

GEORGIA

The country fact sheet was prepared by Ana Milhelidze in the framework of an institutional collaboration between the European Centre of Social Welfare Policy and Research and the Central European University in April 2023. The content of the sheet does neither necessarily reflect the views of those institutions nor those of the respective Ministry/ies.

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| Name of the Partner: Ana Milhelidze, Central European University | |
| Policy Framework | <p>Constitution of Georgia - Article 5. Welfare State.</p> <p>An Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part was signed in 2014, with full entrance into force in 2016. The Deep and Comprehensive Free Trade Agreement is an integral part of the AA.</p> <p>The Human Rights Strategy 2014-2020 (Human Rights Strategy 2022-2030 has been adopted by the government and is introduced to the Parliament).</p> <p>The Migration Strategy 2021-2030.</p> <p>Government of Georgia: Program for 2021-2024 Towards Building a European State (Sub-paragraph 2.2. provides for general policy objectives for Employment Policy and Chapter 3 focuses on Social Policy and Human Capital Development)</p> |
| General situation across all policy areas | |
| Main challenges across all policy areas | <p>Corruption in state-owned enterprises and independent regulatory bodies remains prevalent.</p> <p>Approximately 23% of Georgian citizens live abroad (Policy and Management Consulting Group, 2022).</p> <p>The Government of Georgia cannot effectively control occupied territories - Abkhazia and Tskhinvali Region. The economic and humanitarian situation in the occupied territories is concerning.</p> |
| Main approaches to address challenges across all policy areas | <p>Continuous and gradual implementation of the Association Agreement.</p> <p>The Migration Strategy 2021-2030 and action plans envisage activities to prevent illegal migration, implement circular migration programs and facilitate reintegration of the returned migrants.</p> <p>The country continues to participate in Geneva International Discussions (GID) to peacefully resolve the conflict. "A Step to a Better Future" peace initiative facilitates trade and education across the administrative boundary line.</p> |

| Social policy specific situation | |
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| Significant social trends | <p>The emigration rate and population ageing are increasing. Youth unemployment is the highest amongst all social groups.</p> <p>Increase of foreign nationals. After Russia's invasion of Ukraine, many Russian and Belarus citizens and a relatively smaller influx of Ukrainian refugees entered Georgia.</p> <p>Internal displacement remains high. As of the end of 2021, approximately 300,000 internally displaced persons are still unable to return to their respective homes in Abkhazia and Tskhinvali Region.</p> |
| Key challenges specific to social policy | <p>Affordability and accessibility to medicines is a challenge. The price increase for generic medicines reaches 200%, and for under trade name medicines – between 20-30% (Public Defender, 2021).</p> <p>Persons with disabilities are one of the vulnerable groups, as they experience systematic and non-systematic unequal treatment at different levels of social, economic, and professional spheres.</p> <p>Region.</p> <p>Adherence to occupational safety and health norms in the workplace remains problematic. Deaths at work have decreased in recent years, the number of deaths and injuries at work is still high (Public Defender, 2021). In 2021, 37 workplace death and 253 injury cases were reported (Labour Inspection, 2022). Gender wage gap is 36.2% (ILO, 2022). The size of the shadow economy in 2015 was estimated to be 53.07% (IMF, 2018) and the total share of informal employment – 31.7% (GeoStat,2020). Public awareness on the labour rights and occupational safety remains low (Social Justice Center, 2022).</p> |
| Main approaches to address social policy challenges | <p>For over 1,100 prescription medicines reference prices will be imposed in 2023, reducing the prices by approximately 40%. Since February 15, 2023, all the importers are obliged to determine the medicine prices as per respective reference prices.</p> <p>Approval of legal, strategic, and structural protections starting in 2020 for human rights and persons with disabilities. Social benefit for persons with disabilities is calculated through indexation in relation to inflation.</p> <p>The Parliament of Georgia has been adopting extensive amendments to the labour legislation. Bylaws are continuously adopted and implemented by the Government.</p> |
| Target groups | <p>General: vulnerable groups - persons with disabilities, social security beneficiaries, IDPs, persons living in Georgia's occupied territories - Abkhazia and Tskhinvali Region.</p> <p>Target groups specific to Labour Law Reform: Employers, employees, trade unions.</p> |

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| Practice example | The following section provides a practice example of the region under scrutiny. |
| Name of the good practice | Labour Law Reform |
| Policy areas | <input checked="" type="checkbox"/> Employment and labour market policy |
| Description of the practice | Due to the dire situation in labour rights and occupational safety, as well as the obligations undertaken with Association Agreement (Title IV) (Explanatory note of the Law) in 2020, the Labour Code was amended in line with EU Acquis. The Organic Law on Occupational Safety was adopted in 2019. Bylaws, in the field of labour safety, are being gradually drafted and adopted to ensure the implementation of labour rights and rules for occupational safety. |
| Governance & funding | <p>Within the reform in 2020, the Labour Inspection Service, previously a department within the Ministry of IDPs from the Occupied Territories, Labour, Health, and Social Affairs of Georgia (The Ministry) became a legal entity of public law. Since 2021 the Service's mandate fully covers occupational safety.</p> <p>The funding of the Labour Inspection Service comes from the central budget, grants and other sources permitted by the legislation. The Chief Labour Inspector annually reports to the Parliament of Georgia on the carried-out activities. The Ministry which administers and oversees policy formulation, is allocated a greater budget. The Minister of Labour, Health, and Social Affairs of Georgia (the Minister) is legally entitled to supervise the legitimacy and efficiency, and the Service's financial/economic activities.</p> |
| Innovation | <p>The amendments to the Labour Code provide improved regulation on discrimination; reasonable accommodation; equal pay; limits on verbal employment contracts; overtime, part-time, night and shift work; collective labour relations; the transfer of undertakings; etc.</p> <p>The Labour Inspection Service since 2020 has unlimited authority in the implementation of occupational safety legislation.</p> |

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| Challenges of implementation | <p>The legislation guarantees the rights to collective bargaining and freedom of association, employers do not always negotiate in good faith. The legal and ethical requirements for employers to take part in mediation are not well established. Discrimination based on union membership or union-organizing efforts is prohibited, however, the obligation of the reinstatement of employees who were fired due to union involvement is not explicitly defined.</p> <p>The inspection has two regional offices in Adjara and Imereti regions; however, the operation of the Service is concentrated in the capital city of Tbilisi where 57% of inspections of occupational safety and 62% of the labour rights inspections were carried out (Inspection's report, 2021). Inspection is not represented with offices in the areas where the heavy industries are concentrated (natural resource mines in Chiatura, Tkibuli, Bolnisi, etc.).</p> <p>The National Statistics Office of Georgia (GeoStat) does not publish data on employment in various sectors disaggregated by sex (ILO, 2021). Discrimination against women in the workplace exists and is underreported (US Department of State, 2023). Comprehensive data can be helpful for the policy makers to assess the situation and adopt evidence-based policies (ILO, 2021).</p> <p>The Minister is entitled to revoke or suspend the decisions of the Chief Inspector; however, there are no objective and transparent criteria for these procedures. This increases the risks of the political abuse (Social Justice Centre, 2022).</p> |
| Outcome(s) and impact | <p>The Labour Inspection Service scrutinises and sanctions the employers for violations of labour rights and occupational safety.</p> <p>In 2021, 1074 inspections were carried out at 446 sites to assess occupational safety, through which 4,538 violations were detected and received warnings, fines, and suspensions of operation.</p> <p>For labour rights, the Service inspected 241 employers, of which 195 have been sanctioned (three were fined).</p> |
| Main partner(s)/ stakeholders | <p>International Labour Organisation; The Ministry of Internally Displaced Persons from the Occupied Territories, Health, Labour, and Social Affairs of Georgia; Representation of the European Union to Georgia; United States Embassy to Georgia; Georgian Trade Union Confederation; Business Associations; Employers' Association; Social Partners; German Agency for International Cooperation (GIZ); United Nations Development Program (UNDP); United Nations Population Fund (UNFPA).</p> |