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European Social Charter

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THE GOVERNMENT OF ARMENIA

(Articles 3, 12, 13 and 14 for the
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EUROPEAN SOCIAL CHARTER
(REVISED)

Report of the Republic of Armenia

Articles 3, 12, 13, 14

Reporting period 2008 – 2011

Article 3. Right to safe and healthy working conditions

With a view to ensuring the effective exercise of the right to safe and healthy working conditions, the Contracting Parties undertake, in consultation with employers' and workers' organisations:

1. to formulate, implement and periodically review a coherent national policy on occupational safety, health and working environment. The primary aim of this policy shall be to improve occupational safety and health and to prevent accidents and injury to health arising out of, linked with or occurring in the course of work, particularly, by minimising the causes of hazards inherent to the working environment;
2. to elaborate safety and health regulations;
3. to provide for the enforcement of such regulations by supervision measures;
4. to promote the progressive development of occupational health services for all workers with essentially preventive and advisory functions.

Appendix to Article 3§4

It is understood that for the purposes of this provision the functions, organisation and conditions of operation of these services shall be determined by national laws or regulations, collective agreements or other means appropriate to national conditions.

Article 3§1

Requirement for ensuring safe and healthy working conditions is enshrined in Article 32 of the Constitution of the Republic of Armenia, pursuant to which every worker shall have the right to working conditions meeting the safety and hygiene requirements. The protection of health and safety of workers in the workplace shall be one of the most essential components of labour legislation of the Republic of Armenia.

Chapter 23 of the Labour Code of the Republic of Armenia is completely dedicated to the issues of protection of health and safety of workers. In particular, Article 245 of the Labour Code of the Republic of Armenia defines that the workplace and the environment of each worker shall be safe, comfortable and harmless for the health; it shall be equipped in compliance with the requirements of the regulatory legal acts on protection of safety and health of workers.

Based on the above-mentioned, resulting from the overall study of the international practice relating to the protection of safety and health of workers, the Ministry of Labour and Social Issues of the Republic of Armenia has developed a unified document relating to basic rules and norms of protection of safety and health of workers (hereinafter referred to as "the Document").

Pursuant to Article 4(1)(7) of the Labour Code of the Republic of Armenia basic rules and norms of protection of health and safety of workers shall be defined by labour legislation. Having regard to the requirements of ILO Conventions, the Revised European Social Charter, 13 Directives relating to the labour protection of European Union, the Document defines the basic rules and norms of the protection of safety and health of workers that complement the regulation of employment relations in the field of labour protection.

In addition to the necessity of ensuring the comprehensive legal regulation of healthy and safe working conditions, the low-level awareness of workers and employers of the safety issues is also a problem, and the knowledge about the real degree of dangers and risks threatening the safety are local and decentralised.

Though the introduction of the norms and rules presented in the Document will cause certain additional costs, based on the international practice studied by the specialists of the Ministry, the costs incurred by an employer with regard to the protection of safety and health of workers are effective and the investments made in relation thereto are twice or three less than the compensations for the damage caused by possible accidents and occupational diseases if failed to make those expenses. These results in additional costs relating to compensation of damage caused to workers and in loss of labour resources both on short-term and long-term bases. Besides, the Document defines that within one year from the moment of adoption of the Document the employers are obliged to meet the requirements stipulated by the Document.

The specified works are carried out pursuant to the Statute of the Ministry of Labour and Social Issues of the Republic of Armenia developed and approved based on the requirements of ILO Convention No 150 "On labour administration: Role, Functions, Organisation" and its Recommendation No 158.

Pursuant to the Statute of the Ministry of Labour and Social Issues of the Republic of Armenia, the development of the state labour administration policy and the implementation thereof, and the ensuring of the state supervision over the application of the legislation of the Republic of Armenia in the fields of labour and social protection are among the issues of the Ministry of Labour and Social Issues of the Republic of Armenia.

Pursuant to the Statute of the Ministry of Labour and Social Issues of the Republic of Armenia, the tasks of the Ministry include, among others, working out of proposals relating to the improvement of labour legislation and the development of social partnership in employment relations, organising their introduction and monitoring over the fulfilment, as well as exercising state supervision over the compliance of the requirements of other regulatory legal acts containing norms of labour legislation and the labour law of the Republic of Armenia.

The Law of the Republic of Armenia "On State Labour Inspectorate" has been adopted in compliance with the requirements of the Convention of the International Labour Organisation No 81 "On labour inspection in industry and commerce". Pursuant to Article 10 of the Law of the Republic of Armenia "On State Labour Inspectorate", powers of the Inspectorate include:

- exercising control and supervision over the compliance of the mandatory requirements prescribed by law for the work safety and labour protection in workplace;
- requiring the employers to undertake relevant measures to eliminate the violations and deficiencies — that may threaten the life or health of worker — having occurred in the course of organisation of work as revealed at the time of survey and (or) inspections.

The State Labour Inspectorate of the Republic of Armenia exercises, as the basic power, state control and supervision over the compliance of the requirements of the legislation of the Republic of Armenia on the protection of safety and health of workers, pursuant to Article 34 of the Labour Code of the Republic of Armenia, Articles 7, 8, 9, 10, 11, 14, 15, 21 of the Law of the Republic of Armenia "On State Labour Inspectorate". Pursuant to Articles 96.1, 230 of the Administrative Offences Code of the Republic of Armenia, the right to examination of the cases of administrative offence within the framework of the above-mentioned issues, shall be reserved to the State Labour Inspectorate of the Republic of Armenia.

Within the framework of inspection reforms being carried out at present in the Republic of Armenia, overlapping tasks, powers of public administration bodies carrying out inspections functions are excluded, clarified and institutional, functional capacities of such bodies and professional capacities of workers are strengthened. In this respect, the State Labour Inspectorate also establishes new approaches in the procedures of effective exercise of own powers stipulated by law and the international agreements ratified by the Republic of Armenia. In particular, bringing the professional potential of the workers of the State Labour Inspectorate of the Republic of Armenia in compliance with the basic powers to be exercised by the State Labour Inspectorate of the Republic of Armenia is of special importance.

In the field of ensuring safe and healthy workplaces, a strategic task of the Ministry of Labour and Social Issues of the Republic of Armenia is the continuous improvement of the labour protection at workplaces by way of providing support for introduction of norms and rules and exercising effective and comprehensive state supervision over the compliance with the requirements thereof.

Within the framework of the actions related to inspection reforms, the Ministry has elaborated the methodology of introduction of the system of organising and carrying out risk-based inspections, which will enable to reveal more dangerous workplaces from the point of view of the worker's health and safety, as well as to reduce the current risks of various employers in this respect. In particular, as a result of introduction of the specified system, the State Labour Inspectorate of the Republic of Armenia will carry out inspections and studies at high-risk organisations of the Republic and will immediately respond to the claims and alarms on the existence of serious hazards at workplace. The State Labour Inspectorate of the Republic of Armenia will be engaged not only in revealing the violations, but its activities will also be directed to issuing instructions, performing preventive actions in this field, as well as providing individual and collective professional consultations to stakeholders.

The adoption of basic rules and norms for the protection of safety and health of workers aims at ensuring the complete and effective application of health and safety requirements of the Labour Code of the Republic of Armenia, which will expectedly result in consistent reduction and prevention of accidents, especially with fatal outcome, and of occupational diseases.

The effective settlement of the issue of labour protection, as the international practice shows, ensures almost 50% reduction of accidents and occupational diseases

It is notable that though the introduction of regulations will require the employers to raise the discipline of work organisation and to have certain additional obligations, it will at the same time significantly reduce the number of industrial injuries and occupational diseases, the related risks (ecological, safe organisation of work, psychological-social) and finally will result in decrease of compensation payments made by employers for damage.

Adoption of norms and rules will promote the formation of complete regulatory framework for the protection of labour safety and health; will enable to jointly include the basic rules relating to the protection of health and safety of workers within a single legal act

Norms and rules will serve as a guideline for all employers and workers in undertaking relevant measures for the protection of labour safety and health of workers and furnishing the workplaces. These norms and rules will be binding upon all legal and natural persons pursuant to the Labour Code of the Republic of Armenia.

In the course of elaboration of the Document consultations, discussions and seminars have taken place with participation of the Republican Union of Employers, and the elaborated Document has been discussed at different levels of social partnership. Discussions resulted in the adoption and inclusion of all the recommendations and comments in the Document.

The Government of the Republic of Armenia has taken the Document for consideration and assigned the Ministry to consider the issue within the framework of the inspection reforms of the Ministry of Economy of the Republic of Armenia in the context of elaboration of the new inspection system project currently under discussion.

On 27 April 2009 National Collective Contract (the Contract) was concluded among the Government of the Republic of Armenia, the Confederation of Trade Unions of Armenia and the Republican Union of Employers of Armenia. The Contract defines additional safeguards for the regulation of social-employment relations and the joint actions of the Parties for the realisation thereof.

According to Section 5 of the Republican Collective Contract, the composition of the Republican Trilateral Commission (5 representatives for each Party) was formed and approved by the Agreement of the Parties of 9 July 2009 with a view to development of an action plan for the purpose of conducting collective bargaining at the republican level, ensuring the fulfilment of contractual obligations and the implementation of the Contract, as well as with a view to discussion of the issues emerged in the course of execution of the Contract, and submission of relevant proposals to the Parties.

The objective of the Commission is:

- to promote the achievement and development of social partnership;
- to ensure the execution of the Republican Collective Contract concluded among the Government of the Republic of Armenia, the Confederation of the Trade Unions of Armenia and the Republican Union of Employers of Armenia (hereinafter referred to as "the Parties").

The tasks of the Commission are:

- to ensure the organisation and conduct of collective bargaining at the republican level;
- to discuss the issues emerged in the course of execution of the Contract and submit proposals to the Parties;
- to provide the localisation of international practice aimed at organisation and conduct of collective bargaining in the Republic of Armenia and the provision thereof to branch and territorial bilateral commissions.

The Commission organises its activities by way of sessions that are convened on an ad-hoc basis but not less than once in each quarter. During the sessions, ongoing reforms and current issues of the field, new legislative initiatives and programmes are also discussed among other issues.

Article 12. Right to social security

With a view of ensuring the effective exercise of the right to social security, the Parties undertake:

1. to establish or maintain a system of social security;
2. to maintain the social security system at a satisfactory level at least equal to that required for ratification of European Code of Social Security;
3. to endeavour to raise progressively the system of social security to a higher level;
4. to take steps, by the conclusion of appropriate bilateral and multilateral agreements, or by other means, and subject to the conditions laid down in such agreements, in order to ensure:
 - a. equal treatment to their own nationals or the nationals of other Contracting Parties in respect of social security rights, including the retention of benefits arising out of social security legislation, regardless how the person, who receives benefits, transfers between the territories of the Contracting Parties;
 - b. the granting, maintenance and resumption of social security rights by such means as the accumulation of insurance or employment record periods completed under the legislation of each of the Contracting Parties.

Appendix to Article 12§4

The words "and subject to the conditions laid down in such agreements" in the introduction to this paragraph are taken to imply *inter alia* that with regard to benefits which are provided independently of any insurance contribution, a Contracting Party may require the completion of a prescribed period of residence before assigning such benefits to nationals of other Contracting Parties.

Article 12§1

1.

For the reporting period a number of amendments have been made to the list of legal acts regulating the social assistance sector. In particular, amendments have been made to the Law of the Republic of Armenia "On state benefits", to the Decision of the Government of the Republic of Armenia No 2317-N of 29 December 2005 "On approving the procedures for protection, change of personal data specified in Family Insecurity Evaluation Database and in Family Insecurity Evaluation System Database, as well as the procedures for personal data exchange between the Labour and Social Issues of the Republic of Armenia and the territorial agencies of social services."

Decision of the Government of the Republic of Armenia No 1864-N of 29 December 2011 "On approving the procedures for assignment and payment of state benefits and on repealing the Decision of the Government of the Republic of Armenia No 110-N of 12 January 2006 and Decision No 1861-N of 29 December 2011 "On determining amounts of state benefits for 2012" have been adopted.

Family benefit and lump sum monetary aid programme

Family benefit is intended for families. Entitlement to family benefit is determined based on indirect method of family insecurity evaluation. Pursuant to the Law of the Republic of Armenia "On state benefits" entitlement to family benefit shall be granted to the poor family whose insecurity score is higher than the marginal insecurity score. The procedure of family insecurity evaluation is approved by the Government of the Republic of Armenia. The family insecurity score is established based on a number of indicators, in particular, the social group of each member of the family (disabled person, pensioner, child, unemployed person, adult having no active work capacity, etc.), the number of family members possessing no active work capacity, the place of residence, housing conditions, average annual income of the family, etc., totally 12 factors.

It is worth mentioning that the social groups of half-orphans (one of the parents is deceased), children of single mothers (under the care of a single woman) are also included within the social groups of each family member and the insecurity score of such groups is higher, as distinct from a child not included in any other social group. This means that families, where there are children included in the mentioned social groups, will have a higher insecurity score or under equal conditions will enjoy the entitlement to family benefit or will receive higher amount of family benefit.

The minimum level for assigning a family benefit is — in case the marginal insecurity score determined by the Government of the Republic of Armenia is attained (in the size of base amount) — the assignment of the benefit for maximum 12 months and the payment of the benefit is prolonged after the expiry of the specified time limit, where, during the month following it, the family again submits the necessary documents. Until the expiry of the prescribed time limit the family benefit may be terminated in case the grounds necessary for assignment of benefit have been eliminated (insecurity score decreased due to a change in the family, non-reliable information submitted by the family revealed, dual registration of a family member in

another place of residence, etc.) Family benefit shall be assigned from the month following the submission by the family of all required documents.

Each year the Government of the Republic of Armenia determines the marginal score for receiving family benefit, the size of the benefit base amount and supplements allocated to children. Amendments made by years are presented in Table 1.

Table 1. Amendments made to the family benefit system

		2008	2009	2010	2011	2012	
Marginal score		30.00	30.00	30.00	30.00	30.00	
Benefit base portion		8000	10000	10000	13500	16000	
Benefit base portion since 1 May 2012				13500			
Supplements allocated to each member under 18	Distinction						
	30.01-35.00		5000	5500	5500	5500	5500
		in case of 4 and more juveniles (family with dependent children)	6000	6500	6500	6500	6500
		h/m and b/l settlements	5500	6000	6000	6000	6000
		family with dependent children at h/m and b/l settlements	6500	7000	7000	7000	7000
	35.01-39.00		5500	6000	6000	6000	6000
		family with dependent children	6500	7000	7000	7000	7000
		h/m and b/l settlements	6000	6500	6500	6500	6500
		family with dependent children at h/m and b/l settlements	7000	7500	7500	7500	7500
	39.01 and more		6000	6500	6500	6500	6500
		family with dependent children	7000	7500	7500	7500	7500
		h/m and b/l settlements	6500	7000	7000	7000	7000

		family with dependent children at h/m and b/l settlements	7500	8000	8000	8000	8000
Urgent aid			8000	10000	10000	13500	16000
Urgent aid since 1 May 2010					13500	13500	
Lump sum monetary aid, including for:							
child's birth			35000	50000	50000	50000	50000
third and next child born to the family			300000	50000			
admission to first grade			20000	25000	25000	25000	25000
pertaining to the death of a family member			50000	50000	50000	50000	50000
financial means/bln AMD			29.388	32.324	31.022	35.497	37.146
average benefit			21100	23560	23350	26850	29350
average benefit since 1 May 2011					26850	26850	
families receiving benefit (estimated number)			120000	114000	110700	110159	104800
families receiving benefit (actual number)			121160	107492	105005	91575	

Financial means envisaged for family benefit will continuously be forwarded to poorer families, especially to families with children and, in particular, to those with dependent children, taking into account the place of residence of the family — highland or borderline settlements.

Figures stated in Table 2 come to prove the fact of poverty reduction in the country, the higher level of awareness of the families who apply for a benefit, and of directing of the State Budget resources of the Republic of Armenia to families with children.

Table 2. Family benefit programme 2003-2011 in the Republic of Armenia

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Registered families (% from among the RA families)	28.37	26.96	25.42	23.81	22.14	21.54	19.16	17.11	14.91

Families receiving benefit (% from among the registered families)	67.84	63.88	64.81	72.25	72.29	73.25	73.4	78.77	78.94
Families receiving benefit	141218	134224	127167	130190	124689	121160	107493	105005	91575
Families receiving benefit (% from among the RA families)	18.39	17.48	16.56	16.95	16.24	15.77	14.0	13.50	11.77
Families with children (% from among the families receiving benefit)	63.5	65.56	69.29	72.20	75.90	76.34	81.19	78.28	78.07
Resources envisaged by the RA State Budget (bln)	12.75	16.0	20.0	24.0	26.407	29.388	32.324	31.022	35.497
Average amount of benefit	7200	9000	12300	15000	17500	21100	23560	26850	26850

Child care benefit for a child under 2

Pursuant to the Law of the Republic of Armenia "On state benefits" entitlement to receive child care benefit for a child under 2 (hereinafter referred to as "the child care benefit") shall be granted to a parent or a single parent or adopter or guardian of a child under 3 (hereinafter referred to as "the parent") who is on leave for taking care of a child under 3, as prescribed by the Labour Code of the Republic of Armenia, until the child attains the age of 2. The entitlement to receive child care benefit shall arise for a parent from the month mentioned in the legal act by the relevant employer (in case of being concurrently employed elsewhere - the employers, hereinafter referred to as "the employer") on staying on a leave for taking care of a child under 3. Child care benefit shall be assigned for each child under 2.

Since 2009 the child care benefit has amounted to 18 000 AMD. The significant increase of the amount of benefit — to 59.0% in 2009 as against the previous year, for almost 8% in 2010 and for 9.5% in 2011 — is conditioned by such increase of the number of families receiving benefit. Financial means allocated to payment of benefits have increased more abruptly — around 11.7 times in 2010 as compared to 2008 and around 13.8% in 2011 as compared to 2010.

Lump sum benefit for childbirth

Pursuant to the Law of the Republic of Armenia "On state benefits" the lump sum benefit for childbirth shall be assigned for each child born, the entitlement to which shall be granted to one of the parents of the child or the adopter of the child or the guardian of the child. Lump sum benefit for childbirth shall be assigned in case a parent or the guardian of the child has

applied therefor within 12 months after the day of birth of the child. The amount of lump sum benefit for childbirth is differentiated based on the subsequent number of the child born to the family.

Since 2009 distinct approach has been applied to the assignment of lump sum benefit for childbirth. Benefit for the first or the second child born to the family amounts to 50 000 AMD, and for the third and for each next child it amounts to 430 000 AMD. The stated policy will expectedly promote the growth of birth rate and will have a positive impact on demographic indicators. The number of persons (per years) having received benefit in the event of childbirth is presented below.

Table 3. Number of persons having received lump sum benefit in the event of childbirth for 2003-2011

Years	2003	2004	2005	2006	2007	2008	2009	2010	2011
Children born in RA	35793	37520	37499	37639	40105	41185	44466	44810	43447
Persons receiving benefit	28884	30283	25237	29201	38801	38303	45823	43033	32486
Among them, for the third and for the next child							6947	6662	6238

Table 4. Amounts of lump sum benefit for childbirth, amounts of benefits for care of a child under 2 in 2008-2010

Benefit type	2008	2009	2010	2011
Amount of lump sum benefit for childbirth (first and second child born to the family) (AMD)	35000	50000	50000	50000
For the third and for each next child born to the family (AMD)	300000 *	430000	430000	430000
RA State Budget (AMD) - lump sum benefit for childbirth	1.291.660.000	4.077.591.0	4.276.057.000	4.675.020.000
Child care benefit	3000	18000	18000	18000
RA State Budget (AMD) - benefit for care of a child under 2	219.807.1	1.295.998.0	1.740.528.0	2.340.000.0

* In 2008 the lump sum monetary aid (300 000 AMD) payable to the third or the next child born to the family was provided only to poor families (a family with insecurity score higher than "0", registered in the Family Insecurity Evaluation System).

The Protocol Decision of the Sitting of the Government of the Republic of Armenia No 23 of 17 June 2010 approved the "Schedule of actions for raising information collection effectiveness in the system of state benefits" whereby a series of actions for improvement of administrative action were carried out for the purpose of ensuring the project targeting and raising the effectiveness of the system operations. Such actions will continue in 2011-2012 and during this period it is expected to provide through the updated information systems placed in Social Service Territorial Bodies (SSTB) online activities among the local population register, the subdivisions of the State Committee of the Real Estate Cadastre and those bodies wherefrom information is received to determine the insecurity score of the family applying or to recognise the right to another type of benefit. The stated action will raise the effectiveness of state benefit assignment and payment operation, minimise the partiality in the process of recognition of the right to any type of benefit, as well as will reduce corruption risks.

Housing benefit

Housing benefit project was proposed by the Protocol Decision of the Sitting of the Government of the Republic of Armenia No 38 of 29 September 2011 "On approving the five-year strategic programme for management, maintenance and operation of multi-apartment housing fund of the Republic of Armenia".

State subsidy will be directed to the introduction of the system of benefits granted to socially insecure families for the purpose of maintenance of housing fund from 2015.

In this respect by the application for the Medium Term Expenditure Programme of 2013-2015, the introduction of a new type of state benefit, i.e. a housing benefit, has been proposed that will be directed to the partial compensation of the maintenance fee for shared ownership of multi-apartment buildings.

Average monthly amount of the housing benefit is envisaged to determine based on the effect of a number of factors, that will be conditioned in particular with the housing fund maintenance fee defined for the given year by the given community, the real estate value, the geographical location of the community, the local budget capacities, taking into account the insecurity level of the given family (paying capacity). Based on the family insecurity level, benefit amount may become equal to 50% to 100% of the maintenance fee.

The right to housing benefit will be recognised by the family insecurity level, based on the Family Insecurity Evaluation System functioning in the Republic. The housing benefit assignment and payment process will be organised by the territorial bodies providing social services.

Taking into account the findings of the Annual Integrated Living Conditions Survey of the National Statistical Service of the Republic of Armenia families with 3 and more children under 14, as well as families residing at highland and borderline settlements are deemed as poorer, target policy has been implemented with regard to them by the Family Insecurity Evaluation (family benefit) System.

In particular, pursuant to Article 20(1) and (2) of the Law of the Republic of Armenia "On state benefits", the amount of family benefit shall be determined by adding the supplement given for each family member under 18 residing in the actual place of residence of the family to the base amount of the family benefit. The amount of supplement allocated for the family member of under 18 shall be differentiated based on the family insecurity level, the place of residence, the number of family members under 18 (in the event of 4 and more children). Moreover, the greater the number of members under 18 in the family, the higher is the family insecurity score, i.e., the family is considered as an insecure family.

Integrated social services

The "Concept on organising the process of provision of integrated social services" was approved by the Protocol Decision of the Sitting of the Government of the Republic of Armenia No 21 of 3 June 2010. Provision of integrated social services is a means to raise the quality, accessibility of social services, to ensure its customer-oriented nature, to raise the effectiveness of their evaluation and monitoring, as well as that of the entire process.

The provisions defined by the "Concept on organising the process of provision of integrated social services" envisage various forms of integration, in particular "One-stop-shop service", "integration of information and communication technologies", *etc.* Currently, social services are mainly provided through paperwork failing to emphasise the real needs of a citizen (of family) and to elaborate and implement an individual social project (conducting a social case), to completely meet as far as possible such needs for either objective or subjective reasons. Social services are provided by various organisations, often with non-cooperation, sometimes overlapping each other.

The Protocol Decision of the Sitting of the Government of the Republic of Armenia No 11 of 24 March 2011 has approved the action plan-schedule for introducing a system of providing social services, which envisaged the works of analysis of the system of current social services, as well as the implementation of the pilot project of providing integrated social services. It has been implemented in the territories of Vanadzor of Lori Marz, Charentsavan of Kotayk Marz, Ijevan of Tavush Marz, Masis of Ararat Marz of the Republic of Armenia and administrative region of Erebuni of Yerevan. Trainings on "Conducting a social case" have been organised for social workers included in the pilot project which have served as a basis for the implementation of the pilot project. The pilot project has been carried out with the support of the United Nations' Children's Fund.

The works provided for by the actions included in the schedule have assisted to identify the overlapping social services, the lacks thereof, to work out relevant recommendations and submit to the professional working group which will submit appropriate draft legal acts to the consideration of the Government of the Republic of Armenia. Actions included in the schedule relate to all directions of the works required for introduction of the system of providing integrated social services — creation of legal underpinnings, integration of information system, ensuring the professional qualification of the staff, organisational and awareness related issues.

"Conceptual approaches on the structural and functional model of the common integrated social services system" was approved by the Protocol Decision of the Sitting of the Government of the Republic of Armenia No 50 of 23 December 2010.

The structural and functional draft model of the common integrated social services system is elaborated with the support of the World Bank and is still ongoing.

The Protocol Decision "On approving the locations and conditions of the buildings (premises), including of uniform reception-rooms, necessary for the provision of integrated social services" was adopted by the Protocol Decision of the Sitting of the Government of the Republic of Armenia No 29 of 28 July 2011. Technical and material equipment, renovation works of uniform reception-rooms are carried out.

The process of transferring to the specified system lasts rather long; it should be carried out gradually and it relates to various branches of managements sector. To introduce the system it is necessary to carry out large-scale law-making activities, to clarify the scope of powers of each branch, as well as to mark the borders of joint activities, to work out mechanisms, the regulations thereof.

The expected results of the introduction of the new system are as follows:

- affordable access of citizens to social services;
- new service quality for citizens;
- management of social services;
- rapid data exchange;
- reduction of counterfeiting and corruption;
- trained staff;
- ensuring access of citizens to information;
- raising computer literacy of citizens;
- developing the electronic management system in the field of social protection;
- raising the effectiveness of the management system in the field of social protection.

At the same time, referring to the issue posted by the European Committee for Social Rights, we inform that state guaranteed medical aid and services are provided in the prescribed manner irrespective of employment relations.

2.

As a result of legislative amendments — which entered into force in the Republic of Armenia on 1 January 2008 — the mandatory social insurance payment transformed into mandatory social security payment to be paid to the State Budget of the Republic of Armenia. The mandatory social insurance budget was abolished and the State Social Insurance Fund of the Republic of Armenia was reorganised into State Social Security Service of the Republic of Armenia. Mandatory social security payments are effected by:

- (1) employers;
- (2) hired employees;
- (3) individual entrepreneurs, notaries;

Within the framework of the mentioned amendments the system of mandatory social insurance in the Republic of Armenia was abolished per se, whereas the pensions and the benefits for temporary incapacity for work started to be financed (paid) from the overall revenues of the State Budget of the Republic of Armenia.

Within the framework of the mentioned amendments the Law of the Republic of Armenia “On temporary incapacity benefits” entered into force on 1 December 2010.

According to the Law of the Republic of Armenia “On temporary incapacity benefits” the salary (income) lost due to temporary incapacity for work is reimbursed by means of temporary incapacity benefits.

The following types of temporary incapacity benefits are defined:

- (1) benefit granted in case of temporary incapacity for work due to sickness (injury) (sickness benefit);
- (2) benefit granted in case of temporary incapacity for work due to prosthetics (prosthetics benefit);
- (3) benefit granted in case of temporary incapacity for work due to necessity of sanatorium treatment (sanatorium treatment benefit);
- (4) benefit granted in case of temporary incapacity for work due to maternity and child delivery (maternity and child delivery benefit);
- (5) benefit granted in case of temporary incapacity for work due to necessity arisen for taking care of a family member as a result of sickness (injury) thereof (family member care benefit).

Temporary incapacity benefits continue to be benefits based on payments. A person is entitled to receive a benefit in case of having fulfilled requirements defined by the law and having effected mandatory social security payments in amount and procedure defined by the law. The following persons are entitled to temporary incapacity benefit:

- (1) natural persons (hired employees) in employment relations with the employers;
- (2) individual entrepreneurs, notaries.

Temporary incapacity benefits are granted if the right to receive the benefits have arisen during the period of being in employment relations or carrying out entrepreneurial activities or holding the office of notary.

The temporary incapacity benefit to be granted to a hired employee is calculated and paid by the employer.

The temporary incapacity benefit — to be granted to an individual entrepreneur and notary — is calculated and paid by the State Social Security Service.

With the exception of maternity and child delivery benefit no benefit is paid for the first day of temporary incapacity for work of the hired employee, for the two preceding days the benefit is paid by the employer from his\her funds and after that the benefit is paid from the state budget of the Republic of Armenia.

Temporary incapacity benefit is calculated on the basis of the average monthly salary (income).

The average monthly salary of a hired employee is calculated by means of dividing the income, paid by the employer to the hired employee for the subsequent twelve calendar months preceding the month when temporary incapacity for work arose, into twelve.

The average monthly income of individual entrepreneurs and notaries is calculated by means of dividing the income subject to calculation of social payments defined by the law for the preceding year, into twelve.

If the average monthly salary (income) calculated in the manner prescribed by the law is less in amount than the minimum monthly salary, then the benefit is calculated on the basis of the minimum monthly salary.

No maximum amount of benefit is directly or indirectly applicable for the hired employees.

A maximum amount of benefit is indirectly applicable for individual entrepreneurs and notaries if the amount of average monthly salary calculated in the manner prescribed by the law exceeds the five-fold of the minimum monthly salary, the benefit is calculated on the basis of the five-fold amount of the minimum monthly salary.

The temporary incapacity benefit is paid for the working days of the period certified by the certificate of temporary incapacity for work.

A hired employee is granted a sickness benefit for the working days of the period of temporary incapacity for work certified by the certificate of temporary incapacity for work, starting from the second working day till the determination of the disability group or review thereof (with the maximum period of 6 months) by the state competent authority carrying out medical and social expertise.

A hired employee or a notary is granted a sickness benefit for the period of treatment at an in-patient medical establishment, but for a period of no more than 60 calendar days during one calendar year.

Maximum periods are also defined for the family member care benefit: 7 calendar days, in case an ill adult family member needs an out-patient care and 24 calendar days, in case a child needs an out-patient care.

The maternity and child delivery benefit is paid for the period of maternity and child delivery leave defined by the Labour Code of the Republic of Armenia (140 days, 155 days in case of complicated child delivery and 180 days in case of delivery of more than one child).

Foreign citizens and stateless persons enjoy equal rights in regard to temporary incapacity benefit with the citizens of the Republic of Armenia.

The relations pertaining to granting and paying the temporary incapacity benefit are regulated by the Law of the Republic of Armenia "On temporary incapacity benefits" and the Decision of the Government of the Republic of Armenia No 1024-N of 14 July 2011.

Article 12§3

1.

The National Assembly adopted laws ensuring the implementation of pension reforms on 22 December 2010.

Within the framework of pension reforms it is envisaged to introduce a multilevel pension system instead of the existing pension system being funded from one source (the State Budget of the Republic of Armenia), which shall include:

- (1) state pension security (levels "0" and "1");
- (2) mandatory funded pension component (level "2");
- (3) voluntary funded pension component (level "3");

The relations pertaining to the management and financing of state pension security are regulated, the types of state pensions, the conditions and procedures for calculating (recalculating), granting and paying pensions are defined by the Law of the Republic of Armenia "On state pensions" (having entered into force since 1 January 2011).

The following types of state pensions are defined by the Law:

- (1) **labour**: old age, privileged, long service, disability, survivor's, partial;
- (2) **military**: long service, disability, survivor's;
- (3) **social**: old age, disability, survivor's.

Labour pension is granted to persons having the required length of service defined by the Law.

An old age **labour pension** is granted to persons having reached the age of 63.

A privileged **labour pension** is granted to persons having reached the age of 55 and having worked under particularly hazardous, particularly heavy conditions, as well as to persons having reached the age of 59 and having worked under hazardous, heavy conditions.

Long service **labour pension** is granted to the members of flight commands of civil aviation upon reaching the age of 45, the flight operators (dispatchers) of air traffic control staff upon reaching the age of 50 and the employees of engineering-technical service upon reaching the age of 55.

Disability **labour pension** is granted to a person, who has been recognized as a person with disability by the state competent body carrying out medical and social expertise.

Survivor's **labour pension** is granted to the following members of the deceased person:

- (1) a child under the age of 18;
- (b) brother, sister and grandchild under the age of 18, provided their parents have a 3rd category limitation of work capacity;

(3) a disabled child aged 18 or above, provided the reason of his/her disability is an illness dating back to his/ her childhood and he or she has been recognised as disabled before reaching the age of 18 and has a 3rd category limitation of work capacity;

(4) parents, spouse having reached the age entitling them to a pension or having been recognised as disabled, provided they are not employed;

(5) spouse or any other adult having work capacity member of the family or a person recognised as custodian in the manner prescribed by the law, regardless of his/her age, provided he/she is the caretaker of the deceased breadwinner's child, brother, sister or grandchild;

(6) grandparents having reached the age entitling them to a pension, provided they are not employed and have no children or their children have a 3rd category limitation of work capacity.

Partial **labour pension** shall be granted to persons employed in the education sector, certain categories of workers of culture upon reaching the age of 55 and certain categories of actors of theatrical and theatrical and show organisations upon reaching the age of 50.

The Lists 1 and 2 of professions and positions entitling to a partial pension and industries, activities, professions, positions and indicators entitling to a privileged pension shall be approved by the Government of the Republic of Armenia.

Military pensions are granted to military servants (persons equalised to them) and the members of their families.

Old age social pension is granted to persons lacking adequate length of service upon reaching the age of 65.

Disability social pension is granted to persons having been recognised as persons with disability by the state competent authority carrying out medical and social expertise, in case they lack an adequate length of service, as well as to those having been recognised as a disabled child.

Survivor's social pension is granted to the family members of the deceased breadwinner, if he or she lacked an adequate length of service as of the time of his or her death.

Labour pension is calculated in accordance with the following formula:

$$P=B+(N \times V) \times C, \text{ where:}$$

P is the monthly pension amount;

B is the basic pension amount;

N is the years of service;

V is the service value per year;

C is the personal coefficient of the pensioner.

The personal coefficient of a pensioner is calculated in accordance with the following formulas:

(1) for years of service up to 25 years (inclusive): $C=0.04 \times N$;

(2) for years of service of over 25 years: $C=1+0.02 \times (N-25)$.

The basic pension is calculated as follows when calculating the amount of disability labour pension:

(1) 140 percent of the basic pension for the first severity group;

(2) 120 percent of the basic pension for the second severity group;

(3) 100 percent of the basic pension for the third severity group.

Survivor's labour pension is calculated by adding an amount equal to 40 percent of the labour portion of the calculated (implied) pension of the deceased breadwinner to the amount of the basic pension.

The amount of survivor's labour pension for each child under the age of 18 (child aged 18 to 23 years engaged in full-time instruction) who has lost both parents is calculated by adding an amount equal to 40 percent of the labour portion of the calculated (implied) pension for each deceased parent to the five-fold amount of the basic pension.

The amount of basic pension and the value per year of length of service shall be defined by the Government of the Republic of Armenia (accordingly AMD 13000 and AMD 450 starting from 1 January 2012).

Old age social pension is calculated at the amount equal to 100 percent of the basic pension.

The amount of **disability social pension** is calculated at:

(1) 140 percent of the basic pension for persons belonging to the first group of disability and those recognised as disabled child;

(2) 120 percent of the basic pension for persons belonging to the second group of disability;

(3) 100 percent of the basic pension for persons belonging to the third group of disability.

The amount of the **survivor's social pension** granted to each family member, entitled to that pension, is calculated at the amount of the basic pension.

The amount of survivor's social pension for each child under the age of 18 (child aged 18 to 23 years engaged in full-time instruction) who has lost both parents shall be calculated at the five-fold amount of the basic pension.

The relations pertaining to mandatory funded pension insurance are regulated by the Law of the Republic of Armenia "On funded pensions".

Mandatory funded component is envisaged to be introduced starting from 1 January 2014.

The following persons who were born on 1 January 1974 and after shall participate on a mandatory basis in the mandatory funded component:

(a) hired employees;

(b) notaries;

(c) individual entrepreneurs.

Persons of the above-mentioned categories, as well as self-employed persons, irrespective of their age, born prior to 1 January 1974 may participate on voluntary basis in the mandatory funded component.

The participants of the mandatory funded component make mandatory funded contributions.

The amount of funded contribution to be made by mandatory participants of the mandatory funded component (persons born on 1 January 1974 and after) is defined 10 percent of the incomes the half of which but no more than AMD 25 000 is paid by the State.

The amount of funded contribution to be made by voluntary participants of the mandatory funded component (persons born prior to 1 January 1974, as well as self-employed persons) is defined 5 percent of the incomes without state participation.

The collection of mandatory funded contributions and transferring thereof to the participant' pension accounts shall be ensured by the tax authority.

The tax system shall also undergo some changes within the framework of the reforms. Particularly, the income tax and the mandatory social security payment are envisaged to be combined under a single unified framework of income tax starting from 1 January 2013.

The income tax tariff is defined 24.4% in case of AMD 120 000 and 26% in case of an amount exceeding AMD 120 000.

The following types of funded pensions are envisaged by the Law:

(1) annuities;

(2) programmed withdrawals;

(3) lump sum payments.

The type and the amount of funded pension are determined based on the funds available in the pension account of a participant and the period of payment of funded pensions by using the universal mortality tables.

Funded contributions made are considered to be the ownership of the participant and may be inherited.

2.

In the Republic of Armenia the issues of compensation of harm to life or to health of an employee caused as a result of accidents in workplace and as a result of occupational diseases are regulated by the provisions of Chapter 60 of the Civil Code of the Republic of Armenia.

According to Article 1086 of the Civil Code of the Republic of Armenia in case of reorganisation of a legal person recognised by the established procedure as liable for the harm caused to the life or health, the duty for making of the respective payments is borne by its legal successor. Claims for compensation of harm are made against it.

In case of liquidation of a legal person recognised by the established procedure as liable for the harm caused to life or health, the respective payments must be capitalised for their payment to the victim according to the rules established by a statute or other legal acts.

In case there are no legal successors, no organisation is provided for by the Civil Code of the Republic of Armenia to bear the duty for compensation of harm.

For regulation of the issue a draft concept paper has been developed "On introducing a system of mandatory insurance against work accidents and occupational diseases in the Republic of Armenia", which is under consideration. The concept paper has also been considered at different levels of social partnership.

Article 13. Right to social and medical assistance

With a view to ensuring the effective exercise of the right to social and medical assistance, the Parties undertake:

1. to ensure that any person who is without adequate resources and who is unable to secure such resources either by his own efforts or from other sources, in particular by benefits under a social security scheme, be provided with adequate assistance, and, in case of sickness, with care necessitated by his condition;

2. to ensure that persons receiving such assistance shall not, for that reason, suffer from a diminution of their political or social rights;

3. to provide that everyone may receive by appropriate public or private services such advice and personal help as may be required to prevent, to remove, or to alleviate personal or family want;

4. to apply the provisions referred to in paragraphs 1, 2 and 3 of this Article on an equal footing with their nationals to nationals of other Parties lawfully residing or permanently working within their territories, in accordance with their obligations undertaken under the European Convention on Social and Medical Assistance, signed at Paris on 11 December 1953.

Appendix to Article 13§4

Governments not Parties to the European Convention on Social and Medical Assistance may ratify the Charter in respect of this paragraph provided that they grant to nationals of other Parties a treatment which is in conformity with the provisions of the mentioned convention.

Article 13§1

The Government of the Republic of Armenia adopted the Decision No 318-N "On free medical assistance and service guaranteed by the state" on 4 March 2004. Particularly, primary health care services, in-patient medical assistance services in case of diseases of social origin (onco-hematological, antituberculous, obstetric aid and etc.) are entirely free for the whole population of the Republic of Armenia irrespective of their social status. The in-patient medical assistance services for the persons included in "socially insecure and separate (special) groups" approved by the Decision of the Government of the Republic of Armenia No 318-N "On free medical assistance and service guaranteed by the state" on 4 March 2004, as well as the medical assistance services for persons with diseases, requiring rehabilitation measures and intensive therapy, and in conditions from the list approved by the Order of the Minister of Healthcare of the Republic of Armenia are also free of charge.

In-patient medical assistance services are provided, on privileged conditions and with the use of co-payment principle, to persons suffering from diseases included in the list of "Diseases and conditions requiring urgent medical assistance" approved by the Order of the Minister of Healthcare of the Republic of Armenia in the procedure approved by the Decision of the Government of the Republic of Armenia No 318-N of 4 March 2004.

According to the special procedure approved by the Decision of the Government of the Republic of Armenia No 318-N of 4 March 2004 persons not included in specifically defined (special) groups in case of availability of special medical prescriptions and on the basis of the medical conclusion given by the relevant medical practitioners may also be provided with free medical assistance:

(1) on the basis of a referral granted by the Minister of Healthcare in organisations implementing state-provided funds and functioning in the territory of the Republic of Armenia within the limits of the amount, set for the given programme for each of the organisations, defined in the contract on provision of medical assistance;

(2) on the basis of a referral granted by the Minister of Labour and Social Issues of the Republic of Armenia in the organisations implementing state-provided funds and subordinating to the Ministry within the limits of the amount, set for the given programme for each of the organisation, defined in the contract on provision of medical assistance;

(3) on the basis of a referral granted by the Mayor of Yerevan city and Marzpets of the Republic of Armenia in organisations implementing state-provided funds and functioning in the given territory within the limits of 5 percent of the

amount, set for the given programme for each of the organisation, defined in the contract on provision of medical assistance and on the basis of the medical conclusion of a medical board headed by the head or the deputy head of the organisation implementing state-provided funds within the limits of 4 percent of the amount, set for the given programme for each of the organisations, defined in the contract on provision of medical assistance.

According to the Law of the Republic of Armenia "On social assistance" the citizens may appeal the action or inaction of the territorial body providing social services to the head of the territorial body providing social assistance, state authorised body and (or) the court. And according to the same Law the customers may appeal as prescribed by legislation in case of violation of their rights.

According to the Law of the Republic of Armenia "On fundamentals of administrative action and administrative proceedings" for the purpose of protection of their rights persons have the right to appeal the administrative acts, the action or inaction of the administrative body.

The main types of social services, including consultancy and legal assistance are defined by the Law of the Republic of Armenia "On social assistance".

Consultancy assistance is provided to the citizens found in difficult life situations in the form of information on receiving adequate social services, as well as advices and recommendations about finding means and ways for solution of their social problems.

Legal assistance is a legal consultancy provided within the competence of an organisation providing social services to citizens found in difficult life situations, as well as an advocacy assistance organisation for the purpose of protection of their rights and legal interests.

In accordance with the Law of the Republic of Armenia "On social assistance" citizens of the Republic of Armenia, foreign nationals, stateless persons with a residency status in the Republic of Armenia, as well as persons with the status of a refugee in the Republic of Armenia are entitled to state benefits and social assistance, in case there are legal grounds for that.

Foreign citizens legally residing in the Republic of Armenia shall also enjoy equal rights with the citizens of the Republic of Armenia in case of facing the need for social assistance provided they fulfil the requirements defined by the law.

Touching upon the conclusion of the Committee on inadequacy, according to which the amount of social assistance being provided to a single person is inadequate, we hereby inform that since 2008 a provision has been defined for single pensioners without heirs the right to benefit of which is unconditionally recognised, unless the family insecurity scores are equal to zero based on their income or other reasons. The insecurity scores become equal to zero if the income of a single pensioner without heirs exceeds AMD 30 000, whereas it was AMD 41 000 in 2011.

Article 13§2

According to Article 14.1 of the Constitution of the Republic of Armenia all human beings shall be equal before the law.

Discrimination based on sex, race, skin colour, ethnic or social origin, genetic features, language, religion, ideology, political or other views, membership to a national minority, property status, birth, disability, age, or other personal or social circumstances shall be prohibited. And according to Article 37 everyone shall have the right to social security in cases of old-age, disability, sickness, loss of breadwinner, unemployment and other cases provided for by law.

Article 14. Right to benefit from social security services

With a view to ensuring the effective exercise of the right to benefit from social security services, the Parties undertake:

1. to promote or provide services which, by using methods of social work, would contribute to the welfare and development of both individuals and groups in the community, and to their adjustment to the social environment;
2. to encourage the participation of individuals and voluntary or other organisations in the establishment and maintenance of such services.

Article 14§2

The introduction of integrated social services system is intended to involve partners cooperating in the process of integration through the network of individual social service provision, which will be aimed at provision of improved services to the customers.

The "Programme-schedule for the measures of introducing the system of integrated social service provision" has been approved by the Protocol Decision of the Government of the Republic of Armenia No 11 of 2 March 2011 according to which it is intended to develop a social network of cooperation with non-governmental organisations functioning in the sector and to conclude memorandums of understanding on cooperation among those organisations.