

Ekaterine Kardava

**10 YEARS OF LABOR POLICY
AND EUROPEAN INTEGRATION
IN GEORGIA
2014 - 2024**



EUROPEAN
TIME

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10 years of Labor Policy and European Integration in Georgia

**შრომის პოლიტიკის 10 წელი და ევროპული ინტეგრაცია საქართველოში
2014-2024**

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Ekaterine Kardava

November 2024

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GEORGIA PROGRESS REPORT 2013, EUROPEAN COMMISSION

IMPLEMENTATION OF THE EUROPEAN NEIGHBOURHOOD POLICY IN GEORGIA PROGRESS IN 2013 AND RECOMMENDATIONS FOR ACTION BRUSSELS, 27.3.2014¹ (Before the Association Agreement)

SOCIAL SITUATION, EMPLOYMENT AND POVERTY REDUCTION:

The IMF have estimated the unemployment rate in 2013 at 16.7 %, amongst the highest in the region. Over 50% of the unemployed have secondary education and 40% are university graduates. The situation of young people (age 15-24) is also problematic as evidenced by the fact that about 30% are not in education, training or employment. GEOSTAT data also show wide gender disparities, with the activity rate for women estimated at 54% (20 points less than men) and the employment rate at 48% (15 points less). Georgia's budget for 2013 provided for increased social spending to protect the most vulnerable groups, while continuing on the path of fiscal consolidation.

Starting from 1 April, minimum monthly pensions were increased to GEL 125 for those under the age of 67. Subsequently, starting from 1 September the minimum monthly pension for all pensioners was increased to GEL 150.

In June the parliament adopted amendments to the Labour Code at the third and final reading, which entered into force in July. All International Labour Organization (ILO) standards-related provisions were properly adopted, which means that the Labour Code is now complying with ILO Conventions 87 and 98 in relation to collective bargaining and anti-discrimination.

Provisions regarding fixed-term contracts were improved. A new statute for the Tripartite Commission - to be chaired by the Prime Minister - was adopted on 7 October 2013 but this Commission has not started its operations yet.

The Ministry of Labour, Health and Social Affairs is working on the practical implementation of the amended Code and on a new law on health and safety, providing for the establishment of labour inspection in the country.

An interim labour market strategy and an associated action plan (2013-2014) were adopted in August 2013, with five key measures: improve the legal base; enhance the range and quality of services available to job-seekers; improve labour market information; ensure greater synergy between the needs of the labour market and education; and support legal, temporary migration. Work also started on a longer-term strategy and action plan.

¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52014SC0072>

GEORGIA PROGRESS REPORT 2014, EUROPEAN COMMISSION

IMPLEMENTATION OF THE EUROPEAN NEIGHBOURHOOD POLICY IN GEORGIA PROGRESS IN 2014 AND RECOMMENDATIONS FOR ACTION

BRUSSELS, 25.3.2015 ²

(After the Association Agreement)

ECONOMIC REFORM AND SOCIAL REFORM AND DEVELOPMENT:

Unemployment remained high at around 14.1% (14.6% in 2013), with an estimated 30% of 15-24-year-olds remaining outside education, training and employment. A significant share of the population remained dependent on remittances, which declined in 2014 as a result of a considerable decrease in money transfers from Russia.

A Trilateral Commission for Social Partnership was inaugurated in May 2014 but has not met since then. This effectively meant that there was no functioning tripartite social dialogue at the national level.

OTHER HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS:

The institutional arrangements to protect labour rights remained unchanged. There is a broad consensus between the government and the social partners about inspections of safety at work, but the creation of broader labour inspections (linked to the AA/DCFTA) remained a contentious issue. Changes made in February 2014 to the law on public service were considered by trade unions as a violation of the labour rights of employees in the public service. Unions also complained that public employers in the education, postal and railway sectors established 'yellow' unions backed and organized by the employers' side.

² https://eeas.europa.eu/archives/docs/enp/pdf/2015/georgia-enp-report-2015_en.pdf

GEORGIA PROGRESS REPORT 2015, EUROPEAN COMMISSION

ASSOCIATION IMPLEMENTATION REPORT ON GEORGIA BRUSSELS, 25.11.2016³

EMPLOYMENT AND SOCIAL POLICY:

With regard to employment and social policy, the government's strategy to boost economic development places emphasis on investment in human capital as a key driver of economic growth. Redistributive policies continue to play a significant role in lifting households out of poverty. The unemployment rate decreased slightly from 12.4% in 2014 to 12% in 2015 but youth unemployment remained very high at 30.8% in 2015.

A Tripartite Commission for Social Partnership (TSPC) is formally in place with limited capacity to elaborate proposals or recommendations on labour related matters.

With regard to labour inspections, the establishment of the labour monitoring programme and its transformation into a State supervision programme is an important first step. But it does not constitute a fully-fledged labour inspection system and does not allow for the fulfilment of Georgia's obligations under the respective ILO fundamental conventions on labour rights and the Association Agreement.

Public employment services are being re-established and the new model is being piloted in several regions.

A law on occupational health and safety at work compliant with the respective EU Framework directive has not been adopted.

³ https://www.eeas.europa.eu/sites/default/files/1_en_jswd_georgia.pdf

GEORGIA PROGRESS REPORT 2016, EUROPEAN COMMISSION

ASSOCIATION IMPLEMENTATION REPORT ON GEORGIA BRUSSELS, 9.11.2017 ⁴

EMPLOYMENT AND SOCIAL POLICY:

As regards employment and social policies, unemployment in Georgia remains high (11.8% in 2016), even if it continues on a downward trend (16.9% in 2009), and notably among young people (30.5% in 2016). Employment creation remains low. Overall poverty is however on a declining trend.

The Tripartite Social Partnership Commission (TSPC) meets through its plenary session as well as Working group level meetings, however the former continue to be held with irregular frequency and the trade-union member left it. In February 2017, the TSPC approved the list of mediators for collective labour disputes.

The first sectoral agreement between the Teacher's Union and the Government of Georgia was signed in March 2017.

A draft framework law on occupational safety and health (OSH) was prepared and adoption by the Parliament was delayed. The law would make the adoption of specific regulations transposing EU directives in the field of Occupational Health and Safety possible and would establish a legal basis for labour inspections in this area, which is more in line with international and EU standards.

The system of labour inspections continues on a voluntary basis, covering occupational health and safety and forced labour but not other labour standards rights, nor general working conditions or employment relations. The piloting of a new model of public employment services continues in the selected regions.

GENDER INEQUALITY AND EQUAL TREATMENT:

Women are underrepresented in politics (15.33% in Parliament and 11.6 % in local governments) and in the labour market (activity rate at 58% against 78% for men).

Incidents of discrimination against LGBTI (lesbian, gay, bisexual, transgender and intersex) persons in labour, health, social and economic areas have been reported.

⁴ https://www.eeas.europa.eu/sites/default/files/association_implementation_report_on_georgia.pdf

TRADE AND SUSTAINABLE DEVELOPMENT:

Regarding Trade and Sustainable Development (TSD), the current system of labour inspections does not yet allow for effective implementation of the ILO fundamental conventions on labour rights.

STATISTICS:

In 2017, GEOSTAT has moved on from including the labour force survey as part of the integrated household survey and made it a separate survey in line with EU standards in methodology in labour force statistics.

EDUCATION:

In 2017 the European Commission and the Government have started negotiations of the new programme "Skills Development and Matching for Labour Market Needs". The new programme will contribute to sustainable and inclusive growth and resilience by developing human capital and skills sets and strengthening coordination between the education system and labour market.

FINANCIAL ASSISTANCE:

The 2017 Annual Action Programme of EUR 115 million, still being finalised in October 2017, will focus on (1) developing human capital and skills to better match the education system and the labour market and (2) supporting economic and business development by improving commercial justice, modernizing financial infrastructure and enhancing business sophistication and value chain development.

GEORGIA PROGRESS REPORT [2017] 2018, EUROPEAN COMMISSION

ASSOCIATION IMPLEMENTATION REPORT ON GEORGIA BRUSSELS, 30.01.2019⁵

EMPLOYMENT AND SOCIAL POLICY:

As regards employment and social policies, unemployment in Georgia remains high (13.9% in 2017 according to GEOSTAT data), even if it continues on an overall downward trend⁶, notably among young people.⁷ Overall, employment creation remains low and poverty remains an issue with 21.9% of the population under the absolute poverty line in 2017.

The Tripartite Social Partnership Commission continues to meet at its annual plenary session as well as at working group level; however the former continues to be held with irregular frequency.

In November 2017 Georgia ratified the International Labour Organization (ILO) Priority Convention 144 on Tripartite Social Dialogue. Upon its entry into force, in May 2019, Georgia will participate in the mandatory reporting cycle concerning its implementation and in practice will be subjected to review by the ILO supervisory mechanisms.

The current system of labour inspections requires further adjustments to be an effective mechanism for implementation of the ILO fundamental conventions on labour rights.

The Law on Occupational Health and Safety entered into force in August 2018 allowing the labour inspectorate to perform unannounced checks and apply fines. However, its application is restricted to economic activities defined by the Government which involve increased risk, heavy, hazardous and dangerous working conditions. A draft organic Law on Safety at Work has been approved by the Parliament on 31 October 2018.⁸

There was no progress towards approval of the Employment Service Law, while the piloting of a new model of public employment services continues slowly in the selected regions.

Further amendments to the Labour Code are expected in order to meet European and international standards. A corresponding legislative package is being examined by the Parliament.

5 https://www.eeas.europa.eu/sites/default/files/2019_association_implementation_report_georgia_en.pdf

6 17.9% in 2008, 17.3% in 2011, and 14.6% in 2014

7 27.1% of age 15-19, 29.6% of age group 20-24, and 20.8% of age group 25-29 in 2017

8 27.1% of age 15-19, 29.6% of age group 20-24, and 20.8% of age group 25-29 in 2017

GENDER INEQUALITY:

Gender inequality remains high. Georgia is ranked 76 out of 188 countries in the Gender Inequality Index and 94 out of 144 countries in the Global Gender Gap Index. Women are underrepresented in politics and in the labour market.⁹

MARITIME AFFAIRS:

Currently Georgia is in the process of acceding to a number of International Conventions and Protocols. The country is also in the process of initiating the ratification of the Maritime Labour Convention 2006 (MLC 2006) and adopting a Law on the Employment of Seafarers, which transposes the requirements of the MLC 2006.

⁹ Women activity rate is at 50.8% compared to 63.4% for men, http://www.geostat.ge/?action=page&p_id=145&lang=-geo

GEORGIA PROGRESS REPORT 2019, EUROPEAN COMMISSION

ASSOCIATION IMPLEMENTATION REPORT ON GEORGIA BRUSSELS, 6.02.2020¹⁰

EMPLOYMENT:

As regards employment, unemployment remains high, at 11.1% (2nd quarter). With more than 40% of self-employed people in subsistence farming, unemployment (together with wide regional disparities and a big skills mismatch) remains a major challenge. It remains higher among women than among men.

The Employment Service Agency was established in October separating employment services from social services.

The Ministry of Internally Displaced Persons from Occupied Territories, Labour, Health and Social Affairs (MoIDPLHSA) has drawn up a new labour market strategy for 2019-2023.

The Tripartite Social Partnership Commission continued to meet at its annual plenary session and in the framework of working groups.

OCCUPATIONAL HEALTH AND SAFETY (OHS):

The amended Law on Occupational Health and Safety (OHS) entered into force in September, allowing the Labour Inspectorate to perform unannounced checks and charge fines in all sectors. However, the Inspectorate's mandate remains unchanged and does not cover working conditions outside OHS. There was a new wave of protests against dangerous working conditions and poor social protection throughout 2019.

GENDER EQUALITY:

In May, the Labour Code and a number of other laws were amended, with sexual harassment being defined as a form of unlawful discrimination in the workplace and administrative penalties introduced for sexual harassment in public spaces. The Public Defender is mandated to examine allegations of sexual harassment in the workplace and refer them to the court if its recommendations are not followed. The Government made an effort to raise awareness and

¹⁰ https://www.eeas.europa.eu/sites/default/files/1_en_document_travail_service_conjoint_part1_v4.pdf

build capacity in state bodies as regards gender mainstreaming in national policies. However, the key Government body, the Inter-Agency Commission on Gender Equality, received no additional staff to ensure adequate administrative support.

MOBILITY AND 'PEOPLE TO PEOPLE':

MoIDPLHSA established a dedicated unit to deal with labour (circular) migration. Georgia has continued bilateral consultations with EU Member States on cooperation in the framework of the mobility partnership.

GEORGIA PROGRESS REPORT 2020, EUROPEAN COMMISSION

ASSOCIATION IMPLEMENTATION REPORT ON GEORGIA BRUSSELS, 5.2.2021 ¹¹

EMPLOYMENT:

As regards employment, the slow trend of decreasing unemployment has been negatively impacted by the COVID-19 crisis. As of 2020, a new methodology on the calculation of self-employed people has been applied, no longer including people in subsistence farming. As a result, the unemployment rate at national level for 2019 was recalculated to 17.6%, instead of 11.6%. It reached 18.3% in the first two quarters of 2020, and dropped down to 17% in the third quarter.

The Employment Service Agency, separating social services from employment services, has been operational since the beginning of 2020. Currently the Headquarter office and ten regional offices, out of which five are in Tbilisi, are fully operational; two regional offices are partly operational and three are expected to be operationalised in the first half of 2021.

In July, Parliament approved the Law on Employment Services, which addressed some legislative gaps and defined public employment service provision in Georgia.

In addition to important amendments to the Labour Code, the Law on the Labour Inspection Services was approved in September 2020, extending the Labour Inspectorate's mandate to include labour rights and conditions (in addition to health and safety issues) and changing its status to a more independent agency under the Ministry.

GENDER EQUALITY:

In September, the Parliament adopted substantial amendments to the Labour Code. Important improvements include the introduction of paid maternity leave, provisions protecting pregnant women and women who recently gave birth, including working arrangements in the case of night shifts and time off for medical examinations. The amendments also provide better protection against discrimination, such as the introduction of all basic definitions (e.g. direct and indirect discrimination, harassment) and the prohibition of termination of employment contracts based on discriminatory grounds. Other amendments include safeguards against excessive working time and collective redundancies.

¹¹ https://www.eeas.europa.eu/sites/default/files/2021_association_implementation_report_in_georgia.pdf

MEDIA LANDSCAPE:

The election of the Ajara Public Broadcaster's new Director in November 2019 was preceded by a stand-off and the journalists' warnings about attempts to change the TV's editorial policy to a government-leaning one. The confrontation aggravated by January 2020, when part of TV employees established an alternative trade union to defend their rights. In the course of 2020, key journalists and managers were gradually dismissed or left the channel. Several of them filed cases in court.

GEORGIA PROGRESS REPORT 2021, EUROPEAN COMMISSION

COMMISSION OPINION ON GEORGIA'S APPLICATION FOR MEMBERSHIP OF THE EUROPEAN UNION BRUSSELS, 17.6.2022 ¹²

KEY FUNDAMENTAL RIGHTS ISSUES:

Overall, the country's legal framework on non-discrimination and gender equality is largely in line with the EU acquis, but not sufficiently enforced. There are continued efforts to raise awareness on gender equality, to address persisting inequalities preventing women from fully exercising their equal rights... Women continue to face inequality in the labour market; a gender pay-gap persists with women overall earning 36.2% less than men on average in 2019.

FUNCTIONING MARKET ECONOMY:

The unemployment rate in Georgia stood at 19% at the end of 2021 and was high in comparison to other countries in the region. The employment rate has persistently been low (41.5% at the end of 2021). This is partially caused by a mismatch between workforce skills and fast evolving needs of employers, a high number of subsistence farmers (classified in the statistics as being outside the labour force or unemployed), as well as high informal employment, estimated at 32% of non-agricultural employment.

Public employment services played a very limited role until recently, but they have been gradually strengthened following the establishment of the State Employment Support Agency in 2019.

COMPETITIVENESS AND INCLUSIVE GROWTH:

There are other areas where the approximation to the EU acquis is still very limited; for example, electronic communication and social policy and employment. Further efforts are needed to ensure effective implementation of the anti-discrimination legislation.

¹² <https://neighbourhood-enlargement.ec.europa.eu/system/files/2022-06/Georgia%20opinion%20and%20Annex.pdf>

LABOUR MARKET:

Labour market	Note	2010	2016	2017	2018	2019	2020
Economic activity rate for persons aged 20–64: proportion of the population aged 20–64 that is economically active (%)		76.3	77.3	76.7	75.2	74.5	63.2b
Employment rate for persons aged 20–64: proportion of the population aged 20–64 that are in employment (%)		61.7	65.5	65.3	64.9	65.1	51.1b
Male employment rate for persons aged 20–64 (%)		68.7	72.4	71.4	72.2	72.3	58.7b
Female employment rate for persons aged 20–64 (%)		55.4	59.1	59.5	58.2	58.3	43.9b
Employment rate for persons aged 55–64: proportion of the population aged 55–64 that are in employment (%)		64.4	71.0	66.8	67.2	65.8	47.0
Employment by main sectors							
Agriculture, forestry and fisheries (%)	7)	48	43.7	43.2	38.9	38.2	19.8b
Industry (%)	7)	7.2	7.2	8.1	8.3	7.8	11.4b
Construction (%)	7)	:	:	:	:	:	6.9b
Services (%)	6) 7)	44.8	49.1	48.8	52.8	54.0	61.9b
People employed in the public sector as a share of total employment, persons aged 20–64 (%)		20.6	17.1	17.7	18.6	18.3	23.5
People employed in the private sector as a share of total employment, persons aged 20–64 (%)		79.4	82.9	82.3	81.4	81.7	76.5
Unemployment rate: proportion of the labour force that is unemployed (%)	5)	17.4	14	13.9	12.7	11.6	18.5b
Male unemployment rate (%)	5)	19.1	16.6	15	13.9	12.8	20.2b
Female unemployment rate (%)	5)	15.5	10.9	12.7	11.2	10.1	16.2b
Youth unemployment rate: proportion of the labour force aged 15–24 that is unemployed (%)		37.9	33.2	28.9	29.9	30.4	39.4b
Long-term unemployment rate: proportion of the labour force that has been unemployed for 12 months or more (%)	5)	8.1	6.2	5.8	5.1	4.3	5.8b

SOCIAL COHESION:

Social cohesion	Note	2010	2016	2017	2018	2019	2020
Average nominal monthly wages and salaries (national currency)		597.6	940	999.1	1 068.3	1 129.5	1 191.0
Index of real wages and salaries (index of nominal wages and salaries divided by the inflation index) (2016 = 100)	:		100.0	:	:	105.3	105.6
Proportion of persons at risk of relative poverty (after transfers) (%)	9)	22.8	21.0	22.3	20.5	20.1	:

GEORGIA PROGRESS REPORT 2022-2023, EUROPEAN COMMISSION

2023 COMMUNICATION ON EU ENLARGEMENT POLICY BRUSSELS, 8.11.2023¹³

CLUSTER 3: COMPETITIVENESS AND INCLUSIVE GROWTH CHAPTER 19 - SOCIAL POLICY AND EMPLOYMENT

EU rules in the social field include minimum standards for labour law, equality, health and safety at work and non-discrimination. They also promote social inclusion, social protection, and social dialogue at EU level.

Georgia has some level of preparation in the field of social policy and employment. Some progress was made in the reporting period, including the adoption of resolutions on health and safety at work aimed at aligning with the EU acquis, and strengthening the capacity of the Labour Inspection Office. On social policy, further steps were taken towards a more comprehensive and sustainable social protection system. Across all policy areas Georgia needs to continue work on aligning with the EU acquis.

In the coming year, Georgia should:

- further align with the EU labour and occupational safety and health acquis; specifically with the pending Directives on occupational safety and health;
- adopt a comprehensive and sustainable social protection system, including unemployment and minimum income benefits, promote social dialogue, and engage in a wider discussion on the reform of the minimum wage;
- ratify and implement relevant International Labour Organization conventions, in particular C081 on labour inspection.

Regarding labour law, Georgia has legislation concerning all eight Directives where it has an obligation to harmonize with the EU acquis under the AA/DCFTA. Legislation concerning the rights of young workers aims at aligning with the relevant EU acquis. Georgia demonstrates an overall good understanding of the EU acquis in most areas of labour law. However, further alignment efforts are required, including as regards directives applicable in specific sectors, such as transport. The Labour Code reform of 2020 significantly improved the labour regulations in the country, however, the reform contains major gaps in terms of introducing gender-responsive family policies in particular paternity or carer's leave and flexible working arrangements.

¹³ https://neighbourhood-enlargement.ec.europa.eu/system/files/2023-11/SWD_2023_697%20Georgia%20report.pdf

Georgia has not yet ratified some relevant **International Labour Organization conventions**, including those on labour inspections, occupational safety and health at work, and violence and harassment at work. As regards labour inspections, Georgia is working towards ratification of ILO Convention 81.

On **occupational health and safety** at work, the 2019 Organic Law on Occupational safety is mainly based on the EU Framework Directive. However, it seems not fully aligned with the EU acquis on occupational safety and health since it only applies to employers and workers bound by a labour agreement – including child workers, – and limits the possibility to detect/identify instances of exploitation and forced labour. This limits its application and leaves out informal employers and employees outside its application. Work is also ongoing to align legislation with individual directives on health and safety at work. In this context, between July 2022 and May 2023, Georgia adopted four resolutions aimed at incorporating provisions of 5 EU Directives (90/270/EEC, 89/654/EEC, 89/656/EEC, 92/58/EEC, 90/269/EEC).

The **enforcement of labour law** and health and safety at work is covered by the mandate of the Labour Inspection Office under the Ministry of Internally Displaced Persons. In the course of 2022, the Labour Inspection Office's capacities – both institutional and human resource – were strengthened. Due to the specific nature of the work, continuous upskilling activities are needed to maintain a high quality of inspection activities.

During 2022, 35 people died – compared to 37 in 2021 – and 253 were injured at work. Although there is a steady decrease in the number of occupational accidents the average incidence of fatal occupational accidents remains higher than in the EU.

Concerning **social dialogue** there is a limited coverage of collective agreements in the country. Collective agreements are mostly signed at company or enterprise level and only one sectoral collective agreement has been concluded. Social partners require capacity-building activities in order to allow for effective social dialogue.

On **employment policy**, there are two main policy documents: the Law on Employment Promotion and the 2019-2023 National Strategy of Labour and Employment policy. Some efforts have been made to adopt legislation in line with the EU acquis on guidelines for employment policies and on enhanced cooperation between public employment services. On Labour force participation, the government's new initiative to improve the employability of the population receiving social allowances, managed by the State Employment Support Agency, benefited 29 323 individuals between March 2022 and March 2023.

The **unemployment rate** in 2022 in Georgia constituted 17.3%, down from 20.6% in 2021, presumably as a result of post-COVID-19 recovery. However, already in the first quarter of 2023, unemployment rate increased to 18%. Unemployment rate among men is higher than that of women (19.3% vs 14.6%). In 2022, women's labour force participation rate (%) remained much lower (41.5%) compared to men's (64%). Women's employment rate (%) is again much lower (35.4%) than that of men (51.7%).

Informal employment remains a challenge, with approximately a third of the population being engaged in it in 2022 (28.4%). Here, again, more men are engaged in informal employ-

ment that women (33.4% vs 22.5%). Share of NEETs (youth aged 15-29 not in employment, education or training) remains high, ranging between 23.4% (15-24) and 30.7% (15-29 years old) and needs to be addressed.

On **social protection and inclusion** Georgia's social protection system is funded by the general tax revenue, except for statutory funded pensions, which are funded by contributions. In 2022, 5.7% of GDP was spent on social protection programmes – compared to 6.4% in 2021. Universal pension was increased in 2023. In 2021, 17.5% of the population lived below the national poverty line.

In February 2023, the Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social affairs adopted the **2023-2030 action plan for the strategy on the independent living and de-institutionalising of persons with disabilities**. This started the process of shifting from institutional to community-based care for vulnerable people. The legislative framework to enable municipalities to plan social services, as well as their capacities to implement these, need to be strengthened.

Georgia lacks a national strategy on the **de-institutionalisation of children**. However, the government has made steps to deinstitutionalise remaining non-state regulated religious residential institutions. Further measures are needed to address the lack of proper standards in boarding schools.

The Constitution of Georgia includes several articles related to principles and rights at work, including **equality and non-discrimination**. The Law on the elimination of all forms of discrimination forbids all forms of discrimination. As regards equality between women and men in employment and social policy, the basic institution and provisions exist in current legislation. The government increased the state allowance of maternity/child adoption benefits from GEL 1 000 to 2 000 from 1 January 2023. Secondary school teachers can now receive 100% salary during maternity leave.

GEORGIA PROGRESS REPORT 2023-2024, EUROPEAN COMMISSION

2024 COMMUNICATION ON EU ENLARGEMENT POLICY BRUSSELS, 30.10.2024¹⁴

CLUSTER 3: COMPETITIVENESS AND INCLUSIVE GROWTH CHAPTER 19 - SOCIAL POLICY AND EMPLOYMENT

EU rules in the social field include minimum standards for labour law, equality, health and safety at work and non-discrimination. They also promote social inclusion, social protection, and social dialogue at EU level.

The legal framework is partially in line with the EU acquis. The institutional framework is in place but needs further strengthening. Georgia still has not ratified some relevant International Labour Organization conventions, including those on labour inspections, occupational safety and health at work, and violence and harassment at work. On labour law, Georgia is partially aligned with the EU acquis but major gaps remain.

On **occupational health and safety at work**, Georgia's legislation is partially aligned to the EU acquis. While there was no progress in addressing the remaining gaps during the reporting period, the Labour Inspection Office's capacities – both institutional and human resources – were further strengthened. During 2023, 34 people died (35 in 2022) and 347 were injured (253 in 2022) as a result of accidents in the workplace. Although there is a steady decrease in the number of occupational accidents the average incidence of fatal occupational accidents remains higher than in the EU.

On **social dialogue**, the tripartite dialogue is functioning at national level and in one region. There was no progress related to collective bargaining. Capacity building for social partners needs to be stepped up.

On **employment policy**, the new national strategy of labour and employment policy for 2024-2028 is in preparation. Capacities of the State Employment Support Agency (SESA) were developed and strengthened during the reporting period and further work is needed in particular to improve access to its services in the regions.

The overall **labour force participation** rate in 2023 was 53.3%, women labour force participation rate being 43.1% and that of men 65.1%. In 2023, 15 899 supported jobseekers were

¹⁴ https://neighbourhood-enlargement.ec.europa.eu/document/download/7b6ed47c-ecde-41a2-99ea-41683dc2d1bd_en?filename=Georgia%20Report%202024.pdf

employed in the open labour market. The Governments's first public works programme, meant to facilitate labour market participation of people in vulnerable situations, was extended into 2024.

The **unemployment rate** in 2023 in Georgia was 16.4%, down from 17.3% in 2022, and 20.6% in 2021. The unemployment rate in 2023 among men was higher than among women (18.3% vs 14.0%) as well as the employment rate (53.2% vs 37.1%). However, the gender pay gap remains a problem, with the average wage of women constituting 31.7% of men's wage. The share of NEETs (young people aged 15-29 not in employment, education or training) was 21% in 2023 (down from 26.8% in 2021) but remains high. compared to the EU average (12.5% in 2023).

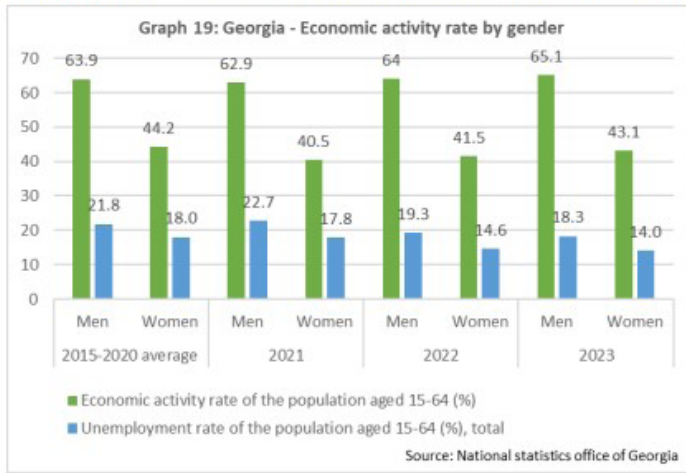
Undeclared work remains a challenge, with approximately a third of the population of working age being engaged in non-agricultural undeclared work in 2023 (27.46%). More men were engaged than women (32.46% vs 21.7%) and more in rural areas than in urban (32.7% vs 25.4%).

On **social protection and inclusion** Georgia lacks a comprehensive and targeted social protection system that supports employment policies. In July 2023 the "one window" principle was approved for state employment and social support services. The first office applying this principle was opened in Tbilisi in December 2023. In July 2023 child cash benefits were increased by 30% reaching 232 462 children (26% of the child population). In 2023, the share of the population under absolute poverty line was at a "historic low" at 11.8%, although the GINI coefficient slightly increased indicating inequalities remain high.

On **non-discrimination in employment and social policy**, the enforcement of the Law on the elimination of all forms of discrimination is weak. Concrete steps to enhance the effectiveness of the legal framework in combating discrimination are urgently needed, including in terms of policy measures and funding programmes. In this context, the legislative package consisting of the Law on family values and protection of minors and eighteen amendments to existing laws adopted on 17 September 2024, appears to target LGBTIQ persons and thus constitutes a movement in the wrong direction, potentially also in the light of Council Directive 2000/78/EC.

Georgia still lacks a national strategy on the de-institutionalisation of children and provision of alternative care, even though the government continues closing large children's institutions and transferring children to alternative services. In December 2023 a medical social centre for long-term pediatric care was set up, providing children with specialised, long-term, complex medical and social support.

Enforcement of the Law on the elimination of all forms of discrimination is weak.



As regards **equality** the basic institution and provisions exist in current legislation. However, women’s segregation by industry and occupation—and degree concentration in humanities, education, and health care—confines them to economic activity with lower earnings. Unpaid household and care work by women is five times higher than that by men, mainly due to prevailing stereotypes and limited availability and accessibility

of various care services and local transportation, which are also the main reasons for women’s limited participation in the labour market. Women are more often the beneficiaries of state social assistance than men, and the gender pay gap shows women earn 24.6% less than men.

ABOUT THE PUBLICATION

The publication contains, with exact quotations, the information that is set out in the documents assessing Georgia's progress in relation to labor, employment, social policy by the European Commission. The European Commission annually publishes progress reports on the country. Links/sources of these reports are indicated.

