Rebalancing Development for Equality, Inclusion and Social Justice

Session V: Rebalancing Development for Equality, Inclusion and Social Justice
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1. Introduction

The effective integration of the three dimensions of sustainability – social, economic and environmental – forms the foundation of the 2030 Agenda for Sustainable Development. Lessons learned from the implementation of the Millennium Development Goals have reinforced the conviction that strengthening the social dimension of the 2030 Agenda and ensuring its effective integration into the economic and environmental dimensions is a catalytic pathway to not only addressing poverty and ensuring social inclusion, but also sustaining economic growth and protecting our planet - in short, achieving sustainable development for all.

This paper will explore key social development trends for SPECA participating countries, followed by the identification of policy priorities for enhanced equity and social justice. Specifically, this paper will focus on three areas with cross-sectoral implications, namely: i) poverty and social protection; ii) gender equality and women’s empowerment; and iii) migration.

2. Trends in poverty and social protection

2.1 Poverty has been falling but inequalities and other policy gaps persist

Over the last decade, poverty rates have declined in the SPECA region, mainly as a result of economic growth in terms of income and consumption. As shown in Figure 1, the population living in poverty at PPP$1.90/day has fallen to under 7 per cent in all countries (where data are available), which is well below the Asia-Pacific aggregate of 12.7 per cent.1

Likewise, table 1 illustrates aggregate measures of poverty for the SPECA region, excluding Afghanistan, where a substantial decline in poverty headcount, the poverty gap and squared poverty gap2 is observed from 2002 to 2012.

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1 Recent data are not available for Afghanistan and Uzbekistan; limited data is available for Tajikistan.

2 Foster-Greer-Thorbeke (FGT) index belongs to a family of poverty metrics, where z is the poverty line, y_i income (or other standard of living indicator), n is the total population, q is the number of persons who are poor, and a is the "poverty aversion" parameter. a=0 -the headcount index, a=1 - the poverty gap, a=2- the squared poverty gap (severity of poverty).
Table 1: Aggregate Poverty Measures for SPECA countries

<table>
<thead>
<tr>
<th>Year</th>
<th>Headcount (%)</th>
<th>Poverty gap (%)</th>
<th>Squared poverty gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>11.77</td>
<td>3.2</td>
<td>1.32</td>
</tr>
<tr>
<td>2011</td>
<td>13.5</td>
<td>3.7</td>
<td>1.55</td>
</tr>
<tr>
<td>2010</td>
<td>15.41</td>
<td>4.28</td>
<td>1.8</td>
</tr>
<tr>
<td>2008</td>
<td>19.25</td>
<td>5.72</td>
<td>2.5</td>
</tr>
<tr>
<td>2002</td>
<td>35.44</td>
<td>11.37</td>
<td>4.97</td>
</tr>
</tbody>
</table>


Table 2 illustrates further that in comparison to the 1990s, there has been a significant improvement in the distribution of income for Kazakhstan and Kyrgyzstan. The Gini index declined from 53.7 in the 1990’s to 28.6 in 2010 for Kyrgyzstan, and from 32.7 to 26.3 in 2013 for Kazakhstan. Among countries in Asia-Pacific, both Kazakhstan and Kyrgyzstan feature as the ones with the lowest Gini indexes. Higher Gini index levels are observed for Tajikistan and Uzbekistan in the 1990s, at 35.4 and 35.2 respectively, though these values are still lower than the region’s most unequal countries, notably Malaysia, Solomon Islands, and Papua New Guinea at 46.2, 46.1, and 43.8 respectively. Afghanistan, Turkmenistan and Uzbekistan lack sufficient data to track recent trends.

These findings are further supported by those of ESCAP’s Economic and Social Survey 2015, in which ESCAP developed an Inclusiveness Index. The Index captures 15 indicators, covering economic, social and environmental dimensions of development, and among the 16 countries for which the index was developed, Kazakhstan ranked top followed by the Russian Federation.

Table 2: Gini indexes in SPECA countries

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>n/a</td>
<td>n/a</td>
<td>27.8</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>35</td>
<td>18.8</td>
<td>n/a</td>
<td>33</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>32.7</td>
<td>31.6</td>
<td>29.6</td>
<td>29.1</td>
<td>28.8</td>
<td>28.5</td>
<td>26.3</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>53.7</td>
<td>28.7</td>
<td>33.4</td>
<td>36.5</td>
<td>35.8</td>
<td>28.6</td>
<td>n/a</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>29.5</td>
<td>32.7</td>
<td>32.2</td>
<td>n/a</td>
<td>30.8</td>
<td>35.4</td>
<td>n/a</td>
</tr>
<tr>
<td>Turkmenistan</td>
<td>35.4</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>45.3</td>
<td>35.2</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Note: 1990's: Data for Kazakhstan, Kyrgyzstan and Turkmenistan refer to 1993, for Uzbekistan 1998, for Tajikistan 1999. For Afghanistan data is not available. Data for Gini coefficients are available for Kazakhstan and Kyrgyzstan for years up to 2015 from the National statistics agencies; however, the methodology of estimation was based on consumption, not income.

Source: Data exported from UNESCAP website on 09/08/2016 and World Bank, Development Research Group.

Notwithstanding these rather positive results, the statistical evidence on inequality is particularly weak. It is patchy and masks the complex interactions between political and socio-economic factors that include a yet to be completed evolution towards market-oriented political and economic institutions that followed the collapse of international communism after 1990. State institutions

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3 Excluding Afghanistan
4 Gini index is measure of inequality in outcome (income or consumption). It ranges from 0 (perfect equality) to 100 (perfect inequality).
therefore continue to play a more direct and larger role in the distribution of material resources. As natural resource extraction continues to dominate economic activity, the very high rents generated by these extractive activities tend to be unstable, and the way governments redistribute the surplus to their populations varies widely across time and across countries. While an indepth discussion of these interactions is beyond the scope of this paper, suffice it to say that overall, due to the higher levels of development and average cost of living in several SPECA countries, the $1.90/day measure is not very relevant for comparing poverty levels. Therefore, the World Bank introduced the regional income poverty thresholds for European and Central Asian countries at PPP $2.15/day for extreme poverty and at PPP $4.30/day for the per-capita income level needed to satisfy such basic human needs as education, healthcare and access to information. These measures suggest that income poverty remains a serious issue for lower middle-income SPECA countries, especially in rural and high altitude areas.

A central factor driving this trend is the high levels of working poverty. As shown in Figure 2, more than one-third of the working force in five of the seven SPECA countries are classified as having a vulnerable job, with low wages and minimal or no legal and social protections. Remittance dependent countries, especially Tajikistan, Kyrgyzstan, and Uzbekistan, show greater employment vulnerability for males, thus prompting labor outflows to countries like the Russian Federation. On the contrary, Afghanistan exhibits significantly greater employment vulnerability for females.

Aside from income poverty, food insecurity is a key issue for both urban and rural households. Chronically malnourished children lag in physical and cognitive development, which often result in a range of problems during their school years with negative implications often lasting into their adult lives. Figure 3 shows the incidence of stunting in children below the age of 5, with relatively high shares in all countries. In Afghanistan, four out of ten children are stunted, a share which is over 50 per cent higher than that of Asia-Pacific as a whole. Of the remaining SPECA countries, the

5 UNDP (2014), Poverty, Inequality, and Vulnerability in the Transition and Developing Economies of Europe and Central Asia.
Global Hunger Index (IFPRI) also reports the situation in Tajikistan to be serious, with an overall alarming performance in indicators relating to child wasting, stunting and mortality.\textsuperscript{9}

One key reason contributing to this and other poor health outcomes is the lack of affordable and accessible health-care services which disproportionately affects poorer communities in rural areas. For instance, in Afghanistan and Azerbaijan, private households bear more than two-thirds of total health expenditures, making health care difficult to afford for lower income groups.\textsuperscript{10} Poor access to affordable health-care services, often in combination with material deprivation, social exclusion and other inequalities, results in intergenerational poverty traps manifested by lower income opportunities. In this regard, ESCAP calculations illustrate that over the past 20 years, the Palma ratio — which measures the ratio of the income share of the top 10 per cent to the bottom 40 per cent of a country’s population — increased in several countries across the region.\textsuperscript{11}

In all SPECA countries, population ageing is an emerging issue and potential threat to increased poverty and inequalities, thus posing new challenges that need to be well understood and factored into present and future policymaking. One of these challenges is represented by the change in old-age dependency ratios, which implies that fewer people of working age will have to support an increasing share of older persons (see Figure 4). Amongst these countries, the most dramatic change will take place in Azerbaijan where there are currently more than 12 people of working age per person above the age of 65. By 2050, this number will drop to only four people of working age supporting each person in retirement. Developments such as this will require stronger labour market and social protection interventions.

\textsuperscript{9} www.ifpri.org/ghi/2015
\textsuperscript{10} ESCAP (2015), Time for Equality: The Role of Social Protection in Reducing Inequalities in Asia and the Pacific, Bangkok.
\textsuperscript{11} Ibid
2.2 Social protection systems should be strengthened in SPECA countries

Social protection is critical for achieving the 2030 Agenda, particularly as a pivotal instrument in reducing poverty and vulnerability, and thereby diminishing inequalities. Over the past two decades, a number of SPECA countries have made significant reforms to their social protection systems inherited from the former Soviet Union. In a number of countries, non-contributory benefit schemes co-exist with contributory social insurance systems. Targeted social assistance benefits aimed at the poorest households have also been introduced in the majority of countries. Overall, the current trend among several of the countries is a shift away from the previous system of universal social protection towards more targeted schemes.

The total national social protection spending as share of GDP ranges from 5.60 per cent in Afghanistan to 11.16 per cent in Uzbekistan (see Table 3). Of this, social insurance tends to constitute the bulk of social protection spending, followed by social assistance, especially in the form of targeted cash transfers. Spending on labour market programmes is generally very low in all countries.

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12 The old-age dependency ratio is the number of persons aged 65 years or over per one hundred persons aged 20 to 64 years.
Table 3: Public social protection expenditure, latest available year (% of GDP)$^{15}$

<table>
<thead>
<tr>
<th>Country</th>
<th>Total social protection expenditure (including public healthcare)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>5.60</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>8.27</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>6.38</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>9.58</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>6.75</td>
</tr>
<tr>
<td>Turkmenistan</td>
<td>n/a</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>11.16</td>
</tr>
</tbody>
</table>


An interesting example from the SPECA region is the national social protection system in Uzbekistan which provides extended income security to the working age population through a comprehensive package of unemployment allowances, temporary disability allowances and coverage for work related injuries. Due to the universal and largely non-contributory nature of the system, coverage reaches close to 100 per cent of all active working-age citizens. While the system is highly accessible and provides comprehensive coverage, some challenges remain in terms of financing and overlap with other existing programmes and schemes.$^{16}$

As opposed to contribution-based social insurance schemes, social assistance programmes are often a flat-rate benefit funded by general taxation and targeted towards specific groups, such as the poor and children in poor families. The majority of SPECA countries have at least one social assistance program targeted specifically at families with children. Kazakhstan, Uzbekistan and Turkmenistan also have universal child benefits (birth grants or child care benefits for very young children).

Targeted cash transfers are often characterized by both inclusion and exclusion errors. Moreover, factors such as large informal sectors and the inflow of remittances make it difficult to identify the poorest households through means-testing. In Kyrgyzstan, for example, coverage from the monthly benefit targeted at poor families reaches only 18 per cent of the poorest consumption quintile.$^{17}$ Community-based targeting approaches, as utilized in Uzbekistan and Tajikistan, are often susceptible to nepotism, corruption and capturing of benefits by the elite. Furthermore, in some countries, local administrators have little incentive to allocate and administer social transfers, due to high caseloads and low salaries.$^{18}$

Pensions are a critical component of social protection and can contribute considerably to poverty reduction amongst both older persons and multi-generational households. For instance, in Kyrgyzstan, pensions contribute to 26 per cent of total household consumption of the poorest recipient households.$^{19}$ Data suggests that in the absence of pensions, poverty rates in Kyrgyzstan would have been five percentage points higher.$^{20}$

$^{15}$ In this case, social protection refers to sickness benefits, unemployment benefits, old-age benefits, employment injury benefits, family/child benefits, maternity benefits, invalidity/disability benefits and survivors’ benefits, as defined in the Social Security (Minimum Standards) Convention, 1952 (No. 102), as well as health care financed by the respective governments.


$^{17}$ Gassmann, F. (2011), Background Paper on Social Protection in Central Asia. Prepared for UNICEF Regional Office for CEECIS

$^{18}$ Ibid

$^{19}$ Gassmann, F. (2010), To what extent does the existing safety net protect the poor? Background paper prepared for the World Bank.

In five out of seven SPECA countries, old-age pensions cover a sizeable proportion of the retired population (Table 4). However, despite progress made in poverty reduction in some countries, the overall adequacy of these benefits is insufficient and thus, older persons continue to live on or below the subsistence minimum.\(^{21}\)

### Table 4: Proportion of older people receiving an old-age pension, latest available year

<table>
<thead>
<tr>
<th>Country</th>
<th>Old-age pension beneficiaries (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>10.7</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>81.7</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>95.9</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>100.0</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>80.2</td>
</tr>
<tr>
<td>Turkmenistan</td>
<td>n/a</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>98.1</td>
</tr>
</tbody>
</table>


Active labour market programmes also constitute an essential element of social protection in reducing unemployment, as well as bridging the skills gap in the labour market. Unfortunately, these programmes only comprise a small share of total spending on social protection in all SPECA countries. Instead, food or cash-for-work programmes tend to be the predominant form. In the case of Afghanistan, its food-for-work programme was set up to address the country’s high level of unemployment resulting, in part, from the return of 3 million refugees in the early 2000s. Available data for 2009 indicate that 841,000 persons benefited from this programme.\(^{22}\) Although some claims suggest that the value of food rations provided to beneficiaries was too low and that labour devoted to local projects had been diverted away from other agricultural activities, the programme was evaluated as being generally successful in helping households cope with food shortages and rehabilitate local infrastructure.\(^{23}\)

In conclusion, the majority of SPECA countries should consider broadening and deepening their social protection provisions to ensure access to quality essential services for all. In this respect, well-designed and implemented social protection schemes are a crucial vehicle of inclusive, pro-poor growth, but must be anchored in national legislation and go beyond the provision of short-term safety nets. Furthermore, good practices from across the Asia-Pacific region illustrate that these systems are both feasible and affordable, but require strong political will.

3. Trends in gender equality and women’s empowerment

Gender equality is a prerequisite for the realization of all development goals and thus central to inclusive, equitable and sustainable development. Reducing gender gaps can thus enable progress towards more sustainable development outcomes.

Overall, as shown by the UNDP’s Human Development Report Gender Inequality Index,\(^ {24}\) there was an improvement in gender inequality in all SPECA countries from 2008 to 2014. The most

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\(^{22}\) Asian Development Bank (2013), *Social Protection Index Brief: Labor Market Programs in Asia and the Pacific*


\(^{24}\) The GII reflects gender-based inequalities in three dimensions – a) reproductive health is measured by maternal mortality and adolescent birth rates, b) empowerment is measured by the share of political seats held by women and attainment in secondary, and higher education by each gender, and c) economic activity is measured by labour participation rate for women and men. The GII can be interpreted as the loss in human development due to inequality.
significant improvement was made in Kazakhstan, while Afghanistan made some progress, though remaining at a higher level of gender inequality (Figure 6).

Figure 6: Gender Inequality Indexes for selected SPECA countries in 2008 and 2014

Substantial variations exist among countries, particularly when one assesses trends in gender equality along four main dimensions, including education, health, economic participation, as well as institutional and social environment.

3.1 Education

In terms of education, gender parity is attained in gross enrollment rates in primary education across the SPECA region with the exception of Afghanistan, where in spite of significant improvements since the early 2000s, stronger efforts are needed to gain momentum (Figure 7). As for secondary school enrollment, gender parity is largely attained with the exception of Afghanistan and Tajikistan. In tertiary education, however, gender parity is attained only in Azerbaijan. While Kazakhstan and Kyrgyzstan record large disparities in favour of females, the remaining countries show the opposite. Notwithstanding this variation in tertiary education, enrollment in and graduation from science, technology, engineering and mathematics is highly skewed in favour of males across the region and thereby contributing to occupational segregation and wage inequality.

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between female and male achievements. It ranges between 0, where women and men fare equally, and 1, where one gender fares as poorly as possible in all measured dimensions.
3.2 Health

Kazakhstan, Kyrgyzstan and Tajikistan exhibit, to a large extent, gender parity in sex ratio at birth and healthy life expectancy, a measure that factors malnutrition, disease and others into its estimates. However, the prevalence of missing girls in Azerbaijan and Afghanistan is a major cause for concern. Maternal mortality does not exceed 76 deaths per 100,000 live births (e.g. Kyrgyzstan) in the region with the exception of Afghanistan, where the same figure has decreased from 821 to 396 in the past decade.\(^{25}\)

3.3 Labor Participation and Unemployment

Gender equality in labour force participation is of critical importance to women’s empowerment and welfare, and gender gaps are relatively smaller in three of the seven SPECA countries. While quantity of employment is relatively high for a number of SPECA members, the quality of employment in terms of status, employment sector and occupational segregation needs large improvements across the region.

In 2014, more than 60 per cent of females are economically active in Kazakhstan, Azerbaijan, Tajikistan and Kyrgyzstan, followed by Uzbekistan and Turkmenistan where half of females participate in the labor force (Figure 7). Afghanistan has the lowest rate of female participation at 16.4 per cent, though it has improved slightly from 13.8 per cent in 2000.

\(^{25}\) ESCAP (2016), Statistical Yearbook for Asia and the Pacific, Bangkok.
As shown in Figure 8, the dominant age group for female participation in the labour forces of SPECA countries is of 15 to 24 year olds. For Kazakhstan and Azerbaijan the predominance is less, and in Azerbaijan the proportion of women aged from 25 to 64 in the labor force expanded by 9.9 per cent since 1996, which is the highest growth among SPECA countries. In Kazakhstan, while improved education attainment helped to decrease early age marriage, Kazakhstan has also managed to decrease the female youth unemployment rate by 75 per cent between 2002 and 2014.

Female unemployment is more severe than male unemployment (Figure 9). In many SPECA countries, a woman who is economically active is more likely to lose a job or be unemployed compared to a man, and as shown in Figure 2, a higher proportion of women than men experience vulnerable employment in Afghanistan and Azerbaijan. Tajikistan exhibits a high share of male employment vulnerability, and this partly explains the high male share in outward migration.
Female entrepreneurship displays large variations in the region. According to the World Bank Enterprise Surveys, the share of firms with female participation in ownership is as low as 4 per cent in Azerbaijan while this share rises to 49 per cent in Kyrgyzstan. However, it is important to note that most female entrepreneurs operate in low-skill and low-profit sectors within the informal economy with highly limited growth potential. Occupational segregation means that the share of women in managerial positions is highly limited and when they do work as managers, they are overrepresented in sub-sectors of services such as health and education.

3.4 Institutional and Social Environment

Another cause of gender inequality is discrimination against women in social institutions. The OECD Development Centre’s Social Institutions and Gender Index (SIGI) shows wide variations among SPECA countries. With the exception of Afghanistan, discriminatory family code is low, while restrictions on access to resources and assets are high in most countries, with the exception of Azerbaijan (Figure 10).

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26 Ibid.
28 SIGI is a cross-country measure of discrimination against women in social institutions (formal and informal) covering five dimensions of women’s lives: discriminatory family code, restricted physical integrity, son bias, restricted resources and assets, and restricted civil liberties.
The SPECA region also records poor performance on political empowerment, with Kazakhstan performing slightly better than others in terms of women’s presence in parliament and the ministries. According to the latest Inter-Parliamentary Union, Afghanistan records the largest share of women in parliament at 27.7 per cent in lower or unicameral chambers. While major gains are observed in Kazakhstan and Kyrgyzstan with respect to women in parliament since 2007, the highest share of women in ministries is observed in Kyrgyzstan, at 15 per cent.
With the exception of Afghanistan, SPECA members are not far behind the Nordic countries in terms of laws and regulations that protect women’s rights. However, there are challenges in the implementation and enforcement of such legal provisions due to patriarchal social norms. Age at marriage and domestic violence are two key areas that increasingly need attention from SPECA governments.

In the face of massive migration outflows, particularly to the Russian Federation, sex ratios are increasingly turning against women and thereby creating competitive pressures on parents to marry their daughters at a younger age. Moreover, there are several ways to circumvent the legal minimum age which exposes girls, particularly in rural areas, to severe risks such as disruption of education, lower age at first pregnancy, and hampered access to property in case of divorce and exposure to domestic violence.

Gender norms that justify wife beating are also highly prevalent in the SPECA countries where no criminal penalties exist for domestic violence. For example, there is no legal framework to combat domestic violence in Uzbekistan and Afghanistan. A common challenge across the countries is thus the enforcement of existing laws on domestic violence, as well as sexual harassment. Transforming social norms and strengthening implementation of legislation are critical to preventing and ending violence against women and girls.

4. Trends in migration

International migration is of critical importance to several of the SPECA countries and can be grouped into two main forms, namely: i) voluntary labour migration, primarily from Azerbaijan, Kyrgyzstan, Tajikistan and Uzbekistan, to the Russian Federation and Kazakhstan; and ii) forced migration, from Afghanistan in particular, to the Islamic Republic of Iran and Pakistan.

International migration takes place on a large scale and is driven by, for example, job opportunities and changes in the workforce composition. Migration is also facilitated by certain policies, such as visa-free travel within the countries of the Commonwealth of Independent States (CIS) and special classes of work permits in the Russian Federation for migrants from CIS countries, with over 2.3 million migrant workers from SPECA countries receiving documents permitting them to work in the Russian Federation in 2014 (see Figure 11). Given the lack of formalized recruitment schemes between countries of origin and destination, it is likely that the real population of migrants from these countries is much larger.

29 World Bank (2016) Women, Business and the Law
30 The Social Institutions and Gender Index (SIGI) database compiled by the OECD has interesting insights on SPECA country profiles including how religious ceremonies have been used to circumvent the legal age at marriage.
Many of the migrant workers are engaged in low-paid occupations with low skill requirements. Figure 12 displays the industry breakdown of migrant workers from Uzbekistan, the largest population of migrant workers in the Russian Federation, with work primarily in the service sector (35 per cent) and construction (28 per cent).\(^{33}\)

With regard to refugees from Afghanistan, in 2014 there were almost 2.6 million refugees outside the country, in addition to a number of asylum-seekers. Almost 2.5 million of these refugees were concentrated in two countries – the Islamic Republic of Iran and Pakistan. The less-selective nature of this migration, representing spontaneous flight of communities and generous asylum policies of countries of destination, have resulted in a more equal gender balance, with 47 per cent of refugees from Afghanistan in Pakistan being female in 2014.\(^{34}\)

The development implications of international migration outflows from SPECA countries are of great importance for the national economies of Tajikistan, Kyrgyzstan and Uzbekistan. In 2014,

\(^{33}\) Ibid
\(^{34}\) United Nations High Commissioner for Refugees (N.D.), Population Statistics Database
Tajikistan alone received remittances equivalent to almost 37 per cent of GDP, making it the most remittance-dependent country in the world.\textsuperscript{35}

![Figure 13: Remittances to SPECA countries (millions of US$)](image)


The importance of remittances is evident also from Kyrgyzstan, where these transfers have contributed to reducing poverty by 6-7 percentage points annually during 2010-2013.\textsuperscript{36} These remittances are primarily spent on meeting daily consumption needs, enabling families of migrants to overcome food insecurity, and paying for costs associated with education and health, among other costs. However, little tends to be left over for more productive investments, limiting the broader development potential of these remittances.\textsuperscript{37}

Under ideal circumstances, migration could help build transnational links and upgrade skills through work abroad. However, evidence suggests that few migrants are able to engage in skill-upgrading activities and that there are negative incentives for those with higher skills to engage in lower-skilled work.\textsuperscript{38} This is to some extent a reflection of labour market demands, but it also highlights the importance of regional cooperation on skill development and recognition, to enable migrant workers to maximize their contributions to countries of both origin and destination. Furthermore, the irregular status of many migrant workers and limitations in the application of relevant labour laws leave many migrants vulnerable to exploitation and abuse.\textsuperscript{39}

Ongoing efforts towards regional integration, including the establishment of a regime of free movement of labour and recognition of labour qualifications between Kyrgyzstan, Kazakhstan and the Russian Federation (among others), as part of the Eurasian Economic Union, will help to improve development impacts of migration for SPECA countries. Of importance is to also clarify the legal status of migrant workers and establish conditions of treatment equality with regards to labour laws and social protection.\textsuperscript{40} Such actions are particularly relevant in the context of the 2030 Agenda for Sustainable Development, which calls for Governments to make migration “orderly,

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\textsuperscript{35} World Bank (2016), Migration and Development Brief 26. Migration and Remittances: Recent Developments and Outlook.

\textsuperscript{36} United Nations Development Programme (2015), Labour Migration and Remittances, and Human Development in Central Asia.

\textsuperscript{37} ILO (2010), Migrant Remittances to Tajikistan: The Potential for Savings, Economic Investment and Existing Financial Products to Attract Remittances.

\textsuperscript{38} ESCAP (2016b), Migration and Skills in North and Central Asia.

\textsuperscript{39} ESCAP (2016a), op cit.

\textsuperscript{40} Aliev, S. (2016), Labor Migration and Social Security of Migrant Workers in the Eurasian Economic Union. Presentation delivered at the ESCAP Advocacy Forum on Facilitating Migration Management in North and Central Asia, Almaty, Kazakhstan, 28-29 June 2016.
safe, regular and responsible, including through the implementation of planned and well-managed migration policies”.

5. Policy priorities for enhanced equity and social justice

With regard to enhancing social protection in the region, key policy priorities include strengthening institutions in order to foster political commitment around the principle of universality and anchor related legislation to a rights-based foundation. In addition, the development of most effective strategies requires a mix of fiscal policies and labour market programmes, as well as broad multi-stakeholder collaboration. With a view to strengthen the evidence based on social protection for more informed policymaking, there is a need to enhance the production, analysis and dissemination of reliable and comparable data, as well as improve social research methods.

To address existing gender gaps, it is critical to prioritize women’s empowerment through the creation of decent jobs, enhanced effective participation in decision making at all levels in political, economic and public life, and ending discrimination and violence against women and girls. In this context, the Asian and Pacific Ministerial Declaration on Advancing Gender Equality and Women’s Empowerment (adopted at the Beijing+20 Review Conference) called for measures to strengthen institutions in order to transform social norms, develop accountability mechanisms and achieve synergies across government ministries and agencies, with a view of incorporating the diverse needs and circumstances of all women and girls into gender-responsive policies and programming, covering both national and local levels.

For international migration to better contribute towards enhanced social equity and social justice, further engagement by SPECA countries is required to ensure the protection of their migrants abroad and promote their engagement in regular migration and formal work. There is particular value in using forums such as the CIS and Eurasian Economic Union, as well as bilateral memoranda of understanding based upon existing international norms, such as ILO Conventions 97 and 143. Meanwhile, countries should also endeavour to provide means for remittance recipients to make productive use of the money they receive, such as through enhanced financial services to remittance recipients, and to make efforts to ensure the reintegration and productive use of skills learned abroad of returning migrants.

Questions for discussion

1. What are the national mechanisms that need to be put into place to ensure a strengthened social dimension of the 2030 Agenda as well as balanced integration with the economic and environmental dimensions in SPECA countries?

2. What are the key features of the financing framework needed to strengthen the social dimension of the 2030 Agenda in the SPECA countries?

3. What would be the technical assistance and support required in addressing social concerns and emerging priorities of SPECA member States?