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POVERTY REDUCTION PROGRAMME IN GEORGIA: FACTS AND POLICY MEASURES

ABSTRACT: The article analyses the capability of the social assistance programme in Georgia to reach its goal and examines its potential to enable the targeted poor to meet their needs and improve their social functioning. The method used for presenting data includes a literature review, an analysis of reports and the use of the official statistics in the country. The main finding shows that the impact of the benefit varies across the population groups, with children remaining at the highest risk of poverty. Poverty rates vary across regions too, with mountainous regions being in the highest risk group. In June 2013, almost one-third of registered households in the database of socially unprotected families received a targeted Social Assistance Cash benefit. However, we can conclude that according to most benchmarks the programme has succeeded in terms of targeting disadvantaged groups, while as concerns the programme's efficiency and effectiveness there are areas for improvement regarding the coverage, the size and form of the benefit.

KEY WORDS: poverty, poverty reduction, targeted cash assistance, social inclusion

Program zmanjšanja revščine v Gruziji: dejstva in ukrepi

IZVLEČEK: V članku analiziramo zmožnost programa denarnih socialnih pomoči v Gruziji, da bi dosegel ta cilje in revnim ljudem omogočil zadovoljitev svojih potreb. Metode zbiranja podatkov so predvsem pregled literature, analize podatkov različnih poročil o revščini v Gruziji in uporaba statističnih podatkov, ki so na voljo v tej državi. Rezultati kažejo, da je učinek socialnih denarnih pomoči različen glede na različne skupine ljudi; še posebno visoka je revščina otrok. Stopnja tveganja revščine se razlikuje glede na regije in je najvišja v goratih predelih, kjer je junija 2013 tretjina vseh gospodinjstev prejemala denarno pomoč. Zaključimo lahko, da je program uspešno odgovoril na večino potreb, vendar bi za večjo učinkovitost in uspešnost programa morali premisliti o pokritosti, velikosti in oblikah denarnih pomoči.

KLJUČNE BESEDE: revščina, zmanjševanje revščine, ciljane denarne pomoči, socialno vključevanje

1. Introduction

Georgia declared independence in 1991. National forces won elections and country was led by President Gamsakhurdia. In tune with country's political changes its economic situation changed too. Prior to independence, the country had a relatively strong economy among Soviet States, with an affluent agricultural sector and energy-intensive industrial products. Post independence armed internal conflicts broke out that reflected on both the country's economy and politics. In the midst of the political tension President Shevardnadze became the leader for coming decade, however in 2003 protests against the fraudulent parliamentary elections led to the Rose Revolution and his resignation. Presidential elections in January 2004 were won by Mikheil Saakashvili. Political and economic reforms were aiming at transforming Georgia to a market-oriented economy. In 2012 the opposition forces won elections. The country entered into the new stage of political and economic life. Revisiting of poverty evaluation methodology became one of the main goals of the new government to combat more effectively poverty and social risks that many households face.

After the Rose Revolution until the 2008 August conflict with Russia the Georgian economy grew by 9.7 percent a year on average. Followed the conflict, GDP annual growth rate dropped to 2.1 percent. However the economy rapidly recovered in 2010 and reached pre-conflict level (UNDP 2013). By the end of 2008, immediately after the August conflict unemployment rate jumped by 3.2 percentage points - from 13.3 percent in 2007 to 16.5 percent in 2008.[1] Self-employed comprise 64 percent of all employed (more than 1 m), and the majority of them are engaged in small-scale farming. The urban unemployment rate (28.8 percent) is four times higher than in rural areas (7.1 percent), due to the fact that all persons residing in rural areas who own a land plot are considered to be employed. During 2009, 36 percent of all households had borrowed money. Less than a quarter of the population in Georgia was covered by any kind of health insurance and this figure dropped to just less than a fifth in urban areas. Free health insurance, was concentrated in the poorest fifth of households but even in these households only just over a fifth of the population was covered (UNICEF 2010). However, the situation has changed to good since 2012. All citizens are eligible for basic health care service.

In the past Georgia's Social Protection system was predominantly categorical, aiming to reach socially vulnerable people according to the categories of vulnerability. Together with those who were in need of such support the system mechanically embedded those who were far beyond such need but within the categorical characteristic. Therefore it was considered to be neither effective nor efficient and was comfortable means for overwhelming corruptions. The need for change was explicit followed by the change in policy orientation. The system changed together with the policy shift towards the targeted social assistance. The reorganization was intensive and challenging however painful process. Currently the system is mixed, comprising of targeted

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1. Statistics Department, Employment and Unemployment. Available from: http://geostat.ge/?action=page&p_id=145&lang=geo (accessed 13. 2. 2014)

and categorical social benefits. Some benefits are flat others depending on the results of the evaluation (to be discussed in details below). However, the policy claims to be more targeted therefore less inefficient and having more impact on the recipients' lives than before. The aim of the article and the main research question is to identify whether the change in the social system ensured to reach its target and to what extend does targeted social assistance enable to improve the quality of life of its recipients.

Besides, due to the endless debate about the causes and predetermined factors of poverty the underlying motivation for the article is to emphasise the complex and inter-sectorally correlated nature of the causes and results of poverty in Georgia to find out if the "victims" of poverty are also actors in shaping their experience of it (Lister 2004 in Alcock 2006: 37) or how systemic barriers contribute to the development or they maintain their poverty. Farmer names (Farmer 2004 in Strier 2009: 1073) as systemic barrier poor educational opportunities, poor health services, low wages, low access to credits, inadequate system transportation and communication, and low access to social participation which results in lack of political power. Many studies revealed, that welfare recipients themselves consider social services as "beaurocratic, dehumanizing and oppressive" therefore forming "coalition of despair" (Dominelli, 1996 in Strier and Binyamin, 2009). In Georgia in addition we can name lack of information not only about the service accessibility but also about the social rights and the means of their utilization. As known the structural views of poverty are oriented more on the change of structural barriers e.i. system rather than poor themselves. However the work needs to be conducted to reorient the people who are predecessors of soviet social system dependency and state monopoly towards self responsibility and self contribution as a vital investment for better future. The poverty reduction policies should aim to create institutional environment empowering poor people to increase social functioning and develop risk management skills (Strier and Binyamin 2010). However poorly structured social services do not offer foundation for the development of "social contract" on which individual responsibility will be based (Weil and Feingold 2002 in Strier and Binyamin 2009).

2. Poverty in Georgia: facts and figures

Despite economic fluctuations poverty remains enduring problem in Georgia. The average household monthly income was 374 GEL[2] in 2011, 322 GEL in 2009. The income has been increased by 15 percent however taken inflation into account, the income has been decreased in real terms by 2 percent (UNICEF 2012). Total average monthly household consumption in Georgia is 543 GEL, it was 442 GEL in 2009. Calculation in line with the inflation reflects 5 percent growth in monthly consumption. The Gini coefficient for consumption was 0.38 in 2011, similar to 2009 (UNICEF 2012). According to the official statistics over a fifth (22.1 percent) of the Georgian population lived in poverty and a tenth (9.4 percent) in extreme poverty prior to 2009 (UNICEF 2010). World

2. 1 EU is equivalent of 2.40 GEL.

Bank Poverty Assessment (2009)[3] provides similar estimations[4]. According to UNDP research *Economic and Social Vulnerability in Georgia* (2013) estimates range from 10 percent for extreme poverty to 45 percent if a less conservative poverty threshold is chosen. Poverty rates vary across regions and population groups. Economic inequality in per capita expenditure distribution between the richest and the poorest, as measured by the Gini coefficient was found to be 0.36 percent (World Bank 2009), and of 0.42 in 2011 (UNDP 2013). The Gini coefficient was higher in urban areas (0.36) compared to rural areas (0.33). Both the average household monthly income and consumption in Georgia is over twice as high in urban as in rural areas (World Bank 2012).

Poverty rates differ across regions too, maintaining mountainous regions at the highest risk group. The social inclusion of targeted poor is under question. With regard to vulnerability to social resources, overall vulnerability rates are low. UNDP research (2013) revealed that only 15 percent of the population does not participate in any kind of association at community level, and only 2 percent have no one that could support them emotionally. Moreover, study state that being poor increases the probability of lacking this kind of support whereas it makes it at the same time more likely to participate in an association. The study states that monetary poverty status is one of the strongest preconditions of the social vulnerability of the households. They have limited access to financial and product markets and less likely to get support from their social network.

There are also disparities in geography of poverty. Poverty rates are higher in rural than in urban areas, indicating that dominant subsistence agriculture contributes to the persisting high number of working poor. Furthermore many people, in rural areas have limited access to basic utilities, social and health services, inequality in terms of employment opportunities and access to education are widespread (EC 2011). The lowest incidence of poverty is found in Tbilisi – the capital of the country (12.9 percent), Samegrelo – one of the western region (14.4 percent), and Kvemo Kartli – one of the eastern region (17.3 percent). The wealthiest regions lie in a continuous arc running from Samegrelo in the north-west to Kvemo Kartli in the south-east. The western regions in this arc (Samegrelo and Imereti – one of the western regions) benefit from favourable agricultural conditions and good access to urban markets and sea ports on the Black Sea. In the east, Kvemo Kartli is favoured by good agricultural land in the south, between Tbilisi and the border with Azerbaijan, and its proximity to Tbilisi and Rustavi (World Bank 2009).

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3. The World Bank Poverty Assessment for Georgia is based on the 2007 Living Standards Measurement Survey (LSMS) and uses consumption per adult equivalent (PAE) as a basis for poverty measurement. Total monthly household expenditure is expressed in per adult equivalent terms using a scale adopted specifically for Georgia. While males aged 30-39 equals one adult, children aged 0-3 years equal 0.98 adults, children 4-6 (0.9), children 7-12 (0.89), and children 13-17 (0.96). WB uses an absolute poverty line and per adult equivalent consumption.
4. 23.7 percent of the Georgian population was poor and 9.3 percent was extremely poor in 2008.

The total rural poverty at 30 percent was much higher than the urban poverty at 18 percent, and the extreme rural poverty at 12 percent was almost twice the extreme urban poverty at 7 percent. One of the south western regions of Georgia - Ajara has the lowest official poverty rate in the country (13 percent) in contrast with the eastern region Mtskheta-Mtianeti which is the poorest (37 percent). The households that have the highest risk of poverty face those households who do not have earners, do not own land, are not composed of only pensioners, and have three or more children (UNICEF 2010).

3. Social protection expenditure and (non)take-up

Georgia's Social Protection system comprises of several social benefits: pensions, IDP/refugee assistance, Targeted Social Assistance (TSA), social benefits for orphans and the blind. Social protection expenditure is the second largest spending item of the central budget. The expenditures in social sphere (education, health, social protection) increased from 6.3 percent of GDP in 2003 to 9 percent in 2007. It accounted for 17.7 percent of the central public expenditure in 2008[5] (UNICEF 2010). Despite consequent economic slowdown post August conflict the government has kept the space of social expenditure growth in total public expenditure – from 34.7 percent to 42.3 percent. Nevertheless, Georgia was one the lowest social spenders in the CEE/CIS region, with only 4.1 percent of GDP spent on social protection, 2.8 percent on education and 1.6 percent on health (UNICEF 2010). Since 2010 despite the decline in total public expenditure from 38.4 percent of GDP in 2009 to 32.1 percent in 2011, which reflects a 5 percent decline in real terms from GEL 7,502 million to GEL 7,110 million, social expenditure has remained steady at about GEL 2,500 million in real terms during this period (World Bank 2012).

Pensions are the most widespread type of benefit in Georgia, followed by TSA and IDP/refugee assistance. Pensions have the highest coverage reaching 53.8 percent of households, followed by TSA (8.8 percent) and lastly other categorical benefits (7.2 percent). Pension spending as a share of GDP is one of the lowest in Europe and Central Asia, though Georgia is at a considerably lower income level than most of the countries with higher pension burdens, and it has an older population structure and higher dependency ratio than those with similar levels of pension spending. Demographic data is not promising forecasting gradual increase of elderly (World Bank 2012).

The Targeted Social Assistance Programme (TSA) was introduced in 2006 with the aim to provide targeted cash assistance to the poor based on the proxy means testing. TSA coverage expanded since then from about 400,000 beneficiaries in July 2008 to about 475,000 in July 2009, and 430,000 recipients (about 10 percent of the population), out of a total 1.7 million individuals registered in the database as of mid-2011 (about 40 percent of the population of Georgia) roughly corresponding to the estimated extreme poverty headcount in Georgia. Increase in coverage was followed by TSA budget

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5. Author's calculation based on the Ministry of Finance figures on public expenditure in 2008, source: The Law on State Budget 2009. Available form: *www.mof.ge* (accessed 17. 3. 2014)

increase, from GEL 83 million in 2007 to GEL 150 million in 2011 that is about 0.7 percent of GDP (World Bank 2012).

In January 2010, 420.800 people (9.6 percent of the population) were receiving cash transfers[6]. According to the World Bank report 2009, without the TSA, the group that received the benefit would have had a poverty rate of 71 percent compared with 50 percent currently (World Bank 2009). According to World Bank's later report (2012) the poverty headcount without TSA is almost two percentage points higher than the headcount with TSA (27.5 versus 25.7). The difference in the poverty gap is slightly greater than two percentage points (9.6 versus 7.5). If TSA were removed, poverty rates would rise for everyone, especially for children. Without TSA, *extreme* child poverty would rise by more than 65 percent (UNICEF 2012). In 2011 the TSA budget was about 0.7 percent of GDP, covering about 10 percent of the population - 430,000 recipients out of a total 1.7 million individuals registered in the database (World Bank 2012).

Though by most benchmarks the programme has succeeded in terms of targeting disadvantaged groups, in the official presentation of the results of the TSA programme in 2010 June[7], main weaknesses of the program was considered to be a) the law amount of the assistance, as not being enough for the beneficiary to get out of the extreme poverty, b) the majority of extreme poor did not refer for the assistance as population is not informed about the assessment system. There were several renewals of the program. New measures include an increase of the size of the benefit, consideration of the size of households to calculate the proxy means score, greater role for communities in reviewing eligibility, and the exclusion of certain assets from the proxy-means testing formula. The important improvement was also cut of the waiting times between application and receipt of benefits, from six to three months. Also, since 2010, the government started to review the eligibility status of TSA beneficiaries by cross-checking responses to SSA interviewers with the data of other government agencies related to income tax, property, and vehicle registration. This has helped to identify an inclusion errors and improve targeting effectiveness (World Bank 2012).

Despite the achievements, there are still some issues to be worked out regarding the programme's methodology, coverage and targeting. For example, the level of the benefit is not differentiated according to different extents of poverty and indexation for the changes in cost of living is not considered (World Bank 2012). Overall TSA is recognized as a successful program, though with a deficiency of "self-adjusting" programs such as public works or unemployment insurance as the main "automatic stabilizers". Relying on the TSA program requires committing additional fiscal resources that cannot be easily scaled back once economic growth resumes.

Another issue for scrutiny is the impact of a social assistance program on the incentives for labour market participation. Despite the fact that opinion polls do not provide much

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6. Social Subsidies Agency (2010): Data on recipients of targeted social assistance. Available from: *http://ssa.gov.ge/index.php?id=32&lang=1* (accessed 20. 1. 2010)

7. Meeting with local NGOs and local government representatives launched by Georgian Association of Social Workers in June 2010 in Tabakhmela where Head of SSA was presenter.

support for the idea of creation of a culture of dependency, a comparison of labour market participation by TSA recipients and non-recipients who do receive medical insurance for the poor (i.e., those with a score between 57,001 and 70,000[8]) did not detect any significant difference, the more formal data indicates that there is little evidence that Georgia's TSA is in fact discouraging labour force participation. World Bank (2011) report states that labour market participation rates are quite high in Georgia, however lower for women compared to neighboring countries and caregivers for terminally ill. The study also reveals that that pension receipt – especially by women – may reduce the pressure on younger household members to find work. Therefore it is obvious that policy measures needs to revisit *from welfare to work* schemes to stimulate TSA beneficiaries participation in the labour market and promote better job prospects for program beneficiaries. Several studies found that the majority of beneficiaries receiving state allowances were eager to work; problems associated with the benefits system did discourage people from looking for work; and such demotivation did not lead to a dependency culture – people considered state support as their last resort (Alcock 2006). Therefore we cannot conclude that TSA improved social functioning of its recipients. However, recently established Employment Department within the Social Service Agency under the Ministry of Labour, Health and Social Affairs provides reasons for optimism as it aims at "promotion" aspect (Barrientos 2010) of well-performing social safety nets to link the TSA beneficiaries with job openings and training possibilities. Targeted social assistance has an important impact on households that receive it but the benefit only reaches 17 percent of those defined officially as poor. Over a third of officially poor households receive no social assistance of any kind (UNICEF 2010). Its potential to enable targeted poor meet their needs is under question. Within the World Bank study (2012) consumption quintiles of individuals who receive TSA were compared to post - TSA consumption quintiles and appeared that, 63 percent of households who were in the lowest consumption quintile without TSA stay in that quintile after the benefit (World Bank 2012). It is inevitable that without the differentiation of the level of benefit it could be impossible to lift those in the bottom out of poverty.

4. The most vulnerable groups affected with poverty

The impact of the benefit varies across the groups of population maintaining female headed households, children and people in remote areas more vulnerable to poverty. Besides the World Bank study (2012) figured out the level of accessibility to social entitlement in Georgia. The study revealed that substantial amount of poor households has difficulties accessing their entitlement. Among these households families from Tbilisi and ethnic minorities prevailed (the detail discussion on barriers to services see below).

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8. Social benefit system introduced several thresholds identifying the eligibility for the assistance, e.i. household receiving below the 57 001 score were eligible for cash assistance (60 GEL for first and 48 for each following family member) and medical insurance, those under 70 000 were eligible for health policy only.

Female headed households face a higher risk of extreme poverty than total poverty: 11.3 percent compared to 8.6 percent among male-headed households. In terms of the total poverty the incidence of poverty among female-headed households merely overcomes that of male-headed households (25 percent and 23 percent respectively) (World Bank 2009).

Since the operation of TSA programme children were and remain at the highest risk of poverty. Poverty among children was found to be significantly higher than the national average. The poor households comprise of 28 percent of children. These households include 12.7 percent of the population, 13 percent of all children and 17.7 percent of all pensioners (UNICEF 2010). The consumption-based total poverty rate among children was 28 percent rather than 23.7 percent of the general population, and the extreme poverty rate was 12 percent among children rather than 9 percent of the general population (UNICEF 2011).

Though the situation has changed since 2009 in terms of poverty, as poverty rates decreased from 2009 to 2011 and the number of households below the relative poverty threshold (109.2 GEL) fell by 2 percentage points from 24 percent to 22 percent. Although the percentage of children living in households below relative poverty fell even more, by three percentage points and the percentage of children living in extremely poor households in the period 2009-2011 declined more than the percentage of other groups in poverty, still 9.4 percent of children lived in extremely poor households in 2011. So do 8.3 percent of households and over 9 percent of the population (UNICEF 2012).

As UNICEF *Reducing Child Poverty Discussion Paper (2012)* states, poverty rates rise significantly in those households with more children. For the relative poverty threshold, 24 percent of households with one or two children lived in poverty and this figure increases considerably up to 30 percent for households with three or more children. Despite the positive trends in poverty reduction and the considerable drop in child poverty, the percentage of children living in poor households remains higher for every threshold than the poverty headcount for the whole population (2012).

Though pensions and TSA proved to be an effective measure for poverty reduction the need to scale up impact of the programmes was obvious. Therefore the government increased pensions from 2012. The government also introduced basic health insurance for all, pensioners among them. According to UNICEF (2012) estimations this raise in pensions will supposedly impact poverty alleviation. According to World Bank study (2012) the poverty rate (prior to most recent increase) was lowered by over 15 percentage points due to pensions. Though TSA has a more powerful potential impact upon reducing child poverty than pensions, cash benefits under TSA are means tested whilst old-age pensions are flat, universal monetary payments. However, the likelihood of a child benefiting from state provided pensions depends largely upon whether or not the child lived in multi-generational family i.e. pensioner lives in the household. The receipt of TSA depends upon state's decision that an applicant household qualifies for the TSA benefit. Though this decision follows the self-referral of the applicant. As mentioned above one of the weakness of the program was considered to be the lack of information among disadvantaged groups about the assessment system.

In 2011, coverage by Targeted Social Assistance (TSA) cash benefits which provides support to the most vulnerable families in Georgia increased in the poorest 20 percent of households. This improvement was due to the refinement of the TSA formula in 2010 along with the introduction of new administrative arrangements for maintaining the TSA database. When comparing TSA coverage by households with and without children, however, it is evident that in the poorest households, those with children were less likely to be receiving cash benefits in 2011. 12 percent of households with children were receiving TSA in 2011 compared to 15 percent of households without children (UNICEF 2012). In 2009, 35 percent of households without children in the poorest wealth group were covered by TSA cash benefits as compared to 56 percent of similar households covered in 2011. As for households with children in the same consumption group, the increase was from 43 percent to 53 percent in the same time period. Even though coverage of TSA cash benefits increased, this positive change is more evident for households without children (UNICEF 2012). TSA accessibility starts with self–referral procedure. Accordingly the receipt depends on the decision of the household head and thereafter the decision of the state identifying whether the household qualifies for the assistance or not. In Georgia social workers of child care system are not conducting outreach service, accordingly the identification of the child's needs depends much on the awareness about those needs and the their rights to social protection by their parents. Assumedly, child's right to decent social life is not well advocated in the most of the cases.

Table1: TSA coverage of families with and without children

Coverage of families without children			
2009	2011	2009	2011
35%	56%	43%	53%

There are no child specific social benefits in the country aside from the reintegration allowance for children living in institutional care. However currently pre-school education is free though it was not until 2013. Therefore pre-school enrolment among children was low. In the immediate post-Soviet period, the Net Enrolment Ratio (NER) in Kindergartens fell from an already low figure of 45 percent to 23 percent amongst 3-5 year olds and the number of kindergartens was halved. According to the Reproductive Health Survey (RHS) of 2011, the number has increased to 41.2 percent in recent years. However, this increase comes with significant disparity of 31.1 percent of rural children against 51.5 percent of urban children and 25.8 percent of children from the poorest quintile compared to 53.5 percent of children from the wealthiest quintile attending pre-school.

A review of research carried out on both the availability of services and parental attitudes between 2005 and 2007 revealed two consistent causal factors in low pre-school NER. The first was the inability of parents to pay the fees for kindergarten enrolment. The pre-school education is the best investments with the highest economic returns to society resulting in reduced dependency on state social services (World Bank 2011). As

World Bank (2011) study suggests social spending needs to increase in early childhood development programs for promotion equality of opportunity. It underlines the experiences of the countries that have successfully instituted early childhood development as a foundation for their human development strategies having the highest return rates. It is also increasing the chances for evaporation of the social problem of poverty and inequity by separating them from life threatening risk factors (Dragoš and Leskošek 2003).

Despite the ongoing child welfare reform and government focus on the most vulnerable children household poverty is a major contributor to family separation. Besides the main purpose for institutionalization of children is poverty and family malfunction often as a result of resource deprivation (UNICEF 2012; SOS CVG 2013).

Therefore UNICEF recommended the government to enrich the social benefits for households with children proposing several interventions:

1) Increase of the TSA cash benefit by 50 percent.
2) Increase of the TSA cash benefit by 100 percent.
3) Increase of the number of beneficiaries by increasing cut-off score for TSA cash benefits up to 100,000 points (currently it is 57001).
4) Introduction of Universal Child Benefits per child aged 0-16 years.

The analysis of the various models has shown that universal child benefits together with increased pensions are the most effective social protection tools for reducing child poverty as well as poverty of other groups (UNICEF 2012), though the government started to implement the second version. The expectation is that this increase together with the pension increase would reduce *extreme* child poverty from 9.4 percent to 6 percent and *relative* child poverty from 25 percent to 18 percent. However if the previously mentioned most effective model was selected (pension increase in supplement with the child benefit) it would reduce *extreme* child poverty from 9.4 percent to 3.9 percent and *relative* child poverty from 25 percent to 15 percent. In this scenario, almost 60 percent of children are estimated to be lifted from *extreme* poverty.

**Table 2: Scenarios to enrich social benefit for householders
with children recommended by UNICEF**

Original Extreme Poverty rate being 9.4% and Relative Poverty rate 25%	Scenario 1: Increase of the TSA cash benefit by 50%	Scenario 2: Increase of the TSA cash benefit by 100%	Scenario 3: Increase of the N of beneficiaries by increasing cut-off score for TSA up to 100, 000 points	Scenario 4: Introduction of Universal Benefit per child aged 0-16 years
Estimated Extreme Poverty	6.6%	6%	5.9%	3.9%
Estimated Relative Poverty	21%	18%	19%	15%

Besides the effect would stretch over all other groups. It will decrease poverty in all households from 8.3 percent to 4.5 percent and decrease poverty in the general population from 9.1 percent to 4.5 percent. Moreover it will decrease pensioner poverty from 8.1 percent to 2 percent as well (UNICEF 2012).

5. Service Accessibility

The World Bank (2011) study attempted to figure out the level of accessibility to social entitlement in Georgia. The study revealed that substantial amount of poor households has difficulties accessing their entitlement. Households in the west Georgia are more likely to receive assistance than households in the east part of the country. The proportion of households receiving TSA is the lowest among the Azeri and Armenian households. The former live in the east part of the country and the latter in the southern part of the country. Among barriers for application, a small group of people named documentation, language, distance, absence of permanent residence. The majority of non-applicants do not know how to apply for the database (76 percent) or are misinformed (10 percent). 14 percent of those attempted to obtain birth certificate or personal ID failed due to the inability to pay the fees needed for the documentation.

Only 4 percent of respondent families encountered a problem with accessing pension benefits due to the vagueness concerning documents for application for the benefit and problems reaching the Social Services Agency (SSA) due to distance.

Among those 53 percent of the families who reported that they have health insurance, majority are insured under the Medical Assistance Program for Poor (MAP insurance) or other governmental health insurance programs. Among insured majority are families in west Georgia. The main reason for not having insurance is 'not qualifying for the 'MAP', 'lack of money to purchase a private insurance policy' or lack of information on where and to whom to apply to get insured by state/municipal programs (World Bank, 2011). Three-fourths of those insured reported that they would not have been able to cover the cost of the treatment without insurance. Those not using the benefit as a reason for it named 'health services used are not covered by policy', 'limited knowledge of how to use the insurance' or an absence of health problem (World Bank 2011).

Georgia spent about 1.9 percent of GDP on health at the general government level in 2011, of which about the half of the health related state funds in 2011 was spent on publicly funded health insurance programs and another half on a disease-specific programs. Medical Insurance Program (MIP) for the poor targets the poorest 20 percent of the population (about 900,000 individuals) with the budget of GEL 136 m, based on the same proxy means test that is used for the Targeted Social Assistance (TSA) program. MIP has a significant impact on reducing out of pocket expenditures for health care. MIP beneficiaries pay approximately 50 percent less than non-beneficiaries achieving one of its program goals to reduce poverty (World Bank 2012).

6. Conclusion

It is interesting to what extend does TSA enable the targeted poor to improve their quality of life. As the available findings suggest the material situation of the recipients has changed to better and it had preventive impact, however there are still structural barriers to labor market. Even for the short term employment opportunities the benefit recipient jeopardizes the loss of benefit and the insecurity for the period of joblessness and benefit restoration intensifies the reluctance for job search. Poverty and its devastation cannot be solved by providing the poor with only targeted cash assistance. Assistance program in Georgia is sufficient to deal with poverty, however does it deal with vulnerability? We have to treat poverty and social exclusion as denoting different aspects of the same social phenomena. The latter being a process of detachment from the labour market, social communities and organizations; the former is the lack of an adequate income. The latter is about participation, whereas the former is about distribution (Fitzpatrick 2001). According to Sen (Sen 1999 in Barrientos 2010) appropriate space to assess poverty is "capacity to achieve rational life plan". Poverty measure used in Georgia takes into account basic physical needs rather than social needs, providing therefore, a very 'meagre view of poverty' with supposition that considerably fewer people are poor in Georgia today. Yet absolute definitions of poverty are 'attractive' (Cunningham and Cunningham 2008) to politicians who want to underestimate levels of poverty. If we adopt a relative definition, that Peter Townsend defines as "resources are so seriously below those commanded by the average individual or family that they are, in effect, excluded from ordinary living patterns, customs and activities" (Townsend 1993), considerably more people are poor in Georgia currently. In order to determine who is 'excluded from ordinary living patterns, customs and activities' 'consensual' relative definitions of poverty seek to overcome such difficulties by inquiring about to establish what 'most' people think is an acceptable standard of living, and then assessing the numbers of people living below that standard (Cunningham and Cunningham 2008). This was not conducted in Georgia.

The delivered social protection services did not demonstrate the positive changes of the beneficiaries in terms of their social life and status; with few exceptions of the cases at the micro level, where the success of the social workers involvement revealed its importance[9]. Level of people's awareness about the profession is not high. World Bank (2011) study revealed that one in ten of the respondents had heard of social workers (9 percent). However the majority of them are unclear about the role of social workers and the kind of services a social worker provides (62 percent) and do not know where to apply in case they need a social worker's support (53 percent). On the policy level the involvement of the social workers in neither of the social services was considered. Through this view, poverty is invented within the systemic constraints resulted in lessened life chances and accessibility to resources and services and law level of participation (Gans 1995; Gil 1998).

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9. Conclusions of the thematic meetings with NGO's at Georgian Association of Social Workers, 2008, 2009, 2013.

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