



# VISION FOR DEVELOPING THE LABOR AND SOCIAL PROTECTION SECTORS IN GEORGIA BY 2030

2017



ევროკავშირი  
საქართველოსთვის

The European Union for Georgia



*Empowered lives.  
Resilient nations.*

Prepared by the Healthcare and Social Issues Committee of the Parliament of Georgia with the support of the European Union and the United Nations Development Programme (UNDP). The opinions presented in this publication are those of the author and do not necessarily reflect the position of the donor organisations.

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## Foreword

The Healthcare and Social Issues Committee of the Parliament of Georgia is leading several of the most important fields for the development of the country. These fields are declared to have high priority in the state strategies and policy documents of Georgia as well as in numerous international resolutions. The Constitution of Georgia and the Rules of Procedure of the Parliament of Georgia state that the constitutional prerogative of the Parliament is to define the internal and foreign policy of the country and assume control over the implementation of the set policy course and obligations.

As per the statute approved by the Bureau of the Parliament of the IX Convocation, the goal of the Healthcare and Social Issues Committee is to support the process of resolving issues related to public health, social protection, employment and labor relations, protection of mothers and children, and the development and prosperity of the family as well as older persons, veterans and persons with disabilities. Within its competence, the Committee is authorized to participate in the current process of reforming, reorganizing and restructuring the system of healthcare and social protection.

It is of especially great importance for the Committee to fully undertake the noted rights and responsibilities at this stage of the development of the country when, on the one hand, it is planned to broaden the provision of the Constitution of Georgia on the social state and, on the other hand, in the process of integration with the European Union, the country has assumed responsibility to gradually harmonize Georgian legislation with the European Union *acquis* as well as align its policies with the UN conventions and Sustainable Development Goals (SDGs).

In the process of reviewing the Constitution of Georgia, Article 5 of the draft Constitution notes that Georgia as a social state aims at the following:

- Strengthening the principles of social justice, social equality and social solidarity in society.
- Equal socio-economic development of the total territory of the country (the legislation creates special conditions for developing high-mountainous regions).
- Ensuring healthcare and social protection of citizens and providing them with minimum subsistence and decent housing.
- Development of education, science, culture and sports, and the protection of cultural heritage.

In addition, the state is obliged to support its citizens in employment and define by law the conditions for providing minimum subsistence.

At this stage in the development of the country, it becomes especially important to form a long-term vision in the field of labor and social protection. This is needed to ensure the realization of the obligations declared in the Constitution and, generally, for the implementation of an effective healthcare and social protection system focused on human rights-based development. This document defines the ways for developing a consistent policy of the Government of Georgia in the fields of labor and social protection until 2030.

In 2017-2020, in order to effectively implement this vision and successfully undertake law-making and oversight functions, the Healthcare and Social Issues Committee of the Parliament of the IX Convocation will be guided by the action plan which defines its objectives and activities for this period. In addition, other agencies responsible for implementing the long-term vision will develop relevant action plans.

The initiative of the Healthcare and Social Issues Committee of the Parliament of Georgia to develop a long-term vision in the labor and social protection field in the country as well as the Committee's action plan was implemented with the support of the European Union and the United Nations Development Programme (UNDP) joint project entitled — “Strengthening the System of Parliamentary Democracy in Georgia”.

## **Developing the Document**

The vision for the long-term development of the field elaborated by the Healthcare and Social Issues Committee is based on the principles and obligations defined in the country's Constitution, international conventions ratified by the Parliament of Georgia, strategic documents, the governing party's election program and other key documents. This document also takes into consideration the UN Sustainable Development Goals, the prioritized directions vis-à-vis Georgia's integration with the European Union and the mechanisms for monitoring the obligations assumed by the country. Findings and recommendations from important reports collected as a result of desk study were also considered when developing the strategy.

In the process of developing the strategic vision and the action plan, up to 40 individual and group meetings and consultations were held with members of the Healthcare and Social Issues Committee, members of other Parliamentary Committees, representatives of the Executive Government and civil sector experts in the labor, social protection and healthcare fields. Participation of different stakeholders is a guarantee for the consistent implementation of the strategic vision and achieving the set goal.

## **Development Vision**

The policy of the Government of Georgia, namely, the Strategy for the Socio-Economic Development of the Country (Georgia 2020), focuses on the importance of implementing the principles of social security and social justice along with economic efficiency. The tools for implementing these principles of the Government Strategy are as follows: reducing unemployment and ensuring the population with good working conditions respecting their dignity as well as focusing on the inclusive nature of the systems of quality and accessible education, healthcare and basic social protection.

Accordingly, in the long-term perspective, the goal of the Government of Georgia is to ensure the achievement of the balance between economic growth and social justice and identify ways directed not only towards the fight against poverty but also towards the support of social integration, the prevention of marginalization and ensuring social welfare and well-being in the country.

The long-term vision for developing the fields of labor and social protection through the use of human rights-based approaches will support the development of the legislative base, policy and programs in these fields as well as the formation of an efficient system for their implementation and evaluation. The long-term vision details the obligations provided in the Georgia 2020 Strategy, the Government Program for 2016-2020 of the Government of Georgia and other important state documents related to healthcare and basic social guarantees for the population and targeted social assistance for the poorest strata. The document focuses on the development of a more comprehensive and efficient system of labor and social protection which will serve the goals of reducing risks, preventing and resolving health and social problems, and increasing the population's economic activity.

This document does not aim at the detailed analysis of the fields of labor and social protection or the development of sector-specific action plans. The long-term vision will be the basis for developing, clarifying and consistently implementing strategic documents in individual sectors and also ensure that the major approaches and principles of the vision vis-à-vis system development are irreversible.

## **Major Approaches**

This document is based on the definition according to which social protection is defined as the unity of state and private policy and programs which has the goal of risk prevention and reduction in society, the protection and empowerment of vulnerable groups and individuals and labor activation as concerns the population.

The system serves both employed and unemployed citizens, including children, older persons, persons with disabilities and others. In order to identify and address the social protection needs of individuals at various stages in life, the key role within the functioning of the social protection system is assigned to coordination among services and sectors as well as the execution of mutually agreed activities by central and local branches of the government. It is necessary to ensure a transition from the use of targeted social assistance and other fragmented programs to a comprehensive social protection system alongside the labor activation of the population. This will enable the country to manage risks, reduce poverty and increase the level of the well-being of the population.

The following principles will be taken into consideration for developing and ensuring the efficient functioning of the labor and social protection system:

**1. Ensuring Inclusion.** Implementation of multi-sector approaches, efficient public administration, evidence generation and analysis of the effectiveness of programs, increased coordination with private and civil society agencies and other factors will increase inclusiveness of the system. The level of inclusion of marginalized and especially vulnerable individuals, groups and communities into the social assistance, labor and other social protection programs will improve. This will be supported by strengthening outreach and case management services as well as implementing modern information technologies and other innovative approaches.

**2. Prevention of Social Risks.** The key aspects of the prevention policy will improve: social risks will be identified at an early stage, social protection and other mechanisms will be used to confront the reduction of income and the sharp deterioration of the level of social functioning due to unemployment, old age, disabilities and other circumstances.

By preventing social risks and addressing crisis in a timely manner, the Government of Georgia will be able to prevent problems and reduce the need for more expensive interventions (for example, separation of a child from family and placement in state care, etc.).

**3. Increasing Productivity.** Investing in human capital, especially in children, will promote an increase in the opportunities provided for individuals, decent employment of full-aged citizens and inclusive economic growth.

In the process of managing employment and labor-related issues, the role of the social protection system will be to protect employees, regulate labor and develop programs for protection from loss of income. The new system will also work to increase the economic activity of the recipients of targeted social assistance for which various mechanisms will be utilized such as building their

skills, expanding their experience and supporting their employment, etc., while they are receiving assistance services.

**4. Systemic Approach.** Social protection programs should complement one another and address the individual needs of vulnerable citizens. The targeted social assistance program, which is well tested in Georgia, its database and administration mechanism constitute a strong foundation for developing other complementary programs. The synchronization of the goals of labor and social protection and other relevant sectoral programs as well as tools for their selection and evaluation will support the government in implementing a systemic approach.

In the process of implementing a systemic approach, attention will be paid to the following problematic issues in the country: ageing of the population, youth unemployment, high level of dependence on institutional care, limited funding for the social sector (especially of preventive and community-based services), etc. As a result of the above noted, the function of the social protection system in terms of risk prevention and reduction as well as the labor activation of the population will increase. It will be based on the principle of human rights protection and support social inclusion, the implementation of equal opportunities, the strengthening of solidarity and the prohibition of discrimination as well as the enactment of participatory approaches and transparency. The Government of Georgia recognizes that these values and principles are of supreme importance and are approved by numerous international conventions and national strategies ratified by the country.

The importance of the labor and social protection fields is also underlined in the Agenda for the Sustainable Development Goals developed by the UN General Assembly (Remaking Our World: 2030 Agenda for Sustainable Development). The document outlines topics such as: overcoming poverty and hunger, eradicating inequality, ensuring inclusive and sustainable economic development, supporting employment and decent jobs/workplaces, etc.; whereas the country-specific Sustainable Development Goals adjusted for Georgia provide baseline indicators as well as 2030 indicators in these and other fields (these indicators include, for example, reducing child labor to less than 2%, reducing the proportion of the population living under the international poverty line to less than 1%, etc.).

In addition, integration in the European Union and the obligations assumed through the Association Agreement, which constitute the cornerstone of the internal and foreign policy of Georgia, also require the government to support the noted values.

## Strategic Priorities

### 1. Increasing Opportunities for Employment and Earning Income

Employment is the leading mechanism for ensuring the social welfare of individuals capable to work as well as their family members. Implementing an inclusive active employment policy, preventing unemployment, increasing employment motivation among beneficiaries of targeted social assistance programs, creating decent labor conditions and protecting the guaranteed rights of employees – all of these factors ensure an increase in opportunities and an improvement in the population’s socio-economic condition, including vulnerable groups. In addition, creating equal opportunities, strengthening the demand for knowledge, developing human capital and elaborating a labor market infrastructure will support the employment of the population as well as a rapid and inclusive economic growth in the country.

#### **Objective 1.1**

Elaborate labor legislation and ensure that the existing norms are more in line with the international standards and the requirements set within the framework of the obligations assumed within the Association Agreement, International Labor Organization (ILO) conventions and the European Social Charter.

#### **Objective 1.2**

Create and develop a labor market information system; this system will be focused on the labor force, studying the demand and supply and the necessary set of skills, predicting territorial aspects of market demand, monitoring the labor market, developing an evidence-based active employment policy and evaluating the results of the programs supporting employment.

#### **Objective 1.3**

Stimulate the demand for knowledge and qualification, accept and implement the concept of lifelong learning and form a system of education (including adult education) focused on the needs of the labor market.

#### **Objective 1.4**

Develop legislative mechanisms on employment and strengthen employment services provided by private and state (local and central) agencies for job seekers and implement human resources de-

velopment plans in order to provide job seekers with gender-balanced, inclusive, cost-efficient and proactive assistance as per their interests.

**Objective 1.5**

Ensure the development of opportunities for individuals lacking competitiveness and facing the risk of discrimination on the labor market, implement differentiated employment programs and ensure accessibility to employment services.

**Objective 1.6**

Regulate by legislation and gradually implement international standards on occupational safety and health, and ensure that the state inspects and supervises labor conditions.

**Objective 1.7**

Institute higher standards of occupational safety and health as well as obligatory life insurance for employees of organizations participating in state tenders and having funding from the state budget as well as other difficult, harmful and hazardous workplaces.

**Objective 1.8**

Expand the supervisory mandate of the Department for Inspection of Labor Conditions and incorporate within its authority the full spectrum of issues related to the realization of labor conditions and labor rights by ensuring correspondence with ILO standards.

**Objective 1.9**

Equip the Labor Inspection Service with effective enforcement mechanisms, systems of sanctions and staff policy (for example, territorial units, unconditional permission to enter units, system of obligatory enforcement of recommendations and sanction mechanisms, etc.); strengthen the institutional independence of the Inspection Service and ensure guarantees for the independence of individual inspectors.

**Objective 1.10**

Elaborate the format of operation for the Trilateral Commission for Mediation of Labor Disputes and Social Partnership at the central and local levels.

### **Objective 1.11**

Implement active labor market policy which includes the following: operation of the labor market as an intermediary which incorporates information sharing, vocational planning, raising motivation, identifying professional profiles and skills, developing and managing individual educational guidelines, providing support in finding employment and undertaking activities necessary for the integration of job seekers to the labor market; vocational training focused on employment and training as well as changing or raising qualification. In addition, monitor the results of the active labor market policy – define relevant indicators and baseline measures (for example, state funding for the labor market (% of GDP), sheltered employment (% of GDP), etc.).

## **2. Elaborating a System of Social Protection and Old Age Pension**

In order to ensure a proper and dignified quality of life for older persons, it is necessary to implement an old age pension system which is based on the principles of solidarity and stability; however, in order to ensure the dignity of the country's older citizens, it is important to enact a cumulative pension system in consideration of the increase in the number of the population of pensionable age, the decrease in the birth rate, the decrease in the number of the population in the age range in which they are capable to work, as well as migration processes and the existing socio-economic situation. It is also important to use the labor potential of older persons and mainstream the issue of the ageing of the population in all policy directions.

### **Objective 2.1**

Ensure a gradual implementation of a mixed model of the pension system, the simultaneous functioning of social and private cumulative pension systems and an increase in the pension replacement coefficient will ensure more sustainability of the system and an increased level of well-being of persons in the pension system (*indicator by 2030: pension replacement coefficient – 40%*).

### **Objective 2.2**

Develop the infrastructure and legislative base necessary for implementing the mixed model of social and private cumulative pension systems.

### **Objective 2.3**

Increase the amount of the old age pension benefit and ensure that it is indexed as per the indicator defined in advance which will ensure a proper quality of life for persons of pensionable age.

#### **Objective 2.4**

Develop the plans for the inclusion of migrants and citizens employed in the non-formal sector into cumulative pension systems.

#### **Objective 2.5**

Ensure an inclusive labor market and provide training and employment for the elderly population capable to work as per the labor market requirements and based on lifelong learning principles.

#### **Objective 2.6**

Implement long-term care, including home care programs, develop other community-based services and review state funding criteria at the local and central levels for older persons as well as adults and children with disabilities. This will support the independence, improvement of the quality of life and the prevention of the institutionalization of the above noted individuals.

#### **Objective 2.7**

Encourage inter-generation solidarity and implement a mechanism to support informal caretakers of older persons.

### **3. Creating a Social Protection System at Local and Central Levels**

Currently, the targeted social assistance policy in Georgia aims at protecting the population from extreme poverty and reducing child poverty. The program is effective; however, it is necessary to gradually replace targeted social assistance and other fragmented programs with a prevention-focused social protection system. This is necessary in order to strengthen the principles of social justice, equality and solidarity in society which are recognized by the Constitution. Within this process, it is important for the local government to assume a more active role and revise the central and local social budget in a way that it is more in line with regional and global standards.

#### **Objective 3.1**

Define the service standard and the amount of minimal budgetary allocations (% of GDP) with the goal of developing a unified standard of social protection across the country and substantially covering the whole population (*SDG indicator assigned to Georgia by 2030: 1.1.1 - the proportion of the population living under the international poverty line < 1%; 1.2.1 - the proportion of the population living under the national poverty line is decreased by 20%; 1.3.1 - at minimum, 35% of the population with the relevant need are covered by the basic social protection systems*).

### **Objective 3.2**

Transfer to low-budget municipalities the financial resources needed for services responding to the minimal standard with the goal of eradicating regional inequalities.

### **Objective 3.3**

Decentralize authorities in the labor and social protection fields, clearly define the quality and level of delegation of authorities to the regional and local government as well as the targeted transfers and develop relevant legislation for the system.

### **Objective 3.4**

Create a unified database and consider the set standard of data sharing with the goal of developing an effective policy and programs of social protection as well as to implement them in a cost-effective and coordinated manner at the central and local levels.

### **Objective 3.5**

Ensure the functioning of the systems of quality monitoring and the data management of social programs and services at the central level as per the national standard.

### **Objective 3.6**

Regularly evaluate program effectiveness based on the (additional) data collected by the Statistics Service with the goal of the continuous improvement of the targeted social assistance system.

### **Objective 3.7**

Define incentives for employment for beneficiaries of the targeted social assistance program who are capable to work and implement transitional measures after the beneficiaries of the social assistance program are employed with the goal of supporting their economic empowerment and stability.

## **4. Strengthening Community-Based Services and the Role of the Social Worker and Other Social Services**

The provision of services tailored to the individual needs of citizens, families and communities and the regular monitoring of outcomes is a pre-requisite for an effective social protection system. Quality community-based services ensure the prevention of social problems among vulnerable groups, an improvement in the quality of their life and a reduction in the demand for and costs of residen-

tial services. The integration of educational, healthcare and other services with community-based social services significantly increases the effectiveness and the cost-efficiency of the services and improves both the social integration and the economic situation of vulnerable individuals. However, Georgia's social protection system has an acute shortage and lack of funding for such services and the needed human resources (especially, social workers) (less than 1% of the social protection program budget).

#### ***Objective 4.1***

Improve the quality as well as the geographic and financial accessibility of community-based preventive and family support services and revise the amount and criteria for state funding which will support the improvement of the social welfare of vulnerable children, older persons, persons with disabilities and other individuals and their family members.

#### ***Objective 4.2***

Develop a strategy and an action plan for fighting against homelessness as per international standards which will include a policy for both preventing and overcoming homelessness and plan for the gradual provision of housing for especially vulnerable groups, including persons with disabilities at the local level.

#### ***Objective 4.3***

Support children reintegrated in their families and children leaving state care as well as persons with disabilities and other vulnerable individuals by elaborating services which support their rehabilitation and integration into society (such services include, for example, housing, employment support, etc.).

#### ***Objective 4.4***

Expand the home care program for children with disabilities and implement a program for adults and older persons ensuring the prevention of institutionalization and the preservation of the quality of life of service recipients and their family members.

#### ***Objective 4.5***

Eradicate the operation of non-licensed residential services as per the country's legislation, ensure the full deinstitutionalization of large residential institutions and elaborate a standard for small-scale residential services and other family substitute services.

**Objective 4.6**

Ensure the full participation of beneficiaries in the process of service planning and evaluation.

**Objective 4.7**

Develop and gradually implement the regulatory framework for the profession of social workers as well as general professional standards in order to ensure a high quality of services by social workers and the safety of service recipients. As a result, only those professionals with academic qualification in social work will have the right to undertake direct practice.

**Objective 4.8**

Increase the number of social workers hired by central agencies and at the local level and improve the coordination of their work at various levels, identify the needed number of state social workers by considering the complexity of cases, their geographic location, availability of support services, qualification of professionals and other criteria (on average, 1 social worker per 10,000 citizens; maximum 30 cases per social worker) and implement plans for supporting the employment of qualified social workers in the regions where there is a lack of professionals.

**Objective 4.9**

Clarify and expand the social work mandate as per international standards, improve the methods of intervention and service provision and elaborate professional supervision mechanisms, regulation and inter-agency coordination.

## 5. Focusing the Social Protection System on the Child and Family Strengthening

The protection of the rights of children, overcoming poverty, support to education at an early age and protection from all forms of abuse are equally important in terms of investment into the social and economic development of the country whereas the family, as the basic institution of society, is the best environment for the child to grow and fully develop. In order to carry out this important role, vulnerable families need comprehensive assistance from the state.

**Objective 5.1**

Implement effective measures with the goal of preventing and overcoming child poverty and assign children and families from vulnerable groups a high priority in social assistance programs in terms of providing them with support and integrated services.

**Objective 5.2**

Expand the existing state program for emergency and long-term support to families with dependent children in crisis situations and implement additional mechanisms to ensure the prevention of child abandonment and separation from family as well as the social integration of children.

**Objective 5.3**

Develop family support and family substitute services, strengthen gatekeeping, improve the regulation of family substitute services and strengthen the mechanisms for the placement of children in such services as well as the monitoring of these services in order to ensure that children with disabilities grow and develop in family and family-type environments.

**Objective 5.4**

Elaborate and strengthen the existing mechanisms and services for protecting children from all forms of abuse (including child labor and trafficking) as well as for supporting, rehabilitating and protecting women and children from domestic abuse (*SDG indicator adjusted for Georgia by 2030: 8.7.1 – the worst forms of child labor are eradicated and child labor is reduced to less than 2% whereas no revealed case is left without response; 16.2.1 – the number of registered cases of the cruel treatment, corporal punishment and psychological abuse of children during the last year: the baseline indicator is reduced by 10-15% by 2030*).

**Objective 5.5**

Define the status of a parent with many dependent children and elaborate the support mechanism relevant to the individual needs of families with many dependent children.

**Objective 5.6**

Expand the spectrum of rehabilitation and intensive services for children with behavioral difficulties, substance abuse problems and other needs.

## 6. Inclusion of Persons with Disabilities into Society

The state has a responsibility to support, protect and ensure the realization of equal rights and basic freedoms for persons with disabilities, including persons with mental health problems as well as respect towards their intrinsic personal dignity.

**Objective 6.1**

Ensure a gradual transition to the social model in terms of assigning the status of a person with a disability and create a system of social services adequate to functional abilities.

**Objective 6.2**

Develop the existing community-based services with the goal of ensuring the independence and the high quality of life for persons with disabilities and improve the financial accessibility to and quality of such services as habilitation and rehabilitation services, day care centers, home care and early intervention services.

**Objective 6.3**

Introduce, standardize and ensure legislative framework for a support system and innovative services tailored to the individual needs of persons with disabilities, including persons with psycho-social needs (for example, institution of supporters to persons with disabilities, personal assistant, “supported living” institutions, etc.).

**Objective 6.4**

Adapt the employment services provided to persons with disabilities with their needs, identify persons with disabilities seeking employment and support them to become more competitive on the labor market with the goal of ensuring equal labor and employment rights for persons with disabilities, including persons with mental health problems.

**Objective 6.5**

Ensure reasonable adjustments at the workplace for persons with disabilities, support their employment on the open market, develop social entrepreneurship and implement other mechanisms for encouraging employers with the goal of supporting the employment of persons with disabilities.

**Objective 6.6**

Develop alternative and community-based services for persons with disabilities which encompasses the following: home care, foster care, increase in the amount, quality and accessibility of community-based and other forms of long-term services; full deinstitutionalization of persons with disabilities.





