

PARLIAMENTARY ASSEMBLY OF THE BLACK SEA ECONOMIC COOPERATION
PABSEC

INTERNATIONAL SECRETARIAT
Doc. GA 6133/99

THE THIRTEENTH PLENARY SESSION OF THE GENERAL ASSEMBLY

RECOMMENDATION 36/1999*

**The Legal Framework for the Social Protection of Pensioners in the
BSEC Member Countries**

1. The Assembly notes with concern that and pensioners, the elderly and the disabled in the BSEC member countries in transition have found themselves among the most socially vulnerable sections of the population adversely effected by the economic recession, growing poverty and hardships accompanying the transition period.
2. Recalling its Recommendation 14/1996 "On Social Guarantees during the Transition Period in the PABSEC Member Countries" adopted at the PABSEC Seventh Session in Baku on 13 June 1996, the Assembly stresses an imperative need for urgent action to preserve minimum social protection, centred on the most vulnerable sections of the population, particularly pensioners.
3. The Assembly recognises the fact that the social and economic situation in the transition countries of the Black Sea region and in its countries with a developed market economy are quite different and therefore demand different approaches.
4. Despite their increasing fiscal burden, the public pension systems in the transition countries of the Black Sea region are failing to provide adequate social protection. The typical responses of the governments to the increasing financial stress on pension funds have been to reduce benefits, increase social security contribution rates and accumulate pension arrears. These measures have caused social tension and wide popular discontent.
5. The demographic trends in many of the BSEC member countries are characterised by the rapid ageing of population, which leads to a marked increase in the ratio of pensioners in relation to the working population, a trend which is going to be even more pronounced in the years to come.

** Rapporteur: Mr. Blagovest Sendov, Chairman of the Cultural, Educational and Social Affairs Committee*

The Assembly debate on 24 June 1999 (See Doc. GA 6132/99 - Report on the Legal Framework for the Social Protection of Pensioners in the BSEC Member Countries, adopted by the Cultural, Educational and Social Affairs Committee at its Twelfth Meeting in Baku on 7 April 1999; Rapporteur: Mr. Volodymyr Anischuk)

Text adopted by the Assembly on 24 June 1999 in Ankara

6. Diminishing social security contributions call for a pension reform in order to find ways of introducing sustainable systems that balance the ever-increasing demands on pay-outs from the state pension funds and financing other social expenditures with the need for investing in economic development as only economic growth will allow to improve social welfare.
7. The pension reform, seeking in this or that form to lower expenditure, limit the number of people dependent on social transfers and in the long run meet the challenge posed by population ageing, is now on the political agenda across Europe - both in European Union countries and countries in transition. It should be stressed, however, that the pension reform should not question the principle of maintaining a universal system which provides adequate protection to all those in need.
8. The Assembly recommends to the Parliaments and Governments of the BSEC Member Countries:
 - i. to regard granting state-guaranteed pensions to elderly people as one of the priorities of social policies, ensuring that minimum benefits should be sufficient to meet the essential needs of the pensioners;
 - ii. at the same time, alternative insurance schemes can be promoted as a longer-term measure within the framework of comprehensive pension reforms underway in many BSEC member countries;
 - iii. to bring national legislation in conformity with international social security standards by acceding to the relevant international legal instruments, particularly those of the Council of Europe and the International Labour Organization;
 - iv. to combat the deterioration of the public health systems in transition countries laying emphasis on ensuring the access of low-income elderly citizens to free or financially accessible health care;
 - v. to explore ways to protect the savings of pensioners against the effects of inflation;
 - vi. to pay particular attention, in social security and social programmes to the circumstances of elderly women whose income is sometimes lower than men's due to the fact that employment has often been interrupted by maternity and family responsibilities;
 - vii. to guarantee material security for pensioners and older people with reduced capacities for earning in rural areas, particularly in the less productive, subsistence farming areas, which already suffer from an escalating flight of the younger and more active sectors of the population towards the urban areas in search of wage-earning employment;
 - viii. to develop local services for the elderly and training for welfare workers; endeavour to reduce fiscal or other constraints on voluntary activities and eliminate or relax regulations which hinder or discourage part-time work or use of volunteers alongside professional staff in providing social services or in institutions for the elderly;
 - ix. to stimulate a strong partnership between governments and non-government organisations designed to ensure a comprehensive, co-ordinated and multipurpose approach to the social welfare needs of pensioners;
 - x. to promote further cooperation among the BSEC countries in the field of social security, in particular, by concluding bilateral and multilateral social security agreements to guarantee legitimate migrant workers full social coverage in the receiving country as well as maintenance of social security rights acquired, especially regarding pensions, should they return to the country of origin;

- xi. to encourage common studies and information sharing with a view to improving the pension legislation in the BSEC Member Countries.
1. The Assembly invites the Meeting of the Ministers of Foreign Affairs of the BSEC Participating States to consider this Recommendation.