anonymity).
Finally, they were not required to give any information without their written consent (acceptance).

### 3.11. Chapter Summary

In this chapter, the researcher presented and justified the methodological issues that were used in this research.

Specifically, the researcher highlighted the research methodology and paradigm. He did so by focusing on the research methods, the data generation instruments and procedures. In addition, the data presentation, analysis and interpretation procedures, the population, the sample and the sampling technique(s) that had been used in the conduct of the study were given their own share of coverage. Other components of this chapter that were covered were triangulation, credibility and trustworthiness, and, finally, the ethical and legal considerations.

Therefore, in the next chapter, data would be presented, analysed and interpreted, according to the conceptual, theoretical and empirical conceptual framework and the theories were presented in chapter two. The methodology consistent with the conduct of this thesis shall be presented in the third chapter.
CHAPTER 4: DATA PRESENTATION, ANALYSIS, DISCUSSION AND INTERPRETATION

4.1. Introduction

In this chapter, the presentation, analysis, discussion and interpretation of the data generated in the field were dealt with. This was taking into account the presented problem, the questions raised, the conceptual, theoretical and empirical framework and the methodology presented previously. That was made possible since most of the illustrations were characterised by integrity and ethics. In that way, the conduct of the research was done in a legal and ethical manner. A summary ended the chapter, highlighting key findings raised in the chapter.

It should be noted that these results were obtained from the questionnaires containing closed-ended questions and interviews consisting of open-ended questions which sought both restricted and free or narrative responses respectively. These research instruments were given to employees of the public and private institutions that directly or indirectly related to the workers of the non-formal sector and to the workers of the formal sector themselves, who formed the sample of the research. These constituted a total number of forty-seven (47).

Among the employees who were interviewed were officials of the management institution of the social protection system, namely, the National Institute for Social Security (NISS). The others came from the employees of the licensing institution and collector of taxes and fees of the non-formal workers, namely, the Municipality Council of the Maputo City (MCMC).
In addition, the participants of the study were those responsible for the professional associations of the non-formal workers. These were the Association for Micro Importers Workers (AMIW), the Association for the Non-formal Sector Workers (ANFSW) and the Association for Carriers for the Boots and Hawkers (ABH). In addition, the non-formal workers themselves who carried out their activities in the main markets of Maputo City, street vendors, farmers and cattle breeders were also part of the professional associations of the non-formal workers.

4.2. Data Presentation

In this section, the empirical data obtained in the field were presented. These data were obtained through the questionnaires and interviews given to 47 participants, of which six (6) of them were public employees of NISS, the social protection management institution in the country, four (4) of them belonged to the public employees of MCMC, an institution which licenses and collects taxes and fees from the non-formal workers, three (3) of them were from the non-formal workers' associations responsible and 34 non-formal workers themselves.

The information obtained through the questionnaires is summarised and described in Tables 5, 6, 7 and 8, pages 227, 228, 219 and 230, respectively. These were translated into percentages. While the information obtained through the interviews was annotated by the researcher, its evidence was presented using quotation marks to show the participants’ exact words.

It should be noted that this research should be carried out in all Mozambique Provinces, where workers from the non-formal sector are found, but due to the limited material, financial and, above all, time constraints it was limited to Maputo City only.
Nevertheless, this situation did not jeopardize the reliability and representativeness of the obtained results, since Maputo City, being the capital of the country, concentrates not only a considerable part of the non-formal workers that were the object of this study, but also brought together people coming from all the provinces of the country (Mozambique), on one hand.

On the other hand, the non-probability techniques of convenience and intentionality that were used for the selection of the constituent elements of the sample. They definitely allowed the researcher to obtain information from the managers and senior officials of the institutions that administer the social protection system. These licensed and collected taxes and fees of the non-formal workers, namely, NISS and CMMC, respectively.

Equally, through these sampling techniques (the non-probability techniques of convenience and intentionality), it was possible to obtain relevant information of the responsible of non-formal workers’ associations, namely, AMIW, ANFSW and ABH. All of them were characterised by a relevant, representative and legitimate opinion on the institutions and associations that they represented.

In additional, when the researcher questioned the non-formal workers as he found them. This allowed him to have much more spontaneous answers, inasmuch as he found the participants more relaxed and in their "natural" environment, propitious and ideal conditions to obtain "realistic" information.

The preceding followed the presentation of the foregoing and other data obtained in the field.
4.2.1. National Institute for Social Security (NISS) officials

At NISS, the study included six officials, mostly of them senior (66.7%) and some top managers, as shown in Tables 4 and 5, pages 224 and 227. Part of these participants (66.7%) had more than 10 years of service in the institution. That sort of long service presupposed that the non-formal workers actually had more work-related experience than other officials in the management of the social protection system.

For many of these officials (83.3%), the social protection system still did not include all workers provided by law, because some of the salaried employees, employed in the private and Non-Governmental Organisations (NGOs) were not legally registered by the social protection system by their employers and all the self-employed.

It was important to note that the self-employed were legally covered in 2007, through the Law 4/2007 of February 7 and the Social Protection Law. However, until late 2014, due to several factors, they had not yet begun to integrate into the social protection system.

Associated with these workers now covered by the law for their integration into the social protection system and who were still excluded. There were the non-formal workers previously excluded by the law. This made the issues of vulnerability and insecurity in the country increasingly delicate and worrying.

When asked about the possibility of integration of these and other workers who were now excluded from the social protection system, the NISS employees stated that the social protection system could integrate these workers, simply by organisation, dynamism and proactive management of the institution (NISS) and the proper workers in associations through which the NISS could interact.
Moreover, according to the majority of the NISS respondents, the non-formal workers now excluded from the social protection system had shown a great interest to be enrolled into the social protection system. This was because, their integration would be of added value to the social protection system and to the non-formal workers themselves.

In fact, according to them, their integration would constitute a potential for extending the contributory base of the social protection system, one hand. On the other hand, that system would protect more Mozambican population. Consequently, this would reduce their (the excluded) levels of vulnerability and insecurity when they (the participants) are unable to work because of maternity, illness, disability or death.

Notwithstanding this recognition, the NISS participants presented several factors that have hitherto contributed to the exclusion of these workers such as the difficulties of managing this group of workers. As a consequence of the location difficulties, no fixed work places, lack of financial conditions to contribute to the social protection system, the fact that they (the non-formal workers) do not have fixed monthly income on which the tax rate would be calculated, were indicators of the impediments to the efficacy of the social protection system.

Thus, according to NISS officials' perceptions, these and other difficulties made it a priori which foiled the possibility of integration, at least, in the short and medium term, of the workers now excluded. This was bearing in the account that, at present, the social protection system still continued to be done manually.

According to them (NISS participants), at this moment, the computerization of the social protection system was long overdue, being that, the registration, control and
management of companies, enrolled workers and contributions delivery (or not) in to the social protection system (NISS) was done manually.

Equally, they referred to that this situation had caused delay in the attendance and response to the users of the social protection system (companies and workers, thus leading) and demotivation of the NISS employees themselves.

Moreover, according to the view of the participants, such delays in attending to the users of the social protection system and consequent demotivation of employees was explained by the fact that, for example, whenever a Company's Certificate of Discharge had to be issued or whenever a benefit of a worker had to be calculated, the NISS official had to go to the archives to search for papers. Surprisingly, some of these papers were very old, dusty and sometimes rotten, leading the employee to respond to applicants that they did not meet the conditions or criteria expected for their request.

However, these situations demonstrated certain irresponsibility, lack of suitability, professionalism and empathy of those NISS employees who thus behaved toward the users of the social protection system.

In fact, NISS employees were only like this, because there were companies and workers which and who deducted their income and salaries for the social protection system and NISS expenses and salaries. Therefore, companies and workers owed them all the sacrifice and dedication.

Concerning the benefits attributed to the integrated workers, the NISS participants acknowledged that the benefits were not satisfactory, because they were low. However, according to them, these were the possible benefits to be paid at the moment because the current contributory rate (7.0%) which were also very low.
Therefore, for the NISS employees, there was an urgent need to update (increase) the long-standing rate of the contributions. A similar recommendation was also presented in the 2010 to the NISS managers by the last actuarial study of the social security system in Mozambique (ILO/CIF/Mozambique/R4, 2011).

4.2.2. Municipality Council of Maputo City (MCMC) officials

At the Municipality Council of Maputo City (MCMC), four (4) officials were interviewed, mostly of them were senior officials; and one of them was a top manager, as shown in Tables 4 and 6, pages 224 and 228, respectively.

The MCMC participants had more than ten years of service, which presupposed that they had a lot of experience and knowledge of the institution (MCMC).

These participants had affirmed that there is a relationship between the MCMC and the non-formal workers. That relationship had to obtain in the licensing process and in the process of collection of taxes and fees for the exercise of activity in the municipality area.

They referred that in Maputo City. In order for the non-formal workers to carry out their activities, they must be duly authorised because they were using the municipality area. Otherwise, because during their activities, they produced garbage that the Municipality must remove to ensure that a clean city obtains.

Therefore, the Municipality should receive from these non-formal workers’ financial contributions for the payment of waste cars expenses and payment of salaries of the people who collect and treat garbage.
The MCMC participants had referred that the non-formal workers pay, daily and monthly, amounts ranging from 20.00 MT to 1,000.00 MT, contributing, thus, to the Maputo Municipality Budget. This was more than 1,000,000.00 MT (One Million Meticais), which showed the importance of the non-formal workers in municipality public finances.

For them (MCMC participants), the non-formal workers obtained advantages of the CMMC. This was because of licensing their activities and paying taxes and fees. It was also because of legalizing their (non-formal workers) activities. It made them eligible to apply for credit in banking institutions, as well as, becoming owners of the spaces to which they were authorised, otherwise, they were demonstrating a certain level of citizenship.

For them (MCMC respondents), living in the city meant participating and influencing in the process of making and implementing the political and normative decisions, both through contributions in ideas and financial contributions.

Nevertheless, according to MCMC officials, the process of licensing and collection of fees had not been easy. This was because of some of the non-formal workers who resisted payment of license, fees and taxes. Their problem was that they did not have knowledge of the advantages that the social protection system could offer to the non-formal workers.

For this reason, instead of the non-formal workers come to the MCMC offices to license and pay their due taxes and duties, as provided by municipality regulations. The MCMC staff members might meet those workers.
To the MCMC respondents, this process of dislocating of MCMC fiscals to the non-formal workers is neither efficient nor effective because there (in MCMC) are few fiscals for a high number of workers to be licensed and to charged, the fact that imposes challenges to the MCMC in order to change the perception that the non-formal workers have pointed out that they had not had benefits or compensations mainly because of their taxes and fees.

4.2.3. Non-formal workers’ professional associations’ responsible

Three responsible groups of the non-formal workers' associations were interviewed, namely, the Association for Micro Importers Workers (AMIW), association of the non-formal sector workers (ANFSW) and the association of boots and hawkers (ABH), as is shown in Tables 4 and 7, pages 224 and 229, respectively.

Those participants had led their associations for more than four years. This is a fact that presupposed some knowledge of their associations and certain acceptance among their associations.

Most of these associations had more than 300 members, which showed that they congregated a considerable and significant number of the non-formal workers.

According to the participants, the leaders of the associations interacted with their members through meetings or phone calls. For that dialogue, the associations had the contacts and addresses of almost all associates, which facilitated the communication and exchange of information.

The associations charged some members monetary value to guarantee the association operation. Most of them charged semi-annually amounts ranging from 500.00 MT to
1,000.00 MT and, for that, the associates brought the large amounts of money to the association or deposited them in the banks.

As an advantage, the associates receive from their associations some financial and social support. Despite these supports and symbolic values, which do not solve in full the problems that associates faced at a certain moment, participants were still disadvantaged.

As a result, members, including those leaders of associations, were waiting for the solution to the socio-economic problems they face as a result of maternity, illness, invalidity, old age or even death.

Probably that is why the participants had said that there should be another way to support their associates, for example, support from the state. Once, the state is a guarantee of the social well-being of its citizens, regardless of their social, political, economic or religious status, it would be regarded a good carer of the well-being of its citizens.

It was in this context that they referred that they would like to be integrated into the social protection system, which is legally established. Once integrated into the social protection system, they could contribute as long as they had the strength to work, in order to receive the necessary support when there are no favourable conditions to work.

Therefore, according to the leaders of the associations, their associates (non-formal workers) had conditions to be integrated and contribute to the social protection system. So, for them, there is no reason for them to continue being excluded from the social protection system. For them, it would be discrimination.
4.2.4. Non-formal workers

For this group, questionnaires and interviews were administered to 34 participants (non-formal workers), among sellers from the main municipality markets of Maputo City, namely, Central, Fajardo, Estrela Vermelha and Xipamanine markets, street vendors, farmers and cattle breeders, as shown in Tables 4 and 8, pages 224 and 230, respectively.

Most of the participants had more than four (4) children and/or dependents, with a majority ranging from six (6) to 10 years old.

Most of the children and/or dependents depended entirely on the participants, once they did not develop any paid activity. Consequently, such a situation demonstrates great vulnerability, not only for the non-formal workers who were already excluded from the social protection system, but also for the vulnerability of all their dependents (wives, children and/or dependents).

Many of the non-formal workers have been active for more than six (6) years, with an average monthly income of more than 5,000.00 MT.

It should be noted that some non-formal workers reported that they inherited and/or learned from their parents and grandparents. They would leave the legacy to their children and/or dependents, because the development of these activities guaranteed their income and survival due the limitations of the formal employment.

It is important to note that most of the non-formal workers were interviewed belong to a professional association. They were drawn generally from their field of activity, for which they paid some values varying between 200.00 MT to 2,000.00 MT.
In addition to professional associations, the participants also said that they pay some money to some public institutions, namely, the Municipality Council of Maputo City (MCMC) and the Ministry of Economy and Finance (MEF). These amounts range up from 50.00 MT to 500.00 MT.

Most of the participants said that they paid some amounts owed every six months for their associations, while for the MCMC they paid daily and, beyond these daily values. Other values they paid annually and semi-annually to obtain their activities licenses. To the MEF, the non-formal workers paid quarterly.

For MCMC payments, they referred that the municipality officials come to them to collect the money, while for the associations and for the MEF, they pay directly in the associations and in the Single Tax Counters or Fiscal Areas of the Tax Authority.

However, despite the fees and taxes that the non-formal workers pay to these public institutions, they had reported that they did not have any benefits from these payments and dues.

This situation constrained them once they do not contribute to their future through their integration into some social protection scheme that is formally established. If they become integrated into the system, they would make payments to benefit their future. That is why the social protection system has advantages.

According to the participants, they would not always have conditions to work. Sometimes, they were sick, make accidents and in these cases, they had no support. In fact, according to their opinions, at that moment, they had the strength to work, but they would not always have it. So, if these unfortunate conditions persist, how are they going
to survive in the future? How would their children and dependents survive? The participants concluded that they would be beggars on the streets.

At that moment, when they faced difficulties or situations of risk (maternity, sickness, invalidity, old age or death), most of them did not receive any support. They paid their own expenses, and only, sometimes, they received some help from their associations. The Municipality and the Ministry of Economy and Finance do not give them anything.

In addition to the help received from their professional associations, non-formal workers reported that, sometimes, it was their co-workers, their neighbours who helped them not only in difficulty cases for work such as maternity, sickness, invalidity or death, but also at parties such as wedding, baptism and other festive ceremonies.

They depended on the help of professional associations and sometimes co-workers and neighbours. Above all, the lack of help from public institutions led to the increase and reproduction of the social vulnerability and insecurity of the non-formal workers themselves and their dependents, while at one stage of their lives, these same workers contributed to some public institutions and to the national economy.

That is why they said that they would like to be integrated into the social protection system, legally established. Besides, they did not know why they are excluded. Many times they were unable to work. When this happened, they could not survive. In that way, they had a lot of difficulty.

Therefore, the state, through the NISS, must adopt and implement strategies that guarantee the integration of non-formal workers into social protection system, formally instituted, not only to guarantee the integrity, recognition and well-being of their
citizens, but above all as a way of "obliging" them to save part of their current income to enjoy them in their future.

4.3. Data Analysis, Discussion and Interpretation

After the presentation of the results in section 4.2, in this section (4.3), the analysis, the discussion and interpretation of the data were presented. This was done by comparing and contrasting them (the data) with the literature review that supported the conceptual and theoretical framework, the theoretical perspectives and the practical experiences presented in chapter 2. The intent was to establish some inferences between the theoretical assertions and the empirical evidences.

In this context, the real problem of the social protection system in Mozambique was discussed in relation to its degree of comprehensiveness and exclusion. It was meant for analysing this purpose particular to the numerical evolution of the workers enrolled in the system. The precariousness and mishaps of the evolutionary process of the system, between 1990 and 2014, the continuous exclusion of workers legally covered the evolution of assets and the relationship between active workers and pensioners.

Still in this section, the cause or factors of the exclusion of the non-formal workers from the social protection system, legally instituted were presented, showing to what extent these factors are real or not. The consequences were that this exclusion entails the system for the non-formal workers and their dependents, and for the society in general in the short, medium and long terms.
Finally, the ways in which the non-formal workers tend to deal with risk situations, such as the maternity, sickness, invalidity, old age, death and other adverse situations due to the exclusion of the social protection system were presented.

4.3.1. The challenges of Mozambican Social Protection System (MSPS)

4.3.1.1. The fulfilment of constitutional mandate/presuppose

According to Butter and Kock (2003), it would be ideal if all members of a society could be protected by the social protection system in force in the country, regardless of their employment, economic and social situation. This could still even work, if coverage could be truly universal, as Beveridge's Distributive perspective advocates.

By the way, it is constitutional mandatory which according the Article 95 of CRP (2004) “all citizens have the right to social protection in the situation of disability or old age…” Furthermore, it would be a universal human right once “…every human being, as a member of society, has the right to social security” (UDHR, 1998).

In fact, the social protection system of such nature would be a maximum expression of the principle of solidarity of society as a whole. This could therefore guarantee social homogeneity and satisfaction of minimum needs where market conditions cannot do so.

In the event that it is impossible to cover the entire population, at least the social protection system should promote the extension of the personal scope to the majority of the population, starting with people who carry out some economic activities. These people would be endowed with the capacity to contribute to the social protection system. Once the system is in force in Mozambique, it would be a contributory one.
For this reason, the mandate of the social protection system managed by the NISS was meant to include all the private sector workers both national and foreign residents, regardless the economy sector that they are operating. This included part-time workers and all who were serving their probation period. It also includes the self-employed workers who have an economic activity, with permanent or temporary nature (Articles 4 and 53 of Decree 53/2007, from December 3rd).

Above all, it included making sure that, it would be one of the ways in which the Government's strategy to combat poverty would be effective.

However, not every ideal thing is practical, at the end of 2014, according to the Mozambican social protection legislation (NISS, 2009) and NISS officials, the Mozambican social protection system only covered salaried workers in the private and formal sectors. This made the system fit into the Bismarckian Commutative perspective of the social protection aimed at guaranteeing professional incomes.

In other words, the current social protection system in Mozambique protected only individuals in their narrow quality as salaried workers and in the formal sector of the economy, guaranteeing them a set of cash benefits considered as replacement income intended to compensate the lost of wages.

Therefore, all the non-salaried employed workers, including the self-employed workers in the formal sector, the non-formal workers, the domestic workers and the other workers and segments of the population were excluded from the social protection system. This occurred even after some (the self-employed in the formal sector) were covered by the law and others (the non-formal) expressed interest and needed to be integrated into the system.
4.3.1.2. The growing of the Social Protection System (SPS) exclusion

By the end of 2014, Mozambique has about 25 million people, more than half, that is, about 15 million were 15 years or elder population, whom about 11.5 million were economically active population (EAP).

Most of this EAP (more than 86%) were not integrated into the social protection system because they were out of the formal sector of the economy. Thus, those who were covered constituted the minority with about 13%, as it can be seen in Graphs 5, 7 and 15, pages 88, 89 and 152, and Table 10, page 233.

In addition to the workers now excluded by law (that is, the non-formal workers), some covered by the law were not integrated into the social protection system and part of those that were integrated into the social protection system by their employers did not submit the contributions to the system.

This situation means that, even with the increasing trend of workers covered and enrolled in the social protection system between 1990 and 2014. Some of them still continued and, if nothing was done in order to change this scenarios, would continue to face the social protection mishaps, as it is shown in the Graph 14 and Table 13, page 238.
As it can be seen in Graph 14, the workers that are between the indicating lines of the enrollees and the assets (dashed and indicated by the key) should enjoy the rights of the social protection system. Once they are covered by the system, but do not have (or will not) social benefits because they do not submit their contributions to the system, increasing, thus, the number of excluded workers.

Therefore, the simple growth of workers registered in the social protection system does not necessarily mean the growth of people who can enjoy the rights that the system provides, a situation that reduces the minority of the Mozambican population entitled to the benefits of the social protection system.

That was why, at the time of carrying out this study, "NISS was perceived as the privilege of a small minority ... the beneficiaries of the social security are very few; in
fact, are a minority of the aforementioned minority ...", according to the words given by António Francisco in the presentation of Quive's book, on September 11, 2008.

For this context, approximately 14% (which is a minority) of the Mozambicans were legally covered by the social protection system, only 7% (minority) was entitled to social benefits, as it is shown in the Graph 15 and Table 10, page 233.

Graph 15: Relationship between EAP and Social Protection Benefits

![Graph 15: Relationship between EAP and Social Protection Benefits](image)


4.3.1.3. The inactivity of the employee’s covered

There were several factors contributing to this difference between registered and active workers, such as the inactivity situations, that is, non-remittance of contributions to the system by employers, and loss of jobs. Other factors also constituted the non-removal of workers belonging to the bankrupt companies, retired and deceased who their dependents (descendants or ascendants) had received the respective allowances or survivors' pensions, among others.
In fact, since the beginning of the social protection system, workers who were inactive in the system have never been expunged in order to have relatively reliable data. This showed the lack of initiatives, capacities and demotivation of the employees of the statistical area in particular and that of the NISS in general for the solution or minimization of this and other problems that undermined the institution (NISS) and the social protection system in the country.

Other factors that contributed to this situation were "the lack of knowledge about the role of the social protection system for the development of companies and the bankruptcy of many companies, particularly small entrepreneurs ... wickedness of the part of employers" Quive (2007: 72).

In addition, the precariousness of employment, competitive vulnerability where the less qualified and less competent workers are losing their jobs, the permanent struggle for survival of the companies and the distrust of NISS managers who often demonstrate a lack of the transparency in the management of the system's funds. These constituted some of the factors that dictate for this reduction of the small percentage of the workers entitled to the social protection system’s benefits.

There was a consequence of the inactivity of registered employees, once, while there was a growing the registered workers in the social protection system, on the one hand. On the other hand, the proportion of active enrollees’ workers decreases with time.

That is why the average rate of current increase in active inclusion in the last decade is only 6.6%, showing the presence of limitations in logistic and administrative rules, in controlling functions contributory to the social security inspection (Picado-Chacón et al., 2010).
By the way, according to the same authors (Picado-Chacón et al., 2010: 100), "... the lack of a sector specialised in developing and managing institutional enrolment functions, storage and contributory control at national level ..." provides this problem of contribution evasion.

Therefore, while there were a growing number of the registered workers in the social protection system, the proportion of active on enrollees workers decreases with time. In this sense, the proportion of active on enrollee’s workers had decreased from more than 69% in 1990 to less than 43% in 2014, as shown in Graph 16 and Table 13, page 238.

**Graph 16: Evolution of the proportional assets workers/registered workers: 1990-2014**

![Graph 16](image)

**Source: NISS Planning and Statistics Area**

This situation demonstrates that once the social protection system is a solidarity one and, especially, it is based on the Pay As You Go regime, where active workers (young people) finance the benefits of those who are in liabilities (elderly retired). As the years go by, there are fewer workers who provide the social benefits of those who already need them (the retired).
It is in this context that if, in absolute terms, in 1990, a little more than 498 active workers were for one pensioner in 2014. This number has reduced to less than 9 active workers ensuring the same unit of pensioner, as it can be seen in Graph 17 and Table 13, page 238.

**Graph 17: Evolution of the proportion of assets workers/retired workers: 1990-2014**

![Graph 17: Evolution of the proportion of assets workers/retired workers: 1990-2014](image)

**Source: NISS Planning and Statistics Area**

Therefore, in addition to the excluding character of most of the Mozambican population (part of who are workers other are not), because their solidarity (Pay As You Go), according to which active workers are sponsor the social benefits of retirees, over time, the social protection system is losing its capacity to guarantee social benefits to retired, that is, workers legally covered and who contributed at some point to the social protection system.

**4.3.1.4. The lack acknowledgement of the Social Protection importance**

The above situations become more worrisome if it is taken into account that the research participants, especially, if the NISS and the non-formal workers, demonstrate lack of
knowledge about the importance of social protection system; and those who have one. It is knowledge as much as diffuse and inconsistent, and constitutes an obstacle to the development of actions tending to extend the social protection system to other layers of workers in the country.

However, this lack of knowledge about the importance of the social protection system on the part of the participants proved to be a paradox, in as much as the non-formal workers were unanimous in affirming that they would like to be integrated into the legally established social protection system. The workers of the NISS were also unanimously agreeing that there is a need and possibility of integration of non-formal workers into the social protection system.

So, there is the awareness not only of NISS employees, but also of the non-formal workers and others previously excluded from the social protection system of the importance and necessity of the social protection system, relatively to the constant and unexpected social risks.

This is whereby, the state, through the NISS, must design and implement strategies that can make the social protection system more comprehensive and inclusive to accommodate other people and/or workers’ layers.

4.3.2. Factors affecting the exclusion of the non-formal workers

It was shown in the previous point that it would be ideal for all members of a society to be protected by the social protection system, regardless of their employment, economic and social situation or rather, if the coverage could be truly universal, which would be an effective expression of the solidarity of society as a whole.
However, most of the economically active populations in Mozambique are not integrated into the social protection system. Several factors contribute to this exclusionary character of the social protection system.

Based on the answers of the participants of this research (the NISS officials and non-formal workers), it can be understood that the exclusion of the non-formal workers and other people due to factors concerning the proper NISS. As a social protection management institution, such as bureaucratic, administrative and organisational factors and others factors linked to the non-formal workers now excluded such as financial, labour and legislative, among others factors.

4.3.2.1. Bureaucratic factors

In bureaucratic terms, the NISS considers informal workers as all those who are not integrated into the government and public sectors and private and/or the Non-Governmental Organisations.

However, the workers studied in this research and who were excluded from the social protection system were not the informal, but the non-formal workers, because they were not either illegal or did not carry out activities outside the law, as is theoretically considered the informal concept (see Chichava, 1998).

The non-formal workers of this research are engaged in legal activities. Their incomes are recorded in public accounts and, therefore, contribute to the budget of the Municipality Council in particular and the country in general.
In fact, it has been shown that non-formal workers contribute up to 1,000,000.00 MT for the Municipality Council of Maputo City budget and around 25% of the state budget.

In addition, often the activities of the non-formal workers are survival strategies in order to face the constraints of employment in the formal sector and ramp up the emergence and development of small and medium enterprises. This being therefore, activities that are transmitted from generation to generation, that is, from parents to children and grandchildren.

For this reason, these workers were recognised by the Municipality Council of Maputo City and other municipalities and by the Ministry of Economy and Finance. Therefore, these public institutions licensed and charge fees and taxes from them for developing recognised legal activities.

4.3.2.2. Administrative factors

In administrative and organisational terms, NISS currently operates manually. In that way, it does not yet have and recurred to the information and communication technologies (ICTs) and/or digital conditions as a means of efficiently and effectively management of the employees already integrated into the social protection system and all related processes.

This fact allows and encourages tax evasion by the integrated companies and workers, without, however, knowing of the institution and, therefore, without conditions for the pursuit and recovery of these amounts due.
As a consequence, the medium and long-term financial sustainability of the institution and of the social protection system are at stake, as is demonstrated by the steadily decreasing proportion of the active workers and increasing of pensioners, in a context where the system is already reaching its maturity, on one hand.

On the other hand, the manual management of the social protection system makes it increasingly difficult for the NISS to effectively integrate the self-employed workers recently covered by the system. This makes it even more difficult to cover the non-formal, domestic and other workers, hitherto excluded.

4.3.2.3. **Location factors**

The NISS employees who have participated in this research stated that it is difficult to locate and control the self-employed workers who are covered (and the non-formal workers previously excluded), and that, having to be done manually, the processes of integration, management and control are becoming more and more complicated and delicate.

For this reason, in order to overcome these and other obstacles, according to Durán-Valverde *et al.* (2010), it is necessary to first carry out a detailed analysis on the composition, location, quantification and the exact peculiar characteristics of these segments of workers.

This process should be done in the co-ordination with public and private institutions, such as the National Institute for Statistics (NIS), the Tax Authority of Mozambique (TAM), the Municipality Councils and professional associations of the non-formal workers. These would monitor, register, make studies, license and/or collect the different taxes and fees of those workers.
This exercise would enable a realistic and pragmatic expansion strategy to be defined, with well-quantified and relatively realistic targets that will allow constant monitor and evaluate during the strategy implementation process.

Moreover, through this co-ordination, the NISS could enter into agreements whereby, as it does to the formally employed workers with whom it relates through its employers, it could relate to non-formal workers. Once those institutions know how many the non-formal workers there are, where and how the co-ordination and relationship become clear.

In addition, countries that have already advanced in the integration of the self-employed and the non-formal workers (Costa Rica, Colombia, Philippines, Angola, Lesotho, Swaziland and South Africa), most of them began to cover sectors that were reasonably organised and identifiable.

Therefore, the NISS, can, also, begin by covering the non-formal workers that were in the database of these institutions above (NIS, TAM, and Municipality Councils) and the non-formal workers who are organised in associations and/or who develop their activities at fixed locations.

4.3.2.4. Financial factors

In financial terms, it should be recalled that the social protection system, managed by the NISS, is based on the social insurance principle. It should be financed through the contributions paid by the workers and employers now covered, at a rate of 7.0% of salary or monthly income.
In fact, some NISS officials consider that non-formal workers do not have the financial means to contribute to the social protection system.

However, the values that they (non-formal workers) pay to their respective professional associations, the Municipality Council and the Ministry of Economy and Finance, in the form of fees, taxes and licenses which were varying from 20.00 MT (daily) to 2,000.00 MT (quarterly or semi-annually or annually). It is noted that they (non-formal workers) are able to contribute to the social protection system.

Moreover, salaried workers in the formal sector who, up to 2014, earned the lowest minimum wage of 3,010.00 MT, contributed to the social protection system which was around 210.00 MT. This was corresponding to approximately ten days of daily fees paid by non-formal workers to the MCMC.

Considering the monthly income of non-formal workers that was 5,000.00 MT, it is noted that it was well above the National Minimum Wage in force in 2014, which means that the non-formal workers have the financial capacity to contribute to the social protection system.

In additional, many of the non-formal workers are sufficiently qualified, once they move themselves to their associations, to tax areas and/or banks to pay their taxes and fees, even without benefits of these payments made by them. A different fact from the social protection system (SPS) is with contributions, they would guarantee their survival in case of loss of capacity for work.

In fact, according to this segment of workers answers, they were now able to work and guarantee their subsistence, but at some time in their lives they would not have any
more capacity, at which time the social protection system would have to continue to guarantee those conditions of their survival.

With regards to the issue of evaluating the time of more than six years that the non-formal workers of this research carry out their activities, it is verified that they would already have been able to benefit certain benefits granted by the social protection system in the event of maternity (Maternity Allowance), sickness (Sickness and Hospitalisation Allowance), disability (Invalidity Pension) and death (Funeral and Survival Benefit).

4.3.2.5. **Lack of NISS employees’ creativity**

To make the social protection more comprehensive and inclusive, it was necessary for the NISS employees’ initiatives, creativity and, especially, proactivity through which the state could adopt, develop and implement actions to guarantee the integration of all employees (the formal and non-formal previously excluded from the social protection system).

This possibility was far from being effective, once NISS employees are unmotivated, apathetic and without initiatives and creativity to reflect on strategies that can in the short and medium term integrate non-formal workers and other excluded workers.

In this case, regarding the absence of a fixed remuneration, which should address the 7.0% contribution rate referred by the NISS employees, such as other countries where the self-employed and the non-formal workers are covered by the social protection system. NISS can set wage levels according to the income of the field of activity of the non-formal worker or according to the worker's own declaration, on which the discounts for the contribution in the social protection system should be paid.
But it was not thought by NISS employees, otherwise, taking into account the fact that NISS employees were not covered by the social protection system managed by the NISS, but rather by the state social welfare. It contributes to this sloppiness and no creativity in the improvement and extension of coverage, not giving NISS social protection better services and social benefits than the expected ones.

However, according to the former Mozambique president, "... all people must have access to the social security ...", "... it is urgent that Mozambique (through the NISS) conceive and implement policies aimed at the inclusion of the population now dependent on the employment available in the non-formal sector of the economy and the subsistence agriculture "(Chissano, in NISS, 2004: 4-5).

So, it is "a basic and fundamental human right, without which it will not be easy to achieve the different millennium development goals in African countries" (Idem, 2011). There is a need to integrate more workers into the social protection system, once that the excluded have the financial resources to contribute to the social protection system, are traceable mainly through their professional associations and public institutions that interact with them on the one hand.

On the contrary, there is a risk to be continued leaving the non-formal workers, their dependents and other layers or strata of the Mozambican population excluded. Consequently, they would continue to face their fate and various difficulties and social and economic consequences which can be seen below.
4.3.3. Impact of exclusion of the non-formal workers

Due exclusion of the non-formal workers from the social protection system, formally established in the country, they are faced with social difficulties and risks, which extend to their dependents in particular and to the society in general in the short, medium and long-term.

With respect to the issue of taking into account that the exclusion is the lack to some members of the society access to the opportunities offered by society, it (exclusion) might imply deprivation or even lack of varied resources. Consequently, in this specific case, deprivation of the rights and benefits that the social protection system offers toward the difficulties arising from maternity, illness, disability, old age or death might worsen.

The exclusion of workers from the non-formal sector from the social protection system, therefore, undermines the potential of the social protection system to deal with the insecurity experienced by the vast majority of the Mozambican population. This in essence has provoked and fuelled the general pessimism about the contribution that the social protection system can make against the increasing level of vulnerability and poverty, especially for the elderly.

These situations constitute problems not only for them (the excluded workers and their dependents), but also for the state itself, which would have to increase its financial costs for the Basic Social Protection, whose management institution (National Institute for Social Action - NISA) is fully supported by the state budget.

In this sense, the inability of the non-formal workers to be integrated into the social protection system and, thus, contributes in order to benefit the social rights of the social
protection system toward the risky situations. It therefore means that they (non-formal workers) could not save part of their incomes, referring them to the NISS in order to benefit from these savings later, in the form of benefits or other social benefits.

This exclusion, therefore, condemns non-formal workers to a dark future in terms of the social protection system and integration, and, therefore, a decent survival as elderly or old invalidity, already incapable for producing their own income that can guarantee their continuity as human beings worthy of social and economic well-being, becomes a dream rather than a reality.

In addition, by giving differentiated treatment to its citizens or by making it impossible for part of its citizens to participate in some of its public institutions, such as the social protection, the state is not creating the same opportunities for its all citizens, as Rousseau (1973) argues.

And considering that, on one hand, the non-formal workers are responsible for large families with more than six (6) members and, on the other hand, they make up the majority of the Economically Active Population (EAP - about 77%). The impact of this exclusion also extends to this whole household in particular and to the majority of the Mozambican population in general.

It is in this sense that the desperately excluded have adopted survival strategies (which are presented below) to deal with current and future risk situations, although, according to Quive (2007), such strategies are precarious and tenuous because they are ephemeral. Their adherence is freely according to the will of each one and without an organised and robust administrative and management structure.
For this reason, the non-formal workers are urging the state to intervene in this process by designing and implementing strategies and policies that are efficient, effective and adequate to their reality. These had to be consistent with the current economic context in order for their integration into the legally established social protection system to be acceptable.

4.3.4. Survival strategies of the excluded workers

In order to cope with the risk situations to which they are subject, the non-formal workers participating in this research were told that they bear their expenses and, in some cases, receive help from the professional associations.

This confirms the conclusions of some authors like Quive and Patrício (2005) according to who the non-formal workers excluded from the social protection system have turned to social networks, associativism or informal social security systems in order to guard the adversities life.

However, this use of the informal social security systems is unsafe, precarious and volatile, once it is not coercive, leaves scope for maneuver depending on the free will of the actors, as well as modest contributions to address to all the needs and risk situations of the members.

For this context, the authors (Quive and Patrício, 2005), said that these informal social security systems, characterised by being ephemeral, punctual and non-coercive, only work where people maintain high trust values; and it is on the basis of that trust that they provide themselves the mutual aid services, particularly in the event of a risk situation.
When the non-formal workers reporting that they receive help from co-workers and neighbours. They reinforce the authors’ idea (Quive and Patrício, 2005), according to which the informal social security systems and other survivor mechanisms recalled by then (the non-formal workers). Therefore, in the face of risky situations, are networks of inter-knowledge, mutual recognition and mutual aid based on ties of kinship or friendship, trust or neighborhood or development of the same activity.

Often, through these bonds of friendship and kinship, the non-formal workers exchange goods and services on a non-commercial basis and with a logic of reciprocity, which is, giving and/or helping to later receive and/or be helped when needed.

In addition, when the non-formal workers referred that the assistance they receive from their professional associations, co-workers and neighbours is not only intended to address risk situations. This shows that the adoption of this informal social security systems is not only a form of individual or collective solidarity to face the adversities of life, as well as, a way to alleviate the needs of family events such as weddings, masses, baptisms and even constitute a way of expanding and/or investing their economies.

Intervention systems, triggered in case of need or difficulties are, therefore, forms of exaltation and appeal to solidarity and mutual help in situations of social exclusion, risk and lack of them could be terrible. These mechanisms constitute a chain of recognition and interrelationship, based on the sector of work and are directed at the exchange of goods and services or favours. Such mechanisms are normally characterised by trust among the members of the group which facilitates co-operation and co-ordination for mutual benefit of members.
In this sense, according to Cruz and Silva (2003), faced with the structural conditions and economic opportunities that generate situations of poverty, deprivation and vulnerability, the members of a certain society recur to the social relationship and networks, as a way of seeking solutions the problems as well as long-term economic survival strategies.

Therefore, people excluded from the social protection system legally established find schemes or mechanisms based on principles of mutual solidarity. In order to overcome the difficulties that they face in the lack of the social protection system benefits, which, in other circumstances, would be the responsibility of the system managed by the NISS, through the adoption of measures leading to the extension of the social protection system.

### 4.4. Chapter summary

In this chapter, the researcher dealt with the presentation, analysis and data discussion generated through questionnaire, containing closed and open-ended questions that were administered to the non-formal workers, employees from the National Institute for Social Security (NISS). This was responsible for the management institution of the Compulsory Social Protection in Mozambique and employees of the Municipality Council of Maputo City (MCMC), as an institution that licenses the non-formal workers and collects tax from them.

Thus, after the introduction and table presentation containing data obtained from questionnaires, the Mozambique demographic and socio-economic characteristics and their relation to the social protection system were presented. The socio-political situation and its impact on social protection system were eventually presented.
After that, outlines and development of the non-formal sector in Mozambique were demonstrated, they were followed by the process for access to the social protection system and the development of workers now integrated by the social protection system, since its inception, from 1990 until 2014.

Then, the factors of the exclusion of the non-formal workers from the social protection system were presented, together with the impact that exclusion brings in the lives of the non-formal workers. The strategies adopted by the non-formal workers to cope the situations which prevents them to work such as maternity, sickness, disability, old age and death also presented. Finally, the summary of the chapter was presented.
CHAPTER 5: THESIS SUMMARY, FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1. Introduction

In this chapter, the researcher shall present the overview of the research, the main findings and conclusions, implications and recommendations to make the Mozambican social protection system most comprehensive, through the integration of more Mozambicans. This would be done by starting with the non-formal workers. They would be the ones with some relative organisation. They would also be having an interesting and financial capacity to contribute to the social protection system, once it is a contributory system.

5.2. Thesis summary

In this section, the researcher presented a brief summary of the research, beginning with the presentation of the problem under study, the evolution of the Mozambican social protection system, the factors that accompanied and, because that, interfered this evolution and the population segments covered and excluded from the Mozambican social protection system.

Also, in the same section, the researcher went on to present the sampling techniques used to compile the sample, the methodology, the methods and the procedures used by the researcher for the generation, presentation, analysis, discussion and interpretation of the theoretical and empirical data and, finally, the main conclusions were justifiably put across.
In the present work, *an analysis of the factors influencing the exclusion of non-formal workers from the social protection system in Mozambique* was done.

For this purpose, the researcher begun by showing that from the social protection system, being reserved only for the employees in the formal sector of the economy. It therefore meant that many Mozambicans were left out of the formal sector of the economy. They were and are still excluded from this formally established social protection system.

Within this context, the purpose of the study was seeking to understand the factors that influence the exclusion of the non-formal workers and others from the social protection; What implications this exclusion brings to the society in general and to the excluded in particular? What are the survival strategies the excluded adopt to address the impact of the exclusion? What are the mechanisms that should be adopted by the NISS, as the social protection management institute to make the social protection system most comprehensive and inclusive?

For the generation of empirical data, the researcher resorted to the use of some NISS and MCMC officials. These were intentionally chosen by their position. Again, they had privilege to access and provide information sought by the present research.

Therefore, the researcher appealed to the non-formal workers, chosen by convenience, as he (the researcher) found them either at the markets or on the streets, in the fields, pastures locations. Therefore, the participants were mainly those who consented to provide the information to him.
The researcher also resorted to the use of some of the responsibilities of the non-formal professional associations such as the AMIW, ABH and ANFSW. These were also chosen intentionally because their position at the associations.

It is in this context that, in the impossibility of questioning the entire population, were confined to some of the methods of the non-probability sampling, in its convenience and intentional types for the selection of elements of the sample above, to whom the researcher administered a questionnaire with a closed and open-questions.

From the information that the researcher had from his informants, he uncovered that workers considered as the non-formal sector were licensed and charged taxes and fees by some public institutions. These public institutions included the Ministry of Economy and Finance, and the Municipality Council of Maputo City. These were not only, so being in their domain the existence, but to their location and the financial contribution of this segment of workers.

Therefore, it is not informal workers, who develop illegal activity or marginal or not registered in state accounts that the research looked for, but the non-formal workers, that is, a group of workers who develop legal, identifiable activities and even organised in professional associations. They do this with income for them to be able to survive and pay their tax obligations to the state institutions above.

It is a group of workers engaged in socio-economic development of the country through their contributions in taxes and fees, but regarding to the right to the social protection system. These same workers are relegated and considered as informal workers.
As a result, they tended to be abandoned to their fate and doomed to begging habit, when they get old age, vulnerability and lack of minimum conditions for survival, when they were faced by situations of risk, as maternity, illness, invalidity, elderly and death.

To cope with these risk situations to which they are subject, the non-formal workers bear their expenses and, in some cases, receive help from the professional associations. In other words, the workers excluded from the social protection system had turned to social networks, associativism or the informal social security systems in order to guard the adversities of life.

In other circumstances, these informal social security systems would have been the responsibility of the system managed by the NISS.

That is among the reasons why the present research looked forward to find mechanisms and/or strategies to become the Mozambican social protection system more comprehensive and inclusive, which could be seen following recommendations from this thesis.

5.3. Thesis Findings

In this section, the researcher presented the main results of the study, resulting from the combination of the conceptual, theoretical and empirical frameworks presented in Chapter 2 with the data obtained in the field, through questionnaires and interviews. These were administered to the NISS and MCMC officials, responsible for the non-formal worker associations and to the non-formal workers themselves.

According to the empirical data analysed in Chapter 4, about half of the Mozambican population, estimated at over 25 million inhabitants, at the end of 2014, was
Economically Active Population (EAP). This was more than 77% which constituted the non-formal workers.

Most of these non-formal workers have an average family household ranging from six (6) to 10 members, including wife or husband, children and other dependents. Many of them did not make any profitable activity. They were therefore, fully dependent on the non-formal workers.

However, the social protection system in Mozambique was reserved only for workers in the formal sector of the economy which are estimated less than 13% of the Economically Active Population (EAP).

It should be noted that, even this portion (of 13%) of population was legally covered by the social protection system, some of it did not benefit the rights of the social protection system, since some formal workers, illegally, were not registered in the system by their companies. Some of them did not submit their contributions to the social protection system. Others had lost their jobs and did not voluntarily register maintenance (VRM) in the social protection system.

As result, until 2014, more than 92% of the Mozambican population was excluded from the social protection system. It could not, therefore, benefit from the social rights provided by one of the state institutions of the social protection, that is, state welfare (public official) and NISS (private workers).

It is in this context that, if there be considered that part of the non-formal workers is responsible for large families with about five (5) or more elements, when they (non-formal worker) are at risk situations or difficulties like maternity, sickness, disability, old age or death. The consequences extend to the entire aggregate, making the situations
of insecurity, vulnerability and poverty and their consequences which the non-formal worker is subjected be reproduced to the entire family in particular, and to the entire society in general.

Furthermore, the foregoing discussion showed before that, even the workers who were legally included (the formal workers at government, public institution, private sectors and NGOs), by the various factors such as the breach of the law by their employers were not channelling the contributions or not registering their workers into the social protection system. Many of them faced (face and will face) social mishaps in terms of the social protection system.

As direct consequence, from more than 1.3 million workers now integrated by the system, just only about half had (have or will have) the right to the benefits for the social protection system. This is a fact that makes the social protection to constitute the privilege of the minority from the minority in Mozambique. This signified the privilege of the active workers, who were the minority, from the formal sector (public employees and private workers), who were the minority too.

In that regard, approximately, 14% (which is a minority) of the Mozambicans were legally covered by the social protection system. It emerged that only 7% (minority) of the Mozambicans were entitled to the social benefits of the social protection system, as shown in Graph 15, page 152 and Table 10, page 233.

Therefore, even with the increasing trend of workers covered and enrolled in the social protection system between 1990 and 2014, some of them still continued (and if nothing as if nothing was done in order to change this scenarios, it will continue) to face the social protection mishaps, as shown in Graph 14, page 151 and Table 13, page 238.
And, in order to cope the different risk situations, the excluded ones from the social protection system adopted and touted survival strategies and mutual aid (professional associations, Xitiques or simply informal social protection systems), which, although, they were ephemeral, spontaneous, not coercive and contingent, they reoccurred to them in cases of need, social risks and festive reasons.

These survival strategies adopted by the non-formal workers in case of the social risks because of maternity, illness, invalidity, old age and death would be the responsibility of NISS, as the managing institution for the social protection system. As a result, this was necessary to conceive and implement strategies, which could make the social protection system in the country more comprehensive and inclusive.

It should be noted that from the analysis made regarding the management processes of the social protection system's managing institution. It was concluded that the exclusion of the most of Mozambican population from the social protection system is due to the bureaucratic, administrative and organisational factors of the management institution for the social protection system (NISS) to integrate and manage the non-formal workers. This was not effectively being done because of lack of the organisational and financial resources or difficulties of locating of the non-formal workers, as has been referred to by the NISS employees.

In fact, the income of this segment of workers showed that they had enough conditions to contribute to the social protection system. This was because that they did pay their tax obligations to the Ministry of Economy and Finance and to the (MCMC) municipalities. They also did the same at macro-level of the state, awareness of the seriousness of the problem of the exclusion of the non-formal workers and the political will.
At the micro-level, that is, at the social protection system's management institution (NISS) level, there was a need to ensure a transparent management of the social protection system's funds. This made one to inspire the trust of employers and employees’ taxpayers, to modernise the management and operational processes, through the use of information and communication technologies (ICTs).

Above all, to change the behaviour and manner of the well-being of the employees of the institution (NISS) to the needs of the users of the social protection system, non-existent and/or little existent scenarios in the NISS, there was need to take care of the needs of the non-formal workers.

In addition, given the challenges that the labour market faces, NISS employees should have a wide view of the internal and external events of the institution, making constant use of the Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis, in order to verify the social and economic environment in which it (NISS) is inserted.

Therefore, the NISS officials had to live with the problems of users and potential users of the social protection system and, through this they understood that the problem of exclusion had brought negative consequences not only to non-formal workers, but, also to their dependents through the difficulties and social risks. The fact that they were the majority of the Mozambican population, such consequences were felt in Mozambican society as a whole.

5.4. Thesis conclusions

In this section, were presented some considerations about the reality of the labour market and its relationship to the social protection system in Mozambique and the
consequences of the exclusion of the non-formal sector from the social protection system, considering the findings of the research.

Therefore, this concluding part has responded, summarily and critical to the problem and objectives that had guided this research, namely, the problem of exclusion of non-formal workers from the social protection system, legally established in the country. It also considered the objectives of the reflection on strategies and mechanisms for the integration of the excluded into the social protection system, thereby, making it more comprehensive and inclusive, respectively.

It is a fact that the social protection system in Mozambique was in the process of developing and strengthening with about 25 years of existence (1989-2014). This was an opportunity for growth, but also a challenge to, effectively, ensures that social rights obtain and, therefore, to gain confidence of those who have included and others that it should also include.

So with the approval of the Social Protection Law in 2007, not only did it increase the population segments to integrate, but the self-employed, as well as the benefits offered by the social protection system such as maternity, disease and funeral allowances, before being paid by unclaimed benefits funded (prescribed). This was only possible once the contribution rate (7%) was paid by the workers included the benefits not presupposing such benefits.

However, while recognising the potential that these changes have brought, the concrete results so far achieved were not favourable, especially, with regard to its fundamental objective of the social protection system for the workers, particularly, in terms of the extent of inclusion.
After almost eight (8) years of adoption of the Law of Social Protection (2007-2014) - Law nr. 4/2007, February 7 - because it had not initiated the integration of new workers (self-employed) included by it, as well as the law was still restrictive, once it (the new Law) considers as the self-employed workers as the liberal professionals at the formal sector economy.

Thus, according the Law of Social Protection, constitute self-employed workers such as lawyers, artists, musicians, football players, entrepreneurs, partners’ companies, workers’ associations, and so on. The different workers also need to be considered as non-formal workers such as farmers, livestock farmers, markets and street vendors, carpenters, locksmiths, mechanics, among other workers, who were the majority of Mozambican Economic Active Population (EAP).

So, the new covered segment (self-employment) was still insignificant as compared to the segments still excluded, that is, the workers from the non-formal sector, estimated at more than 85% of Mozambican EAP. This was between wage and non-wage earning workers and farmers in urban and rural areas, domestic workers and other population segments.

It was in this context that Picado-Chacón et al. (2010) states that even substantially improving the protective NISS and Compulsory social protection system actions, labour market conditions, poverty, disease levels, and the density of contributions. The other unfavourable elements would be difficult to achieve the consolidation of social rights only under contributory approach and formal work sector.

And, as it was shown before, that this exclusion was mainly due to purely bureaucratic and organisational factors of the management institution for social protection system
(NISS), which still manifests itself, a lack of a solid management structure, efficient, effective and specific to these and other workers.

These population segments, besides having enough economic and financial conditions to contribute to social protection system, they related to other public institutions such as the Ministry of Economy and Finance, Municipalities, National Institute for Statistics (NIS) and other institutions in the licensing process, tax collection and fees and other information.

Therefore, such workers were not only found either at the markets or in other places where they developed their activities or business. They were also relatively organised into professional and mutual aid associations, reoccurred in case of need for its members. Above all, they were also known by the public institutions presented above.

It was in this context, despite the fact that social protection system was intended to be one of the ways to combat vulnerability and social poverty, its contribution was at least narrow. This was because that it once excluded most of Mozambican population from benefitting from the social protection system that were outside the formal employment.

So, if this process of the exclusion of the workers from the non-formal sector and other related sectors for the social protection system legally established in the country continues. This might, in the near future, not only to the increase the levels of insecurity and social vulnerability, but, the begging levels, as well. This would be a worse disadvantage especially, to the elderly and consequently the rise and reproduction of the poverty.

That is one of the reasons why, being aware of this situation, the non-formal workers now excluded from the social protection system, in force in the country. It was
grounded in a social logic of survival. They sought to develop and broker a set of strategies and daily practices that allowed them their reproduction and continuity. Such strategies and practices were translated into the social networks or *informal social security systems*.

In this sense, the integration of the non-formal workers and other segments of the population hitherto excluded from the Mozambique social protection system was shown as a necessity. For once, the social protection system should not be considered as fundamental for the well-being of only the formal workers and their families. It was also meant for those who were outside of the considered as the non-formal sector of the economy.

Indeed, the integration of the non-formal workers in the social protection system would not only lead to a gradual reduction of unsafe levels of the Mozambican population in general, but would also be an added value to the excluded workers, in particular.

Otherwise, the integration of the non-formal workers would be an another way to enlargement of the contributory base of the own social protection system, considering that the social protection system is contributory and based on the Pay As You Go regime, where the benefits of pensioners and other benefits are guaranteed by active workers.

Moreover, the integration of the non-formal workers in the social protection system would mean a recognition that they have a great contribution to the economies not only individually, but also for the local economies (municipalities) and, ultimately, to the national economy.
Hence, through the mechanisms presented forward, in the form of recommendations, the Mozambique Social Protection System (MSPS) would become more comprehensive and inclusive social protection system to, effectively, serve as a tool to combat insecurity, poverty and social vulnerability of the majority of people in the country.

So, this research was (and is) a contribution either to the scientific arena both for the institutions that, directly or indirectly, were dealing with issues related to the social protection system and the non-formal workers in addressing these issues. They still made little impact upon workers in the country.

5.5. Thesis Recommendations

In this section, the researcher presented some recommendations, conceptual and ideological assumptions in the form of proposals for solving the problem of the exclusion of the non-formal workers from the social protection system in Mozambique. The researcher also suggested future research issues in order to deepen and improve the problem of social exclusion.

As it was shown in point 4.3.3, the non-formal workers faced several social difficulties when they were in a social risk, namely, maternity, illness, old age, disability and death, because of their exclusion from the Mozambican social protection system.

For this context, there was a need for the Mozambican state in general and the social protection management institution (NISS) in particular, to integrate these non-formal workers in the social protection system. This occurred once they were developing legal activities in defined locations. They were organised into professional associations and especially they had financial conditions to contribute to the social protection system,
under the risk of increasing the group of elderly to beg on the streets or to continue to work even if they got old.

For this reason, the NISS, as the managing institution of the social protection system, must have courage, willing and organisation, and its employees, as it is most precious and active resource of the institution (NISS). In practice, it must be more proactive, dynamic and empathic towards the users of the social protection system in order to design policies and own specific mechanism for this segment. That is of course, if it has different stereotypes of public and private employees, currently, integrated by the social protection system.

To contribute to these institutional challenges, the researcher presented some ideas which could help the NISS, as the institution that manages the compulsory social protection, to make the social protection system more comprehensive and inclusive. It should gradually and continuously have the capacity to integrate all the people. It should start with the workers considered as being in the non-formal sector of the economy because they have the financial capacity to contribute to the social protection system.

It is important to recognise that the efforts to integrate more workers into the social protection system presuppose the creation of more efficient and effective management and administration mechanisms by the social protection management institution (NISS) and the operation of changes within the workers of the non-formal sector.

It is in this sense that, being a contributory social protection system, where all those involved should submit part (7.0%) of their salary or monthly income to the social
protection system, the extension of the system to the non-formal workers, should presuppose the development of the following actions:

5.5.1. **Strategic actions of the NISS**

- In order to face lack of knowledge of the importance and necessity of the social protection system, it was proposed to the NISS board of directors the interaction and convincing of educational management institutions, particularly, Ministries of Education and Higher Education and Vocational Education to introduce in the educational *curricula* themes and issues related to the compulsory social protection system, in order to inculcate in early ages the culture of saving and social protection to the future employers and employees.

- Relatively to the supposed difficulty in identifying, locating and managing of the non-formal workers for their integration into the social protection system, it was proposed to the NISS managers to celebrate the partnerships and agreements with public and/or private institutions, such as the MCMC, the MEF and non-formal professional associations such as the ANFSW, the ABH, the AMIW and other institutions and/or organisations that directly or indirectly interact with these workers, in order to provide information (their database), collection and remittance to the social protection system of contributions of the non-formal workers under their control.

- Likewise, it was proposed to the NISS, in partnership with the professional associations, such as the media, the public institutions and the private and Non-Governmental Organizations (NGOs) that directly or indirectly interact with non-formal workers, to encourage the culture of associativism as a means of
integrating of more non-formal workers into the associations with which the NISS can interact on the one hand. on the other hand, it should do so as a way of arousing the culture of mutual aid, solidarity, social cohesion and the integrated and endogenous development of these Workers - Empowerment;

• To deal with the existing suspicions about the mismanagement of the social protection system's funds and consequent on the speculation of information, detrimental to the development and integrity of the institution, it was proposed to the NISS board directors to involve the social protection system users (the employers, the workers and the society) in the process of management of the funds of the system. This could be done through the timely dissemination of information on the expenses, investments and regular disclosure of the social protection system's annual accounts, in order to restore trust in the institution (NISS).

5.5.2. **Institutional management tools of the NISS**

• In the absence of specific strategic management tools and its consequent on the recourse of management based on operational and short-term objectives, sometimes contradictory or inconsistent with the institution's strategic objectives, the study proposed legal, financial and study areas to prepare a Strategic Plan, NISS Human Resources Development Plan and Investment Policy.

• Concerning the frequent use of the general civil service procedures, the study proposed to focus on legal and human resources. It also suggested focusing on study areas to update and adapt the NISS operational management instruments,
such as the Organic Statute, the Careers and Remuneration System, the Public Administration Performance Management and Evaluation System (PAPMES), in order for them to conform with the current reality of the institution (NISS);

- Regarding to the irregular income and non-membership of an employer that could participate to their contributions, the study proposed to the social insurance and legal areas to establish a specific tax rates and periodicities of payment to the non-formal workers, different from the rates and periodicity of employees in the formal sector.

- Regarding to the reduction of the ratio of active workers/pensioners, in a context in which the social protection system was a solidarity one, where the active workers guarantee the benefits of the workers in liabilities (retired and unable to work). The research proposed that the social insurance area and the local services (PD and DD) to design an effective and urgent integration plan of self-employed workers covered by the new Law nº. 4/2007, of February 3, in order to diversify and broaden the tax base of the social protection system.

5.5.3. Information management of the NISS

- In order to face the continuous lack of registration and contributory evasion by employers and employees legally covered, the study proposed that the communication and image area and local services of the NISS (PD and DD) must provide necessary and sufficient information about the social protection system, (in Television, Radio, Newspapers) and lectures using local, clear, precise and adequate language for each groups. This would to enable the knowledge, domain and control of rights, duties relative to the social protection
system and the risks incurred by not registering and sending contributions to the system.

5.5.4. Modernisation of the Mozambique Social Protection System (MSPS) 
institution management (NISS)

- Due to the length of service to the users of the social protection system, that is, delays in the processing of the processes related to the payment of benefits. The issuance of a certificate of discharge and others, the study proposed that the information technology area should conclude and consolidate the global computerization of the social protection system (providing the implementation and use of ICTs). This should be done in order to facilitate the processes of electronic digitization, storage and control of historical information regarding the time of registration, remittance and/or non-payment of contributions to the social protection system by employers and employees.

5.5.5. NISS human resources management

- Regarding the growing trend of widespread demotivation and inexperience of the employees, the study proposed that the NISS human resources area should develop actions aimed at providing NISS officials with a work culture and empathy towards users of the social protection system through:

  (1) Objective and continuous assessment of the individual performance and productivity to enhance and reward the most committed and best officials.

  (2) Ongoing and on-the-job training in order to provide the NISS officials with the knowledge and specific skills to the institution's core business and other necessary skills.
(3) Guided studies of legislation to provide NISS officials the knowledge of their rights and duties in relation to the institution and users of the social protection system.

(4) Reorientation of NISS officials, through training, individual capacities and challenges of the institution to avoid indices of idleness.

(5) Design and implementation of a Replace Officials Plan in cases of retirement, dismissal, expulsion and death to minimise the risk of discontinuation of the institution's processes and actions;

(6) Elaboration and institutionalisation of the induction and integration manuals and courses to the newly admitted officials, on one hand and on the other hand, the development of "refreshment" actions of former employees to guarantee their effective insertion, constant updating, identification and adjustment of individuals' objectives (of the officials) with the institution's strategic objectives.

5.5.6. Conceptual and ideological assumptions to be taken into account

The literary approach and the experiences from other countries with the socio-economic characteristics relatively similar to Mozambique which were presented before (in section 2.5). These would have adopted the principles of solidarity, contributory equity and government subsidiary. This would show that there are already registered assurance of welfare of its citizens.

So, the NISS, as a management institution of Compulsory Social Security (CSS) in the country, can make significant improvements in the inclusion of workers considered as
the non-formal which also need the social benefits provided by the social protection system. The social protection system should be formally established, by adhering to the following conceptual and ideological assumptions:

5.5.6.1. Public, universal, solidarity, fair and compulsory Social Protection as the best way to address social risks

This assumption gains ground because private systems for the social protection system are based on market rules and, therefore, are difficult to be available to most of the non-formal workers whose incomes are relatively precarious and contingent. Consequent on the basis of the various factors, private social protection systems are always at risk of bankruptcy, so there is a need for a “public social protection” run and be guaranteed by the state, on one hand.

On the other hand, the "informal systems for social protection", adopted by most of non-formal workers in Mozambique, faces many difficulties resulting from their ephemeral, voluntary and therefore precarious, lack of proper regulation and it is not of a compulsory character.

5.5.6.2. The inconvenience of population segmentation

From a financial point of view, it is obvious that a social protection system for the poorest classes or with relatively low income cannot be solely financed by them.

But considering that, the employed and the non-formal workers, rich and poor people are fundamentally exposed to the same social risks, a separation by income level or employment sector or exclusion based, presumably, on not or few having resources just
further compounding the situation of deprivation and exclusion that are the so excluded, on one hand.

On the other hand, according to Francisco (2010: 43), under the current conditions of exclusion of majority of Mozambique population from MSPS, “... the principles of universality, equality, solidarity and decentralisation stated in Law 4/2007, from February 7th are far to being satisfactorily met”.

That is one of the reasons why it was considered that it is necessary to have a higher level of solidarity by the state in order to include the largest number of beneficiaries who have some conditions to contribute to the social protection system. This would then ensure proper integration of the excluded workers and, possibly cannot pay the entire contribution rate through state subsidy.

The state subsidy would be based on logic of inverse proportion of the capacity to pay, that is, when the non-formal workers have more capacity to pay to the social protection system, lower is the degree of the subsidiary state and vice versa.

It should be noted that, in addition for the fact that most of their activities be characterised by irregularities of their income, the non-formal workers would make greater contribution effort, if it is considered that they would pay the total contribution rate (at this moment established in 7%). This contribution would be compared with salaried formal workers, whose contribution to the social protection system included some participation (4%) of their employers.
5.5.6.3. The Government as the guarantor of the social welfare and cohesion of the population

Considering that the majority of the non-formal workers excluded from the social protection system had working ability that enable them to contribute and participate in the financing of insurance. This could be misleading and somehow lead to their exclusion from the formally established contributory to the social protection systems.

At some point, the state would be required to ensure minimum conditions in order to satisfy the basic needs of those excluded or urged to integrate them into the Basic Social Protection Programme or even into other programmes and charitable actions fully sponsored by the state budget.

That was among some of the reasons why, it would be prudent to integrate these layers of workers into the contributory social protection systems as soon as possible. Once in this is done, they have some sort of income to contribute to the social protection system, so in case of need, the state could complement their contributions.

In this way, when they are at some sort of social risk (because of maternity, sickness, invalidity, old age or death), they would have contributed in some way to the financing of their social protection system benefits. Under such circumstances, they would be entitled to what they contributed as well as a top up from government if it happens to be meagre.

Obviously, this move does not exclude the existence of a social protection scheme that is not contributory in which the protection of the absolutely poorest, lacking any capacity to pay is funded exclusively by the state.
5.5.6.4. The need to balance between social efficiency and financial sustainability for Social Protection

The fact that the state considers social protection as a right and not a commodity, it is not excluded from facing the challenge of defining what should be the dynamic and rational balance between the inclusion, quality and cost. These are the three central elements of any kind of social protection system.

This implies that at any time this balance must be found within a framework of financial sustainability, through which, NISS (or other institution) must guarantee the widest inclusion possible of the Mozambican population, on the one hand, and ensure that resources for financing the social protection system are guaranteed by the insured, and only in case of need, it can have contribution of the state.

5.5.6.5. Institutional proactivity necessity through flexible mechanisms

Considering the diversity, flexibility and mobility that characterise the non-formal workers now excluded from the social protection system, NISS could ensure the contact and back inclusion of the same workers by developing different proactive actions such as:

- The promotion and training of the potential beneficiaries on the contributory approaches of the informal systems for social security, which are in relatively advanced stages, in terms of their organisation and savings.

According to Munguambe (2012: 4), "... alternatively to the lack of banks, Xitiques (the informal systems for social security) give dynamism savings (... and as advantages of these informal systems) the amounts saved can be requested under a sort of credits by the group members and there are no interests
that are normally imposed by the commercial banks and other microfinance institutions (...)."

For this purpose, there is a need to improve the current *xitique* arrangement and put in place some control mechanisms, as well as, bringing in comparative advantages to such a system, considering, for example, such associations as employers, through which the non-formal workers are integrated and can provide their contributions to a protected formal system managed by the NISS.

- NISS, as managing institution of the compulsory social protection system, should regulate this initiative by establishing intervals for the payment of contributions and/or a variable level depending on production cycles of work to the excluded, creating a flexible payment system which is not necessarily based on monthly contributions.

So, instead of limiting the payment of contributions every month, it should be collected quarterly, semi-annually or annually, depending on the profitability and/or production schedule for each activity that the contributor is engaged in.

- There should be a differentiation of benefits based on the preferences to this group of workers. Individual preferences should be considered since some might just want inclusion for the death and disability and not necessarily during the old age and vice versa.

Therefore, it is a strategy to attract more workers to the system, with the ultimate goal of being able to include more employees regardless their sectors, that is, thus turning the social protection system more comprehensive and inclusive.
5.5.6.6. The Government as the promoter of small and medium enterprises (SME’s)

Since no rigorous taxation process is carried out towards the non-formal sector, there is currently a trend of the un-formalisation process of the formal sector. This is where certain traders operating in the formal sector have opened businesses at the non-formal sector through stalls, grocery stores, just to name a few examples, as at the non-formal sector, so as to reduce the pressure of the taxation and directing it to the formal sector (Francisco & Paulo, 2006).

In order to reverse this trend, the state has to make more flexible the adoption of some sort of taxation and fees to the non-formal sector. It should also embark on a recognition process of licenses of the workers who are engaged in economic activities. These economic include those relatively stable and profitable such as workshops, carpentry, hairdressing halls and other related activities. It is also common cause that have a relatively stable address and workforce.

It is in this context that Francisco (2012), in an interview on Domingo newspaper, argued that there is a need for the competent authorities to create conditions for the formalisation of the non-formal sector with the understanding that this segment of business is flexible. It could have the capacity to deal with the social protection needs of the non-formal workers in a precarious environment as far as the quality of the products and sustainability of a specific business line would be concerned. They might trade in different kinds of products or services.

Therefore, with these and other actions, the high percentage of the non-formal workers and excluded from the formally established social protection system could be substantially reduced if the programmatic and administrative configuration that
endogenously defines the Social Protection Institutions (as NISS), is to be adapted to take care for the needs and characteristics of the national labour market.

5.6. Future Researches

As it has been shown by the experiences of other countries that have advanced in the integration of the independent and non-formal workers, integration of workers with low or no income, to some of them, the state was called to contribute on behalf of their part or all contributions.

In this sense, to complement the results of this research, it was recommended that:

- Following the example of those developed and developing countries whose experiences are yielding positive results, towards the extension of the social protection system to more workers, is necessary. In that regard, it is necessary to do a feasibility study for reimbursement of the Mozambican state with respect to its contribution rate of the non-formal workers and other segments hitherto excluded and might be considering a contribution. This could be an inverse relationship, that is, for the non-formal workers with the lowest income, is the contribution of the state and thus, vice versa.

- Another study should be done in order to create fiscal mechanism to provide social pensions non-contributory, called welfare pensions. These should be reserved for people who do not have financial capacity to contribute to the social protection system, and, through it, constitute a pension scheme contributory;
Moreover, there should be some further studies conducted after the present one which can show the possibility to define and regulate an explicit mechanism and purpose of upgrading the amount of benefits that can be accrued from engaging non-formal workers into the social protection system. In that way, pensions could be useful to ensure that the maintenance of the acquisitive power of the beneficiaries is curtailed beforehand, but always preceded by an actuary financial study.

5.7. Chapter summary

In this chapter, the researcher first presented the introduction, in which the main parts that made up the chapter were put across. The overall summary of the research was highlighted concisely indicate the mapping and overview of research. Later, the results of research were presented. They were meant to provide answers to the main research problem and its sub-questions.

Then, the main conclusions on the issue of the exclusion of the non-formal workers from the social protection system, as well as, the factors and the impact of the exclusion on the non-formal workers, and the survival strategies adopted by the excluded non-formal workers to face the consequence of the exclusion were presented.

After this, it was now necessary for the researcher to present the implications and the recommendations that were meant to make the Mozambican social protection system in Mozambique to be more comprehensive and inclusive.

In each recommendation, proposals indicated the responsibility to its implementation and the results or impact of each one. After that, the researcher presented the conceptual
and ideological assumptions to be taken into account by the social protection system management institution, in particular, and by the state in general. In this issue of exclusion of the non-formal workers, the recommendation also sufficed. Finally, the researcher presented the summary of this chapter.
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5. Internet Sites


APPENDICES
1. RESOLUTION Nº 41/AMM/2015, AUGUST 19TH MUNICIPALITY COUNCIL OF MAPUTO CITY TAXES AND FEES TABLES PAID BY NON-FORMAL WORKERS
ASSUNTO: ENVIO DA RESOLUÇÃO SOBRE TAXAS DOS MERCADOS MUNICIPAIS

EXCELENCIA

Por este meio, tenho a honra de enviar a Vossa Excelência, devidamente assinada, a Resolução no 41/AM/2015, de 19 de Agosto, que aprova novas taxas para os Mercados Municipais de Maputo.

Com os protestos de elevada consideração, endereço a Vossa Excelência os melhores cumprimentos.

Maputo, 23 de Dezembro de 2015.
O PRESIDENTE DA ASSEMBLEIA MUNICIPAL

Edgar Vapa Macambanga

A SUA EXCELENCIA

O PRESIDENTE DO CONSELHO MUNICIPAL DE
MAPUTO

AV. HO CHI MINH Nº 975, 2º ANDAR - TELEF. 21356106 - FAX 21320033 - PAÇOS DO MUNICÍPIO -
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**Mercaço Grossista do Zimpeto**

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<td>43 Venda de mais de 10 toneladas/dia</td>
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**Prestação de serviço interno**

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<td>People unable to work or in absolute poverty</td>
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<td>MITES (Supervision)</td>
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Source: Picardo-Chacón, Durán-Valverde & Briceño, 2010: 17
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**TOTAL: 11 PROVINCES**

**22 DISTRITAL DIRECTIONS**

**44 REPRESENTATION DIRECTIOS**

*Source: Planning and Statistically Department - NISS*
Table 3: NISS human resources characterization, 2014

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Source: Human Resources Department and Provincial Delegates – NISS
Table 4: Characteristics of the Sample Components (N=47)

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</tr>
<tr>
<td></td>
<td>Seller of Slippers and Shoes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Food Salesmen</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Food Salesmen</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Vegetables Saleswoman</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fruits and Vegetables Saleswoman</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Potato and Onion Seller</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tomato Saleswoman</td>
<td></td>
</tr>
<tr>
<td>CENTRAL MARKET</td>
<td>Shellfish Seller</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Horticulture Saleswoman</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Seller Art Objects</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Alcoholic Drinks Saleswoman</td>
<td></td>
</tr>
<tr>
<td>FAJARDO MARKET</td>
<td>Horticulture Seller</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Chickens Saleswoman</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Groceries Saleswoman</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Potato and Onion Seller</td>
<td></td>
</tr>
<tr>
<td>ESTRELA VERMELHA MARKET</td>
<td>Used Clothing Saleswoman</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Electrical equipment Seller</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cooked Food Saleswoman</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Drinks Saleswoman</td>
<td></td>
</tr>
<tr>
<td>XIPAMANINE MARKET</td>
<td>Fish Salesman</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cow and Pig Meat Saleswoman</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Goats Live Seller</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Chickens Saleswoman</td>
<td></td>
</tr>
<tr>
<td>FARMERS AND LIVESTOCK MARKET</td>
<td>Producer of vegetables</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Corn and beans producer</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Producer of vegetables</td>
<td></td>
</tr>
<tr>
<td>Total/Average</td>
<td>Breeders</td>
<td></td>
</tr>
<tr>
<td>--------------</td>
<td>----------</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Producer vegetables</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Creator of pigs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>creator of pigs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>cattleman goat</td>
<td></td>
</tr>
<tr>
<td></td>
<td>cattleman bovine</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>47 (25 women and 22 men)</td>
<td></td>
</tr>
</tbody>
</table>

Source: Researcher Adaptation

ANFSW* - Association for Non-formal Sector Workers
ABH** - Association for Boots and Hawkers
AMIW*** - Associations for Micro Imports Workers
Table 5: Presentation and analysis of the National Institute for Social Security (NISS) managers and seniors officials answers (n = 6)

<table>
<thead>
<tr>
<th>Questions/Answers</th>
<th>a)</th>
<th>(%)</th>
<th>b)</th>
<th>(%)</th>
<th>c)</th>
<th>(%)</th>
<th>d)</th>
<th>(%)</th>
<th>TOTAL Answers</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. What is your position in the institution (NISS)?</td>
<td>2</td>
<td>33,3</td>
<td>4</td>
<td>66,7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6</td>
<td>100,0</td>
</tr>
<tr>
<td>2. How long are you working for this institution?</td>
<td>0</td>
<td>0,0</td>
<td>1</td>
<td>16,7</td>
<td>4</td>
<td>66,7</td>
<td>1</td>
<td>16,7</td>
<td>6</td>
<td>100,0</td>
</tr>
<tr>
<td>3. Does the NISS integrate all people (workers) provided by Law?</td>
<td>1</td>
<td>16,7</td>
<td>5</td>
<td>83,3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6</td>
<td>100,0</td>
</tr>
<tr>
<td>4. Do you think the System can integrate other layers?</td>
<td>6</td>
<td>100,0</td>
<td>0</td>
<td>0,0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6</td>
<td>100,0</td>
</tr>
<tr>
<td>5. Do the non-formal workers have shown an interest to be integrated into the Social Protection System?</td>
<td>5</td>
<td>83,3</td>
<td>1</td>
<td>16,7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6</td>
<td>100,0</td>
</tr>
<tr>
<td>6. Do you think the non-formal workers would have benefits if they were integrated into the System?</td>
<td>6</td>
<td>100,0</td>
<td>0</td>
<td>0,0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6</td>
<td>100,0</td>
</tr>
<tr>
<td>7. Are the benefits granted by the system satisfactory?</td>
<td>2</td>
<td>33,3</td>
<td>4</td>
<td>66,7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6</td>
<td>100,0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>22</td>
<td>52,4</td>
<td>15</td>
<td>35,7</td>
<td>4</td>
<td>9,5</td>
<td>1</td>
<td>2,4</td>
<td>42</td>
<td>100,0</td>
</tr>
</tbody>
</table>

Source: Researcher Adaptation
Table 6: Presentation and analysis of the answers of Municipality Council of Maputo City (MCMC) Markets and Fairs managers and seniors officials (n = 4)

<table>
<thead>
<tr>
<th>Questions/Answers</th>
<th>a)</th>
<th>(%)</th>
<th>b)</th>
<th>(%)</th>
<th>c)</th>
<th>(%)</th>
<th>d)</th>
<th>(%)</th>
<th>TOTAL Answers</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. What is your responsibility?</td>
<td>1</td>
<td>25,0</td>
<td>3</td>
<td>75,0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>100,0</td>
</tr>
<tr>
<td>2. How long are you working for this institution (MCMC)?</td>
<td>0</td>
<td>0,0</td>
<td>1</td>
<td>25,0</td>
<td>2</td>
<td>50,0</td>
<td>1</td>
<td>25,0</td>
<td>4</td>
<td>100,0</td>
</tr>
<tr>
<td>3. Is there any relationship/interaction between MCMC and Non-formal workers?</td>
<td>4</td>
<td>100,0</td>
<td>0</td>
<td>0,0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>100,0</td>
</tr>
<tr>
<td>4. Do the Non-formal workers pay some amount to MCMC?</td>
<td>4</td>
<td>100,0</td>
<td>0</td>
<td>0,0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>100,0</td>
</tr>
<tr>
<td>5. What is the frequency of payment?</td>
<td>2</td>
<td>50,0</td>
<td>2</td>
<td>50,0</td>
<td>0</td>
<td>0,0</td>
<td>0</td>
<td>0,0</td>
<td>4</td>
<td>100,0</td>
</tr>
<tr>
<td>6. Do the non-formal workers receive some benefit from CMMC?</td>
<td>4</td>
<td>100,0</td>
<td>0</td>
<td>0,0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>100,0</td>
</tr>
<tr>
<td>7. How does the process of licensing and collection of the taxes and fees is</td>
<td>0</td>
<td>0,0</td>
<td>4</td>
<td>100,0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>100,0</td>
</tr>
<tr>
<td>8. How does the process of its location/interaction function?</td>
<td>1</td>
<td>25,0</td>
<td>3</td>
<td>75,0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>100,0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>16</td>
<td>50,0</td>
<td>13</td>
<td>40,6</td>
<td>2</td>
<td>6,3</td>
<td>1</td>
<td>3,1</td>
<td>32</td>
<td>100,0</td>
</tr>
</tbody>
</table>

Source: Researcher Adaptation
Table 7: Presentation and analysis of non-formal workers professional associations responsible answers (n = 3)

<table>
<thead>
<tr>
<th>Questions/Answers</th>
<th>a)</th>
<th>(%)</th>
<th>b)</th>
<th>(%)</th>
<th>c)</th>
<th>(%)</th>
<th>d)</th>
<th>(%)</th>
<th>TOTAL</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Name of the Association?</td>
<td>1</td>
<td>33,3</td>
<td>1</td>
<td>33,3</td>
<td>1</td>
<td>33,3</td>
<td></td>
<td></td>
<td>3</td>
<td>100,0</td>
</tr>
<tr>
<td>2. How long do you lead the association?</td>
<td>0</td>
<td>0,0</td>
<td>2</td>
<td>66,7</td>
<td>1</td>
<td>33,3</td>
<td>0</td>
<td>0,0</td>
<td>3</td>
<td>100,0</td>
</tr>
<tr>
<td>3. How many members the association has?</td>
<td>0</td>
<td>0,0</td>
<td>0</td>
<td>0,0</td>
<td>1</td>
<td>33,3</td>
<td>2</td>
<td>66,7</td>
<td>3</td>
<td>100,0</td>
</tr>
<tr>
<td>4. Does the association collect some contribution from the associated?</td>
<td>3</td>
<td>100,0</td>
<td>0</td>
<td>0,0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>100,0</td>
</tr>
<tr>
<td>5. What is the frequency of payment?</td>
<td>1</td>
<td>33,3</td>
<td>0</td>
<td>0,0</td>
<td>2</td>
<td>66,7</td>
<td>0</td>
<td>0,0</td>
<td>3</td>
<td>100,0</td>
</tr>
<tr>
<td>6. The association provides some support to the members in social risks (maternity, illness, invalidity, old age or death)?</td>
<td>3</td>
<td>100,0</td>
<td>0</td>
<td>0,0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>100,0</td>
</tr>
<tr>
<td>7. Would you like to be integrated into Social Protection System?</td>
<td>3</td>
<td>100,0</td>
<td>0</td>
<td>0,0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>100,0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>11</td>
<td>52,4</td>
<td>3</td>
<td>14,3</td>
<td>5</td>
<td>23,8</td>
<td>2</td>
<td>9,5</td>
<td>21</td>
<td>100,0</td>
</tr>
</tbody>
</table>

Source: Researcher Adaptation
### Table 8: Presentation and analysis of non-formal workers answers (n = 34)

<table>
<thead>
<tr>
<th>Questions/Answers</th>
<th>a)</th>
<th>(%)</th>
<th>b)</th>
<th>(%)</th>
<th>c)</th>
<th>(%)</th>
<th>d)</th>
<th>(%)</th>
<th>TOTAL Answers</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Number of children and/or dependents?</td>
<td>12</td>
<td>35,3</td>
<td>19</td>
<td>55,9</td>
<td>3</td>
<td>8,8</td>
<td></td>
<td></td>
<td>34</td>
<td>100,0</td>
</tr>
<tr>
<td>2. How old are they?</td>
<td>6</td>
<td>17,6</td>
<td>22</td>
<td>64,7</td>
<td>4</td>
<td>11,8</td>
<td>2</td>
<td>5,9</td>
<td>34</td>
<td>100,0</td>
</tr>
<tr>
<td>3. Do your children/dependents works (develop some paid economic activity)?</td>
<td>3</td>
<td>8,8</td>
<td>31</td>
<td>91,2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>34</td>
<td>100,0</td>
</tr>
<tr>
<td>4. How long do you do this activity?</td>
<td>12</td>
<td>35,3</td>
<td>14</td>
<td>41,2</td>
<td>8</td>
<td>23,5</td>
<td></td>
<td></td>
<td>34</td>
<td>100,0</td>
</tr>
<tr>
<td>5. Do you belong to some professional association?</td>
<td>26</td>
<td>76,5</td>
<td>8</td>
<td>23,5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>34</td>
<td>100,0</td>
</tr>
<tr>
<td>6. Do you pay some tax to your association?</td>
<td>23</td>
<td>67,6</td>
<td>11</td>
<td>32,4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>34</td>
<td>100,0</td>
</tr>
<tr>
<td>7. What is the frequency of payment to these associations?</td>
<td>0</td>
<td>0,0</td>
<td>7</td>
<td>20,6</td>
<td>22</td>
<td>64,7</td>
<td>5</td>
<td>14,7</td>
<td>34</td>
<td>100,0</td>
</tr>
<tr>
<td>8. Do you pay some tax to some public institution?</td>
<td>34</td>
<td>100,0</td>
<td>0</td>
<td>0,0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>34</td>
<td>100,0</td>
</tr>
<tr>
<td>9. If so, what is the frequency of payment to these institutions?</td>
<td>26</td>
<td>76,5</td>
<td>5</td>
<td>14,7</td>
<td>0</td>
<td>0,0</td>
<td>3</td>
<td>8,8</td>
<td>34</td>
<td>100,0</td>
</tr>
<tr>
<td>10. Did you receive some support in case of difficulty to work (because of maternity, illness, invalidity, old age or death)?</td>
<td>29</td>
<td>85,3</td>
<td>5</td>
<td>14,7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>34</td>
<td>100,0</td>
</tr>
</tbody>
</table>
12. Would you like to be integrated in to the Social Protection System?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>34</td>
<td>0</td>
<td>34</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>205</td>
<td>122</td>
<td>374</td>
</tr>
</tbody>
</table>

Source: Researcher Adaptation
Table 9: Mozambican population distribution, per Age, 2014

<table>
<thead>
<tr>
<th>AGES</th>
<th>Men</th>
<th>Women</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>00-04 Years Old</td>
<td>2.161.487</td>
<td>2.164.158</td>
<td>4.325.645</td>
</tr>
<tr>
<td>05-09 Years Old</td>
<td>1.847.870</td>
<td>1.876.111</td>
<td>3.723.981</td>
</tr>
<tr>
<td>10-14 Years Old</td>
<td>1.612.325</td>
<td>1.613.083</td>
<td>3.225.408</td>
</tr>
<tr>
<td>15-19 Years Old</td>
<td>1.333.286</td>
<td>1.363.427</td>
<td>2.696.713</td>
</tr>
<tr>
<td>20-24 Years Old</td>
<td>1.038.698</td>
<td>1.183.557</td>
<td>2.222.255</td>
</tr>
<tr>
<td>25-29 Years Old</td>
<td>830.329</td>
<td>1.045.047</td>
<td>1.875.376</td>
</tr>
<tr>
<td>30-34 Years Old</td>
<td>702.043</td>
<td>839.314</td>
<td>1.541.357</td>
</tr>
<tr>
<td>35-39 Years Old</td>
<td>588.607</td>
<td>664.300</td>
<td>1.252.907</td>
</tr>
<tr>
<td>40-44 Years Old</td>
<td>490.084</td>
<td>561.497</td>
<td>1.051.581</td>
</tr>
<tr>
<td>45-49 Years Old</td>
<td>396.621</td>
<td>422.132</td>
<td>818.753</td>
</tr>
<tr>
<td>50-54 Years Old</td>
<td>314.623</td>
<td>319.777</td>
<td>634.400</td>
</tr>
<tr>
<td>55-59 Years Old</td>
<td>239.045</td>
<td>276.269</td>
<td>515.314</td>
</tr>
<tr>
<td>60-64 Years Old</td>
<td>179.458</td>
<td>213.030</td>
<td>392.488</td>
</tr>
<tr>
<td>65-69 Years Old</td>
<td>135.995</td>
<td>159.276</td>
<td>295.271</td>
</tr>
<tr>
<td>70-74 Years Old</td>
<td>95.295</td>
<td>112.998</td>
<td>208.293</td>
</tr>
<tr>
<td>75-79 Years Old</td>
<td>61.341</td>
<td>73.603</td>
<td>134.944</td>
</tr>
<tr>
<td>80+ Years Old</td>
<td>55.675</td>
<td>71.561</td>
<td>127.236</td>
</tr>
<tr>
<td>TOTAL</td>
<td>12.082.782</td>
<td>12.959.140</td>
<td>25.041.922</td>
</tr>
</tbody>
</table>

Source: NIS, 2010
Table 10: Characterization of the Mozambican population, total and 15 and + years old Versus Social Protection System, 2014

<table>
<thead>
<tr>
<th>POPULATION CHARACTERISTICS</th>
<th>ABSOLUTE NUMBERS</th>
<th>PROPORTION (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL OF MOZAMBICAN POPULATION</td>
<td>25.041.922</td>
<td>100,0</td>
</tr>
<tr>
<td>&gt; 15 YEARS OLD POPULATION:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 15 YEARS OLD POPULATION:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECONOMICALLY ACTIVE POPULATION (EAP)</td>
<td>11.343.991</td>
<td>71,8</td>
</tr>
<tr>
<td>NON ECONOMICALLY ACTIVE POPULATION (PNEA)</td>
<td>4.457.462</td>
<td>28,2</td>
</tr>
<tr>
<td>DISTRIBUTUITION OF EAP BY ACTIVITY SECTOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FORMAL SECTOR (PUBLIC AND PRIVATE)</td>
<td>1.554.822</td>
<td>13,7</td>
</tr>
<tr>
<td>NON-FORMAL (SELF EMPLOYED)</td>
<td>8.741.058</td>
<td>77,2</td>
</tr>
<tr>
<td>Category</td>
<td>Number</td>
<td>Percentage</td>
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<tr>
<td>--------------------------------------------------------------------------</td>
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<td>------------</td>
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<tr>
<td>UNEMPLOYMENT</td>
<td>1,048,111</td>
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<td>DISTRIBUTION OF FORMAL SECTOR REGARDING FORMAL SECTOR BY TYPE OF SOCIAL PROTECTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>STATE WELFARE - PUBLIC OFFICIALS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2º Census of State employees (2013):</td>
<td>263,891</td>
<td>17,0</td>
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<tr>
<td>NISS ENROLLED WORKERS UNTILL 2014 – PRIVATE WORKERS</td>
<td>1,290,931</td>
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<tr>
<td>NISS ACTIVE WORKERS UNTILL 2014</td>
<td>548,991</td>
<td>42,5</td>
</tr>
<tr>
<td>NISS INACTIVES WORKERS UNTILL 2014</td>
<td>741,940</td>
<td>57,5</td>
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<tr>
<td>TOTAL OF ENROLLED POPULATION BY MOZAMBIQUE SOCIAL PROTECTION (STATE + NISS)</td>
<td>1,554,822</td>
<td>13,7</td>
</tr>
<tr>
<td>WORKERS WITH SOCIAL PROTECTION BENEFITS: NISS ACTIVES WORKERS + PUBLIC OFFICIALS</td>
<td>812,882</td>
<td>7,2</td>
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</tbody>
</table>

**Sources:** Adaptation of tables 1.2.2 NIS (2012/2013) and 4.2.3), NIS (2006a/b); MPS (2014); NISS (2015)
Table 11: Mozambique Economically Active Population (EAP) Characterization, per position in the labour process, activity sector, age and gender, 2014

<table>
<thead>
<tr>
<th>EAP</th>
<th>CHARACTERISTICS</th>
<th>ACTIVITIES</th>
<th>WORKERS NUMBERS</th>
<th>PROPORTION (%)</th>
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<tbody>
<tr>
<td>EAP</td>
<td>BY POSITION IN THE WORK PROCESS</td>
<td>Public administration</td>
<td>465.104</td>
<td>4.1</td>
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<tr>
<td></td>
<td></td>
<td>Local authorities</td>
<td>22.688</td>
<td>0.2</td>
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<tr>
<td></td>
<td></td>
<td>Public companies</td>
<td>102.096</td>
<td>0.9</td>
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<tr>
<td></td>
<td></td>
<td>Private companies</td>
<td>1.020.959</td>
<td>9.0</td>
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<tr>
<td></td>
<td></td>
<td>Cooperatives</td>
<td>11.344</td>
<td>0.1</td>
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<tr>
<td></td>
<td></td>
<td>Non profit institutions</td>
<td>22.688</td>
<td>0.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Private house</td>
<td>181.504</td>
<td>1.6</td>
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<tr>
<td></td>
<td></td>
<td>Self employment with Employees</td>
<td>351.664</td>
<td>3.1</td>
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<tr>
<td></td>
<td></td>
<td>Self employment without employees account</td>
<td>7.112.682</td>
<td>62.7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>family worker without pay</td>
<td>2.053.262</td>
<td>18.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Non Government Organizations</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Unknown</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>TOTAL</td>
<td>11.343.991</td>
<td>100.0</td>
</tr>
<tr>
<td>EAP SALARIED DISTRIBUTION</td>
<td>BY POSITION IN LABOR PROCESS</td>
<td>Government and Public sector</td>
<td>263.891</td>
<td>17.0</td>
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<tr>
<td></td>
<td></td>
<td>Private sector</td>
<td>1.020.959</td>
<td>65.7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NGOs and other associations</td>
<td>22.688</td>
<td>1.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cooperative sector</td>
<td>247.284</td>
<td>15.9</td>
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<td>TOTAL</td>
<td>1.554.822</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>BY ACTIVITY</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agriculture, Livestock, Hunting, Fishing and Forestry</td>
<td>1.131.910</td>
<td>72.8</td>
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<tr>
<td></td>
<td></td>
<td>Extractive Industries and Mines</td>
<td>7.774</td>
<td>0.5</td>
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<tr>
<td></td>
<td></td>
<td>Manufacturing</td>
<td>45.090</td>
<td>2.9</td>
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### EAP Independent Distribution

#### BY SECTOR

<table>
<thead>
<tr>
<th>Sector</th>
<th>Value</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Energy</td>
<td>1,555</td>
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<tr>
<td>Construction</td>
<td>3,110</td>
<td>0,2</td>
</tr>
<tr>
<td>Transport and Communications</td>
<td>23,322</td>
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<tr>
<td>Trade and Finance</td>
<td>147,708</td>
<td>9,5</td>
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<tr>
<td>Administrative services</td>
<td>32,651</td>
<td>2,1</td>
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<tr>
<td>Other services</td>
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<tr>
<td><strong>TOTAL</strong></td>
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</table>

#### BY ACTIVITY

<table>
<thead>
<tr>
<th>Activity</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
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<tr>
<td>Agricultural</td>
<td>7,115,221</td>
<td>81,4</td>
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<tr>
<td>Non-Agricultural</td>
<td>1,625,837</td>
<td>18,6</td>
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<tr>
<td><strong>TOTAL</strong></td>
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<td>100,0</td>
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</table>

#### BY AGE

<table>
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<tr>
<th>Age Group</th>
<th>Value</th>
<th>Percentage</th>
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<tr>
<td>14-24 years old</td>
<td>2,307,639</td>
<td>26,4</td>
</tr>
<tr>
<td>25-34 years old</td>
<td>2,596,094</td>
<td>29,7</td>
</tr>
<tr>
<td>35-44 years old</td>
<td>1,634,578</td>
<td>18,7</td>
</tr>
<tr>
<td>45-54 years old</td>
<td>1,013,963</td>
<td>11,6</td>
</tr>
<tr>
<td>55-64 years old</td>
<td>646,838</td>
<td>7,4</td>
</tr>
<tr>
<td>64+ years old</td>
<td>541,946</td>
<td>6,2</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
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</table>

#### BY GENDER

<table>
<thead>
<tr>
<th>Gender</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
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<tr>
<td>Woman</td>
<td>5,113,519</td>
<td>58,5</td>
</tr>
<tr>
<td>Man</td>
<td>3,627,539</td>
<td>41,5</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>8,741,058</td>
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Source: Adaptation of tables 2.9, 4.2.5A and 4.2.11, NIS (2006b); 1.2.2 and Graph 2.1.1, NIS (2013); 5, 6 and 7, NIS (2015)
Table 12: Evolution of accumulated and registered unemployment: 2001-2014

<table>
<thead>
<tr>
<th>Years</th>
<th>ACCUMULATED REGISTERED UNEMPLOYMENT</th>
<th>MEN</th>
<th>WOMEN</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>101.191</td>
<td>85.109</td>
<td>16.082</td>
</tr>
<tr>
<td>2002</td>
<td>115.193</td>
<td>96.489</td>
<td>18.704</td>
</tr>
<tr>
<td>2003</td>
<td>130.405</td>
<td>109.470</td>
<td>20.935</td>
</tr>
<tr>
<td>2004</td>
<td>140.040</td>
<td>118.502</td>
<td>21.538</td>
</tr>
<tr>
<td>2005</td>
<td>146.787</td>
<td>122.278</td>
<td>24.509</td>
</tr>
<tr>
<td>2006</td>
<td>160.922</td>
<td>132.587</td>
<td>28.335</td>
</tr>
<tr>
<td>2007</td>
<td>163.594</td>
<td>134.288</td>
<td>29.306</td>
</tr>
<tr>
<td>2008</td>
<td>171.283</td>
<td>139.928</td>
<td>31.355</td>
</tr>
<tr>
<td>2009</td>
<td>189.578</td>
<td>145.805</td>
<td>43.773</td>
</tr>
<tr>
<td>2010</td>
<td>129.778</td>
<td>101.107</td>
<td>28.651</td>
</tr>
<tr>
<td>2011</td>
<td>134.505</td>
<td>106.904</td>
<td>27.601</td>
</tr>
<tr>
<td>2012</td>
<td>145.499</td>
<td>115.837</td>
<td>29.662</td>
</tr>
<tr>
<td>2013</td>
<td>169.977</td>
<td>132.631</td>
<td>37.346</td>
</tr>
<tr>
<td>2014</td>
<td>157.925</td>
<td>125.033</td>
<td>32.892</td>
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</table>

Table 13: Evolution of registered and active workers and retired workers and enterprises: 1990-2014

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>79.602</td>
<td>54.780</td>
<td>68.8</td>
<td>110</td>
<td>498</td>
<td>810</td>
<td>616</td>
<td>76.0</td>
</tr>
<tr>
<td>1991</td>
<td>93.562</td>
<td>64.188</td>
<td>68.6</td>
<td>2.788</td>
<td>23</td>
<td>920</td>
<td>788</td>
<td>85.7</td>
</tr>
<tr>
<td>1992</td>
<td>122.107</td>
<td>77.105</td>
<td>63.1</td>
<td>4.027</td>
<td>19</td>
<td>1.279</td>
<td>1.041</td>
<td>81.4</td>
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<tr>
<td>1993</td>
<td>153.940</td>
<td>73.119</td>
<td>47.5</td>
<td>5.381</td>
<td>14</td>
<td>1.800</td>
<td>1.114</td>
<td>61.9</td>
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<tr>
<td>1994</td>
<td>193.706</td>
<td>94.849</td>
<td>49.0</td>
<td>5.195</td>
<td>18</td>
<td>2.551</td>
<td>1.772</td>
<td>69.5</td>
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<td>1995</td>
<td>217.388</td>
<td>102.115</td>
<td>47.0</td>
<td>6.258</td>
<td>16</td>
<td>3.079</td>
<td>2.075</td>
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<td>236.760</td>
<td>108.657</td>
<td>45.9</td>
<td>7.090</td>
<td>15</td>
<td>3.453</td>
<td>2.340</td>
<td>67.8</td>
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<td>1997</td>
<td>260.834</td>
<td>116.484</td>
<td>44.7</td>
<td>9.219</td>
<td>13</td>
<td>5.969</td>
<td>3.694</td>
<td>61.9</td>
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<tr>
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<td>285.907</td>
<td>123.999</td>
<td>43.4</td>
<td>10.921</td>
<td>11</td>
<td>7.608</td>
<td>5.464</td>
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<td>1999</td>
<td>315.429</td>
<td>134.324</td>
<td>42.6</td>
<td>12.613</td>
<td>11</td>
<td>8.907</td>
<td>6159</td>
<td>69.1</td>
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<td>133.710</td>
<td>39.3</td>
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<td>10.246</td>
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<td>Value 2</td>
<td>Value 3</td>
<td>Value 4</td>
<td>Value 5</td>
<td>Value 6</td>
<td>Value 7</td>
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<tr>
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<td>---------</td>
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<td>---------</td>
<td>---------</td>
<td>---------</td>
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<tr>
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<td>18,280</td>
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<td>11,888</td>
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<td>14,644</td>
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<td>24,791</td>
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<td>16,262</td>
<td>7621</td>
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<td>609,287</td>
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<td>27,1</td>
<td>29,117</td>
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<td>17,849</td>
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<td>19,805</td>
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<td>5</td>
<td>22,448</td>
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<td>730,934</td>
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<td>37,271</td>
<td>6</td>
<td>25,589</td>
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<td>794,297</td>
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<td>33,0</td>
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<td>7</td>
<td>29,251</td>
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<td>45,820</td>
<td>6</td>
<td>33,523</td>
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<td>2011</td>
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<td>47,150</td>
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<td>352,739</td>
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<td>48,256</td>
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<td>43,485</td>
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<td>56,605</td>
<td>6</td>
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<td>548,991</td>
<td>42,5</td>
<td>60,244</td>
<td>9</td>
<td>58,045</td>
<td>25080</td>
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</tbody>
</table>

Source: Planning and Statistical Department – NISS
FIGURES/DIAGRAMS
Figure 1: A worker in disease situation
Figure 2: A worker in hospitalization situation
Figure 3: A worker (mother) in breast feeding situation
Figure 4: A worker in retired situation
Figure 5: Retired workers
Figure 6: A worker in disability situation
Figure 7: Worker death
Figure 8: A Funeral ceremony to a passed away worker
Figure 9: A Survivor pensioners
Figure 10: Social Protection gift (allowance paid)
Figure 11: Map of Mozambique
Figure 12: Mozambique pyramid age

Figure/Diagram 13: Organizational structure of the National Institute for Social Security (NISS) – 2014

Figure/Diagram 14: Performance areas of Governance and Social Protection System (SPS) management – 2014

Figure/Diagram 15: NISS interaction for decision-making process – 2014
GRAPHS
Graph 1: Distribution of non-formal workers, relatively in the agricultural sector

Graph 2: Distribution of non-formal workers, per gender

Graph 3: Distribution of informal workers, per age

Graph 4: Chronological evolution of the Social Protection System in Mozambique – 1988-2014

Graph 5: Mozambican population characterization

Graph 6: 15+ years old of Mozambican population distribution

Graph 7: Economically Active Population (EAP) characterization in labour process

Graph 8: EAP distribution, per position in labour process

Graph 9: Formal EAP distribution, per activity sector

Graph 10: Formal EAP distribution, per workplace

Graph 11: Formal EAP distribution, per activity type

Graph 12: Evolution of accumulated registered unemployment: 2001-2014

Graph 13: EAP and Social Protection relationship, 2014

Graph 14: Evolution of formal workers covered in the Social Protection System (SPS) and assets workers, 1990-2014

Graph 15: Relationship between EAP and Social Protection Benefits’

Graph 16: Evolution of proportional assets workers/registered workers: 1990-2014

Graph 17: Evolution of proportion of the assets workers/retired workers: 1990-2014
QUESTIONNAIRES
1. FOR MANAGERS AND SENIOR OFFICIAALS OF THE SOCIAL PROTECTION SYSTEM MANAGEMENT INSTITUTION (NISS)

NOTE: This questionnaire is academic and anonymous; I am asking your cooperation by putting an X in the alternative that best identifies you.

1. What is your position in the institution (NISS)?
   a) Boss ____; b) Senior Official ____

2. How long are you working for this institution?
   a) 1-5 Years ____; b) 5-10 Years ____; c) 10-15 Years ____; d) More than 15 Years ____.

3. Does the NISS integrate all people (workers) provided by Law?
   a) Yes ______; b) No ____

4. Do you think the System can integrate other layers?
   a) Yes _____; b) No _____.

5. Do the non-formal workers have shown an interest to be integrated into the Social Protection system?
   a) Yes ____; b) No ____.

6. Do you think the non-formal workers would have benefits if they were integrated into the System?
   a) Yes _____; b) No _____.

7. Are the benefits granted by the system satisfactory?
   a) Yes? ______; b) No ______.

Grateful for the collaboration:

The Researcher:

Dionísio Calisto Recama
2. FOR MANAGERS AND SENIOR OFFICIALS OF MUNICIPALITY COUNCIL OF MAPUTO CITY MARKETS AND FAIRS:

NOTE: This questionnaire is academic and anonymous; I am asking your cooperation by putting an X in the alternative that best identifies you.

1. What is your responsibility?
   a) Boss _____; b) Senior Official _____.

2. How long are you working for this institution (MCMC)?
   a) 1-5 Years ____; b) 5-10 Years ____; c) 10-15 Years ____; d) More than 15 Years ____.

3. Is there any relationship/interaction between MCMC and non-formal workers?
   a) Yes ____; b) No ____

4. Do the non-formal workers pay some taxes/fees to MCMC?
   a) Yes __; b) No __.

5. What is the frequency of payment?
   a) Daily ____; b) Monthly ____; c) Quarterly ____; c) Annual ____.

6. Do the non-formal workers receive some benefit from CMMC?
   a) Yes __; b) No __.

7. How does the process of licensing and collection of the taxes and fees are?
   a) _____ Easy; b) _____ Difficult;

8. How does the process of its location/interaction are?
   a) _____ Easy; b) _____ Difficult;

Grateful for the collaboration

The Researcher:

Dionísio Calisto Recama

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3. FOR NON-FORMAL WORKERS PROFESSIONAL ASSOCIATIONS RESPONSIBLE:

NOTE: This questionnaire is academic and anonymous; I am asking your cooperation by putting an X in the alternative that best identifies you.

1. Name of the Association?
   a) AMIW ____; b) ANFSW ____; c) ABH ____.

2. How long do you lead the association?
   a) 1-3 years ____; b) 4-6 Years ____; c) 7-9 years ____; d) More than 10 in ____

3. How many members the association has?
   a) Less than 200 ____; b) 200-300 ____; c) 300-400 ____; d) More than 400 ____.

4. Does the association collect some contribution from the associated?
   a) Yes ____; b) No ____.

5. What is the frequency of payment?
   a) Monthly ____; b) Quarterly ____; c) Semi-annual ____; d) Annual ____.

6. The association provides some support to the members in social risks (maternity, illness, invalidity, old age or death)?
   a) Yes ____; b) No ____

7. Would you like to be integrated into Social Protection System?
   a) Yes ____; b) No ____.

Grateful for the collaboration:

The Researcher:

Dionísio Calisto Recama
4. FOR NON-FORMAL WORKERS FROM MAPUTO CITY:

NOTE: This questionnaire is academic and anonymous; I am asking your cooperation by putting an X in the alternative that best identifies you.

1. Number of children and/or dependents?
   a) 01-03 ____; b) 4-6 ____; c) 6 More than 6 ____.

2. How old are they?
   a) 0-5 years old ____; b) 6-10 years old ____; c) 11-15 years old ____; d) More than 15 years old ____.

3. Do your children/dependents works (or develop some paid economic activity)?
   a) Yes ____; b) No ____

4. How long do you do this activity?
   a) 1-5 years ____; b) 6-10 years ____; c) More than 10 years ____.

5. Do you belong to some professional association?
   a) Yes ______; b) No ______.

6. Do you pay some tax fees to your association?
   a) Yes ______; b) No ______

7. What is the frequency of payment to these associations?
   a) Daily ____; b) Monthly ____; c) Semi-annual ____; d) Annual ____.

8. Do you pay some taxes to some public institution?
   a) Yes ______; b) No ______

9. If so, what is the frequency of payment to these institutions?
   a) Daily ____; b) Monthly ____; c) Quarterly ____; d) Annual ____.

10. Did you receive some support in case of difficulty to work (because of maternity, illness, invalidity, old age or death)?
    a) Yes ____; b) No ____.

11. Are you integrated in some Social Protection Schemes?
    a) Yes ____; b) No ____.

12. Would you like to be integrated in to the Social Protection System?
    a) Yes ____; b) No ____.

Grateful for the collaboration

The Researcher:

Dionísio Calisto Recama

_____________________________
INTERVIEW GUIDELINES
1. FOR MANAGERS AND SENIOR OFFICEALS OF THE SOCIAL PROTECTION SYSTEM MANAGEMENT INSTITUTION (NISS):

NOTE: This interview is academic and anonymous one. So, I am gratefully you answer the questions clearly and objectively.

1. What are the people (workers) provided and integrated by the System?

2. What are the people (workers) provided and that are not yet integrated into the system?

3. Why does the System not integrate some people (workers)?

4. Do you think the System can integrate other layers of people (workers)?

5. If so, to which people (workers)? If not, why?

6. Why do you think that benefits granted by the System are (or not) satisfactory?

7. Como é feita a gestão do NISS: registo, controle, e gestão das empresas, trabalhadores e das contribuições financeiras do Sistema?

8. Qual é o impacto do processo desse processo de gestão nos utentes do Sistema?

9. Additional information…

Grateful for the collaboration

The Researcher:

Dionísio Calisto Recama

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2. FOR MANAGERS AND SENIOR OFFICIALS OF MUNICIPALITY COUNCIL OF MAPUTO CITY MARKETS AND FAIRS:

NOTE: This Interview is academic and anonymous one. So, I am gratefully you answer the questions clearly and objectively.

1. What/Which is the relationship/interaction between Municipality Council (MC) and Non-formal workers?

2. How much do the non-formal workers pay to MCMC (if so)?

3. How the MCMC do collects the values paid by the non-formal workers?

4. How much the non-formal workers contribute in the general budget of MCMC (monthly average)?

5. What are the benefits the non-formal workers receives from MCMC?

6. Why does the process of licensing and collection of the taxes/fees of the non-formal workers is easy (or not)?

7. Why does the process of location of the non-formal workers are easy (or not)?

8. Why does the process of location of the non-formal workers and collection of taxes and fees is easy (or not)?

9. Additional information…

Grateful for the collaboration

The Researcher:

Dionísio Calisto Recama
3. FOR NON-FORMAL WORKERS PROFESSIONAL ASSOCIATIONS RESPONSIBLE:

NOTE: This Interview is academic and anonymous one. So, I am gratefully you answer the questions clearly and objectively.

1. Name of the Association? ________________________________
   ________________________________

2. How do you (as direction) interact with the associated?

3. How much the associated pay to the association?

4. How do you collect the money from the members?

5. Which support the association provides to the members in social risk (maternity, illness, invalidity, old age or death)?

6. How do you (as a member) face the social risks (maternity, illness, invalidity, old age or death)?

7. (In your opinion) Why the associated were excluded from the Social Protection System?

8. Why would you like (or not) to the associated be integrated into Social Protection System?

9. Additional information…

   Grateful for the collaboration

   The Researcher:
   Dionísio Calisto Recama
4. FOR NON-FORMAL WORKERS FROM MAPUTO CITY:

NOTE: This Interview is academic and anonymous one. So, I am gratefully you answer the questions clearly and objectively.

1. How do you begin your non-formal activity?

2. To which institution/s and/or organization/s do you pay your taxes?

3. How do you pay to this/these institution/s and/or organization/s?

4. How much to you pay?

5. Do you receive any social and/or economic benefit/s from this/these institution/s and/or organization/s?

6. What is the frequency of this payment?

7. What is your income (monthly average)?

8. If you are integrated in some Social Protection Schemes, which one?

9. If not, why? What are the impacts of this exclusion?

10. How do you survive in case of difficulties (social risks - maternity, illness, invalidity, old age or death)?

11. Why were you excluded from the Social Protection System?

12. Why would you like (or not) to be integrated in Social Protection System?

13. Additional information…

Grateful for the collaboration

The Researcher:

Dionísio Calisto Recama

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