Thematic Working Group on Social Protection in Europe and Central Asia:

Terms of Reference

(26.05.2015)

Recalling the March 2014 joint UNDG-ILO letter calling upon UNCTs and UNRCs to step up UN-wide efforts to implement social protection floors, and in response to repeated appeals, including the Social Protection Floor Initiative (SPF-I) established in 2009 by the UN Chief Executives Board (CEB), for improved coordination among implementing UN agencies, a Thematic Working Group on Social Protection in Europe and Central Asia¹ (TWG-SP-ECA) is created.

1. Background and justification

Social protection is a priority in the Europe and Central Asia region because of persistent gaps in coverage and quality, and growing inequalities and disparities, despite longstanding social protection systems inherited from the Soviet and Yugoslav systems.^{2,3} To date, reforms to social protection systems in the region have been very fragmented, often concentrating on one element of social protection (e.g. pension systems) in isolation from others, and often not based on sound evidence of minimum living standards.

Therefore most UNDAFs have prioritized social protection as a key pillar. However, the way UNDAFs are framed and implemented is often done in a scattered approach with a collection of standalone activities undertaken separately by individual agencies, rather than working together as One UN.

As One UN, our work should always be guided by international standards. In the area of social protection, the foremost framework that was endorsed by the UN CEB in 2009 and UN Member States is that of the social protection floor. This led to the adoption of the Social Protection Floors Recommendation, 2012 (No. 202), by all ILO members States in 2012, and the inclusion of social protection and floors as part of the proposed Sustainable Development Goals, particularly target 1.3. It is, therefore, increasingly important that UN social protection activities at the country level be aligned with the social protection floor framework.

¹ For countries covered by the UNDG regional grouping Europe and Central Asia (ECA): Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Croatia, Georgia, Kazakhstan, Kosovo*, Kyrgyzstan, Macedonia FYR, Moldova, Montenegro, Russian Federation, Serbia, Tajikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan *As defined by UN Security Council Resolution 1244

² The same can be said for Albania, which had made important progress in developing comprehensive social protection systems prior to 1990. Turkey, by contrast, fits the more standard developing country narrative, characterized by relatively large income inequalities, traditional social cleavages, large informal sectors, and significant issues concerning access to the labour market and key social services. On the other hand, Turkey's rapid socio-economic development in the last 10-15 years has made possible significant progress in social protection, particularly in terms health care.

³ A list of the main challenges is provided in annex.

Coordination is needed when supporting governments in the development and implementation of national social protection strategies and policies. While many UN teams are keen to coordinate their interventions, in many cases this does not happen.

In Europe and Central Asia, non-UN organizations play a large role in influencing social protection reforms. For the UN to ensure that a rights-based approach to social protection is well reflected in reforms in the region, agencies need to unite around a common vision and approach in their advisory and assistance services provided. A coherent UN position allows the organisation to operate as a formidable partner and interlocutor with governments and other development actors.

2. Objectives

Creation of the TWG-SP-ECA aims to (1) support coordinated country work (e.g., through the development of a results-oriented joint vision⁴ at the regional level, technical support, and knowledge sharing); (2) contribute to UN reform.

3. Activities

To achieve these objectives the TWG-SP-ECA will undertake the following activities:

Support for in-country activities - The TWG will provide integrated technical support through the development of practical tools and direct assistance, including through technical missions, to results groups and UNCTs in country in their efforts to support social protection reforms while focusing on collaborative approaches.

Knowledge development and sharing - The TWG will document ongoing UN collaboration efforts and good practices to expand and improve social protection in the region. These knowledge products will be disseminated via a variety of channels (websites, social networks and blogs) also including seminars and trainings organized by the UN system.

Common positions and advocacy – The TWG will work towards the development of joint regional definitions and common positions on social protection, relevant to the context and needs of the ECA region.

4. Composition

Membership is comprised of a core group of representatives from participating agencies. For agencies to participate, they must meet one or more of the following criteria:

1- Institutional mandate including social protection activities, with accompanying knowledge and expertise in the area of social protection;

⁴ The development of a joint vision at the regional level seeks to harmonize social protection definitions and operational language used by implementing agencies, to give the same orientation to all UN work on social protection and to delineate the scope of in-country collaboration on social protection in the region.

2- Human and financial resources dedicated to the extension of social protection in Europe and Central Asia;

3- Ongoing and relevant activities in social protection in several countries that lend themselves to UN wide collaboration.

The TWG will be composed of regional, sub-regional and country experts. Participation from all of these levels is required to achieve the objectives of the TWG. The regional and sub-regional experts are nominated by the regional directors of their respective agencies, while the country experts are identified by UNRCs in consultation with UNCTs in their respective countries (i.e. those experts identified as most active on social protection in the countries).

As needed, *ad hoc* participation by other agencies and individuals is also envisaged, as particular expertise or competencies are sought to support the work of the core team.

One member agency will serve as facilitator of the TWG for one year; facilitation will then be taken over by another member agency for the same time period.

5. Functioning

TWG-SP-ECA operates under the auspices of the ECA Regional UNDG Team (ECA R-UNDG) and Regional Chair (RC) and under the guidance of the Programme Advisory Group. The TWG meets at a minimum two times a year (physically or virtually) to plan and carry out its activities. Communications are facilitated, meeting minutes are distributed, and draft products are shared through the "Europe-CIS" portion of the collaborative workspace on UNDG cooperation in social protection: <u>un.social-protection.org</u>

Annex – Several examples of primary challenges for social protection systems in ECA.

- Millions of workers are now engaged in the informal sector, or are informal migrants, and are not covered by pension, sickness, or other forms of social insurance.
- Lack of pension fund contributions through formal sector employment (together with demographic trends and aging populations) is threatening the sustainability of pension systems, placing additional fiscal burden on the social expenditure budget to finance minimum tax-based social pensions.
- Many countries have large shares of working poor, meaning that the employment opportunities which are available do not protect from poverty and exclusion. Governments have typically responded by introducing or expanding social assistance programmes targeting low-income households, but the resources devoted to these programmes are often too small and the benefits too low to significantly increase recipient household incomes. They thus are non-effective in helping exit from poverty, building resilience to shocks, ensuring investments in human capital (education, health, etc.). Fiscal constraints, and fears of creating/exacerbating "dependency," are commonly given as justifications for these meager benefits.

- In some countries, significant public resources are devoted to categorical benefits that are neither universal nor pro-poor (e.g., social assistance to war veterans in the Western Balkans), or to sectoral subsidies that have a regressive (and sometimes environmentally unsustainable) character (e.g. subsidies to the consumption of household energy or communal services).
- Benefits directed towards children and families exist in the region, but are usually too low in monetary value to have a sustained impact on child and family poverty levels, and large numbers of people are still being excluded from last-resort income schemes and family/child benefits. Focusing on targeting accuracy – to increase efficiency and reduce the inclusion of those who may not need additional support – risks tilting the balance of social protection away from effectiveness in relieving deprivation.
- Levels of spending on social assistance as a proportion of social protection are still very low across most of the region, as are levels of spending on child- and family-oriented benefits within social assistance expenditure.
- Social support and care services in the region have received more attention and investment
 in recent years, and the diversity and breadth of services available has improved. However,
 programmes in countries outside of the European Union (EU) are generally fragmented in
 nature, lacking a comprehensive and inter-sectoral approach to address multidimensional
 deprivations and vulnerabilities. Underfunding of social support and care services over many
 years has resulted in a deficit of qualified social work professionals, and those who do enter
 the field are frequently overwhelmed with large caseloads, excessive paperwork and
 administrative duties, and have only limited resources available for clients. Underdeveloped
 guidelines and standards of service provision mean that the quality of visits is not in line with
 international standards. Many programmes also do not coordinate with other programmes
 on service provision or facilitate referrals to other social services or benefits.