

LABOUR AND SOCIAL JUSTICE

SOCIAL PROTECTION IN THE WESTERN BALKANS

Responding to the Covid-19 Crisis

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In the Western Balkans, the COVID-19 pandemic has been met by already weak social protection systems. The broader social impacts are likely to be both severe and long-lasting.



Some positive lessons can be drawn from the initial social policy response by regional governments, including changes to non-contributory cash benefits and insurance-based schemes, which have contributed to reducing income shocks.



At the same time, investments were overall modest, some especially vulnerable groups were not targeted, and the effect of one-off measures must remain limited.

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PREFACE

According to the recently published RCC Balkan Barometer, 72 % of citizens in the Western Balkans consider the COVID-19 pandemic a serious risk to the economy. By extension, 28 % are not confident that they will keep their jobs in the coming year.

The Friedrich-Ebert-Stiftung (FES) Dialogue Southeast Europe organizes platforms and provides comparative analyses on topics including regional economic and social policies in order to assess their societal impact and formulate recommendations towards more fair, sustainable, and participatory policy-making. Social justice is essential to the regional agenda that the FES advances through its respective offices and individual projects.

Governmental responses to contain the COVID-19 pandemic over the past months have led to sharp economic contraction, which threatens to plunge economies in the Western Balkans into deep recessions. In contrast to larger European and global economies, governments in the region lack the fiscal space to enact sufficient debt-financed stimulus, exacerbating the downturn.

Countries that have effective universal health and social protection systems are much better situated to respond to sudden shocks and crises. With social protection systems that have been neglected, under-financed, and poorly managed, however, there is little to no ‘automatic stabilization’ in the Western Balkans. The already substantial part of the

population that must be considered vulnerable is not only being hit the hardest, but existing inequalities are being exacerbated. According to the RCC’s current Balkan Barometer, a staggering 82 % of respondents perceive the gap between the rich and the poor increasing in their countries.

Against this backdrop, the FES Dialogue Southeast Europe has commissioned this rapid assessment report to

- overview and assess the different social policy responses to the COVID-19 pandemic in the WB-6;
- identify short-term social protection priorities including in the event of a second wave of infections;
- draw lessons from and identify opportunities connected to this crisis with a view to fundamental social reform.

The findings are meant to inform the design of continuing policy responses by both national stakeholders and international actors including the European Union. After all, ensuring the right to social security for all is the best insurance against economic and social crises — and a precondition for sustainable development and convergence. The political momentum created by the current crisis should be used to make progress toward collectively financed, comprehensive, and universal social protection systems in the Western Balkans, rather than market-based solutions for those who can afford it and porous safety nets for the poor.

Sarajevo, 11 June 2020

Felix Henkel, Director,
Friedrich-Ebert-Stiftung,
Dialogue Southeast Europe

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EXECUTIVE SUMMARY

Though numbers of COVID-19 cases or deaths in the Western Balkans are not yet amongst the highest when looked at in comparative perspective, the crisis related to the pandemic has impacted negatively on already weak social protection systems in the region. The broader social impacts of the crisis are likely to be both severe and long-lasting. In this rapid assessment, based on a review of literature and extensive information provided by key stakeholders, we focus less on providing a full picture of social protection responses across the region and more on an informed analysis leading to reasoned recommendations. In a region where policies are not always ›evidence-based‹, there is an absence of accurate, disaggregated data on the social impacts of the pandemic. In a region that combines a narrow epidemiological focus, authoritarian, instrumentalist politics, and low trust in institutions, social protection responses may not necessarily have strengthened community resilience.

In terms of cash benefits, there are examples across the region of increases to both the adequacy and coverage of non-contributory benefits to the poorest of the poor, as well as one-off payments, mainly in terms of last resort social assistance but also in some cases social pensions. New emergency programs have also been introduced. Serbia distributed a one-off Universal Emergency Cash Assistance payment to every registered adult, at a cost of some 1.3 % of GDP, albeit with considerable delay. There have also been changes to insurance-based schemes with some single payments to pensioners and increases to unemployment benefits as well as relaxation of eligibility rules, as in North Macedonia. In some parts of the region, notably in Kosovo, those in the informal economy have also received some support.

In terms of social services, a general picture emerged of residential care facilities under lockdown, day centre services closed, and home care and community-based services being provided in a patchy and uneven way. Those experiencing violence in the home have faced a mixed response in terms of the availability of refuge accommodation, sometimes only after a period of quarantine, and telephone hotlines have reported an increase in cases. Groups facing psycho-social stress because of disruptions in support services include informal carers, foster carers, adults and children with disabilities, older people and others. NGOs have faced considerable difficulties in terms of con-

tinuity of services, and many finding protocols introduced being insensitive to their needs. In the social sector there have been staffing issues in the context of lockdown and self-isolation, with staff having to stay home to look after their own children, and the rapid move to telecare and online working has not always operated in the interest of service users and their needs. In some instances, volunteers, neither trained nor screened, have taken the place of professional staff, as a kind of parallel provision.

Taken as a whole, some positive lessons can be drawn from the response across the region. These include:

1. Changes to non-contributory cash benefits and insurance-based schemes have proved to be simple and effective ways of reaching some of the poorest of the poor and reducing income shocks for those made unemployed and pensioners.
2. Schemes can be introduced even in crisis periods that can draw those in the informal sector through a partnership between governments and workers.
3. Innovations in ways of working, including the minimization of bureaucratic procedures, have been introduced that could have longer-term benefits.
4. Activities by NGOs, as well as grassroots mobilization and solidarity responses have made a difference, sometimes supported by EU emergency funds.

At the same time, a number of largely negative observations can be made, from which lessons can be learned, including:

1. The poverty alleviation effects of the different measures vary across the region, based on amount, frequency, targeting, and timing. Additional investments have not been extensive and any positive impacts will cease once temporary measures are revoked.
2. Children, including those at risk of poverty and those with disabilities, were not a priority in terms of cash assistance.
3. Support to Roma settlements was inadequate, pushing those already extremely poor to the brink of starvation.

4. Disruptions to long-term care and other services contributed to increased social exclusion and the gap between a focus on ›cash‹ and a focus on ›care‹ was exacerbated.
5. Recognition of the needs of some vulnerable groups was slow and often limited.
6. Changes were ad hoc, improvised, with little or no consultation and, in terms of social services, underfunded.
3. It is important not to allow for a loss of momentum in terms of processes of deinstitutionalization, through which service users leave residential care and are reintegrated into the community. In addition, greater priority needs to be given to long-term care and institutional care for older people needs to be rethought.
4. Digital inclusion and tackling the digital divide is crucial, with real choices offered to service users and adequate training programs introduced.

The study makes a number of recommendations regarding emergency preparedness:

1. Structures of crisis preparedness, including governance and co-ordination are crucial at central, regional and local levels and recommendations around social protection must be given greater priority.
3. Protocols should be in place in terms of maintaining essential workers and services, covering shift systems, protective equipment, isolation, visits and placements, continuities of service, and the use of new technologies.
3. Social safety net programs, including those targeting children, together with new emergency programs should be introduced, and legal impediments to their introduction removed.
4. The size of benefits within existing social safety nets should be increased to reach absolute poverty thresholds at the very least, and conditionalities should be adjusted to crisis conditions. Where the rapid expansion of existing schemes is not possible, new emergency benefits should target informal workers and their families.
5. Crisis standards, including the scaling up of monitoring, evaluation, and complaints procedures, as well as the active participation of services users, should be introduced.
6. The continuum of care services should be maintained and broadened wherever possible to ensure continuities of services, leaving no one behind.
5. Within social protection, issues of informality in employment and care, need to be tackled. Housing, and the requisition of spare capacity in crisis, must be addressed.

Finally, in terms of making the transition out of the crisis, elements of a future-oriented regional social protection agenda put forward by The Future of the Welfare State in the Western Balkans in November 2019 remain relevant. In particular, the following are key recommendations:

1. Emergency programs and changes to benefit systems should remain in place long enough to make a thorough assessment of their impacts and costs, and those that can be shown to have worked should be maintained.
2. Irrespective of the crisis, expanded adequacy and coverage of social assistance, social pensions, and child benefits should be prioritized.

2

INTRODUCTION

- 2.1 The Western Balkans (Albania/AL; Bosnia-Herzegovina/BA; Kosovo*¹/XK; Montenegro/ME; North Macedonia/MK; Serbia/RS) have, thus far, experienced relatively low levels of COVID-19 cases and deaths compared to many countries in Western Europe, although, as we write in mid-June 2020, some countries are experiencing a new increase in cases. Nevertheless, across the entire region, the crisis has had significant negative impacts on already weak health and social protection systems and the social impacts in terms of increased poverty, exclusion, precarity and vulnerability are likely to be both severe and long-lasting. Indeed, systemic weaknesses have been exacerbated during the crisis, with poor policies, limited monitoring of service provision, and slow policy and practice responses becoming ever more problematic. At the same time, examples of good practices, often spontaneous and local, have not been gathered systematically. Regional learning and peer review, also not strong in »normal times«, has been none existent. In the context of policies of »lockdown«, information about particular groups, including those living in institutions, refugees, migrants and asylum seekers, and Roma, has been difficult to obtain. Actions taken during the crisis may significantly shape the room for maneuver in terms of improving social protection systems in the future.
- 2.2 Across the region, there is a need to take stock of social protection measures, not least because priorities appear to have been protecting employers and those in formal employment, and ensuring that health systems were not overwhelmed. Those at greatest risk were not always considered in the initial response. In addition, health protection measures including lockdowns, travel restrictions, the closing of care homes to new residents and the cancelling of many procedures in hospitals, may have increased the vulnerability of those unable to receive essential services. An existing imbalance across the region in terms of social protection systems – with a heavy emphasis on cash assistance and too little focus on high quality community-based services may also have been exacerbated during the crisis as community-based services stopped functioning.
- 2.3 Although, in much of the region, numbers of cases now appear to be falling, in the absence of a vaccine, the risk of a second wave of cases in the late autumn or winter of 2020 cannot be ruled out. Indeed, preparations for such a potential new peak must begin now, building on lessons learned from the response to the first wave. Beyond crisis measures to protect the most vulnerable, a clear plan of transition will be needed to ensure socio-economic recovery for all. In the longer term, a reform vision for progressive, effective, sustainable and well-funded social protection is needed to improve the resilience of social protection systems to face future crises, to ensure adequate safety nets, and to lift large numbers of citizens and residents out of poverty and social exclusion.
- 2.4 This rapid assessment report,² compiled with the support of experts of The Future of the Welfare State in the Western Balkans network³, consists of three parts. The first part is a brief overview of the most important social protection measures taken during the COVID-19 crisis across the Western Balkans. The second part proposes short-term social protection priorities, including emergency measures to be implemented in the event of a second wave. The third part focuses on a broader agenda for transitioning to sustainable reform of social

¹ This designation is without prejudice to positions on status and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence.

² By »rapid assessment« we mean an intensive enquiry over a short period of time, in which the need to obtain a full and comprehensive picture of social protection developments across the region is seen as less important than the gathering of sufficient information to make informed analysis and reasonable recommendations. This report has been authored by Professor Gordana Matković and Dr. Paul Stubbs with the support of Žarko Šunderić. It is based on a review of literature and, most importantly, information provided by members of »The Future of the Welfare State in the Western Balkans« network (<http://futureofthewelfarestate.org/regional-initiative/members/>) and other stakeholders across the region. To ensure verification of findings, a consultative workshop was held on 24 June 2020, and this revised report has been produced on the basis of comments received.

³ In 2017, a group of think-tank organizations and social policy researchers developed a Regional Research and Advocacy Platform (<http://futureofthewelfarestate.org/>) focusing on the future of the welfare state in the countries of the Western Balkans (Albania, Bosnia-Herzegovina, Kosovo, Montenegro, North Macedonia, and Serbia). The platform aims to raise awareness, promote discussion, and develop a common advocacy agenda for strengthening the welfare state at local, national and regional levels and ensuring that social policy challenges are given greater attention in development agenda and the EU enlargement process.

protection across the region, revisiting the document »Future-Oriented Welfare State Policies in the Western Balkans« produced by the network in December 2019.

2.5 Building on forward-looking texts published by Friedrich Ebert Stiftung, notably »Enlargement Strategy and Social Change in the Western Balkans« by Mirna Jusić and Nikolina Obradović and the concurrent issue of Political Trends and Dynamics briefing from early 2020 on »Deficient Welfare States in South East Europe« future-oriented social protection priorities for the region can be revisited and revised in the light of this unprecedented crisis. In terms of the Western Balkans, as countries on a path towards membership of the European Union, the social agenda of the EU, and the use of EU accession funds to promote innovation and change in social protection are relevant both in terms of initial crisis responses and priorities for the future. This report is a contribution to strengthening national and regional capacity to be policy makers not policy takers, and to initiate a dialogue and set of priorities based on regional expertise and experience. Future research will be needed to detail this at the length it undoubtedly deserves.

2.6 A more detailed political economy of social protection⁴ responses to COVID-19 in the region is beyond the scope of this study. Research is needed urgently, for example, on the different psycho-social impacts of »lock-down« policies on different groups and how these may have widened existing inequalities in the labour market in the nature, type and size of accommodation, household type, as well as the contrast between experiences in urban, suburban, and rural settings. An already weak evidence-base across the region is compounded by the absence of »real time« disaggregated data. Clearly, there are also dangers stemming from the dominance of a narrow »epidemiological« approach to the pandemic, where a repressive authoritarian politics exists alongside low trust in institutions by citizens. Another danger is that populist politicians promise to provide cash to citizens merely as a prelude to elections, without really thinking the measure through in social protection terms.

⁴ For definitions of social protection indicators see for example (Yemtsov, Honorati, Evans, Sajala & Lokshin , 2018) (CESCR, 2008).

3

MAPPING SOCIAL PROTECTION RESPONSES TO THE COVID-19 CRISIS

3.1 CASH BENEFITS AND ASSISTANCE IN KIND

3.1.1 The Western Balkan governments responded with various monetary and fiscal policy interventions to mitigate the impact of the COVID-19 crisis and the lockdown. Measures were mainly targeted at health systems, businesses, and workers in the formal economy affected by the crisis. An important focus of the intervention was preservation of jobs through wage subsidies for employers, lump sum payments to employees, payment of wages in micro-enterprises, and coverage of taxes and social security contributions (Gentilini et al., 2020; OECD, 2020; ILO & EBRD, 2020). Expenditures for the fiscal package, including social protection benefits, range from 1 to 7 percent of GDP, according to World Bank estimates (World Bank 2020, p. 6), significantly lower than in many of the most developed countries.⁵

⁵ Chaudhry (2020) points out that the UK's relief package amounted to 15.4% of GDP, Germany's to 17.6% and the USA's to 10% <https://theconversation.com/coronavirus-comparing-todays-crisis-to-2008-reveals-some-interesting-things-about-china-132147>

3.1.2 This brief overview of social protection benefits focuses on responses that target the poor, the inactive, the unemployed, and workers who lost their jobs during the pandemic.⁶ Counting the number of interventions, non-contributory cash benefits prevailed, mainly aimed at improving the adequacy (generosity or relative size of benefits) and coverage (percentage of population participating in the scheme) of existing benefits and targeting the poor. If the assessment criteria are related to the number of beneficiaries or cost, new universal programs without – means testing dominate (Table 1).

3.1.3 Lockdown, social distancing and the need for rapid interventions explain the predominance of cash over in-kind benefits, which has been the case worldwide, although

⁶ Based on Gentilini et al., (2020), OECD (2020), ILO & EBRD (2020) and individual country decisions, decrees and measures listed in the literature.

⁷ »In most cases, the last-resort benefit is designed as a targeted program for those individuals who do not have access to other social assistance programs and who do not have much income from employment« (Tesliuc, Pop, Grosh & Yemtsov. 2014, p. 11).

Table 1
Snapshot of social protection cash benefits interventions

Type of benefits	Type of intervention	Beneficiaries	Countries
NON-CONTRIBUTORY			
Last resort social assistance ⁷	Adequacy	Poor	AL, BA, ME, MK, XK
	Extended coverage	Poor	AL XK, MK
Social pension	Adequacy	Poor elderly	XK
New benefits		Unemployed	AL, ME, XK
		All adults	RS
		Poor	XK
SOCIAL INSURANCE			
Unemployment benefit	Adequacy	Unemployed	AL, BA
	Extended coverage		BA, MK
Pensions	Adequacy	Pensioners/poor	AL, BA, ME, RS

Source: Based on (Gentilini et al., 2020). Also see FN 5.

food parcels and hygienic packages have been distributed by both state and non-state actors. Among cash benefits, non-contributory benefits were dominant.

- 3.1.4 In the Western Balkans, those receiving last resort social assistance (LRSA), roughly speaking the poorest of the poor, received additional one-off payments (BA, ME, MK), with amounts doubling in Albania and Kosovo, with an additional amount for those receiving the lowest benefits. Furthermore, some governments extended coverage of the social assistance scheme: Albania included in the scheme all applicants since July 2019 who had been rejected, Kosovo including households that had not renewed their entitlement, and North Macedonia included all those that meet the income assessment criteria, regardless of other conditions, including property assessment and activation requirement (Влада на Република Северна Македонија, 2020). In addition, instead of basing entitlement to assistance on income in the three previous months, the income of new applicants in North Macedonia will be accessed according to a one-month rule until December 2020. Though decentralized responsibilities for social protection in Bosnia-Herzegovina makes it difficult to map the changes, a World Bank review suggests that: »Individual local governments are providing significant sums to assist the elderly and families with low or no income« (Gentilini et al, 2020, p. 88).⁸ Serbia introduced an emergency one-off payment to all adult citizens after the lockdown, but did not adjust the last resort social assistance scheme in any way.
- 3.1.5 There have been far fewer changes to other existing non-contributory programs. Kosovo has improved the adequacy of social pensions, with beneficiaries receiving less than €100 per month entitled to an additional €30 during the pandemic. Coverage was also extended, including beneficiaries whose rights had not been renewed, due to non-reporting or non-assessment, in the period January – March 2020 (Ministry of Finance and Transfers, Republic of Kosovo, 2020).
- 3.1.6 New emergency programs have been introduced in Albania, Montenegro, Serbia, and Kosovo. The largest of these, universal emergency cash assistance, was distributed to all adults in Serbia, covering more than 6.2 million people, although the period from policy proposal to payment was extremely long given the crisis conditions. The assistance was in effect only distributed after the lockdown had ended. Serbia was one of only five countries in the world that introduced a kind of emergency universal basic income (EUBI), alongside Hong Kong, Singapore, Japan and South Korea.
- 3.1.7 In parts of the region, new benefits targeted the unemployed, either all those that were registered with National Employment Office, as in Montenegro, or those who

had lost their job and registered as unemployed during the pandemic, as in Albania and Kosovo. Montenegro and Albania provided one-off assistance to this group. In addition, the Kosovo government has decided to provide assistance to families who have no-one employed in the public or private sector and do not receive any regular monthly payment from the budget (Ministry of Finance and Transfers, Republic of Kosovo, 2020). In Kosovo, financial support for companies that registered employees with employment contracts of at least one year during the emergency received €130 per month for two months after registration. This scheme has ensured that a significant number of those in the informal economy, close to 15,000 people in total, have been brought into the formal economy, at least for one year (Gap Institute, 2020).

- 3.1.8 In terms of insurance-based schemes, one-off assistance was extended to all pensioners in Serbia and to recipients of the minimum pension in Montenegro. Albania altered the indexation of pensions and introduced new ceilings for minimum and maximum pensions. In some municipalities in Bosnia and Herzegovina, pensioners also received additional assistance. The Albanian government doubled unemployment benefits and the North Macedonian government relaxed eligibility rules to include all those who lost a job during the pandemic, regardless of length of insurance contributions. In Bosnia and Herzegovina, there was some re-allocation of funds from activation programs to general assistance for the unemployed. In addition, money was allocated for unemployment benefits to support job retention and/or increase unemployment benefits (Gentilini et al., 2020, p. 88). Extended coverage of unemployment benefit is mentioned in the OECD review of crisis response in South East European Economies (OECD, 2020a, p. 8). Though sickness and maternity leave benefits are outside the scope of this assessment because they are provided to employees it should be noted that some countries have intervened in this area as well.
- 3.1.9 In-kind benefits mostly encompassed utility waivers and distribution of vouchers, food, hygiene products and support to organizations running soup kitchens, primarily the Red Cross. The majority of national and some local governments provided deferrals of public utility and rental payments or penalties for late payments of energy bills (AL, MK, RS, XK) while Montenegro doubled subsidies for electricity bills to vulnerable households. Food and hygiene product packages, often funded by donors, were delivered to Roma settlements (AL,⁹ RS¹⁰, ME¹¹). North Macedonia pro-

⁸ See for example <http://starigrad.ba/v2/vijest.php?id=9511>

⁹ <https://exit.al/en/2020/03/31/council-of-europe-helps-albanian-roma-communities-after-coronavirus-lockdown/>

¹⁰ Ministarstvo za rad, zapošljavanje, boračka i socijalna pitanja i UNICEF u borbi protiv korona virusa <https://www.minrzs.gov.rs/sr/aktuelnosti/vesti/ministarstvo-za-rad-zaposljavanje-boracka-i-socijalna-pitanja-i-unicef-u-borbi-protiv-korona-virusa>

¹¹ <https://www.csrg.me/index.php/niksic/multimedija/764-obezbijedena-pomoc-za-ugrozene-porodice-u-niksicu-pluzinama-i-savniku>

Table 2
 Review of details of cash assistance measures

NON-CONTRIBUTORY BENEFITS		
ADEQUACY	AMOUNT	DURATION
<i>Last Resort Social Assistance</i>		
AL	Double	During pandemic (3 months)
BA	Additional, in individual municipalities	One-off
ME	50 €	One-off
MK	16 € (energy subsidy)	5 months
XK	Double + extra 30 € if SA is ≤ 100 €	During pandemic (3 months)
<i>Extended coverage</i>		
AL	Applicants since July 2019	
MK	Only income assessment until December 2020	
XK	Households that have not renewed their rights	
<i>Social pension</i>		
XK	30 € if SP is ≤ 100 €	During pandemic (3 months)
MK	16 € (energy subsidy)	5 months
<i>Extended coverage</i>		
XK	HH that have not renewed their rights	
<i>New benefits</i>		
AL	300 € to laid-off workers	One-off
ME	50 € to all registered unemployed nonrecipients of social transfers	One-off
RS	100 € to all adults	One-off after lockdown
XK	130 € to HH without formal revenue	During pandemic (3 months)
	130 € to laid-off workers	During pandemic (3 months)
SOCIAL INSURANCE		
<i>Pensions</i>		
AL	Indexation, Increased minimum and max	
BA	Individual municipalities	One-off
ME	50 € to minimum pension beneficiaries	One-off
RS	35 € to all pensioners	One-off
<i>Unemployment benefits</i>		
AL	Double during pandemic	During pandemic (3 months)
BA	Potential increase?	
<i>Extended coverage</i>		
MK	Relaxed eligibility rules for those who lost a job during pandemic	
BA	Relaxed eligibility rules?	

Source: Based on (Gentilini et al., 2020). Also see FN 5.

vided vouchers for domestic products worth 50 to 150 €, with higher amounts to last resort social assistance beneficiaries and lower amounts to those on low wages. Vouchers were also supplied to young people aged 16–29 who were in regular education.

3.1.10 Finally, administrative adaptations included online application for benefits, extension of expired entitlements, full electronic processing of applications, and new arrangements for the payment of pensions due to the complete lockdown of older people. The extension of expired entitlements in some countries (MK and RS for example) also applied to child benefits (Vlada Republike Srbije, 2020b; Влада на Република Северна Македонија, 2020a). In North Macedonia conditionalities for the educational allowance were waived until the end of the school year (Влада на Република Северна Македонија, 2020a).

3.2 SOCIAL SERVICES

3.2.1 A rapid assessment of social services' responses across the region is not at all an easy task. In very general terms, there was too little focus, during the first phase of the pandemic, on ensuring access to quality social services for vulnerable individuals and households, whether in the home, the community or in residential care. Across the region, the impulse was to introduce statutory orders or strong recommendations to restrict access to essential social services of all kinds, and to replace these services with, at best, *ad hoc* contact with service users by telephone. While many service users had their basic needs met only through a kind of humanitarian crisis response, others simply fell through the cracks, and those who became vulnerable as a result of the crisis found it hard to access any services. At the same time, both state and non-state actors sought to improvise and adapt under extremely challenging conditions, sometimes «under the radar», offering support and introducing innovative practices that, because of the nature of the crisis, may never be recognized fully, much less scaled up in future crises.

3.2.2 Whether through good luck or good protocols, most of the region avoided significant rates of infection, illness, and death in residential care facilities, particularly homes for vulnerable older people. Quite often, this came at considerable expense in terms of residents' well-being, particularly in situations where visits from family and friends were no longer allowed. In addition, many residential institutions placed an embargo on new admissions, or insisted that new admissions must self-isolate for up to fourteen days, causing considerable strain on those in stressful situations. Most of the region imposed these strict controls in late March 2020, although Montenegro, for example, was able to introduce some relaxation of measures as early as 25 May 2020, with residents

able to leave the residential institution with medical approval, and with rooms set aside for isolation. Already understaffed, many residential facilities faced crisis conditions as significant numbers of staff were self-isolating or unable to work as a result of childcare commitments as schools and kindergartens closed. In some parts of the region, risks were compounded by the fact that heads of residential institutions had been chosen as a result of their political party membership more than their skills, qualifications and experiences.

3.2.3 There is some evidence that domestic violence increased during this period and some helplines reached their full capacity. In Albania, calls to the national hotline increase fourfold. In North Macedonia, reported cases increased by almost 45% in April-May 2020 compared to the same period in 2019 (Petreski et al., 2020). The real problem, often, was that women victims of violence were not always able to escape or were faced with fourteen days quarantine, sometimes in inadequate facilities. While these health protocols were necessary to minimize transmission risks, but additional protocols to safeguard the rights of vulnerable individuals were not always developed or implemented. Shelters in Albania were closed in the initial phase but declared as essential services in a protocol issued on 10 April 2020, although not all shelters found it easy to comply. While there was an expansion of telephone-based psycho-social support and counselling, the effectiveness of this and the extent of unmet need are both unclear. In any case, telephone counselling is a poor substitute for the ability to escape from a violent situation. It is also unclear to what extent existing procedures and practices following allegations of child abuse were maintained or adapted during the crisis.

3.2.4 Most daycare facilities stopped functioning and the extent to which service users received alternative care and support, or even regular monitoring, appears to have been sketchy and uneven. There are examples, notably from Montenegro and Serbia, of email, telephone and video links between day care staff and users, as well as the use of closed facebook groups to offer activity suggestions. Some parents of children with developmental difficulties received instructions on how to ensure their children's continued therapy in terms of sensory and motoric skills.

3.2.5 Some home care services continued to function although rules preventing travel meant that some home carerworkers were unable to work. Despite the Government of Serbia's guarantees, after complaints, that home care services would continue to function, this was at best uneven. In parts of the region, there were reports that home care workers were not exempt from travel restrictions or found obtaining travel permits when all but essential travel was banned. In some countries, travel bans and cur-

fewer applied to all. In Montenegro, home care was available only for the most vulnerable and restricted to cleaning, preparing meals, and errands ensuring that vulnerable older people did not need to leave their homes.

- 3.2.6 Across the region, personal assistants for people with disabilities continued to offer some support. This was of particular importance in North Macedonia to support those who had recently moved from residential care to community settings as part of the Government's firm commitment to deinstitutionalization. In Serbia, there were reports that some beneficiaries cancelled assistance services for fear of being exposed to the virus. Across the region, as schools closed, there was little support for children with disabilities who had been attending school with the support of educational assistants.
- 3.2.7 Although there was some attention to Roma communities, particularly those living in informal or sub-standard settlements, lacking adequate water supplies, sewage systems, and electricity, this was focused on emergency measures to stop the spread of the virus. In some settlements in Montenegro, communal safe drinking water fountains were established, and health mediators continued to operate in Serbia. Some humanitarian and hygiene packets were also delivered by NGOs to refugees and migrants across the region.
- 3.2.8 The issue of informal care of vulnerable people by their own relatives once again highlights the gaps in existing services. This is perhaps the most common form of long-term care in the region, though most extended families continue to live on one property. Informal family carers who do not live with those they care for were unable to visit vulnerable relatives and had few options in terms of finding alternative support services. NGOs in North Macedonia report that foster carers of vulnerable children found the strains of the children not attending school difficult to bear, and there was also an increase in peer violence and bullying. In Serbia, there were strong recommendations to employers to allow single parents, foster carers, and carers of children with disabilities to allow employees to work from home wherever possible. It took a long time, however, for parents with children with disabilities, including children with autism, to be allowed to go on short walks outside of the home, in the context of a wider ban on children under a certain age going outside.
- 3.2.9 Throughout the region, Centres for Social Work continued to function and designating social workers were designated essential workers. In parts of the region, a shift system was introduced, and social workers were able to accept new cases, albeit mostly relating to requests for cash assistance. There were also a number of helplines opened but the use of technologies to offer support and monitoring was, at best, uneven. In Montenegro, it was noted that some users of social services lacked a telephone, or were reluctant to use one, and many more lacked computers and reliable internet access, which is no doubt applicable elsewhere in the region as well.
- 3.2.10 Over the last two decades or more, across the region, NGOs have become key providers of community-based services. Although it is not clear how these services fared during the crisis, there are suggestions that many NGO-based services experienced a hiatus, being neglected in protocols, or because of the rigid nature of the contracting process meaning that they could not fulfil their contractual obligations. The voice of NGO providers was not always heard and requests for minimum equipment for the continuation of such services were not always responded to with sufficient urgency.
- 3.2.11 One issue about which little is known is how many services normally carried out by paid workers were covered by volunteers during the pandemic. The rise of grassroots, solidarity and volunteerism was a positive development. This was more likely to be spontaneous or organized by local NGOs than systematic, and many initiatives occurred on an ad hoc or impromptu basis. The importance of a kind of 'care commons' operating at a micro-level should not be underestimated when statutory services either stopped functioning or could not respond adequately to needs. At the same time, the nature of the crisis meant that normal safeguarding such as police checks may not have been carried out and, in any case, an untrained 'army' of volunteers is no substitute for qualified and trained staff.
- 3.2.12 Finally, the extent of co-ordination between different branches and levels of government, and between state and non-state actors, varied across the region. Health care protocols dominated discussions and the needs of vulnerable individuals, households, and communities were rarely given the attention or resources they needed. In Kosovo, the situation was even more dramatic with the collapse of a government coalition during the pandemic itself. Representatives of vulnerable groups were not included routinely in planning, much less monitoring and evaluation of crisis responses.

3.3 LESSONS TO BE LEARNT

- 3.3.1 It is important to examine response measures not only in terms of the COVID-19 crisis but with regard to the broader socioeconomic situation in the Western Balkans before the pandemic and the nature and challenges of existing social protection systems (Matković, 2019). It is positive that extremely poor households and recipients of social assistance benefits received at least some additional cash assistance during

the pandemic. Cash benefits were delivered in Serbia as part of an emergency UBI, but not until two weeks after the end of lockdown. The situation in Bosnia and Hercegovina seems to have varied from one municipality to another, so it is possible that a large number of beneficiaries were left without additional support during the pandemic, amplifying an existing situation where »the services (and benefits) one receives still largely depend on where one lives« (Maglajić & Rašidagić, 2007, p. 163). Additional amounts were small in Montenegro and North Macedonia and, as noted above, one-off in Montenegro. The poverty alleviation effects of different measures will vary across the region, based on amount, frequency, targeting, and timing. In addition, of course, impacts will cease once temporary measures are revoked.

- 3.3.2 Increasing the amount of social assistance during the crisis and extending coverage is a relatively simple and effective measure to help the poorest of the poor, in a region with low adequacy and low coverage. This is justifiable because many usual coping strategies were not available during the pandemic and lockdown – engagement in the informal economy was impossible, including seasonal work in agriculture and informal recycling, often a source of income for Roma communities. In addition, it is likely that remittances from abroad will have been reduced or cancelled, although in Kosovo an appeal to the diaspora for help raised a considerable amount. Additional assistance in some local communities has been abolished or reduced, such as soup kitchens or free snacks in schools and kindergartens, potentially resulting in increased food insecurity. It is also important to remember that the poorest households have no savings and very limited, often extremely costly, options to borrow money. Households faced substantial additional expenses for the purchase of masks, hygiene products, and non-prescription drugs. As demand for labour reduced dramatically, considering the impact of benefits on work incentives becomes largely irrelevant.
- 3.3.3 The extension of LRSA to more households was modest in Albania and Kosovo, but more ambitious in North Macedonia, abolishing all conditionalities except income assessment and applying new rules to all new applicants until the end of the 2020. Even so, there has been a relatively small number of new beneficiaries, some 3,500 compared to the projected 15,500. Extended coverage is even more important in the case of proxy means testing, which is »inefficient in addressing shocks in incomes« (World Bank, 2020a, p. 16).
- 3.3.4 The inclusion of informal workers in some schemes is also of note. Serbia included informal workers through the universal cash benefit, though these families, living from hand to mouth, did not receive any income support during lockdown, when most needed. One of the most interesting schemes was introduced in Kosovo with the government focusing explicitly, on informal workers and their families. Application for the new one-off benefit was fairly simple, mainly relying on a statement of the family representative that none of the family members have a monthly income, including social assistance and pensions.
- 3.3.5 Child poverty was not a particular focus, although targeted child allowances exist in some of the region. Research in North Macedonia suggests that child poverty has increased as a result of the pandemic (Petreski et al., 2020). In Serbia, families with children received less support compared to other households, since one-off assistance was provided to adults and pensioners. In addition, unlike pensioners and LRSA beneficiaries, families with children were not automatically granted universal cash benefits, but had to apply. Although the application procedure was extremely simple and efficient, it does not diminish the fact that poor families with children, recipients of child allowance, are not perceived as vulnerable, in spite of rigorous means testing. Children and adults with disabilities had no targeted cash or in-kind benefits specifically targeted to them, despite higher levels of vulnerability during the crisis.
- 3.3.6 One-off benefits for the unemployed were introduced, either to all registered unemployed persons or to workers laid-off during the pandemic. In addition, in parts of the region the adequacy of unemployment benefits and/or eligibility rules were also tackled. Largely excluded from support were workers on short-term, temporary contracts and, of course, workers in the informal sector, who may have needed support the most.
- 3.3.7 Extremely poor Roma settlements with limited access to infrastructure (clean water, sewage and electricity) were mostly supported by donors through food and hygienic packages.¹² In some countries NGOs and Roma activists pressured national and local governments to provide basic necessities water cisterns, and to reconnect electricity supply, often with the support of EU funds.¹³ In others, government provided food, after lockdowns were enforced (Nacionalno koordinaciono tijelo za zarazne bolesti Crne Gore, 2020). As noted above, most measures were one-off or short-term, pandemic-related. To what extent the experience of the pandemic will lead to longer-term changes in social protection across the region remains to be seen.

¹² <https://www.coe.int/en/web/belgrade/-/roma-communities-civil-society-and-local-institutions-from-serbia-react-in-crisis>

¹³ <https://www.a11initiative.org/en/the-european-court-of-human-rights-instructs-the-a-11-initiative-to-request-from-local-self-governments-in-belgrade-to-provide-the-minimum-conditions-for-life-for-300-roma-living-in-cukaricka-suma/> and <https://pjp-eu.coe.int/en/web/roma-local-governance/-/reaching-out-to-roma-in-albania-during-covid-19-short-term-actions-for-making-a-difference>

- 3.3.8 In terms of social services, what is clear is that existing sub-optimal systems across the region became even less accessible during the crisis, with inevitable results in terms of increased social exclusion of existing vulnerable groups, and inadequate responses to those made more vulnerable during the crisis. Procedures tended, in the first instance, to focus on health protection understandably based on the cautionary principle, with the specific needs of the vulnerable addressed later, if at all. Unlike cash assistance, there was little or no injection of new funds to provide different types of social services, meaning that innovative approaches that were developed. Telephone and internet-based support, for example, were introduced with no new funding or training. Protocols that were developed focused more on health concerns than social protection, sometimes conflicted with each other, and protected the needs of providers more than those of beneficiaries.
- 3.3.9 Long-term care systems, relying on a continuum of services and, crucially, good co-operation between health care and social services, poorly developed in the region before the crisis, were at best frozen and at worst ceased to function in the interests of beneficiaries during the crisis. It remains to be seen whether and how the process of deinstitutionalization and the move to more community-based support, already slow and uneven across the region, will be impacted in the longer term. Although it is right and proper to protect vulnerable individuals from the virus, this should not be at the expense of their need for social support which, if removed, can also have devastating consequences.
- 3.3.10 The impact of lockdown on those suffering violence in the home, Roma people living in settlements without adequate infrastructure, refugees and asylum seekers, the homeless, those in institutions, prisoners, street children and those at risk of trafficking, drug users, sex workers and the LGBTQI population, needs to be looked at carefully. Finally, definitions of essential workers need to include social workers, care staff, and others who provide essential home and day care services. In addition, the needs of those receiving informal care, and their caregivers, also need to be given greater attention. As noted in the next section, innovative approaches, valuable even after the crisis subsides, could be of immense importance in improving social services response to the vulnerable across the region.

4

EMERGENCY MEASURES AND CRISIS PREPAREDNESS

- 4.1 A review of responses around the world, together with lessons that can be learnt from the Western Balkans, leads us to suggest a number of measures that should be introduced in an emergency context. While these measures are derived from experiences during the COVID-19 crisis, they may be relevant to other crises, including natural disasters. Throughout this section, recognizing that being over-prescriptive across a diverse region would be counter-productive, we outline the kinds of emergency measures in social protection, in the context of heightened crisis preparedness, should be considered and prepared before a second wave of COVID-19 infections occurs. No social protection system can be made completely crisis-proof, but good crisis preparedness can reduce pressures on vulnerable individuals, households and communities across a range of crisis situations.
- 4.2 We cannot emphasize enough the importance of the governance of crisis situations and adequate crisis preparedness. The establishment of a clear set of co-ordination mechanisms at multiple scales of governance, linking central, regional (where applicable) and local levels and involving all stakeholders including policy makers, NGOs, services users, experts, social workers, local government, workers' representatives and others, with clear responsibilities, is crucial. It can be argued that, across the region, health care and what is called 'civil defence' were, precisely, organized in this way during the crisis, to good effect. However, we would argue strongly that social protection considerations were not given sufficient weight in these governance bodies. There is no simple answer as to whether stand-alone social protection bodies or the better integration of social protection concerns into health bodies is preferable, we suspect a combination of both may be desirable.
- 4.3 The terms of reference for such bodies need to be determined based on specific conditions, but should, at the very least include clear protocols for the continuance of social services and their adaptation to the needs of vulnerable people. It cannot be the case, again, that services are first closed and only then, the needs of the vulnerable are slowly recognized and patchwork solutions are put in place. The designation of essential workers, provided with significant safeguards in terms of personal protective equipment (PPE), regular testing, reduced caseloads, workable shift systems, clear supervision and support, and appropriate training in new technologies, must be set nationally, and include as wide a range of social workers and social care workers as possible. At local levels, lists of current beneficiaries and those newly vulnerable for one reason or another, must be maintained. Rapid assessments of the situation on the ground, including research on the social impacts of the crisis, must be available in real time to allow for changes in priorities as required. Lists of volunteers delivering food and hygienic supplies should also be maintained and, wherever possible, criminal record checks should be undertaken. In the context of the possibility of locally-specific conditions, laws and procedures need to be sufficiently flexible to allow for rapid local variation.
- 4.4 Social safety net programmes need to be expanded in crisis conditions, both vertically, in terms of increasing benefit amounts (adequacy) and horizontally, in terms of including more beneficiaries in the programmes (coverage), recognizing additional basic needs and new groups of those at risk of poverty and exclusion in crisis conditions (World Bank, 2018; Oxford Policy Management, 2015). In a region where last resort social assistance schemes have low adequacy and coverage, this is important to avoid hunger in a situation where traditional coping mechanisms, such as working in the informal economy, turning to social networks, remittances and work migration, assistance from local governments, and so on, are unavailable. The amounts should be increased at least to reach the absolute poverty thresholds, and conditionalities should be adjusted to crisis conditions. Examples here include: no property assessment; suspension of activation requirements, and inclusion of those whose applications had been rejected and/or had lost eligibility solely through failure to report. In addition, those who would lose access to benefits because of time limits should have their benefits maintained during a crisis.
- 4.5 The shocks of the COVID-19 crisis were particularly felt by families with children and specific attention to their needs is an important emergency measure even in those parts of the region where child benefits do not exist, no-

tably Albania, Kosovo and parts of Bosnia-Herzegovina. Means-tested child benefits should be increased in the context of income loss. This can be done through an increase in regular benefit levels and/or a substantial single payment. The impacts of loss of income and inability to face additional expenses makes this group a particular priority¹⁴. Payments could be maintained during a crisis even when a child reaches the age limit of the programme or including children who had lost benefits through irregular or non-attendance in school, for example. Students, particularly those no longer able to use subsidized canteens, should also be a greater priority in the future.

- 4.6 There is a strong case for increasing insurance-based benefits and for waiving certain conditionalities in crisis conditions. Additional payments to pensioners are justifiable if there is a total lockdown for older people and payments are distributed before the lockdown so that they can buy food supplies and other necessities. Unemployment benefit eligibility rules should be relaxed, including rules on the minimum number of insurance contributions. The duration of unemployment benefits should also be automatically extended to those whose rights expire during or immediately after the crisis. Both pension payments and unemployment benefits should be increased in situations where regular amounts are very low.
- 4.7 There are a number of options for introducing new benefit programmes during such a crisis, to increase coverage to more households at risk of poverty and those who might, otherwise, fall through cracks in the safety net. Some form of Emergency Universal Basic Income (EUBI), whether monthly or a one-off payment, has been introduced in a number of countries. Providing income to all who are legally resident on a territory is relatively easy to administer, reaches everyone, including those hard to reach even through means-tested benefits. This so-called ›helicopter money‹ has a positive impact on income smoothing and boosts aggregate demand in the economy at a time when it is most needed. There are a number of disadvantages to such schemes, however. Crucially, unless combined with an effective, progressive, income tax system, such a scheme has high inclusion errors, reaching those who do not need it. It is also costly. The scheme in Serbia provided a one-off payment of 100 Euros to all adults, less than half the minimum wage, at a total cost of about 1.3 % of GDP, equivalent to four years of last resort social assistance. Crucially, such a benefit needs to be paid promptly, and ideally to each person in a household including children, which was not the case in Serbia.
- 4.8 The scheme introduced in Kosovo to provide crisis assistance to households without revenue during the crisis is of considerable interest. It is not as costly as universal schemes but can be administered efficiently if the application process is streamlined. It may be difficult in such a scheme to reduce exclusion errors completely and setting a criterion of zero revenue excludes poor households with very low formal revenue. Other schemes can include making one-off or additional payments to those in receipt of other means-tested benefits, including energy subsidies or local cash benefit schemes. At the same time, in cases where, for whatever reason, local benefits are no longer paid, the central state should consider intervening on a short-term basis to cover such payments.
- 4.9 Finally in terms of income support, it is important not to exclude vulnerable groups, especially Roma people and migrants, refugees and asylum seekers, who may be living in settlements that lack essential infrastructure. Given that residents of such settlements are poor, the temporary expansion of last resort social assistance and child allowance programs through outreach is an option, as well as making some programmes universal for a period. If distribution of cash is not possible, the distribution of food and hygiene products should be prepared and implemented at the very beginning of lockdown. Regardless of the crisis, water cisterns should also be provided.
- 4.10 New and innovative forms of social service may be needed. It is one thing to suggest that social care workers should maintain contact with service users via telephone and/or the internet, and quite another to ensure that the proper equipment is in place, that those without internet and computers can still receive support and, crucially, that there is meaningful training so that remote and virtual support services approximate as closely as possible to the services they replace. In a region in which post-qualification training for social care workers is limited and ad hoc, there will be a need to introduce coherent training programmes and to include skills in working under crisis conditions and in terms of using telecare. Sudden changes in service delivery can be very disconcerting to users and there is a pressing need for timely information and for the maintenance of as much choice for beneficiaries as possible, with the principle of user involvement and inclusion maintained as central.
- 4.11 At the very least, every user should have the telephone number of one or two key workers at all times. The ›newly vulnerable‹, lacking direct support from informal carers, should also be allocated a key worker, in touch with them at least daily. Reverting to online support needs, in addition, what we may term ›animateurs‹, skilled professionals or semi-professionals who can ensure activities, including sensory and motor skills, for users with disabilities. Closing day-

¹⁴ According to SILC (2017) data, inability to face unexpected financial expenses for households with children was 73.6 % in Montenegro, 56.6 % in North Macedonia and 40.8 % in Serbia. Source Eurostat database Table Inability to face unexpected financial expenses – EU-SILC survey [ilc_mdcs04].

care facilities completely may harm not only vulnerable users but also their carers, and support services need to be organized for these carers, particularly informal ones. Depending on health conditions, during any second wave, day care centres, as well as schools attended by children with disabilities, should become priorities in terms of limited re-opening for a smaller number of users, with reduced hours if necessary. Improving access to education and building the capacities of teachers are also priorities.

4.12 The COVID-19 crisis should not lead to a slowing down of processes of de-institutionalization, and impulses to ›lockdown‹ and ›isolate‹ those in residential care should be resisted if at all possible. While face-to-face visits at the height of the COVID-19 crisis by friends and relatives could evidently no longer proceed as normal, the psycho-social impacts of withdrawing contact completely need to be considered and the creation of ›safe contact spaces‹, and the increased use of technology, need to be put in place. In addition, of course, while preventing outbreaks of the virus in residential care may be impossible, ensuring safe and supportive isolation for those affected, at the earliest possible stage, is crucial. In the future, smaller institutions will be needed for older people, with increased possibilities of internal separation of different units, multiple entrances, and so on.

4.13 Through inevitably, movement into and out of residential care must to be limited during such a crisis, it is extremely important that those escaping domestic violence have a safe space in which to isolate before entering appropriate shelter facilities. Opening telephone helplines offering psycho-social support is necessary but by no means sufficient. Across the region, the lack of a continuum of community-based services means that those in need are often faced with a terrible dilemma of surviving at home with little or no support, or being ›locked into‹ inappropriate institutional care. In situations such as the COVID-19 crisis, this is compounded by the need for quarantine and isolation in conditions that may be dangerous, even life threatening, for those who are vulnerable. One possibility may be to requisition hotels and tourist accommodation that remain unused during the crisis, as well as the building of temporary accommodation to meet the social needs of the homeless, of those at risk of being trafficked, those escaping violence in the home, street children, and others.

4.14 Roma communities, as well as refugees and asylum seekers, living in impromptu settlements lacking water, sewage, and electricity, need intensive support, investment, and community work to ensure not only the meeting of basic health and hygiene needs, but also psycho-social needs. The possibility of creating good quality isolation facilities within these contexts or others, such as prisons, may be limited, in which case, consideration of temporary placement of those

infected in more appropriate housing, and with psycho-social support, should be considered.

4.15 In recognition of their efforts, workers in the social care system should receive additional payments for their work in crisis conditions, and those caring informally for vulnerable children and adults in the community also need additional income, alongside vulnerable individuals themselves. Finally, systems of quality standards, and adequate monitoring and control, remain under-developed across the region. However, these need to be scaled up, new standards for crisis conditions may need to be introduced, and existing standards, including minimum ›baskets‹ of social care services will need to be expanded to include groups at particular risk, including the homeless, migrants, refugees and asylum seekers, and Roma communities. A system of rapid response to reports of possible abuses of users' rights will need to be established, with recommendations acted upon quickly.

5

TRANSITIONING TO A FUTURE-ORIENTED REGIONAL SOCIAL PROTECTION AGENDA

- 5.1 In this concluding chapter, we revisit our own Initiative for Future-Oriented Welfare State Policies for the Western Balkans, completed in November 2019 and focus on what may need to be revised and added in the light of the experiences of the COVID-19 crisis. We also address how development partners and, in particular the European Union, can contribute to supporting the process of strengthening social protection systems across the region and ensuring that no one is left behind. Crucially, notwithstanding its many limitations, the European Pillar of Social Rights, in terms of benchmarking the performance of the Western Balkans in relation to its principles, policies, and outcomes, must be central to a renewed focus on the social dimension of enlargement.
- 5.2 In terms of non-contributory benefits, it is clear that last resort social assistance benefits across the region need to be increased, with both improved adequacy and wider coverage. As we argued in the earlier paper, it should be adequate in terms of basic needs, adjusted in terms of reference budgets or similar, it should be increased through processes of indexation enshrined in legal acts; and it should allow beneficiaries who find work to keep some tied benefits, including housing and energy benefits for a year. When employment picks up, disincentives to work need to be addressed and additional costs of returning to work, including transportation and childcare, should be compensated for in specific situations, at least in the short-term. Crucially, legal acts should specify the possibility of expansion of adequacy and coverage, including the temporary suspension of some conditionalities, in crisis conditions. We would also strongly argue that changes that were introduced during the first wave of the COVID-19 crisis should remain in place, at least long enough for a thorough assessment of their impacts in terms of poverty alleviation. Evidence should also be gathered on the costs and the possibilities of expanding fiscal space and/or redirecting resources from other, non-poverty related, programmes, including veterans' benefits and birth grants extended over such a long period that they act as a deterrent to women returning to the labour market. Issues of limited fiscal space and prioritization within and beyond the welfare state is important, especially in the context of high public debt in almost all countries. While it is clear that this is not a time to look for savings in key areas of social protection, the issue of the cost of borrowing for those outside of the European Union is a challenge.
- 5.3 As we argued in the earlier report, a non-contributory social pension, sometimes termed a 'zero-pillar' pension, should be introduced for older people without retirement income. Precise eligibility requirements may need to vary across the region: a social pension could be limited to those who are at least three years above retirement age, and there is also a compelling case for supplementary amounts for those over say 80 years of age in elderly households. Eligibility should be through a simple income test and no asset test and such a scheme could have flexibility for amounts and coverage to be increased during a crisis. As a rule of thumb, amounts should be higher than last resort social assistance but lower than the minimum insurance-based pension.
- 5.4 Child allowances need to be introduced in those countries and territories where they do not currently exist. A move towards universal child benefits may be desirable in the future when funds allow, and a universal payment could be made to all households with children in crisis conditions. Of course, as with any universal benefit, it is important to recoup some expenditures through taxing those who need the benefit least. In any case, in line with our future-oriented agenda, expanded coverage should reach children in up to 40% of households based on income distribution, i.e. those in the fourth and fifth quintiles. Given their greater needs, we strongly argue that child benefits for children with disabilities should not be based on means-tests but, rather be categorical. We also urge governments across the region to consider higher levels of benefits for those with severe disabilities or chronic health conditions. We suggest that children living in substandard settlements should also receive non-means-tested child benefits. As with last resort social assistance, indexation must be enshrined in legal acts. In crisis conditions, there should be legal stipulations for increases to child benefits and/or one-off payments to households with children.

- 5.5 In terms of contributory benefits, changes to unemployment benefits are extremely important in crisis situations where many lose their jobs. Again, changes in conditionalities and eligibility as well as possible temporary increases during a crisis need to be enshrined in law. Whenever a reduction in the amount of contributions to qualify for unemployment benefit occurs, this should also remain in place for a period after the crisis ends as labour markets in the region are slow to re-adjust aftershocks. There should be similar considerations in terms of short-term or one-off pension increases. Adequate maternity leave provisions are also needed and, again, these may need to be raised in crisis conditions. We argue in the earlier paper for a mechanism through which the net replacement rate of insurance-based contributory benefits should never fall below 60 %.
- 5.6 Our strong focus on deinstitutionalization and for a minimum package of quality community-based services in the earlier paper, has been reinforced by the experience of the crisis. Alongside clear action plans for social services, and adequate crisis preparedness, there must be a legal commitment to the maintenance of minimum quality standards and a minimum basket of services in crisis conditions, with alternative forms of support made mandatory in situations where institutions close or offer reduced services. As we note above, the nature, size, and functioning of residential care institutions for those who cannot receive support in the community must change radically, each institution needs to be tailored to support a smaller number of beneficiaries and, in crisis conditions, ensure adequate and quality facilities both for isolation and for visit. The need for foster care to be expanded, alongside supported housing for people with disabilities leaving institutional care, and the expansion of youth work services, all called for in our earlier report, is even clearer now.
- 5.7 For a number of reasons, healthcare and educational services have not been a prime focus of this rapid assessment, although shortfalls in provision, a lack of attention to inclusion, and inequalities of access and outcome, have no doubt worsened as a result of the crisis. The importance of sustainable long-term care, based on a renewed partnership between health and social welfare at all levels, has been demonstrated by the crisis. Our call for government healthcare expenditure to reach, at least, 5 % of GDP within a few years was perhaps, in the light of the crisis, not ambitious enough. Our concern with equity gaps and inequalities in outcomes must also be addressed in the light of the COVID-19 crisis and clear measures implemented to reduce inequalities. There is increasing recognition that the rapid move to on-line learning as schools closed may have set back, perhaps even by decades, the cause of reducing educational inequalities and promoting social mobility. This needs to be addressed urgently, together with our proposal that, if conditions for limited opening of educational resources exist, in pre-school and school settings, that children with disabilities and children from poorer households, should be prioritized.
- 5.8 Among the innovations that are most noteworthy from our region is the scheme in Kosovo to draw workers who were previously in the informal sector into the formal economy. It will be fascinating to see the longer-term impacts of the scheme given that is based on a clear partnership between the state and employers in the private sector. The crisis cash benefit introduced in Kosovo for those with no income is also of note. More generally, support for those in the informal economy, in the so-called ›gig‹ or ›platform economy‹, in temporary and part-time jobs, and carers (particularly informal carers) needs to be prioritized in the context of a changing world of work.
- 5.9 New forms of remote delivery of care services and, indeed, simplification of benefit payments through online forms and so on, require investments in technology and training, both for service providers and service users. It is highly likely that a significant number of beneficiaries lack a computer and/or internet and are the least likely to have modern computers and fast internet. Just as some countries sought to provide tablets to all children, vulnerable households will need to be provided with free access to technology and a functioning internet connection. New forms of easy payments will be needed, as will online registers of services users, the newly vulnerable, and of volunteers. New professions or semi-professions – community-based youth workers, *animateurs*, telecare professionals, and long-term care support workers may be needed and will need to be trained and supported. As noted above, housing needs to be brought back into the centre of social policy concerns, and legal forms of requisitioning buildings not in use in crisis situations should be introduced.
- 5.10 Though our task was never to suggest what the appropriate role of development partners, including the European Union, should be in terms of supporting social protection systems across the region, many of the priorities in the region emerging from the first wave of crisis dovetail well with EU priorities in terms of the Social Pillar Action Plan. Namely, these include long-term care, minimum income and child guarantee schemes, health and safety at work, support for youth, homelessness, and e-inclusion. As clear priorities, we would like to see long-term support to training and post-qualification skills, particularly in telecare and remote care, funds for the adaptation of buildings and in support of continued deinstitutionalization, investment in personal protective equipment for essential workers, and support for informal workers and those in the platform economy. Above all, however, the EU should integrate the Western Balkans far more centrally into the Social Pillar develop-

ments and peer review, to ensure that lessons can be learnt and resources provided for the region closest to EU membership.

- 5.11 As has become something of a cliché, the real lesson to be learned from the past few months is that we can no longer distinguish clearly between ›crisis‹ periods and periods of supposed ›normality‹. A new era of ›permanent crisis‹ or ›new normal‹, in which we move back and forth along a crisis spectrum, is likely upon us and this may prove to be the hardest test of all for social protection systems across the region and beyond.

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SOCIAL PROTECTION IN THE WESTERN BALKANS

Responding to the Covid-19 Crisis



In the Western Balkans, the COVID-19 crisis has had significant negative effects on already weak health and social protection systems. The social impact in terms of increased poverty, exclusion, precarity and vulnerability are likely to be both severe and long-lasting.



The weaknesses existing in the system have been exacerbated during the crisis, with poor policies, limited monitoring and slow responses becoming ever more problematic. At the same time, examples of good practice, often spontaneous and local, have not been gathered systematically and regional learning and peer review, again not strong in ›normal times‹, have been non-existent.



In the context of policies of ›lockdown‹, information about particular groups, including those living in institutions, refugees, migrants and asylum seekers, and Roma, has been difficult to obtain. Actions taken during the crisis may shape significantly the room for maneuver in terms of improving social protection systems in the future.

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