

RECOMMENDATION 130/2012*

Social welfare reforms in the BSEC Member States

1. The Parliamentary Assembly of the Black Sea Economic Cooperation recognizes that social security and social protection are human rights as well as social and economic necessities. They are powerful tools to ensure minimum living standards, alleviate poverty and provide economic security that helps people to cope with life's major risks or the need to better adapt to changing economic, political, demographic and societal conditions.

2. Over the last decades, the transformation of the centrally-planned economies of the BSEC region into market economies has driven most BSEC Member States to establish their own national social security structures and to gradually undertake large-scale reforms in order to cope with a large increase of poverty and to respond to the new economic conditions and new needs of workers and their families. In this context, the Assembly recalls its numerous Recommendations on issues of social interest:

- Social guarantees during the transition period (14/1996);
- Rights and social protection of refugees and displaced persons (21/1997);
- The legal framework of the protection of migrant workers in the Black Sea countries and the relations between immigrant communities and the host country (51/2001);
- Women's participation in the political, economic, social and cultural life (61/2002);
- Social reintegration of jobless people (67/2002);
- The fight against poverty (74/2003);
- Improving social, economic and civil rights of people with disabilities (77/2004);
- Improvement of the quality of life in the BSEC Member States (100/2007);

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The Assembly debate on 28 November 2012 (see Doc. GA40/CC39/REP/12 – Report on “Social welfare reforms in the BSEC Member States”, discussed by the Cultural, Educational and Social Affairs Committee at its Thirty-Ninth Meeting in Baku on 26 November 2012; Rapporteur: Mrs. Lilia Grygorovich – Ukraine).

Text adopted by the Fortieth General Assembly in Baku.

- Social cohesion within the BSEC Member States: contribution to political stability (103/2008);
- The impact of globalization on the social policies in the BSEC Member States (106/2008);
- Migration in the BSEC Member States – social and cultural aspects (109/2009).

3. Today, throughout the BSEC region, the demographic, economic and societal environments, within which national social security systems operate, are continuously changing. The financial and economic crisis in particular, has given rise to new social welfare challenges and priorities in the region. Existing social needs have been intensified and new needs have arisen while the social protection systems' resources -both human and financial- are being reduced. Increasing unemployment coupled with the economic weakness of increasing segments of the population has resulted in a higher demand for the provision of social care services. This situation has adversely impacted the already fragile social systems and their sustainability.

4. The Assembly stresses that during economic crises social welfare systems perform an important role as social and economic stabilizers and help prevent deterioration of human and social capital. While the impact of social protection programmes varies according to their design and level of implementation, it is widely accepted that they have the potential to reduce poverty and inequality and stimulate economic growth.

5. The Assembly is aware of the efforts made by BSEC Member States to respond to the crisis either by developing and extending existing social protection schemes or by introducing new ones. Numerous measures have been taken by all countries in order to satisfy the urgent social needs resulting from the new economic reality. During this process, long-standing problems affecting the adequacy of social protection systems have come to light, thereby creating an opportunity to proceed with deeper, long-term reforms of the social protection systems.

6. The Assembly believes that the current economic and social circumstances call for concerted efforts, among which regional cooperation in the field of social policies could be of great value. Further cooperation within BSEC in building and promoting social goals will constitute a means of broadening the common values, interests and objectives, in line with the UN Millennium Development Goals and major international instruments such as the the Universal Declaration of Human Rights and the ILO social security standards, in particular the Social Security (Minimum Standards) Convention, 1952.

7. Therefore, the Parliamentary Assembly recommends that the Parliaments and Governments of the BSEC Member States:

- consider acceding* to the ILO Social Security (Minimum Standards) Convention of 1952 and other ILO social security conventions setting out more advanced standards;
- design* social protection policies by combining preventive, promotional and active measures, benefits and social services;
- promote* productive economic activity and formal employment by considering policies that include public procurement, government credit provisions, labour inspection, labour market policies and tax incentives;

- iv. *ensure* coordination with policies that enhance formal employment, income generation, education, literacy, vocational training, skills and employability, that reduce precariousness, and that promote secure work, entrepreneurship and sustainable enterprises within a decent work framework;
- v. *consider* using a variety of different methods to mobilize the necessary resources to ensure the financial, fiscal and economic sustainability of national social protection systems;
- vi. *implement* measures to prevent fraud, tax evasion and non-payment of contributions;
- vii. *develop* community-based social services for persons with special needs, including the elderly and persons with disabilities;
- viii. *provide* higher levels of protection to as many people as possible, in keeping with economic and fiscal capacities of the Member States;
- ix. *identify* gaps in social protection systems and impediments to their smooth functioning;
- x. *devise* effective mechanisms to bridge gaps in protection through appropriate and effectively coordinated schemes, whether contributory or non-contributory, or both, including through the extension of existing contributory schemes to all concerned persons with contributory capacity;
- xi. *apply* social security extension strategies to persons both in the formal and informal economy and support the growth of formal employment and the reduction of informality, in consistency with the implementation of the social, economic and environmental development plans of the Member States;
- xii. *reinforce* the legal basis for social partnership, as well as create organizational and institutional conditions for functioning of an effective and inclusive social dialogue;
- xiii. *support* the tertiary sector (volunteerism), as well as *use and develop* social economics;
- xiv. *encourage* the activity of NGOs and the development of NGO networks;
- xv. *monitor* progress in implementing social protection policies through appropriate nationally defined mechanisms, so as to respond to shifting needs and ensure the quality and accessibility of social services;
- xvi. *collect, compile, analyse and publish* an appropriate range of social security data, statistics and indicators, disaggregated by gender, on a regular basis;
- xvii. *exchange* information, experiences and expertise on social security strategies, policies and practices, by mainstreaming social protection issues in the relevant existing bodies of BSEC (e.g. the Working Group on Healthcare and Pharmaceuticals).

8. The Parliamentary Assembly invites the BSEC Council of Ministers of Foreign Affairs to consider its Recommendation.