# THE SOCIAL ASSISTANCE IN THE CONTEXT OF THE REFORM IN REPUBLIC OF ALBANIA

Marsida Haxhiu

Drejtoria Rajonale e Shërbimit Social Shtetëror Elbasan ALBANIA marsida.haxhiu@yahoo.com

#### **ABSTRACT**

The ratification of the newest law No. 57/2019 "The Social Assistance in Republic of Albania" brings a novel concept based on the "Social Assistance Scheme". The new law brings a new modern for this essential concept. The Social Assistance includes economic assistance, disability payments, the immediate financial assistance for newborn babies and other benefits which are guaranteed from the law. According to the previous law the term Social Assistance means the support given in cash to the families and individuals in need. This paper is focused in the elaboration of the term "Social Assistance" and more specifically of the new reform concretized in the last legal changes. This study defines the variables on which Social Assistance scheme is based. After that, different issues such as: how does the scheme functions, the duties and responsibilities of State Social Service as well as challenges that have accompanied implementation of this reform are elaborated. Thus, the method used is the empirical one, through which various objective interpretations are arisen from certain scientific methods and observations. This is achieved by testing the thesis and analyzing data. It is found that State Social Service has successfully implemented the reform in three cities (Tirana, Elbasan and Durres) and in January 2018 the government has extended this reform in Republic level. Thus, the challenge of implementation on the whole country is expected to be faced. It is required dedication and willingness of the staff to successfully finalize these reforms undertaken.

Key Words: Social Assistance, State Social Service, Reforms, Applicant, Formula.

#### INTRODUCTION

The new law for the Social Assistance aims to alleviate poverty and to mitigate the social exclusion for individuals and families. This law aims to create opportunities for their integration through the provision of various services in order to improve their lives. This law also guarantees social assistance through immediate financial assistance for newborn babies. The well organized and well functioning state institutions responsible for provision and administration of social assistance are crucial elements for implementation of this law. According to data taken from INSTAT (INSTAT, 2013) and from World Bank, the poverty rates has been steadily increasing from 12.5% on year 2008 to 14.3 % on 2012 while coverage of social assistance was only 14%. Therefore, the World Bank concluded that the old scheme of social assistance could not tackle these problems any more. Thus, they suggested to the Albanian government of that time this reform after several years of testing it in three cities Tirana, Durres, Elbasan by using a scoring formula with variables and coefficients. This formula was compiled and proposed from Word Bank based on their experience and practice which was approved from the Albanian Government. In 2012, the Assembly of the Republic of Albania, World Bank and European Bank for Reconstruction and Development signed the contract for financing the project for the update of social

assistance scheme. On 2012, the Albanian government decided to use a scoring formula with predicted variables and coefficients. Even from the title of the new law no 57/2019 (Kuvendi, 2019) we do understand that there is a reform since the concept is transformed from Economic Assistance to Social Assistance. This law defines the rules and mechanisms for receiving social assistance, the authorities responsible for granting this right as well as the relationships for financing the provision of this kind of payment.

# THE ROLE OF STATE SOCIAL SERVICE INSTITUTION ON THE MANAGEMENT OF THE SOCIAL ASSISTANCE SCHEME

The State Social Service is a dependent institution of the Ministry of Health and Social Protection. Its mission is to implement social protection policies through: assessment of needs for social care services, control for implementation of law for social assistance. In addition to that, the State Social Institution provides the opportunity of accommodation for the individuals in need. Based on the statute of State Social Service this institution has the following competences in the field of social assistance:

- a) Evaluates, prepares and proposes midterm and annual funding needs for economic assistance
- b) Schedules at the beginning of the year based on indicators of local government units and based on the needs of families and individuals in each municipality taking into consideration the sources of the state budget.
- c) Controls the usage of state budget for social assistance
- d) Controls the implementation of the legislation on social assistance in accordance with the provisions of legislation
- e) Takes the decision for families and individuals who receive the social assistance as well as defines the respective amount to be allocated for each cases on the procedures defined in the law.
- f) Collects and analyzes data of the allocation of social assistance by local government units and reports the evidences periodically to the ministry responsible for social affairs
- g) Reports every three months to the Ministry responsible for Social Affairs the progress of Social Assistance Scheme and the results of control performed in local government units.
- h) Proposes the improvement of programs and policies in the field of social assistance for evaluation at Ministry for Social Affairs.
- i) Exercises other specific competences according to the ratified legislation
- j) Assists local government units and trains the staff in this relevant field
- k) Maintains and manages the National Electronic Register of Social Assistance

The State Social Service Institution enables the realization of the above mentioned functions through Regional Directorates in the 12 districts of the country and through Social Assistance Sector. The Regional Directorates have the responsibility to organize and manage the process of inspecting the implementation of the law for allocation of social assistance fund to the families and individuals in need. They collect and analyze information and statistics on the allocation of social assistance fund and report periodically to the Head Office of State Social Service Institution. The Regional Directorates verify the data registered by the social administrator in the National Electronic Register for the families and individuals in need. The competence of these Regional Directorates is to take the decision on: families and individuals who will receive social assistance and the relevant amount after they have meet certain criteria set by the Decision of the Council of Ministers; for the families that are in the process of marriage dissolution when there is not taken a final decision from the court the amount of

fund is separately allocated to each of the spouses. This institution also rejects the allocation of funds for those applicants who does not meet certain criteria defined in the law by giving relevant reasons. The responsibility of this institution is to send the decision taken to the Mayor of Municipality and it is this latter institution that has the obligation to notify the applicants about the result of their application. In addition to that the Municipality has to carry out financial procedures for payment of the fund to the accepted applicants.

# DEVELOPMENT OF ECONOMIC ASSISTANCE AS A FORM OF SOCIAL ASSISTANCE

Article 6 of Law No. 57/2019 stipulates that the Social Assistance includes but is not limited to: economic assistance, disability payments, immediate financial assistance for the newborn babies and other benefits granted by this law. The Economic Assistance is a payment given in a form of monthly allowance for the categories defined at the Article No 7, law no 57/2019. The beneficiaries of the economic assistance are as follow: Families in need; Orphans who are not in Social care institutions; parents with 2 or more babies who are born simultaneously belonging to the families in need; victims of trafficking after they have left the Social Care institutions until they are employed; victims of domestic violence for the period of validity of the protection order or immediate protection order that are not treated in the social care institutions. The Victims of the domestic violence for the period of validity of the protection order or immediate protection order when they are in the social care institutions, they receive a certain amount of money for personal expenses. Social Assistance fund is a limited time payment that is given in form of the monthly allowance in Albanian currency for the categories previously mentioned. This kind of payment is allocated monthly based on the decision issued from the Regional Directorate of State Social Service. The Municipality and Administrative unit notifies the winners for the decision taken within 24 hours after the decision is transmitted to them. After that, the payment procedures are conducted (Qendra e Botimeve Zyrtare, 2016)

## ELIGIBILITY CRITERIA FOR SOCIAL ASSISTANCE

The eligibility criteria for social assistance take into consideration poverty situation. Since 2013 three cities: Tirana, Elbasan, Durres are selected as 3 cities where Electronic system for the Social Assistance is applied. On January 2018, this scheme is extended throughout Albania. Households with not or insufficient income as well as other certain categories can apply for social assistance at the local government unit in the area that they reside. The most recent decision of the Council of Ministers issued for the implementation of Law No. 57/2019, is the Decision of Council of Ministers No 597 date 04.09.2019 "Determination of procedures, documents and monthly amount of assistance as well as use of additional fund for the firstly rejected applicant" (Qendra e Botimeve Zyrtare, 2019). The application of members of families in need is done from the Head of Household together with his spouse or only one spouse when the other one is missing at the social administrator of the Social assistance and Social service sector in the municipality or administrative unit. There are certain documents required for applications that are mentioned below:

- a) A Copy of the Identity card for each of the applicants
- b) Certificate of ownership issued by the State Cadastre Agency or if the registration is of ownership is not completed yet a certificate issued from the same institution which states that the land is being used or will be taken in possession in the near future
- c) For those cases that are in the process of dissolution of marriage and there is still no final court decision the above documents are submitted separately. Besides these documents, the court certification which shows that the spouses are in process of marriage dissolution should be submitted.

- d) For the families in need, whose members are invalids or persons with disabilities that receive disability payment beside the above documents mentioned before they do also submit a copy of certification from the Medical Commission for the Assignment of the Ability to Work.
- e) For the children members of families in need that attend the basic education the school attendance certificate should be submitted twice a year within once academic year in order to receive the additional relevant payment.
- f) For the children part of the families in need who are vaccinated the copy of child health book for the vaccine carried out should be provided based on the mandatory calendar in order to get the additional relevant payment.
- g) For families in need, which in their composition have members in active working age, who attend upper secondary education or higher, in addition to the documentation specified above, should also submit the certificate issued by the educational institution, which is compulsory to be submitted once within one school year.

<sup>1</sup> Law No. 9355, date 10.03.2005 "Social Assistance and Social Services" (repealed with the Law no 57/2019).

Orphans, who are not in social care institutions, submit to the social administrator of social assistance and services sections in the municipality / administrative unit:

- a) A copy of ID card;
- b) A notarized copy of the orphan status, as required by the law on orphan status, as amended;
- c) Orphans attending basic education, also submit a school attendance certificate issued by the school, which is submitted 2 (two) times within the academic year, in order to receive the additional payment;
- d) Vaccinated orphans should also provide photocopies of the child health book for the vaccine carried out, according to the mandatory calendar for children age groups to receive the additional payment.

Parents with more than two children born simultaneously (twins) belonging to families in need, submit the specified documentation as the applicant families. The documentation should also include an assessment of the socio-economic situation conducted by the social administrator certifying so that the family is in need.

Victims of trafficking, after leaving social care institutions until their employment, submit:

- a) A copy of ID card;
- b) Certificate of treatment in social care institutions, issued within the last 30 (thirty) days.

Victims of domestic violence, for the period of validity of the protection order or immediate protection order, submit:

- a) A copy of ID card;
- b) The protection order or the immediate protection order, referred to the letter "d" of paragraph 2, Head I of Decision (VKM) 597/2019 (Council, 2019).

To receive social assistance, the head of household, together with the spouse, from the dates 1-10 of each month, should go at the social administrator office, of the social assistance and social services sections in the municipality / units to apply for social assistance as a

family in need with a copy of ID card of the applicant and other family members holding identity cards (for children certificates) and other documents specified in the by the laws. The administrator, in the presence of the head of household, the spouse, or individuals, fills the application form on-line, which includes information for: demographics of the family, education and employment; type of dwelling; household assets; assets income from social protection programs. It is important that the information above is accurate, as otherwise families will be penalized for false submitting. The list of applicant families is automatically verified by the electronic system with all institutions and once this verification is completed as to the accuracy of the information a decision is made on these families.

### THE DECISION-MAKING PROCESS FOR SOCIAL ASSISTANCE

With the new law no. 57/2019 (Kuvendi, 2019), an innovation made is the removal of power of the competence of the Municipal Council to decide on the proposal that the family / individuals in need receive social assistance once provided by the relevant measure for profit. This decision was immediately transmitted formally to the Regional Directorate of State Social Service.

Now there is no need for the general meeting of the Municipal Council. The past delays of the general meeting of the Municipal Council create delay in the subsequent procedures. The decision for receiving social assistance is made within the month by the Regional Directorate of State Social Service through a dotted formula that includes parameters related to the assessment of the economic situation of families, such as: living conditions, ownership of assets, remittance income. The dotted formula takes into account the different structural characteristics of urban and rural families.

The Regional Directorate of State Social Services sends the Final Decision together with the list of Winning Families by Measure of Benefit and Non-Beneficial Families with the appropriate reasons to the Mayor of the Local Authority to notify all applicants and make the payment executable.

It is mandatory for all beneficiary families to be come to the office of the social administrator every 3 (three) months, who completes the socio-economic statement and puts it in the system and verifies the social and economic status of families in need when they enter/apply for the first time, as well as twice a year for families receiving social assistance. If the family failures to appear once every 3 months and/or refuses to allow socio-economic verification in the family, the social administrator removes them from application of social assistance program.

#### DECISION APPEAL PROCEDURE

Families who have been denied for insufficient points have the right to reapply in subsequent months and also retain the right to appeal the decision. For this family's category, based on socio-economic assessment, conducted by the Social Administrator, the Municipal Council has the right to approve the social assistance from the conditional fund up to 6% and / or local budget funds.

Law no. 57/2019 "On Social Assistance in the Republic of Albania" in its Article 29 (Kuvendi, 2019), stipulates whether the planners for the benefit of economic aid; when judging that the official decision is unfair and the person with disabilities; when judging that a right guaranteed by this law has been violated, may file a written complaint with the municipality / administrative unit within 20 calendar days of receiving the notice. The local

authority examines the complaint and notifies the complainant in writing within 7 calendar days of receiving the complaint.

The applicant for social assistance shall have the right to file a written complaint at The Regional Directorate of the State Social Service within 20 calendar days of receiving the response from the local authority, after the appeal has expired, as set forth in paragraph 1 of this Article. The Regional Directorate of the State Social Service, after reviewing and verifying the complaints, notifies the interested applicant and the local self-government unit within 14 calendar days of receiving the complaint. A social assistance applicant, claiming to have been denied a legal right shall have the right to bring a lawsuit in court, in accordance with the legislation in force for the organization and functioning of administrative courts and the adjudication of administrative disputes.

### THE EFFECTIVENESS OF SOCIAL ASSISTANCE REFORM

The new Law 57/2019, does not sanction any maximal term for families s final beneficiaries. Is the Decision Nr.597/2019 which it determines that: Social Assistance to families without income or with insufficient income is a charge given in the form of a monthly remuneration in ALL, which is limited in time for a period not exceeding 5 (five) years. Timely limitation of social assistance does not apply to:

- a) Families whose members are over working age;
- b) Female-headed families, with at least one child attending basic education.

The imposition of this maximum deadline puts the Albanian government and the applicants of this reform to take concrete measures to get these families out of the Social Assistance Program as soon as possible. The exit will be aimed at reintegrating these families, and the most appropriate integration is employment. Concrete measures are being taken to build a Strategy for the Integration in the Labor Market of active working age members of social assistance families.

Social Assistance Reform has been seen as a matter of urgency to improve the development and integration of poor families, so that both their children and adults themselves are the same as other children who are not poor. As a consequence, the system felt the need to change it based on new principles that encompass fundamental rights and children's rights in particular.

Social Assistance Reform conceived in the context of recent social reforms means, first and foremost, that children will be healthy, well-educated, educated, and able to break the cycle of poverty inherited from one generation. While it has been agreed that cash assistance is unlikely to eliminate poverty for families, the system can function in such a way that even if parents are relatively poor, the state can provide them with services that will provide health, nutrition, and the development of children living in such families.

The other aspect of Social Assistance Reform is the whole social support package, which includes: Compensation of electricity for all families in Social Assistance, amounting to 13'000 ALL; Subsidies for education and vaccination of children; Guaranteeing that families in need, as part of in Social Assistance Program, receive additional facilities for attendance at kindergartens for refund of book fees, on average 35'000 ALL, refunds for food and accommodation in pre-university education, where, according to reference to per capital incomes, the households to social assistance; Exemption from higher education fees. First level full exemption and second level 50% up to the age of 25, for children of single parent

families who are in social assistance; Families in social assistance program have benefited from the legalization process by paying only 35% of the parcel when the parcel is privately owned.

### **CONCLUSIONS**

Currently, the effectiveness of existing social assistance programs in Albania is <u>analyzed</u> to assess the impact of social assistance on the economic and social lives of children receiving cash assistance in both urban and rural areas. Analyzes show that in the last two decades, the social protection system has been operating based on principles that have been unchanged since the program's inception. The analysis concludes that according to existing concepts of up to four years ago, in terms of implementation, both technically and politically, the social assistance could not alleviate poverty and did not even meet the basic needs of living for these families. In the meantime, social assistance has had no visible role in providing basic services to children. In this form the social assistance did not contribute to the social inclusion of children and nor to their families.

The start of implementation of this reform enabled 18'730 families to apply for the first time in the program, while on the old program could not include so many families that were virtually excluded. The preliminary data shows that there are 10'063 families who have received social assistance for the first time, which until today were excluded only because of the obstruction of the old program. The new program removes the partial social assistance; 15'000 families, which were previously treated with partial social assistance from 6'000 to 10'000 ALL per month, today they receive full assistance of up to 80,000 ALL per month. According to the criteria, social assistance today is up to 11'000 ALL per month (Sherbimi Social Shteteror, 2019).

On the other hand it is emphasized that the system is a dynamic system. Abusive families, therefore, abusive applicants who are not included in the program because of not receiving enough points, but also others who are involved are verified and the program is really flexible. In fact, in February there are 2'900 new families involved in the program for the first time, by reapplying. With the new program the procedures are simpler and fewer documents needed for the application. There is a better targeting of poverty, maximum transparency, increase of the amount of benefit, and most of all re-integration. The goal of social services is to re-integrate families in social life while fully respecting the rights and dignity of those in need.

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