Paata Beltadze

## Analysis of Stakeholders in Social Protection Floors in Georgia

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### Introduction

Effective national social security systems are powerful tools to provide income security, prevent and reduce poverty and inequality, and ensure social inclusion and dignity. The International Labour Organization (ILO) developed a set of recommendations<sup>2</sup> to guide member states in how to fulfill ILO convention 102 on Social Security and assist the countries in building Social Protection Floors (SPFs) tailored to national circumstances and levels of development, as part of comprehensive social security systems. One of the main principles of the recommendation is to encourage the member states to enable social partners, as well as all relevant stakeholders to engage in the process of the establishment, realization and evaluation of SPFs.

Until now, there has never been conducted a stakeholders' analysis in Georgia. This is the first attempt to assess the process of engaging all relevant actors in all phases: defining, implementing and evaluating social security systems so as to avoid gaps, overlaps and insufficiencies, roles and responsibilities of the different players' needs and to coordinate actions.

The general objective of the study is to identify all relevant stakeholders and learn about their positions, opinions and readiness to further promote and systemize existing social protection porgrams in Georgia, to gather relevant information through finding material and conducting face to face semi-structured interviews about the current general mood of stakeholders in this area, to classify the stakeholders according to their power of influence, commitment to build coalitions and alliances as a baseline for conceptualizing an extended social protection system in line with ILO recommendations, and to develop a set of recommendations before the Government of Georgia (GoG) based on an analysis of the interviews. This analysis will form a starting point for a more long-term project on social protection in Georgia by offering

<sup>&</sup>lt;sup>1</sup> Paata Beltadze is a lawyer with long standing experience in Georgian state institutions, civil society and international affairs. Most recently he served as First Deputy Public Defender of Georgia.

<sup>&</sup>lt;sup>2</sup> International Labour Organization. *Social security for all. Building social protection floors and comprehensive social security systems. The strategy of the International Labour Organization.* 2012. Retrieved from <a href="http://www.ilo.org/secsoc/information-resources/publications-and-tools/books-and-reports/WCMS\_SECSOC\_34188/lang--en/index.htm">http://www.ilo.org/secsoc/information-resources/publications-and-tools/books-and-reports/WCMS\_SECSOC\_34188/lang--en/index.htm</a>

recommendations and ideas that will serve as a basis for discussions with interested stakeholders.

This study is not an in-depth or comprehensive qualitative analysis of existing components of social assistance programs in Georgia as a SPF, but rather an investigation of stakeholders' knowledge of social security principles as defined by ILO in its general recommendations and observations, to learn whether they might support the idea of developing a more unified, formalized and systemized social security system in the country. Incorporating social protection initiatives within a policy framework ensures the long-term sustainability of social protection and enables more efficient systemization of social protection measures. The long-term sustainability and financing of social protection programs and systems is ultimately a political decision; these initiatives require the support of both policymakers and the public in order to ensure that there is sustained fiscal and political space for the social protection agenda. Implementing a national social protection strategy requires various steps, including opening the political space for social protection initiatives and linking social protection with other policy actions in order to reach comprehensive outcomes.

In recent years, Georgia went through a period marked by neo-libertarian rhetoric and actions, encouraged by the government of President Mikheil Saakashvili, which left almost no space for a real, meaningful and results-oriented participation of all relevant stakeholders in the process of developing social policies aiming to lift the population out of poverty. The dominance of libertarian policies left little space for seeking systemic approaches to alleviate hardship, create an environment oriented toward the poor, and an inclusive economy. There was little understanding of the pressing need for developing the human capital in a society. The policies that were initiated to lift people out of dire circustances were unfortunately of a provisional character and mostly done to win political support before elections. The main message of a libertarian government - to first build the economy and ensure gradual growth, and only later distribute the wealth and create an equitable society - was strongly embedded into society. Inclusiveness, participation, shared accountability, national consensus on major issues concerning the socio-economic situation in the country, elaboration and implementation of programs or policies for people with their engagement was an unachievable reality. The government was proud of its achievements as Georgia continued to perform well in the World Bank's "Doing Business" index. Georgia's economic growth reached its high point in 2011 at 12 per cent, however people did not feel the benefits of this nominal economic development while social protection floors remained unchanged and non-systemic.

The peaceful transition of power in 2012 to a new political coalition called Georgian Dream brought with it a vision of economic development with some components of participatory democracy, and a more socially oriented policy. There have been a few important legislative amendments, including changing the labour code and harmonizing it with ILO standards, up to doubling of the budget for social policies and the introduction a universal health insurance system. The socio-economic discourse in general has gained more prominence and there has been more public debate about

these topics, also in terms of media coverage. Georgia has achieved remarkable results in its foreign relations: the country has signed an Association Agreement with the European Union, including a Deep and Comprehensive Free Trade Agreement (DCFTA), which triggered an broad national debate about the future of Georgia. In particular, it has become a high priority to have a meaningful approximation to the EU's welfare state policies. In light of the new reality, the GoG ought to undertake substantial steps and apply a comprehensive approach to embark on the road toward forming a durable, unified, systemic and resilient social security system by avoiding the eclectic, fragmented and ad hoc nature of targeted social assistance provided to vulnerable groups. It is a very complex and time-consuming process when a government carefully goes about systematizing the social security policies. Such an effort requires not only a strong determination by the government, but also a meaningful engagement of stakeholders, an understanding of the notion of social security and the meaning of inclusive process, and necessity of change, national accord and consensus.

The GoG has already incorporated some elements of a social protection system in its social and economic development plan 2020.

In order to prepare a social protection system, an approach that is called development planning framework has taken on a growing role. It is a concept that embeds the social protection strategy within a larger social and economic policy-planning context. A development planning framework is essential for a national social protection strategy to succeed and in order to better achieve broader objectives. It typically will involve the development of national social protection policies, more integrated crossministerial relationships within government and between government and stakeholders. The resulting integrated and comprehensive systems approaches improve impact and value-for-money by maximizing the likelihood of achieving the critical policy objectives while minimizing associated risks and costs, and the resulting transparency reinforces the government's credibility, enabling the government to expand its policy options.

Our analysis of survey interviews has identified that the majority of those questioned recognized the necessity of systematizing social protection programs. After careful consideration of all opinions that were expressed, we were able to outline a generalized approach. In particular, building political will starts with understanding the objectives of supporters and opponents of social protection, as well as the role that non-governmental allies can play in the advocacy, promotion and provision of these policies. Evidence, particular when mobilized by national stakeholders, can strengthen champions and reduce the resistance of political opponents. Conceptualizing the evolution through the framework of a policy cycle helps to clarify the ways in which social protection policies can be implemented and sustained.

### International perspective of SPF and country context

The Social Protection Floor Initiative (SPF-I), which was launched by the United Nations System Chief Executives Board for Coordination in April 2009. recognizes the importance of social protection as a necessary component of a comprehensive development strategy that addresses poverty, inequality and social exclusion and at the same time seeks to invest in people as a prerequisite for sustainable and fairly shared economic growth. On 30 June 2015 a joint statement by the heads of the World Bank and ILO announced the launch of a "joint mission and plan of action: Universal social protection to ensure that no one is left behind." In it the two leading agencies in the field categorically defined social protection as "a primary development tool and priority within the SDG framework" and went on to make the following unequivocal statement in respect of the role of social protection systems in development. Social protection systems that are well-designed and implemented can powerfully shape countries, enhance human capital and productivity, eradicate poverty, reduce inequalities and contribute to building social cohesion. According to evidence-based assessments by ILO, they are an essential part of National Development Strategies to achieve inclusive growth and sustainable development with equitable social outcomes.

At its 100th session, ILO adopted a resolution on social security - a critical component within a broader set of social protection instruments - which reaffirms the role of social security as a human right and a social and economic necessity for countries at all levels of development: "(a) Social security is a human right. Everyone as a member of society has a right to social security as stated in the Universal Declaration of Human Rights, Article 22. (b) Social security is a social necessity. Moreover, the Committee on Economic, Social and Cultural Rights published an interpretation of Article 9 where it recognizes that 'the realization of the right to social security carries significant financial implications for States parties, but notes that the fundamental importance of social security for human dignity and the legal recognition of this right by States parties mean that the right should be given appropriate priority in law and policy. This can be interpreted as a move by the UN to shift the focus in the global social protection sector back to the obligations and responsibilities of national governments and to reposition the state as a leading actor in provision, rather than international aid donors. Simultaneously, it represents a pulling away from earlier top-down and donor-led initiatives." In 2012, at its 101th session of the International Labour Conference, ILO adopted Recommendation 202 (R202) on national floors of social protection.

The term social protection floor (SPF) is defined by the ILO as 'a nationally defined set of basic social security guarantees which secure protection aimed at preventing or alleviating poverty, vulnerability and social exclusion' throughout the life cycle. Two main developments in the 21st century led to the SPF Initiative. First, ILO began in the early 2000s to explore social policy responses that could mitigate the negative effects of recent changes in the global economy, expanding social security to people engaged in informal and vulnerable employment. In doing this, the organization established working groups that were to explore alternative policy options. A second development was the financial crisis of 2008-2009, which provided a window of opportunity for actors pursuing the extension of social protection on a global basis

National Social Protection Floors should include at least the following four essential social security guarantees:

- Guaranteed access to goods and services constituting essential health care, education and other social services;
- Basic income security for children with the aim of facilitating access to nutrition, health, education care and any other necessary goods and services;
- Basic income security for persons of working age who are unable to earn a sufficient income;
- **4** Basic income security for people in old age.

It is not a one-size-fits-all social policy approach but rather seeks to establish minimum performance standards for national social protection policies by seeking to ascertain that all people have access to social transfers in cash or in kind or legal entitlements that guarantee access to a minimum set of goods and services and hence create a minimum of income security for all. National Social Protection Floors are context specific; they have to be carefully designed, tailored and adapted to country contexts, including institutional capacity and priorities in terms of human needs. SPF addresses multidimensional vulnerabilities in an integrated and interconnected way, it provides a framework to develop coherent and coordinated approaches to social protection and employment policies. By presenting a comprehensive and integrated approach that exploits the complementarities of policies addressing different but related domains, the SPF initiative goes beyond a list of development objectives to be achieved. It provides a framework for exploring synergies across sectors and setting priorities, thus avoiding a compartmentalized view of how to achieve progress without taking the holistic picture into account.

A social protection system is a policy and legislative framework for social protection, including the budget framework, together with the set of specific social protection programs and their corresponding implementation mechanisms. 'Systematization' represents the idea that social protection instruments can be integrated into a more comprehensive system of policies and programs that not only tackle poverty and vulnerability over the life cycle, but also strengthen pro-poor and inclusive economic growth and social development. Systematization embeds social protection within a larger developmental framework, enabling other social and economic sectors to strengthen social protection outcomes that in turn reinforce developmental impacts.

The term 'systematization' carries an inherent implication that social protection instruments and programs can be integrated into a more comprehensive system of policies and programs that not only tackle poverty and vulnerability over the life cycle but also strengthen pro-poor and inclusive economic growth and social development. Systematization embeds social protection within a larger developmental framework,

enabling other social and economic sectors to strengthen social protection outcomes, while facilitating social protection's role in reinforcing developmental impacts.

Effective national social security systems are powerful tools to provide income security, to prevent and reduce poverty and inequality, and promote social inclusion and dignity. They are an important investment in the well-being of workers and the population at large by enhancing access to health care and providing income security, facilitating access to education and reducing child labour and in particular eliminating its worst forms.

Georgia's social security net was created in 2004 and the Targeted Social Assistance (TSA) program was introduced in 2006. It provides financial assistance to poor and vulnerable households, and was designed to replace a range of categories of benefits for groups such as single pensioners, orphans, disabled children, the blind, and large families. Despite the reduction of relative poverty between 2009 and 2011, which was partially the result of the introduction of the TSA program, around a fifth of all Georgian households (21.8 percent) and a quarter of the country's children (25.2 percent) remained below the relative poverty line. At around 0.41 in recent years, Georgia's Gini coefficient is high. Data from 2013 showed that around 1.7 million individuals were registered in the TSA database – around 40 percent of the country's population – 443,000 of whom benefited from the TSA program. TSA coverage extends to around 10 percent of the population. The total 2012 budget outlay for these benefits amounted to roughly GEL 141 million (or 0.7 percent of GDP). Despite measures taken so far, the socio-economic methodology used to evaluate households needs to be improved in order to increase the efficiency of the TSA program.

In July 2013, the government doubled spending on social allowances by increasing benefits from GEL 30 to GEL 60 per month, in addition to GEL 48 for each additional household member (formerly GEL 24 per month). This amounted to an additional GEL 71.5 million in 2013 (full-year cost GEL 213 million or 0.5 percent of GDP).

Old age pensions are the main form of social protection extended to senior citizens. Once they reach the age of 65 (men) or 60 (women), all Georgian citizens are entitled to receive pensions. Old age pensions were increased to GEL 180 monthly in September 2016 (compared to GEL 115 in 2010). The total number of beneficiaries is currently around 684,000, or 15 percent of the total population. Yearly expenditures on pensions amount to around GEL 1 billion.

Besides high costs, the quality of care is another long-standing concern in Georgia's healthcare system. This is connected to the mass privatization and marketization of medical establishments. Today, less than 10 percent of all medical establishments remain in public ownership. The privatization was not counterbalanced by appropriate regulatory mechanisms designed to protect the patients' right to receive high-quality medical services or efficient systemic measures to monitor the quality of healthcare in clinics.

Increased Gross Domestic Product (GDP) indicators and expansion of targeted social assistance (TSA) schemes have positively affected poverty levels in the general population, especially among old age pensioners. The Universal Health Care (UHC) program launched in 2013 has improved access to basic health services, but despite the progress, the national health sector is still challenged by a number of systemic

weaknesses. One of the primary concerns is the continuity and quality of health services, especially in primary health care (PHC) and different levels of service provision.

Disparities continue to be observed in health outcomes and access to basic services among geographic, ethnic and income groups. Availability of reliable data and quality of health data analysis for enhanced evidence-based policy making remains a challenge, with over 40% of death cases registered with unknown causes. Significant gaps remain in policies and regulatory mechanisms for quality assurance of health services.

Over the last decade Georgia benefited from significant social and economic development. This is reflected in both improved human development and economic indicators. Human Development Index (HDI) value was increased from 0.710 in 2005 to 0.744 in 2013, GDP per capita was raised to 3,605 USD in 2013 from 2,613 USD baselines in 2010 and poverty rate was decreased from 20.9% in 2010 to 14.8% in 2012. Increased old age pensions and doubled TSA allowances have reduced poverty rates especially among the elderly population. However, the majority of the population in Georgia still faces instability, uncertain access to a basic income and problems finding decent jobs due to the passivity of the government in creating a diverse labor market and failure to stimulate businesses to create competitive and sustainable jobs.

A quarter of children are still living in poverty, mainly because children's needs are inadequately reflected in the national social cash transfer systems, though reforms in this area are already initiated. The impressive economic growth also had no significant impact on unemployment rates, which stood at 14.6% in 2013, and as high as 25.7% among young people aged 25-29. in 2014, Georgia's National Statistics Office (GeoStat) published new data indicating a visible decline in unemployment rates to 12.4%. However, even if the employment figures have been improved, a major achievement in itself, UNDP notes in a regional bureau paper on poverty, inequality and vulnerabilities that official poverty rates do not reflect the realities on the ground, and the problem of 'working poor' has been a concern in most post-Soviet countries, including Georgia.

Overall, unemployment, poverty and the low productivity of the rural economy remain the most challenging public policy issues for the country, compounded by an incomplete transition to market economy. Furthermore, the average nominal monthly salary of women in 2012 was 40% lower than that of employed men. Georgia's GINI coefficient is still one of the highest in the CIS region, despite improving from 0.48 in 2011 to 0.41 in 2013. Income and regional inequalities have left rural households, internally displaced persons (IDPs), Persons with Disabilities (PwD), women and youth especially vulnerable. While 53% of the workforce is employed in rural areas, the agriculture sector generates only 9% of Georgia's GDP. The underlying causes of limited employment opportunities are multidimensional and range from skills mismatch in the labor market, inadequate labor market policies and institutions, quality gaps in secondary and vocational education and low economic empowerment of women to the limited competitiveness and production capacity of small and medium enterprises (SMEs), especially in rural areas.

UPR recommendations encourage Georgia to establish relevant measures to protect and promote the rights of the socially vulnerable, using local context analysis. One of the ways to do this is through enhancement of the legal system pertaining to this area, and increasing investments in appropriate solutions for alleviating poverty and reducing unemployment.

In its Socio-Economic Development Plan (Georgia 2020), the government prioritizes increased employment and economic growth as one of the top development challenges for the country.

Introduction and continued expansion of social protection schemes by the government provided a safety net for the socially most vulnerable population groups, including families living below the poverty line, old age pensioners and people with disabilities. In 2013, old age pensions, TSA and disability allowances were increased by 50% and 100%, respectively, compared to the preceding year. Overall, the social allowance for old age pensioners increased 10.7 times from 14 GEL in 2000 to 180 GEL in 2016.

Despite this progress, poverty rates were not significantly reduced and both the incidence and severity of poverty remain of great concern to the country. 2013 data from a UNICEF study showed a declining trend in extreme poverty among children, from 9.4% in 2011 to 6% in 2013. Children have benefited from doubled social allowances and increased old age pensions indirectly; however 28% of children continue to live below 60% of the median household income and are subject to increased health risks such as malnutrition, suboptimal coverage rates for immunization and other vulnerabilities.

By 2014, a quarter of the child population continued to live below the poverty line due to inadequate reflection of children's needs in the national social cash transfer systems, though GoG has already initiated reforms in this area in partnership with the UN. The social protection system is further challenged by inadequate institutional capacities in terms of providing quality services as well as analytical capacities to measure and evaluate policy impact on the livelihoods of the most vulnerable groups.

When it comes to one of the most important components of SPF – unemployment allowances and social insurance – this is not in place in Georgia.

Since 2012, the new government has made a remarkable switch toward socially oriented budget and increased social assistance/coverage for more vulnerable individuals; however, a social protection system as such does not exist in Georgia and there is still a fragmented, eclectic approach based on urgent necessities. There is room for a cautious optimism in the fact that the government has made some promising pledges in its social and economic development plan '2020'. In particular, in this document the government demonstrates a willingness to improve social protection schemes and programs. But it fails to outline a social protection system and the ways to develop the most feasible, strong and balanced social security floors in conformity with the principles set forth in SDG. The government's economic policies will be guided by principles of social security and social justice. The tools for implementing those principles are a reduction in unemployment and efforts to provide dignified labor conditions and an orientation toward quality and accessible education, health care and basic social welfare systems.

The government of Georgia also admits that the benefits of economic growth did not reach a significant part of the Georgian population and failed to have an impact on unemployment and poverty levels. The document refers to analysis which showed that a lack of competitiveness in the private sector, weak development of human capital and limited access to finances hampered economic development. Further, that new economic policies under the present Strategy will lead toward more prosperity through reducing unemployment, improving labor and living conditions, forming basic social protection system and developing human capital. While accepting and recognizing most of the responsibility for providing social security floors to vulnerable groups, the government also sets as its goal to provide targeted social assistance to the poorest strata in society and create equal opportunities for developing human capital through provision of quality services, social justice and strengthening of the social systems.

The government further recognizes the importance of participatory democracy and engagement of relevant stakeholders for inclusive economic development by stating:

"The GoG will work on further improvement and harmonization of labor and employment legislation with European standards. Besides, taking into consideration the existing conditions, the government will create institutional mechanisms for monitoring the observance of labor rights in accordance with European practices, which will protect the rights of employed individuals to have safe and adequate work environment and work conditions; at the same time, the government will supervise th eobservance of other rights stipulated by law.

The government will facilitate social partnership and social dialogue, which implies cooperation between the state, employers and the employed, and elaboration of forms of cooperation between the parties through such partnership and dialogue. The further improvement of Georgia's social security net for vulnerable groups is important as a means of increasing the competitiveness of the country's human resources. Better employment opportunities will lay a solid foundation for improving the living standards for all Georgians. Job creation and the full involvement of the country's workforce in comprehensive economic growth are much more effective at overcoming poverty than the simple provision of social assistance."

Commitments demonstrated by the government of Georgia give hope for raising a nationwide discussion about how to improve existing social security programs. We see for example that the GoG is applying an international perspective on social protection floors to develop systemic and comprehensive strategies based on ILO guidelines and understanding the global recognition of the importance of SPFs in approaching sustainable development goals (SDG). There is a declared political will within the GoG to approximate its laws and policies to the EU's requirements, set forth in the EU-Georgia association agreement and DCFTA, and from other obligations Georgia has taken on, stemming from a number of UN treaties or regional conventions.

It is crucial to find ways to move forward thorugh concerted efforts and reach a consensus about the systematization of a system for social protection, rather than fragmented and, to some extent, overlapping policies.

It is of paramount importance to include all relevant stakeholders into this process, and to start negotiations with ILO and other experienced international or regional organizations and seek technical assistance and expertise in this domain. Considering these realizations, it is important to take stock of what stakeholders think or have to offer, what particular knowledge they possess about social protection floors and systems, how committed they are to advocate these ideas, and what particular challenges might hinder or be conducive to the process.

In the following chapter, we will try to generalize some opinions, suggestions and assessments by different stakeholders and summarize our main findings in order to draw a picture of the current situation concerning SPF and future possibilities, opportunities or challenges on the road toward establishing more advanced, systemic and needs-based social security floors in Georgia. The next chapter also provides an opportunity to see tabled content of responses of the stakeholders to the questions of interviews constructed in a semi-structured manner and conducted with a face to face approach.

### Summary of stakeholders' positions

At the outset of this short summary of stakeholders assessments, it should be stressed that all actors, including the government of Georgia, see the necessity of establishing a better managed, developed and more needs based social security system in Georgia. Stakeholders have used different characteristics to express their opinions about how to design efficient social security floors in Georgia. The Georgian Employer's Association (GEA), the Business Association of Georgia (BGA), the Georgian Insurers Association (GIA), the Georgian Trade Unions Confederation (GTUC), as well as UN agencies, civil society and academia are strongly in favor of conducting a comprehensive analysis on existing social security policies in the country, in order to draw a true picture of the current situation in this regard. They also emphasize the importance of identifying gaps, duplicates in financing, to assess the rationality and proportionality of the material resources provided by the state, to avoid overlapping of policies and fragmentation social assistance programs. The surveyed stakeholders believe that the government should conduct a comprehensive study of existing social security policies and try to ensure a wide participation of all relevant groups in the society in this process. Stakeholders believe that it is important for the government to reach a national consensus on how to organize the social security system in the future in accordance with the financial capacity of the state. Most of the stakeholders think that the analysis and findings of the study should serve as a cornerstone to drafting a strategy and an action plan with meaningful participation by all relevant stakeholders. GTUC and GEA referred to the Tripartite Social Partnership Commission under the prime minister as a possible forum where the idea of extended social security system could be initiated. Some representatives of the Georgian government also believe that a comprehensive study on the topic, in a holistic manner, could be conducive to the development of social security policies at the central level, as municipalities are autonomous, independent entities elected by the population and any directives or instructions provided by the central government could be deemed as interference. Representatives of the Ministry of Labour, Health and Social Affairs of Georgia (MOLSHA) also stated that there is a process underway of analysing social policies and programs provided in the sphere of the protection of children, with the support of UNICEF. An expert and a representative of academic circles in this field is convinced that the strategy followed by the action plan is unrealistic and that the state should, in the beginning, have a vision of social and economic development. Without such a vision it would be unwise to talk about research, strategy and action plan. The main question of such a vision should be the following: what is our concrete target, what we as a society want to achieve?

All stakeholders agree that social protection is a human right as expressed in numerous international conventions. Even the Constitution of Georgia recognizes the principle of the welfare state. The state must ensure a peaceful development of the society in a manner in which nobody is left behind, social justice and wellbeing is a reality and the state endeavors to use all available means to achieve common welfare

state goals by guaranteeing a fair distribution of social benefits. The responsibility of creating a social security system should be shared by business, society, trade unions and civil society. However, GEA believes that a general consensus is required to achieve these goals, and that business interests should not be damaged. The private sector should be motivated to participate in any discussions dedicated to this subject, in GEA's view.

The stakeholders also unanimously agreed on the following notion: The social security strategy, including a social protection floor, should be part of and conducive to the implementation of the country's social and economic development plans. The Georgia government, while implementing social protection floors, should undertake concrete steps to ensure the promotion of productive economic activity through coordination with other policies enhancing formal employment, income generation, education, literacy, vocational training, skills and employability; steps which will reduce the precariousness in the job market and promote job security, entrepreneurship and sustainable enterprises.

The stakeholders also agreed upon the need to involve ILO in the process. The state's strategy should be developed in close consultation with the ILO, drawing on its technical expertise and experience. The practice of other countries should also be taken into consideration.

Stakeholders do not have a clear vision of how to design the most appropriate social security system, tailored to the country. They also do not agree how it might be financed, what particular novelties should be employed to change the operation of social security polices and how to transform targeted social assistance into more systemized, sustainable and unified model. However, there are certain criteria ike affordability and the economic realities of the country that should be taken into consideration. Trade unions and academia are more explicit in their assessments: SPF must be funded by government resources (taxation) for two reasons. The first reason is that if it's funded from taxation, a social protection floor initiative would be guaranteed in the sense that it would be very hard to dismantle. Once it is anchored in the fiscal budget, it is easier to increase the amounts and to improve the transfer than to dismantle it. The second reason is that it is also a government responsibility to even out income inequalities and, to me, a good social protection floor is only as good as its redistributive function and responsibility. The Georgian Business Association and the Georgian Insurer's Association argued that systematization of social security could only be achieved through the optimization of existing social policies as to insure long-term financial affordability, since the budgetary resources are limited. The government should ensure that public finances are used in the most rational ways, covering the needs of those who really require assistance, and avoiding inappropriate use of budgetary means.

Stakeholders have different, but not very distinctive controversies about the obstacles, challenges and setbacks that might be encountered over the whole process of initiation, discussions and promotion of the idea of extended and systemized social

security in Georgia. GTUC, civil society, academia and GEA used almost the same wording to assess the possible difficulties of the process: Lack of political will by the government to take the burden of responsibility for adjusting existing policies due to the complex nature of the required change. Business Association of Georgia (BAG) and GIA believe that there will not be any major obstacles to such an effort if the the government's intentions are properly explained, that the idea is to shift from the existing social security policies toward a systemic approach. UN agencies think that it will not be easy to initiate this; however, the time is right for this idea to be made a reality, due to Georgia's DCFTA and association agreements with the EU, its SDG goals, as well as the 2016-2020 United Nations Partnership for Sustainable Development (UNPSD), which summarizes a collective strategic response by the UN system to the national development priorities in Georgia for a five-year period, including some components of social security. If initiated, UN agencies will provide support to the GoG in finding the best solutions in their efforts to establish a social security system according to the principles of ILO conventions and recommendations and in the spirit of Assessment-Based National Dialogue (ABND).

GTUC and civil society demonstrated a strong support for initiating and promoting the idea of an extended and systemic social security model in the country. They are interested in being actively involved in this process and use their resources to push the government to move in this direction. Trade unions and civil society groups will use their skills in communication strategy and advocacy to form alliances with those who agree with these principles while continuing to advocate toward the more skeptical decision-makers and opponents. GEA will not oppose the initiation of this idea; however, they will participate in the process if the government demonstrates a real political will to undertake concrete steps in this direction and engage in a meaningful and results-oriented dialogue with the private sector.

Some representatives of the government of Georgia believe that in general, they should at least provide a space to start discussions about these topics. However, a real commitment to act in this direction has not been demonstrated.

### Tables of stakeholders' response

success.

Stakeholders	<b>Government agencies</b> (Ministry of Labour, Health and Social Affairs; Prime Minister's Office; Social and Economic Development Plan 2020)
Horizontal and vertical dimension of SPF in Georgia according to ILO, possibility of Georgia moving gradually toward a vertical model for social security system in conformity with ILO standards.	According to the respondents, Georgia has a well-developed system of SPFs. However, these safeguards consist of targeted assistance, rather than a general protection. Georgia has not ratified ILO Convention 102; therefore the standards set forth in the convention are not obligatory for the country. Georgia has increased the amount of cash transfers to families who are living under the poverty line. The government is becoming more and more socially-oriented and rationally use all available financial resources at hand. They also admit and recognize that in an ideal situation, the country could move toward the extension of social-security floors, but currently the economy does not allow this. Georgia's social protection system today combines two components: Targeted Social Assistance (TSA) to help households below the poverty threshold, and a basic pension system.
General responsibility for an efficient social security system lies with the state, particularly with creating the political commitment to setting out the appropriate policy.	The state is responsible for the creation of effective and functional social security systems; however, the business sector and society should also take responsibility to some extent. GoG is attempting to develop a social security system according to the country's financial capacities. The government's policy in the social welfare sector is directed at ensuring dignified living and work conditions for people through creating a social protection system, decreasing social risks associated with poverty and old age and enabling the disabled and other vulnerable groups to participate in the country's social and economic life.
Social protection as a policy option, or as a legal obligation under international human rights law, a way of realizing all economic, social, cultural, civil and political rights.	It is unarguable that social security components are internationally recognized rights and the GoG considers social and economic rights an important machinery to further the government's policy in the social welfare sector directed at ensuring a dignified living and work conditions for people through creating a social protection system, decreasing social risks associated with poverty and old age and enabling the disabled and other vulnerable groups to participate in the country's social and economic life. Improving Georgia's social security net for vulnerable groups is also seen as a means of increasing the competitiveness of the country's human resources.
Necessity of developing a national strategy and action plan on social security, a comprehensive and deep analysis on the existing social security floor and social assistance programs.	It would be wise to draft a national strategy at the central level; however, the government is not empowered with a mandate to include local municipalities in such a strategy, hence it is important to decentralize power, and strengthen municipal and local governments. They see the necessity for a national study to be conducted. They claim that a process of holistic and comprehensive study with the support of UNICEF has already started focusing on children's issues.
Financing social security floors in Georgia. Voluntary contribution, mandatory contribution considering income situation (citizens, employers workers). Mixed system.	The government will ensure that at least 80 percent of households in the poorest decile of the population will be covered by the TSA program and that at least half of the households in the second decile will also be included in the program. In addition, universal basic pensions will be preserved and there will be a gradual transition to a pension savings system. The methodology by which the social and economic situation of households is evaluated will be improved with a view to improving the purposefulness of the TSA program; the administration of TSA will also be streamlined, and social information management systems will be strengthened. These actions will also increase the efficiency of social benefits. There is necessity to conduct a comprehensive and deep analysis.
Experience in designing, implementing and monitoring social security progams or policies. Experience in initiating and advocating different policies and legislative proposals through mobilizing public opinion.	MOLSHA has vast experience in implementing various social policies and mainly responsible for the administration of state run and sponsored programs in the country. They believe tripartite format to discuss these issues is important and the government has made several appropriate steps and some more efforts will also be applied to strengthen the capacity of the social partnership dialogue. The government will facilitate the social partnership and social dialogue, which implies cooperation between the state, employers and the employed. Each employed will be provided with dignified work conditions while the interests of the employers will be taken into account. Such mutually acceptable cooperation, which will be facilitated and guaranteed by the state, will strengthen social peace and stability of economic processes in the country.
Potential obstacles on the way toward promoting extended social security floors in Georgia. Supporters and opponents of extended social security floors.	Some representatives of governmental bodies believe that in general, the government should be ready to at least start discussions about these topics and see what can be done in the future. This could be the right time for Georgia, as we enter into a new stage of approximation with EU (Association agreement, DCFTA).
Resources, strength and possible leverage that could be mobilized in a support of extended social security system in Georgia. Alliances and coalitions to achieve	A successful initiation, promotion and implementation of this idea heavily depends on a political willingness of the government, as the main responsibility for the establishment of a durable, strong, improved and more inclusive social security system lies with the government.

#### Georgian Employers Association (GEA)

Horizontal and vertical dimension The state does not have a unified approach to the social security floors in Georgia. A coordinated of SPF in Georgia according to strategy is needed to see what can be done to improve the guality of social policies provided to citizens ILO, possibility of Georgia moving in general, including all relevant branches of the SPF. The government's social and economic development strategy 2020 of should be focused on these issues.. There should be enabling gradually toward a vertical model for social security system in environment for business sector to show right direction and motivate them to feel more social conformity with ILO standards. responsibility. Defragmentation should be avoided in the future through comprehensive analysis of existing SPF. General responsibility for an The responsibility to design, implement and supervise specific SPF policies lies with the state. However, efficient social security system lies the state should also guarantee, at a minimum level, that the roles among different actors and stakeholders in this process are shared. The state should create the most appropriate system which with the state, particularly with creating the political commitment operates in an efficient way and is tailored to Georgia's reality while promoting a sustainable and strong to setting out the appropriate business environment, job creation and economic growth. policy. Social protection as a policy Social Security Floors are minimum guarantees that the state should provide to its citizens. Some option, or as a legal obligation obligations of the state to act in this way stem from various international human rights conventions. under international human rights However, social security policies should be developed according to the financial and economic capacity of the country and provide support to those who are in need of such services. law, a way of realizing all economic, social, cultural, civil and political rights. Necessity for developing national The Strategy of the state should be developed with close consultation and by technical assistance and expertise of ILO / experiences and good practices of other countries should be taken into strategy and action plan on social Security in Georgia. consideration/engagement of stakeholders guaranteed/access to information ensured, especially for vulnerable and disadvantaged groups/for resident of remote rural and mountainous regions. Social Security Policies should be part of a social-economic long-term strategic plan elaborated and developed with close consultation and participation of business sector. Financing social security floors in There is no a particular remedy or receipt for how to finance social security programs in Georgia. The Georgia. Voluntary contribution, country's circumstances, economic context and parameters should be investigated and studied. A mandatory contribution general consensus is required to achieve the goals, while business interests should not be damaged. considering income situation The private sector should be motivated to participate in any discussions dedicated to this subject and the engagement of job creators should be meaningful, realistic and oriented toward creating a durable (citizens, employers workers). Mixed system. and sustainable system free from any instable or uncertain fluctuations. Experience in designing, Georigan Employer's Association has experiences in implementing some indirect components of the social security floors: Vocational training, reintegration of returned migrants, and promotion of implementing and monitoring employment opportunities. These projects are mostly implemented with the support of donor social security progams or policies. organizations. The beneficiaries of these projects are prisoners, persons with disabilities and job seekers. Experience in initiating and advocating different policies and legislative proposals through mobilizing public opinion. Potential obstacles on the way The absence of a real political will of the government to start dialogue, delayed and stretched in time toward promoting extended social procedures. Polarization (left-right wing discourse) will not impede the process. The government needs security floors in Georgia. to develop comprehensive approach to increase awareness of business sector about social protection Supporters and opponents of floors and seek for national accord about it. It would difficult, but not impossible to form alliances and extended social security floors. promote coalition thinking and win to win strategy. Resources, strength and possible GEA will not oppose the idea of extended social security systems but on the contrary participate in the process of introducing it, provided there is a genuine desire and attempt by the government to undertake steps in this direction and motivate private sector to participate. Participation in social a support of extended social dialogue led by the government and representing th einterests of dozens of business entities. The association brings with it experience in promoting and supporting different policies and projects aimed Alliances and coalitions to achieve at the creation of a better business environment. It will also contribute its international contacts and expertise gained throug many years, which will be conducive to this process. A high representation of the business sector is also a crucial factor for GEA to mobilize support.

### Business Association of Georgia (BAG)

Horizontal and vertical dimension of SPF in Georgia according to ILO, possibility of Georgia moving gradually toward a vertical model for social security system in conformity with ILO standards.	Nobody will argue that higher standards of social protection and access to better and extended services is desirable. However, the main question which should be asked is how to achieve these targets and if the country has enough financial resources for it. The only answer to this lies in the economic growth and development of Georgia. The government should not borrow money to reach this target. The government should ensure that the establishment of the system does not damage the interest of entrepreneurship and hamper economic development. Georgia meets the basic, minimum standards of social security, but a more systemic, needs-based approach is needed. The way to move toward a vertical dimension in social security is through optimization of existing social assistance programs and the universal health coverage.
General responsibility for an efficient social security system lies with the state, particularly with creating the political commitment to setting out the appropriate policy.	The state should guarantee, at a minimum level, that the population is provided with basic services and the roles among different actors and stakeholders in this process are shared. Affordability, sustainability and financial capacity of the country are crucial elements to consider.
Social protection as a policy option, or as a legal obligation under international human rights law, a way of realizing all economic, social, cultural, civil and political rights.	Social Security Floors are minimum guarantees that the state should provide to its citizens. Social protection is about human rights. A social security system should be conducive to the social and economic development and the creation of more wealth in the country. This should be a system that assists those in real need, with strict criteria to qualify. The administration of the system is also important.
The necessity of developing a national strategy and action plan for social security in Georgia.	The study should have been conducted long ago because there is an urgent need for drawing a realistic picture of the situation we are currently in. It would be almost impossible to conduct a comprehensive study considering the high number of self-employed and the scale of the informal economy in the country. An overarching goal of the study should be to identify double financing, unnecessary and inappropriate use of state budgetary recourses, optimization of existing polices and move toward a real and needs-based assistance, rather than eclectic programs that is driven by a wish to gain political support among the population.
Financing social security floors in Georgia. Voluntary contribution, mandatory contribution considering income situation (citizens, employers workers). Mixed system.	A broad, open discussion is needed to come up with the most relevant system tailored to a Georgiar context and considering the social and economic level of development in Georgia. The process should be participatory and conducted in the spirit of achieving a common goal.
Experience in designing, implementing and monitoring social security progams or policies. Experience in initiating and	No particular experience in this field. However, BAG can influence over the process of initiation and adoption of certain laws in conjunction with business activities, entrepreneurship, Industrial and labour relations, taxes and so on.
advocating different policies and legislative proposals through mobilizing public opinion.	
Potential obstacles on the way toward promoting extended social security floors in Georgia. Supporters and opponents of extended social security floors.	There should not be any obstacles to introducing the idea to people of systematization of socia security policies, if the government manages to explain to them clearly the importance of these adjustments and persuades possible skeptics that systematization will only be done through optimization of state financial contributions and will not cause any additional expenditure. The government understands the urgency of this issue and there is a high likelihood of leading the discussion and debates over this subject.
Resources, strength and possible leverage that could be mobilized in a support of extended social security system in Georgia. Alliances and coalitions to achieve success.	BAG will not oppose efforts to build support for this idea and will certainly participate in the process.

Association of Insurance Companies of Georgia (GIA)

Horizontal and vertical dimension It is not easy to provide a straightforward answer to this question. Considering the economic of SPF in Georgia development level of the country, the social protection system is organized rather satisfactorily. according to ILO, possibility of However, social assistance policies must be more targeted and needs based. A move toward vertical Georgia moving gradually toward level should heavily depend on a durable partnership between the state and the private sector. Right a vertical model for social security platforms and institutionalization of the system is necessary. Good administration of the system is also system in conformity with ILO crucial. Access to some of the basic services is guaranteed. standards. General responsibility for an The state is responsible for creating a system in which every human being is provided with basic efficient social security system lies services, income security and has wide opportunities to exercise these rights. Responsibility to create a social security system rests with the state; however, without the participation and support of the with the state, particularly with creating the political commitment private sector and society in general, one cannot expect to have a functional, durable and strong system to setting out the appropriate in place. policy. Social protection as a policy The concept of social security is about human rights and it would be more precise to say, the basis of option, or as a legal obligation human rights. Social security is not mere humanitarian aid provided to people in need of assistance, under international human rights but an obligation for the state to ensure that living a life with dignity is something that is accessible to law, a way of realizing all all citizens. Social security policies should be well-designed and administered by the state. It should be economic, social, cultural, civil and a part of global agenda of social and economic development. political rights. Necessity of developing a national Research is important and will be inevitable as Georgia enters into a new phase of development. strategy and action plan on social Consultations should be inclusive and meaningful. The awareness in the society about social security is security in Georaia. a vital. Lack of statistical data and comprehensive analysis makes the situation even worth. The strategy comprehensive and deep analysis should be followed by a concrete action plan with clear-cut and measurable indicators in order to take on existing social security floor or gradual steps toward establishing a predictable and reliable system. Systematization through social assistance programs. optimization of existing policies should be the aim of the government. This is the key to success in the Operating in Georgia. process. Financing social security floors in It could be a mixed system of financing. Discussions should be initiated in this regard. Partnership of Georgia. Voluntary contribution, government and private sector is essential. Experiences of other countries should be taken into mandatory contribution account. Georgia's financial capacity and economic development are crucial elements to consider. considering income situation (citizens, employers workers). Mixed system. Experience in designing, No particular experience in this field. However, the organization has experience in advocating different policies in health insurance and providing recommendations to decision makers. implementing and monitoring social security progams or policies. Experience in initiating and advocating different policies and legislative proposals through mobilizing public opinion. Potential obstacles on the way There should not be any major confrontation to start discussions, however it is going to be very difficult toward promoting extended social to reach national consensus on how to organize system, what be the most appropriate mechanisms security floors in Georgia. and machinery to apply to reach a common goal-decent living conditions of the citizens. There is urgent Supporters and opponents of need to pay attention to this discourse. The government should also demonstrate willingness to opt for extended social security floors. more needs-based social security system and try to initiate the idea. *Resources, strength and possible* Successful initiation, promotion and implementation of this idea depends heavily on the political willingness of the government. GIA will be interested in participating in the process and offer leverage that could be mobilized in experienced-based suggestions and recommendation. Alliances and coalitions to achieve

Horizontal and vertical dimension of SPF in Georgia according to ILO, possibility of Georgia moving gradually toward a vertical model for social security system in conformity with ILO standards.

General responsibility for an efficient social security system lies with the state, particularly with creating the political commitment to setting out the appropriate policy.

Social protection as a policy option, or as a legal obligation under international human rights law, a way of realizing all economic, social, cultural, civil and political rights.

Necessity of developing a national strategy and action plan on social security in Georgia, a comprehensive and deep analysis on existing social security floor or social assistance programs. Operating in Georgia.

Financing social security floors in Georgia. Voluntary contribution, mandatory contribution considering income situation (citizens, employers workers). Mixed system.

Experience in designing, implementing and monitoring social security progams or policies. Experience in initiating and advocating different policies and legislative proposals through mobilizing public opinion.

Potential obstacles on the way toward promoting extended social security floors in Georgia. Supporters and opponents of extended social security floors.

Resources, strength and possible leverage that could be mobilized in a support of extended social security system in Georgia. Alliances and coalitions to achieve success.

#### Georgian Trade Unions Confederation (GTUC)

Minimum standards of social security floors are already partly implemented by Georgia. However, the process is inconsistent, eclectic and not based on rational thinking. Some elements of the SPF as defined by ILO Convention 102 are not in place: Unemployment benefits, social insurance, and compensation for work-related injuries. The GTUC advocates transforming passive recipients of social assistance into active taxpayers, elaborating the policies of formalization of the informal economy and seeing social protection floors as an investment in people, rather than a financial burden and kind of humanitarian aid. Minimum standards of social protection must be recognized as part of and conducive to the sustainable social and economic development of the country, especially in the midst of global financial crisis and irrecoverable negative effects of austerity measures. Sustainable economic growth should be reflected on every group in society.

The state is responsible and accountable for the creation of favorable, decent living conditions for all citizens of the country. This principle is declared in the Constitution of Georgia, it also derives from a number of international human rights conventions to which Georgia is a signatory party. The state must ensure a peaceful development of the society in a manner in which nobody is left behind, social justice and wellbeing is a reality and the state endeavors to use all available recourses to achieve a common goal of welfare state by guaranteeing a fair distribution of social benefits.

Social protection is inarguably a human right as embodied and reflected in a number of international conventions. Even the Constitution of Georgia recognizes the principle of having a welfare state. The state should play a primary role in reaching a national consensus on this and engage all the relevant stakeholders in a meaningful social dialogue through which viable plans and strategies become more plausible. The responsibility should be shared; the burden of creating a social security system should be taken in equal measure by business, society, trade unions, civil society.

To conduct a comprehensive national analysis of existing social programs is an urgent matter to see what particular challenges the country has, to identify gaps, to minimize risks of overlapping and irrational expenditure of public finances. The analysis and findings of the study should serve as a cornerstone to draft a strategy and action plan with real involvement of social partners, with a spirit of social dialogue and participation of all parties and stakeholders concerned. Coordination with other public policies is essential, ensuring that social security policies are consistent with and conducive to the implementation of wider national social, economic and environmental development plans.

Minimum standards of social protection must be recognized as part of and conducive to sustainable social and economic development of the country, especially in the midst of global financial crisis and irrecoverable negative effects of austerity measures. Sustainable economic growth should be reflected on every group in society. Social protection should be considerd a form of temporary measures that are done to enable a smooth and dignified return of disadvantaged groups back to being a contributor to the economy. When it comes to the means and ways of financing, it should be discussed and a general accord reached preceded by a comprehensive analysis of existing programs, creation of a clear vision of the architecture of the country's future in this respect.

GTUC does not have experience specifically with designing and implementing a social policy. However, they have huge experience in representing workers' rights before the courts, in negotiating and reaching collective agreements that substantially improve working and social conditions of the employees. GTUC prepared several legislative proposals concerning workers' rights with the ultimate aim of meeting with the principles of decent work agenda/Pension reform scheme/Compensation and pension scheme for workers under the hazardous or harmful environment. GTUC indirectly implements some of the components of social security floors via collective agreements that provide members with decent working conditions, salaries and social benefits.

Lack of political commitment by the government could be a major obstacle to initiating discussions about the extended social security system in Georgia. The business community could also oppose this due to misconceptions about the social security floor as hindering factors to rapid economic growth.

GTUC has a vast experience in campaigning for workers rights and advocacy work. GTUC is the largest civil society organization in the country and could play a crucial role in the process of consolidating public opinion through its internal networks and channels. GTUC believes that the commitment undertaken by the government of Georgia under the Georgia-EU Asossiation Agrement, DCFTA, SDG and the Partnership Framework Agreement with the UN could speed up the initiation of the idea of systematizing Social Security Floors in Georgia. GTUC commits to play a proactive role in this process and apply all necessary human resources, support for international partners and actors to promote this idea.

#### NGOs and civil society

Horizontal and vertical dimension	
of SPF in Georgia	
according to ILO, possibility of	
Georgia moving gradually	
toward a vertical model for social	
security system in conformity	
with ILO standards.	

General responsibility for an efficient social security system lies with the state, particularly with creating the political commitment to setting out the appropriate policy.

Social protection as a policy option, or as a legal obligation under international human rights law, a way of realizing all economic, social, cultural, civil and political rights.

Necessity of developing a national strategy and action plan on social security in Georgia, a comprehensive and deep analysis on existing social security floor or social assistance programs. Operating in Georgia.

Financing social security floors in Georgia. Voluntary contribution, mandatory contribution considering income situation (citizens, employers workers). Mixed system.

Experience in designing, implementing and monitoring social security progams or policies.

Experience in initiating and advocating different policies and legislative proposals through mobilizing public opinion. Potential obstacles on the way toward promoting extended social security floors in Georgia. Supporters and opponents of extended social security floors.

Resources, strength and possible leverage that could be mobilized in a support of extended social security system in Georgia. Alliances and coalitions to achieve success. Georgia does not have an integrated social protection floor; in fact, not even minimum standards are in place. Whatever exists is fragmented, eclectic and inconsistent. The policies are focused toward responding to urgent needs and this targeted assistance is not systemic. There is no space and possibility yet to see the implementation of a vertical dimension as it is expressed in ILO standards, especially ILO Convention 102 and its recommendations. First, the government needs to create a system of minimum standards and afterward think about how to extend these policies.

Social Security is inalienable and inseparable part of human rights and the responsibility lies with the state to create a functional and operable social security system (policies, legal frameworks and regulations). The responsibility must be shared by other stakeholders too: business, trade unions. The state should define how, according to economic necessity and circumstances. The state should also ensure the participation of relevant stakeholders and disadvantaged groups in the social and economic development of the country.

SPF must be regarded as part of the social economic development of the state, and the government should make sure to mainstream the social policies in every particular polices it will engage in: education, employment, sustainable development, pension reform, inclusive democratic reform. Social security is an inseparable part of human rights and it is an obligation for Georgia to use all its administrative and financial resources to ensure dignified living conditions for all its citizens stems. This is a responsibility that stems from a number of human rights treaties and conventions ratified by Georgia.

Nation-wide research is vital to establish a true picture: needs – whether universal or individual – for different groups in society. The process should be fully participatory and enable all relevant stakeholders to express their opinions and give recommendations. The study should be holistic and encompass all aspects of the policies that are in focus: number of people covered, resources spent, dualism, overlapping, the level of transparency in existing policies, the existence of a grievance mechanism, and how the implementation is supervised.

The strategy should be developed through an active social dialogue which includes the NGO sector, representatives of different social groups, think tanks and representatives of UN agencies in the country.

SPF must be regarded as a part of the social and economic development of the country, and the government should make sure to mainstream the social policies in every particular polices it is engaged in: education, employment, sustainable development, pension reform, inclusive democratic reform. Financing of the social security system should be country tailored and consider the social and economic realities in the country.

The NGO sector is not a provider of any social policies in the country, but is actively engaged in advocacy work and strategic litigation process for the improvement of the social and economic conditions of vulnerable social groups and play a significant role in the protection of human rights. As such, NGOs are conducive to the democratic process in the country.

The political will of the government to start meaningful activities and take appropriate steps in this direction, develop a national social security concept and consensus will be difficult to achieve given the fact that there is strong division in society over the social and economic development of Georgia and a polarized political spectrum with left and right wing parties, scholars and think tanks.

The NGO sector will strongly support this idea and be actively involved in this process, use all available human resources to push the government to move in this direction. NGOs will use communication strategy and advocacy skills and be a reliable partner for those who strongly adhere to these principles and continue to convince the most skeptical decision-makers and opponents of this idea. NGO representatives believe that there is still a space for initiating this idea and this opportunity should be wisely used. The government has taken on some international obligations: SDG, Association Agreement and DCFTA with the EU, which could serve as best remedies to exert leverage over the government to start moving forward in this direction.

#### **Stakeholders** Academia Horizontal and vertical dimension Non existence of social responsibility and the general mood of the business sector will be hindering of SPF in Georgia factors on the road to building and designing a sustainable, durable and coordinated system of social according to ILO, possibility of protection in Georgia. Existing programs of social protection have been expanded under the Georgia moving gradually toward government that has held power since 2012, however we cannot say that minimum standards of a vertical model for social security protection are guaranteed in Georgia, and this will continue to be the case, unless the mentality and system in conformity with ILO mindset of entrepreneurs is changed and the state encourages principles of fair distribution of wealth, standards. and the offering of services according to the social welfare state approach, toward which Georgia strives, at least at declaratory level. General responsibility for an It is one of the major responsibilities of the state to create a system of social protection and enable efficient social security system lies those in need to receive decent protection, assist them temporarily with the goal of returning them to with the state, particularly with normal economic activity. The state cannot meet these obligations, which are derived from international human rights conventions, unless it changes the law on economic freedom. The best creating the political commitment would be to have a strategy, but this requires financial resources, because strategies do not work if to setting out the appropriate policy. they remain only on paper, but require an accompanying action plan and clear, measurable indicators. Social protection as a policy option, To ensure social security is the foundation of human rights. Social protection programs can be a powerful tool in the battle against poverty and inequality, as they can tackle multiple dimensions of or as a legal obligation under international human rights law, a poverty and exclusion. Social protection should ensure that all people have access to essential goods and services, removing social and economic barriers to access, and they are therefore an important way of realizing all economic, social, cultural, civil and political means of fostering equality and social solidarity in a society. Necessity of developing a national Research on existing programs is not necessary. First and foremost, the state should formulate its strategy and action plan on social vision, backed up by meaningful steps and real political commitment. Without this vision, it would be security in Georgia, a unwise to talk about research, strategy and action plan. Vision of social policies is of immediate comprehensive and deep analysis importance and certain social programs are responsive in nature to calm the social unrest, to make on existing social security floor or passive recipients dependent on allowances, rather than trying to enable them to find suitable jobs on social assistance programs. the labor market, diversify resources. The main question about this vision should be the following: Operating in Georgia. what is our clearly defined target that we as a society want to reach? Financing social security floors in When we are looking at social protection, we would position it in that discourse, so on what the Georaia. Voluntary contribution. government is meant to be providing in terms of public goods. This means, firstly, it is a right. Secondly, mandatory contribution it has to be funded from government resources (taxation) for two reasons. The first reason is that if considering income situation it's funded from taxation, a social protection floor initiative would be guaranteed in the sense that it (citizens, employers workers). would be very hard to dismantle. Once it is anchored in the fiscal budget, it is easier to increase the amounts and to improve the transfer than to dismantle it. The second reason is that the responsibility Mixed system. of the government is also to even out income inequalities and, to me, a good social protection floor is only as good as its redistributive function. No particular experience in this field. However, when it comes to promoting this idea and increasing Experience in designing, the awareness of social security among relevant stakeholders, academia could play an important role. implementing and monitoring social security progams or policies. Experience in initiating and advocating different policies and legislative proposals through mobilizing public opinion. Potential obstacles on the way of

Potential obstacles on the way of promotion an idea of extended social security floors in Georgia. Supporters and opponents of Extended Social Security floors.

Resources, strength and possible leverage that could be mobilized in a support of extended social security system in Georgia. Alliances and coalitions to achieve success. A state without social responsibility. Neo-liberal ideology including all the aspects. Deeply embedded libertarian ideology in the business community and economic team of the government. No culture of corporate social responsibility, which may be regarded as obstacles. Trade unions, civil society organizations working in the field of social and economic rights, that are public in general, could be supporters of this idea.

Some representatives of academia who believe in and support a European model welfare state and see it as a future target for Georgia, will mobilize all available human resources to further promote this idea and dedicate their time to participate in any discussions, meetings or debates concerning this issues at all levels.

Horizontal and vertical dimension of SPF in Georgia according to ILO, possibility of Georgia moving gradually toward a vertical model for social security system in conformity with ILO standards.

General responsibility for an efficient social security system lies with the state, particularly with creating the political commitment to setting out the appropriate policy.

Social protection as a policy option, or as a legal obligation under international human rights law, a way of realizing all economic, social, cultural, civil and political rights.

Necessity of developing a national strategy and action plan on social security in Georgia, a comprehensive and deep analysis on existing social security floor or social assistance programs. Operating in Georgia.

Financing social security floors in Georgia. Voluntary contribution, mandatory contribution considering income situation (citizens, employers workers). Mixed system.

*Experience in designing, implementing and monitoring social security progams or policies.* 

Experience in initiating and advocating different policies and legislative proposals through mobilizing public opinion.

Potential obstacles on the way of promotion an idea of extended social security floors in Georgia. Supporters and opponents of Extended Social Security floors.

Resources, strength and possible leverage that could be mobilized in a support of extended social security system in Georgia. Alliances and coalitions to achieve success.

#### UN agencies in the country (UNDP, UNICEF, UNFPA, OHCHR, UN Women, ILO run Project)

A social security system as such does not exist in Georgia. There is targeted assistance and some programs that lack continuity and quality. Methodology for social allowances for population under the extreme poverty needs to be overhauled. Overlapping and double expenditure between the central government and local municipalities is a reality. Geographic access to quality health services is a huge challenge. Access to information is not guaranteed. There is no coordination between the bodies that provide targeted assistance. A social protection system should be based on three dimensions: identification of the risk factors for poverty, applying preventive measures, and returning those requiring urgent protection to the labour market.

Social security and an adequate standard of living are human rights recognized in the Universal Declaration of Human Rights of 1948, particularly in Articles 22 and 25. Social protection also contributes to sustainable economic growth by raising labour productivity, empowering people to find decent jobs, stabilizing aggregate demand and stimulating local economies.

Investment in human capital is one of the major pillars of a social security system; another is life-long learning for individuals to train and retrain them according to the demands of the labour market. The state bears the responsibility, which derives from many international conventions and human rights treaties. The state should not perceive social assistance as a pure humanitarian gesture, but an obligation to create a functional labour market, to diversify employment policies and focus on protection, rather than on targeted assistance.

Nation-wide research is necessary to see reality, to identify gaps and challenges with an ultimate aim of drafting a strategy reflecting all the government's future activities. The process must be participatory and invite all major stakeholders to express their suggestions and make best use of their knowledge, influence over the processes. The concept of social security and vision of the state is also pivotal.

Financing of social security should be defined by Georgia, as there is no 'one size fits all' approach to this. The responsibility and burden of social security expenditures should be divided among different actors and the state should ensure that the interests of different groups are protected, that there is inclusive economic growth and an enabling environment. The state should seek the assistance and expertise of UN agencies in designing, implementing and monitoring social security systems, use experiences of those countries which have durable, systemized social security floors and have some similarities with Georgia in terms of the level of social and economic development.

UN agencies have vast experience in assisting Georgia in developing targeted social assistance methodology, human rights based strategies in various fields and will be actively engaged in the process of supporting Georgia's attempts to move forward in this direction and meet international obligations set forth in human rights treaties of the UN and create better living and working standards for all groups of society, to improve its economic performance and eradicate poverty, to ensure social justice and equality, decent conditions for all citizens.

The notion of social protection floors is not fully understood in Georgia, and there are a lot of misconceptions about it. The. Lack of information about social and economic benefits of having a wellorganized social protection system leads to sporadic and eclectic responses by the state to a poverty stricken society. The process of initiation will not be easy. However, this is the right time to initiate this idea, because of DCFTA, the Association Agreement with the EU, SDG Goals and the 2016-2020 United Nations Partnership for Sustainable Development (UNPSD), summarizing a collective strategic response by the UN system to the national development priorities in Georgia for a five-year period, including some components of social security.

If initiated, UN agencies will provide support to GoG in finding the best solution and possibility of establishing a social security system according to the principles of ILO conventions and recommendations and with the spirit of Assessment-Based National Dialogue (ABND). The process aims to crystallize the priorities of national actors, considering their specific context. The process builds on the ILO SPF Policy Gap Assessment Matrix and the Rapid Assessment Protocol for SPF Advocacy, which facilitates discussion on design and implementation gaps, preliminary costing and the search for fiscal space.

## Conclusion

Having conducted a stakeholders' analysis, we can conclude that all relevant actors do recognize and see the necessity for overhauling existing social security policies, with the ultimate aim of introducing a better, more functional and unified system. The stakeholders agreed with this notion, however they have different opinions about how to achieve a sustainable, durable and strong social security system in the country. Stakeholders have demonstrated a willingness to participate in the discussions about this issue and some of the actors have even indicated a strong support for encouraging the government to initiate the process. Stakeholders think that the government has the right momentum to consider adjusting existing policies and enable stakeholders to participate in the process in a spirit of meaningful dialogue to reach a consensus on how to organize a social security floor, how to switch to a needs based approach and to achieve the most appropriate use of public finances. These stakeholders' positions should be a good starting point and encouragement for the government of Georgia to start a gradual move in this direction, since there is a possibility, at least at the initial stage, of gaining stakeholders' support and mobilizing public opinion.

Although the opinions of different stakeholders differ dramatically when it comes to the forms and ways of Georgia's social and economic development, the means of achieving social justice and redistribution of wealth, as well as the notion of inclusive economic growth and social partnership, it is obvious that some common perspectives have been identified during the interviews. The need for a change and the readiness to contribute to the process exists. Now is the time for the government to act by demonstrating a real commitment and desire to take responsibility, to instigate and lead the entire process.

As you will see in the following chapter, the recommendations have been elaborated based on a careful analysis of the interviews with stakeholders, mixed with some subjective assessments on the basis of recent social and economic realities in Georgia. At first glance, these recommendations may seem quite ambitious and bold, but at least they will, most likely, trigger the commencement of discussions about social security floors in Georgia and assist interested parties in approximating their positions and focusing on common interests.

### Main recommendations of stakeholder analysis

GoG must ensure, at the very least, minimum essential levels of non-contributory social protection, not as a policy option, but rather as a legal obligation under international human rights law, and this protection should operate alongside other efforts to promote employment and other economic and social development goals. The GoG should recognize the importance of the universality of protection, based on social solidarity, for the prevention and reduction of poverty, inequality, social exclusion and insecurity; the promotion of equal opportunity and gender equality; and as a means of supporting the transition from informal to formal employment.

The development of a national social protection system should begin by profiling risks specific to a particular national context, in order to best understand country-specific vulnerabilities according to assessment methods formulated by the World Bank; for example risk management strategies outlined in the Bank's SRM framework for measuring risk reduction, risk mitigation and risk coping.

GoG should demonstrate a political commitment to developing a vision or concept of social security system preceded by a holistic and comprehensive national study on existing social security programs in the country.

GoG should elaborate the national strategy and action plan for building and maintaining comprehensive and adequate social security systems which are coherent with national policy objectives. The strategy should emphasize the state's overall and primary responsibility in line with national priorities, and it should take into account the need to spend resources efficiently, protect legal entitlements, make governance and administration more effective and have a broad national consultative process.

The government should apply all relevant measures to ensure that social security policies are implemented in coordination with other public policies, and that policies are consistent with and conducive to the implementation of wider national social, economic and environmental development plans. A comprehensive developmental approach will strengthen the impacts that social protection can have on livelihoods and foster pro-poor and inclusive economic growth and development.

GoG should approach ILO for technical assistance and expertise in developing a strategic vision for further advancing social security protection in the country and taking appropriate steps toward transforming existing social programs into a more durable and resilient social protection system.

GoG should build an appropriate monitoring and evaluation (M&E) system that provides an essential element for protecting the success of social protection programs through appropriate nationally-defined mechanisms, including tripartite participation with representative organizations of employers and workers, as well as consultation with other relevant and representative organizations of persons concerned. National consultations should also be regularly convened by the government to assess progress and discuss policies for the further extension of social security. Effective monitoring systems and rigorous impact assessments provides the essential evidence linking program performance to improvements in design and implementation and serves as a hallmark for social protection policy and program development. Positive evaluations can mobilize political support and expand the resources available for scaling up scope and coverage.

GoG should genuinely attempt to gradually approximate its social-economic vision and policies to the European Model of Social Welfare state by recognizing that a well designed social security that is linked to other policies enhances productivity and employability and supports economic development; it encourages human capital investment for both employers and workers and contributes to mitigating the economic and social impact of economic downturns, enhances resilience and facilitates faster recovery toward inclusive growth.

GoG should pay particular attention to building an economic and social framework that is conducive to sustainable enterprise creation and the growth of decent and productive employment. A large informal economy constitutes a particular challenge for the extension of social security coverage. The government should continuously employ efforts aimed at the transition from informal to formal economy and therefore, adequate incentives should be created to join the formal economy and reduce the costs of formalization.

Collective bargaining and freedom of association should be promoted as they play an important role in helping employers and workers negotiate on social security provisions, including for occupational and other supplementary schemes. Social dialogue is essential in identifying and defining priority policy objectives; the design of the corresponding benefits, entitlements and delivery methods; the allocation of the financial burden between generations and between contributors and tax payers; and the need to find a fair balance between social expectations and financial constrains.

The government should consider including basic knowledge about social security in the education and training curricula at different levels of the national education systems. Employers' and workers' organizations have to build significant capacity to be able to share the social security knowledge with their members as well as to actively participate in social dialogue on social security policies and in monitoring and supervising social security schemes.

The government should promote women's participation in the labour force through more equitable treatment, creating better employment opportunities, reducing the segmentation of the labour market between men and women, eliminating gender gaps in wages and providing equal professional development opportunities.

The government should facilitate an effective transition from school to work, improve the rehabilitation of workers with reduced working capacity, including personal support and training where appropriate, with a view to fostering their participation in the labour market; it should combat the income replacement function of social security through active labour market policies as well as assistance and incentives that promote real participation in the formal labour market. The government should establish a labor inspection system to improve compliance with social security and occupational safety and health legislation and strengthen the preventive potential of the latter through the promotion of a health and safety culture.

The government should engage with social partners and promote effective social dialogue to define the most appropriate national social security policies and time frames for their progressive implementations, giving full effect to the provisions of Convention 102 and other up-to-date ILO social security conventions and undertaking measures to ratify these conventions.

GoG must acknowledge that the impacts of social protection programs are not gender neutral, and accordingly should design and implement social protection strategies which recognize the multiple forms of discrimination that women experience, and ensure that programs address women's specific needs throughout the different phases of their life cycle (childhood, adolescence, adulthood and old age).

The government should ensure that existing social protection programs are transparent and provide comprehensive, appropriate access to information and communication, since transparency and access to information are critical safeguards against corruption and wasteful spending, and represent a vital tool to increase beneficiaries' access to and participation in social protection programs.

The government must put in place adequate mechanisms for immediate beneficiaries to participate in the design, implementation, monitoring and evaluation of social protection programs to ensure the broadest participation possible by vulnerable and disadvantage groups.

The government should ensure that social protection programs incorporate accessible and effective complaints mechanisms which guarantee anonymity, allow for individual and collective complaints, and are sufficiently resourced. Complaints procedures should include an appeal process that is independent, accessible, simple, fair and effective.

ILO, in close collaboration with UN agencies, all relevant partners and CSOs should encourage GoG to start Assessment Based National Dialogues on social protection on the basis of multi-stakeholder participation that raises awareness and increases the capacity of local and national stakeholders to analyze the issues, voice their concerns and suggestions, and create a nationally defined social protection agenda together.

Georgian Trade Unions Confederation (GTUC) should intensify its efforts to increase the focus on social security issues in general by strongly supporting the idea of extended social security coverage in the country at large, including but not limited to tripartite social partnership commission, mobilization of public opinion, using high representation of workers and building alliances with relevant civil society organizations.

Civil society should strongly advocate for rights-based social protection floors and form coalitions and alliances in order to promote the idea of establishing a sustainable, strong and unified system of social protection in Georgia. This is the right time for civil

society to enter the policy arena and take part in a truly multi-stakeholder process to develop social protection systems in the country.

Mass media outlets should also pay more attention to covering the issues of social security policies, since they play a critical role in improving governance, improving living standards and creating positive social change. The media should provide objective information to actors throughout society, allowing them to participate in the decisions and debates that shape their lives.

### List of Interviewed Organizations:

Government of Georgia, Prime Minister's Office, Ministry of Labour, Health and Social Affairs of Georgia

Georgian Employers Association (GEA)

Business Association of Georgia (BAG)

Association of Insurance Companies of Georgia (GIA)

Georgian Trade Unions Confederation (GTUC)

Article 42 of the Constitution

Human Rights Education and Monitoring Center (EMC)

Partnership for Human Rights (PHR)

UN Agencies in Georgia (UNICEF, UNFPA, UN Women, OHCHR, ILO Caucasus Project)

### Abbreviations

- ABND Assessment Based National Dialogue
- AA Association Agreement
- **BAG** Business Association of Georgia
- DCFTA Deep and Comprehensive Free Trade Agreement
- EMC Center for Human Rights Education and Monitoring
- EU European Union
- **GEA** Georgian Employers Association
- **GDP** Gross Domestic Product
- **GIA** Georgian Insurers Association
- **GTUC** Georgian Trade Unions Confederation
- **GEOSTAT** Georgian Statistics Office
- HDI Human Development Index
- ILO International Labour Organization
- MOLSHA Ministry of Labour, Health and Social Affairs of Georgia
- NGO Non-Governmental Organizations
- OHCHR Office of the United Nations High Commissioner for Human Rights
- PHR Partnership for Human Rights
- **PHC** Primary Health Care
- PwD Persons with Disabilities
- SDG Sustainable Development Goals
- **SPF** Social Security Floors
- TSA Targeted Social Assistance
- **UNDP** United Nations Development Fund

- UNICEF United Nations Children's Fund
- UN Women United Nations Women's Fund
- **UNFPA** United Nations Population Fund
- UHC Universal Health Care
- UPR Universal Periodic Review

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